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S. HRG. 111–100, PT. 1

DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 2010

HEARINGS

BEFORE THE

COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

ON

S. 1390

TO AUTHORIZE APPROPRIATIONS FOR FISCAL YEAR 2010 FOR MILITARY ACTIVITIES OF THE DEPARTMENT OF DEFENSE, FOR MILITARY CONSTRUCTION, AND FOR DEFENSE ACTIVITIES OF THE DEPARTMENT OF ENERGY, TO PRESCRIBE PERSONNEL STRENGTHS FOR SUCH FISCAL YEAR, AND FOR OTHER PURPOSES

PART 1

U.S. SOUTHERN COMMAND, U.S. NORTHERN COMMAND, U.S. AFRICA COMMAND, AND U.S. TRANSPORTATION COMMAND
U.S. PACIFIC COMMAND, U.S. STRATEGIC COMMAND, AND U.S. FORCES KOREA
U.S. EUROPEAN COMMAND AND U.S. JOINT FORCES COMMAND
MILITARY POSTURE
DEPARTMENT OF THE ARMY
DEPARTMENT OF THE AIR FORCE
DEPARTMENT OF THE NAVY
BALLISTIC MISSILE DEFENSE PROGRAMS

MARCH 17, 19, 24; MAY 14, 19, 21; JUNE 4, 16, 2009

Printed for the use of the Committee on Armed Services

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DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 2010

TUESDAY, MARCH 17, 2009

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

UNITED STATES SOUTHERN COMMAND, UNITED STATES NORTHERN COMMAND, UNITED STATES AFRICA COMMAND, AND UNITED STATES TRANSPORTATION COMMAND

The committee met, pursuant to notice, at 10:02 a.m. in room SH–216, Hart Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Lieberman, Reed, Bill Nelson, E. Benjamin Nelson, Webb, McCaskill, Hagan, Begich, Burris, McCain, Inhofe, Sessions, Chambliss, Thune, Martinez, Wicker, Burr, and Collins.

Committee staff members present: Richard D. DeBobes, staff director; and Leah C. Brewer, nominations and hearings clerk.

Majority staff members present: Richard W. Fieldhouse, professional staff member; Creighton Greene, professional staff member; Michael J. Kuiken, professional staff member; Thomas K. McConnell, professional staff member; Michael J. Noblet, professional staff member; and William K. Sutey, professional staff member.

Minority staff members present: Joseph W. Bowab, Republican staff director; Richard H. Fontaine, Jr., deputy Republican staff director; Daniel A. Lerner, professional staff member; David M. Morriss, minority counsel; Lucian L. Niemeyer, professional staff member; Christopher J. Paul, professional staff member; and Dana W. White, professional staff member.

Staff assistants present: Kevin A. Cronin, Christine G. Lang, and Brian F. Sebold.

Committee members' assistants present: Jay Maroney and Sharon L. Waxman, assistants to Senator Kennedy; Elizabeth King, assistant to Reed; Christopher Caple, assistant to Senator Bill Nelson; Jon Davey, assistant to Senator Bayh; Gordon I. Peterson, assistant to Senator Webb; Julie Hotzhuefer, assistant to Senator Hagan; Brady King, assistant to Senator Burris; Anthony J. Lazarski, assistant to Senator Inhofe; Sandra Luff, assistant to Senator Sessions; Clyde A. Taylor IV, assistant to Senator Chambliss; Jason Van Beek, assistant to Senator Thune; Brian W.

Walsh and Erskine W. Wells III, assistants to Senator Martinez; and Kevin Kane, assistant to Senator Collins.

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good morning, everybody. Today we have before our committee four of our combatant commanders for our annual posture review to discuss the issues and challenges confronting each of them. We welcome our witnesses today. Admiral Jim Stavridis is the Commander of the U.S. Southern Command (SOUTHCOM), and General Gene Renuart, the Commander of the U.S. Northern Command (NORTHCOM) and North American Aerospace Defense Command (NORAD). We're joined also, of course, by General Kip Ward, Commander of the U.S. Africa Command (AFRICOM), and General Duncan McNabb, Commander of the U.S. Transportation Command (TRANSCOM).

Let me first express on behalf of our entire committee our gratitude for your service and for the service of the men and women that you lead. I hope, and I know all of us feel the same way, that you will express to them our enormous respect and appreciation for their dedication to our Nation and for the many sacrifices that they are willing to make on behalf of their fellow citizens.

The issues before the committee this morning run the gamut from transportation and supply routes to support U.S. and North Atlantic Treaty Organization (NATO) forces in Afghanistan and around the world, to the threat posed by narcotics trade within our hemisphere, to the defense of our homeland, to how to best engage nations in Africa as they confront threats from non-state actors and the regional implications of failed or failing states.

Admiral Stavridis, the challenges that we face in our own hemisphere are complex. The drug trade in South and Central America is booming and the violence associated with the drug trade is migrating northward. President Chavez continues to work to undermine U.S. interests in the region and to do everything possible to maintain his own power. Yet we continue to rely on his country for much of our Nation's petroleum. We're also confronted with Iran's nascent and growing interest in the region.

Your command has also seen gains over the past few years. Plan Colombia has enabled the Colombian Government to expand security and government services to the farthest reaches of Colombia.

General Renuart, the brutal violence that we see in Mexico today reminds us of the situation that Colombia faced a decade ago. Nearly every week we hear a report of a senior official in Mexico being killed in a brazen attack. The root cause of the violence in Mexico is the same as in Colombia: criminal organizations using any means necessary to traffic illegal narcotics for enormous financial gain. The origin of these narcotics remains Colombia mainly, but the problems created from this trafficking run from Lima to Tijuana and America's southern border and northward. Governors from our southern border States are calling on the Federal Government to send troops to help defend against the possibility of this violence entering American communities.

Following a trip to Mexico earlier this month, Admiral Mullen talked about a "shared responsibility" for the cause of the crisis and said the United States had a shared responsibility to clean it

up as well. We will be interested to hear how NORTHCOM is working with the Mexican military to help address this violence and how NORTHCOM and SOUTHCOM are working together along the seam of their respective commands to mitigate and deconflict our assistance programs.

NORTHCOM also has the responsibility for operating the Ground-based Midcourse Defense (GMD) missile defense system deployed to defend the United States against a potential ballistic missile attack from North Korea. The Pentagon's Director of Operational Test and Evaluation recently wrote that "GMD flight testing to date will not support a high degree of confidence in its limited capabilities." We are interested to hear from you, General Renuart, about the testing and the performance of that system along with a number of other issues.

General Ward, the challenges on the African continent are staggering, we don't have to tell you, and the conflicts that rage across borders to fragile governments to nations where peacekeeping or peace-enforcing forces are the best and sometimes the only hope for security and stability. The terrorism threat from Africa, and particularly the potential for havens and recruiting grounds for terrorists in ungoverned or undergoverned areas, are cause for deep concern.

Last week before this committee, Director of National Intelligence Blair described an al Qaeda-affiliated group as the "most active terrorist group in northwestern Africa" and assessed that it "represents a significant threat to U.S. and western interests in the region."

The situation in West Africa is further complicated by the increased flow of narcotics from the SOUTHCOM area of responsibility (AOR) en route to Europe via West Africa. The consequences of cooperation between terrorists and traffickers of illegal narcotics are cause for great concern. We need to look no further than Colombia and the Revolutionary Armed Forces of Colombia (FARC) in South American and Afghanistan and the Taliban in Central Asia to understand the importance of working with our partner nations to confront this threat.

General McNabb, TRANSCOM's planning role and preparation to support both the drawdown from Iraq and the buildup in Afghanistan will be critical issues in the coming 12 to 24 months. The committee is eager to hear from you on transportation and logistics risks associated with this shift of resources and personnel.

With respect to supply routes into Afghanistan, in recent weeks we have additional security and political pressure on the critical supply routes that run from Karachi, Pakistan, up through the Khyber Pass into Afghanistan, as well as the apparent decision by the Government of Kyrgyzstan to deny U.S. forces use of their air base at Manas.

The committee would like to hear from you on TRANSCOM's role in helping to resolve these access and supply route challenges. Also, tell us if our allies are using or considering the use of Iran as a supply route. We also hope that you'll explain to the committee the greatest risks to completing TRANSCOM's support missions and how you would propose to eliminate or to mitigate them. Finally, given that our other witnesses are from geographical com-

batant commands, I hope that you will discuss TRANSCOM's support of SOUTHCOM, AFRICOM, and NORTHCOM.

One last item. During Director of National Intelligence Blair's testimony before this committee last week, all of us noted with great interest that he spoke of the risks associated with the current global economic downturn. We'd be interested in hearing from each of the witnesses about the impact of the economic downturn and in which nations you believe the risks to be most significant.

Our thanks again to each of our witnesses for your service to this Nation, and for the service of the dedicated men and women who serve under your command.

Senator McCain.

STATEMENT OF SENATOR JOHN MCCAIN

Senator MCCAIN. Thank you, Mr. Chairman. I join you in welcoming our witnesses today and I'd like to echo your thanks to the witnesses and the men and women who serve under their command for their distinguished service to our Nation.

There's a number of important issues we hope our witnesses will address in this hearing. General McNabb, as the United States increases significantly the size of its forces in Afghanistan, supply lines will obviously become even more important. It's been reported, for example, that the daily demand for truck deliveries into Afghanistan will increase by some 50 percent as an additional 17,000 troops deploy to the country. This increased demand comes at a time when our supply routes through Pakistan have grown increasingly dangerous and the Government of Kyrgyzstan has evicted or announced the eviction of our forces from Manas Air Base.

Other possible supply routes are problematic, from those that would rely on Russian goodwill to a route that passes through Uzbekistan, which evicted our forces from the K2 base following the Andejan massacre, to an Iranian route which I understand some of our NATO allies are considering. General McNabb, I look forward to hearing your views on the viability of alternate supply routes and how we might deal with some of the problems they present.

I also hope we will hear about TRANSCOM's plans for maintaining its air mobility readiness, especially your thoughts on recapitalization of the current KC–135 aerial refueling tanker. I'm troubled by recent reports that suggest some Members of Congress have advocated statutorily directing a split buy between Boeing and Northrop Grumman. The replacement tanker decision must be based on a competitive process that provides the warfighter with the best possible tanker at the best possible cost to the taxpayer. Obviously, splitting this contract would have a dramatic increase in the cost to the taxpayer. So we don't need an expedient political decision that is totally impractical and inefficient.

There are a number of developments in our own hemisphere. For instance, Hugo Chavez offered an island base for Russian bombers. Reportedly, a Russian general suggested that Cuba could host its own Russian bombers. Americans and, frankly, Members of this committee are not quite understanding exactly what's going on here. You'll help us separate rhetoric from reality, I'm sure.

On Sunday, El Salvador elected a new government and, while President Fuentes has shown so far no affinity for the likes of Hugo Chavez, change continues to sweep through Central and South America, change that can have a direct impact on the security of the United States.

America's future is fundamentally tied to the stability, prosperity, and security of our southern neighbors. The recent increase in violence along our southern border is perhaps the chief example of the interplay between our own security and that of our southern neighbors. Today Phoenix, Arizona, is the kidnapping capital of America and gangs that were born in El Salvador and Nicaragua wreak havoc in our Nation's cities and towns.

Through the Marita Initiative with Mexico and via our various security partnerships throughout the hemisphere, we must help our southern neighbors help themselves in a concerted effort to fight crime, stop drug trafficking, and provide security for their people as well as ours.

In Africa, a continent rich in resources and talent and yet rife with corruption, disease, poverty, and civil unrest, AFRICOM faces unique challenges. The world and our government has long considered Africa largely a humanitarian mission, a matter of charity rather than opportunity. This needs to change. The 1998 bombings of our embassies in Tanzania and Kenya did much to remind us that our interests are intertwined with events in Africa and each year the distance between us seems to grow shorter.

From the perils of policy in the Gulf of Aden to a terrorist sanctuary in Somalia, to the numerous conflicts that rage in Africa, we face real challenges in our security operations and partnerships there. I believe it's imperative for the United States to develop a comprehensive strategy toward the African continent, one that integrates our security objectives with the development and democratic objectives that our best partners in Africa wish to attain.

Thank you, Mr. Chairman. I look forward to hearing from our witnesses.

Chairman LEVIN. Thank you very much, Senator McCain.

Admiral Stavridis, why don't we start with you.

STATEMENT OF ADM JAMES G. STAVRIDIS, USN, COMMANDER, UNITED STATES SOUTHERN COMMAND

Admiral STAVRIDIS. Sir, thank you very much. Mr. Chairman, Mr. Ranking Member, members of the distinguished committee, thank you for the opportunity to appear before you today and talk a little bit about Latin America and the Caribbean, a region of the world that I think is not America's backyard. That's probably the wrong expression. It's really part, as Senator McCain just alluded to, of a home that we share together here in the Americas. What happens to the south of us will influence what happens here in our own Nation, as we're seeing.

I'm very fortunate to be joined by three generals. As a Navy admiral, I always feel good to have generals around me. I feel a little safer. So three distinguished colleagues. Thanks for putting this hearing together, sir.

We had a good week at SOUTHCOM last week, reflecting a good year. What happened last week was we had three former U.S. hos-

tages who had been held in Colombia for 5½ years at SOUTHCOM. They were there because they were rescued by the Colombian military in a very daring, audacious raid, which was a real example of the success of Plan Colombia and 5½ years of the building of partnership capacity. So I think Colombia is on the right track and I'd like a chance to talk about that today.

Also, last year in SOUTHCOM we had the opportunity to send ships south to do, not anything combative, but rather to do medical activities. We did 200,000 patient encounters all over the region from *Kearsarge* and *Boxer*. That builds on *Comfort*'s 400,000 during its voyage the previous year. We did 20,000 patient encounters ashore. This is all indicative of displaying compassion and competence and conducting great training for us down south, a way that we can connect with this region.

We had a very robust year in military-to-military exercises, the largest military exercise in the world in terms of number of countries participating. It's called Panamax, co-sponsored by Chile, Panama, and the United States. Twenty countries participated last year. We had many other exercises with 15, 17, and 19 different participants, focusing on everything from special operations to disaster relief. So a very robust schedule of military-to-military contacts, and I feel that's a good part of what we need to do in this region to maintain this positive military-to-military connection wherever we can.

Of deep concern, both the chairman and the ranking member have talked about the flow of narcotics moving from the Andean Ridge of South America, passing through the region that I focus on, up through Mexico, where my colleague General Renuart focuses. Last year we were able to stop 230 tons of cocaine, but the challenges in this narcotics situation are both on the demand side here in the United States, and also working with partners like Mexico in Central America through the Menda Initiative, which I support very strongly and I'm sure General Renuart does as well.

A particular subset of that I'd like to talk about today are the rise and the use of semi-submersibles, which are submarine-like creations built in the jungles of the Andean Ridge of South America, that can transport up to seven tons of cocaine, a very difficult target for us. We're seeing many more of those. I talked about that last year. We're focusing a lot of resources on interdicting those and working with our partners to do so.

I want to close by thanking the committee for its support on our new headquarters building, which is going up next to a rented facility we've had in Miami for about 10 years. This committee supported that along with the House and it's going strong, and we appreciate that very much.

I'll simply close by saying thank you to the committee for the terrific support on behalf of the men and women of SOUTHCOM. Again, I appreciate the opportunity to be with you today, sir.

[The prepared statement of Admiral Stavridis follows:]

PREPARED STATEMENT BY ADM JAMES G. STAVRIDIS, USN

Mr. Chairman, ranking member, and distinguished members of the committee: thank you for the opportunity to appear before you today to discuss the United States Southern Command and our area of focus in Latin America and the Caribbean. I am happy to report that 2008 was a productive and positive year for the

United States Southern Command, and we appreciate the support that Congress has shown us over the last year. With your assistance, we were able to help address challenges and benefit from opportunities in this dynamic era. With your continued support, we are already on track to have a similarly productive year in 2009, and anticipate reaching new milestones of security cooperation with our partners in Latin America and the Caribbean.

We are living in an age of rapid change facilitated by advancing technologies and increasingly networked systems, societies, and economies. In order for security agencies to be successful in this complex environment, those organizations must be flexible, open, and forward-thinking. As globalization deepens and threats emerge and evolve, security organizations will need to continue fostering and building relationships with willing and capable partners to face transnational challenges. The security of the United States and that of our partners depends largely on our capacity to leverage joint, international, interagency, and public-private cooperation, all reinforced by focused messaging and strategic communication.

The old adage that "change is a constant" should instead read "change is constantly accelerating". Yet, our core mission has been left unchanged. We remain a military organization conducting military operations and promoting security cooperation in Central America, the Caribbean, and South America in order to achieve U.S. strategic objectives.

Last year was a hallmark year for U.S. Southern Command. Fortunately, we saw the completion of many important milestones:

- Safe return and repatriation of three U.S. hostages in Colombia after 5½ years of captivity;
- Groundbreaking for our new U.S. Southern Command headquarters in Miami, FL;
- Panamax 2008, our largest and most comprehensive joint, multilateral exercise to date with 20 nations involved;
- Harnessing of innovation and new technologies in our operations and exercises, from unmanned vehicles to high speed vessels;
- Supporting valuable Humanitarian Assistance and Training operations;
- Disaster relief support in a dangerous hurricane season;
- Numerous medical training missions to include a combined 7-month deployment of two uniquely-crewed amphibious ships called Continuing Promise 2008 with over 210,000 total patient encounters;
- Interdiction of over 228 metric tons of cocaine;
- A robust bilateral and multilateral exercise program and numerous international exchanges, including 21 major military-to-military exercises; and
- Excellent training and information exchanges on human rights for Armed Forces.

These milestones were only made possible through the help of Congress and the hard work and dedication of our Service components, and their motivated civil servants and servicemembers from the Active, Reserve, and Guard Force—Army, Marine Corps, Navy, Air Force, Coast Guard, and Special Operations—the professionalism of our Joint Task Forces, and the cooperation of numerous partners inside and outside U.S. Government.

This is my third posture statement as Commander of U.S. Southern Command. My first testimony highlighted the diversity of our assigned region and outlined the powerful linkages we share with Latin America and the Caribbean. In last year's statement, I gave an update of our region and described some innovative approaches that we were planning to fulfill our mission more effectively.

Today, I would like to update you again on the region, as well as discuss the threats and challenges that we still face in Latin America and the Caribbean. Also, I would like to report on the positive results that we are seeing from the innovative approaches and initiatives outlined in last year's testimony.

Hemispheric Linkages

Economics: a driving factor

The first few years of this millennium saw world economic activity at a healthy and robust level, "with high growth rates, low inflation, low interest rates, fluid financing, and buoyant international trade." [1] This economic climate allowed Latin America and Caribbean economies to grow at a level unseen in almost half a century. A key contributor to this growth—in much of the region—was high global demand for commodities, such as energy, metals and food staples. This growth, cou-

[1] Source: Economic Commission for Latin America and the Caribbean (ECLAC), Latin America and the Caribbean in the World Economy: 2008 Trends, October 2008.

pled with improved economic policies, allowed many countries to make inroads into the challenges of poverty and income inequality that have long bedeviled economic and political stability.

The economies in Latin America and the Caribbean are increasingly tied with the global economy—with very close linkages to the U.S. Now, Latin American economies are beginning to feel the negative impact of the current economic downturn in the United States and Europe. Although the duration and impact of these economic problems are difficult to predict, any global or regional slowdown or reduction in demand and prices for commodities will naturally have an adverse effect on this region. Economic data from late 2008 showed commodity prices that had risen until mid-July 2008, have recently fallen. Wheat and corn futures are down 70 percent. Oil prices are down 55 percent, and several metals are down 50 percent.[2]

The fall in commodity prices will ease some inflationary pressures, but combined with other economic factors, will negatively impact the region's growth and cause near and long-term challenges for the region's leaders. Near term, they will have to cope with the economic slowdown and its inherent challenges: reduced exports, tighter access to financing, stock market devaluation, less foreign direct investment, and reduced migrant remittances. Long term, if these economies continue to falter, they will have to deal with the electorate's disappointment, and in some cases reduced overall security and stability. They will also face a challenge in fully implementing positive economic reforms that many of the region's governments have attempted to implement over the last two decades.

Although 2009 is forecast to be a much more difficult year economically in our region, each country will vary in performance depending on its own situation, policies, and political leadership. Many of the larger countries in our region are well prepared to weather this adverse economic situation due to recent economic reforms and an increased integration with the global economy, particularly the U.S. economy. Our interdependence with the region should, over time, dampen individual economic shocks, and foster sustained economic growth.

Democracy, liberty, and human rights: desired common ground

Today, every country in our hemisphere is a democracy, with the notable exception of Cuba. We are fortunate to be united by democratic principles, the inspiration of liberty, and our populations' desire to have human rights respected by their governments. Of course, there are differences in form and style between our governments, and the democratic scorecard may differ greatly from nation to nation. However, compared to three decades ago when the form of government in the majority of the countries was not democratic, our region's similarities outweigh the differences.

Culture: an integrator

As seen with our economic interdependence, the Americas are an interconnected system—a very diverse, yet interrelated, community. This important region is unfortunately sometimes referred to as the "backyard" of the United States. That terminology reflects an inaccurate and inappropriate picture of a region so vitally important to the future of the United States. It is in every sense not our "backyard," but rather, a home that we share together. We have tremendous geopolitical, economic, and social linkages that unite us and act as a foundation for this home. These ties range from our shared economic activity to our comparative democratic ideals, as well as from mutual social and cultural appreciation to similar geography and climatic systems.

A clear indicator of this interdependence is the mixing and interaction of cultures here in the United States that we see reflected in the Americas. Currently, about 15 percent of our population traces its heritage to Hispanic origins. By mid-century, this cultural influence will increase to almost one third of our total population—a population of increasing diversity.[3]

Military: a robust linkage

Historically, we have had very close military ties with our partners in the region. For example, Brazil fought with us during World War II—The Brazilian Expeditionary Force, numbering over 25,000 troops, fought with U.S. forces in Italy from 1944 to 1945. During the Korean War a Colombian infantry battalion and warship served with the U.S. led United Nations (U.N.) Command. Beginning in the 1950s, several Latin American countries contributed military units to U.N. peacekeeping operations in the Middle East. Recently, in Iraq, troops from El Salvador served as

[2] IBID.

[3] Source: Pew Research Center, U.S. Population Projections: 2005–2050: February 2008.

part of the multinational presence and have now completed a noteworthy 11 rotations with over 3,000 total troops. The Dominican Republic, Nicaragua, and Honduras also dispatched troops to Iraq.

These are all examples of our partner nations fighting side-by-side with us in times of conflict. However, we also engage with these nations continuously during peacetime through various bilateral and multilateral exercises, conferences, and other training engagements. One example of this is the daily interaction the U.S. military has with future senior military leaders from throughout the region at our military institutions such as the Western Hemisphere Institute for Security Cooperation, Center for Hemispheric Defense Studies, and the Inter-American Air Forces Academy. The camaraderie developed among our military officers at these institutions and the schools' strong emphasis on democratic values and respect for human rights are critical to creating military establishments capable of effective combined operations.

Challenges and Accomplishments

U.S. Hostages in Colombia: a success story

It is with great pleasure that I can report the safe return to the United States of the three American hostages held by a narcoterrorist group in Colombia. To quote last year's testimony, "Unfortunately, the FARC (Fuerzas Armadas Revolucionarias de Colombia or Revolutionary Armed Forces of Colombia) are extremely capable and experienced at holding and hiding hostages in the dense Colombian triple-canopy jungles. We are hopeful that our efforts and those of Colombia and the international community will soon see Marc, Keith, and Tom returned to U.S. soil alive and well."

Those hopes were realized on July 2, 2008. The Colombian military deserves complete credit for the final daring raid that freed our hostages and 12 others. However, it is fair to say that their brilliant tactical operation was the culmination of almost 10 years of effort shared by our Congress, Colombia, U.S. Southern Command, and other U.S. Agencies responsible for resources and capacity building of the Colombian military. One of the happiest and most satisfying moments of my career was the moment I received word that Marc Gonsalves, Keith Stansell, and Thomas Howes had been safely rescued. Seeing the much sought after freedom of these three United States citizens, after 5½ long years of captivity, was certainly a highlight of our year.

Threats

The current challenges and security threats that we face in this hemisphere fortunately do not involve any imminent conventional military threat to the United States, nor do we foresee one in the near- or mid-term future. For the foreseeable future, we also do not see any major military conflict developing among nations in Latin America or the Caribbean. Communication has been a strength in our region, and has proven itself over the last year during some of the region's political tensions. This is evidenced by the peaceful mediation and resolution by regional leaders of the crisis between Ecuador, Colombia, and Venezuela that occurred in March 2008. The creation of the new South American Defense Council is yet another indication of the tendency to create fora to encourage dialogue and reduce tension.

Despite this "peaceful" state of the region from a state-on-state violence perspective, security challenges undoubtedly do exist. Narcoterrorism, drug trafficking, crime, gangs, and natural disasters pose the principal security challenges to the region and to the United States from the region. Also, the specter of transnational Islamic terrorism is of concern and bears due vigilance on our part.

Underlying conditions: poverty and inequality

Despite the economic gains of the past decade, poverty and income inequality remain grave concerns for many people in Latin America and the Caribbean. These concerns drive social unrest and provide fertile soil for many of the region's public security challenges. Although poverty rates have been modestly reduced over the last 15 years—from 48 percent living in poverty in 1990 to an estimated 35 percent in 2007—with increases in population over the years, the absolute numbers of people living in poverty have risen slightly overall in the region. The number of people living in indigence—or extreme poverty—has also climbed, affecting an estimated 12.7 percent of the population.[4]

Combined with this poverty is a disproportionate wealth distribution that is second only to Sub-Saharan Africa. The richest 20 percent of the Latin American population earns 57 percent of the region's income, earning 20 times that of the poorest 20 percent. By comparison, the richest 20 percent in high-income regions of the

[4] ECLAC, Social Panorama of Latin America, 2007.

world earns only 7.7 times that of the poorest group.[5] The cumulative effect of poverty and income inequality in Latin America and the Caribbean serves as a catalyst for insecurity and instability. Although these figures vary from country to country in the aggregate, poverty and inequality make whole regional populations vulnerable to the influence of illicit activity—such as drugs, crime, gangs, and illegal immigration.

Earlier, I discussed how our region is united by democracy. Unfortunately, this continued widespread poverty and inequality in Latin America and the Caribbean energizes potential political instability. In fact, recent surveys in the region underscore the current fragility of democracy. As of 2006, 26.4 percent of the population of Latin America and the Caribbean would justify a military coup in the case of high inflation, and 20.9 percent would justify one in the case of high unemployment.[6] These percentages tend to be highest among countries recovering from recent conflict and instability. With the present economic slowdown, this trend might only continue and lead to further autocratic problems to the detriment of democracy in the hemisphere.

Public security challenges: narcotics, crime, and terrorism

Narcotics. The global illicit drug trade remains a significant transnational security threat as its power and influence continues to undermine democratic governments, terrorize populations, impede economic development, and hinder regional stability. The profits from this drug trade, principally cocaine, are an enabling catalyst for the full spectrum of threats to our national security, and present formidable challenges to the security and stability of our partners. Our success—or failure—to address this insidious threat will have a direct and lasting impact on the stability and well-being of both developed and developing countries of the world. Innovative approaches and partnerships are needed to successfully confront this dangerous threat. It will take a coordinated multi-agency and multinational strategic approach that brings to bear the strengths and resources of diverse, capable groups to stem the rising tide of the illicit drug trade.

There is also a crucial demand-side effort that is continuing here in the U.S. For example, programs to treat addicts, convince and deter our children and youth from using drugs, and create community solutions are supported at a national level.

In U.S. Southern Command's assigned region, the Andean Ridge of South America is the world's only significant source of coca cultivation and cocaine production. Each year, cocaine from the region directly contributes to the deaths of thousands of U.S. citizens, and has spread its toxic effects to many countries in this hemisphere and abroad. Narcotraffickers are intrinsically transnational, and they continue to develop fresh markets, explore alternative routes, and refine current tactics. They are highly innovative and keep investing in relatively low cost and unique conveyance and concealment technologies to counter our detection systems. A vivid example of this is the self-propelled semi-submersibles (SPSS)—low riding, low profile vessels that narcotraffickers use to skim along the water line to avoid visual and radar detection. These relatively new vessels now bring tons of illicit cargo to market.

In 2008, we interdicted 11 SPSS vessels at sea on their way to market, and anticipate roughly 60 similar vessels in 2009 will ply the waters of our region—with a potential cargo capacity of over 330 metric tons of cocaine, or other illicit and dangerous material. In 2008, we observed that traffickers had expanded their presence in West Africa as a springboard to Europe, while also exploring new Middle Eastern and Asian markets. We also noted that traffickers have shifted from high seas routes to multi-staging tactics along the Central American littorals, attempting to evade international interdiction efforts.

One specific area of increasing concern is the nexus of illicit drug trafficking—including routes, profits, and corruptive influence—and terrorism. In the Western Hemisphere, the illicit drug trade historically has contributed, and continues to contribute, significant financial resources to known terrorist groups like the Revolutionary Armed Forces of Colombia (FARC) in Colombia and the Shining Path in Peru. Another threat to the United States is the nexus with Islamic radical terrorism. In August of last year, U.S. Southern Command supported a Drug Enforcement Administration operation, in coordination with host countries, that targeted a Hizballah-connected drug trafficking organization in the Tri-Border Area of Argentina, Brazil, and Paraguay. Last October, we supported another interagency operation that resulted in the arrests of several dozen individuals in Colombia associated with a Hizballah-connected drug trafficking and money laundering ring. Identi-

[5] The World Bank, 2008 World Development Indicators, April 2008.
[6] AmericasBarometer, 2006.

fying, monitoring, and dismantling the financial, logistical, and communication linkages between illicit trafficking groups and terrorist sponsors are critical to not only ensuring early indications and warnings of potential terrorist attacks directed at the United States and our partners, but also in generating a global appreciation and acceptance of this tremendous threat to security.

Since Colombia is the major global source of cocaine, as well as home to the FARC, a narcoterrorist group, the Colombian Government and people remain pivotal in the fight to stop illicit traffickers at the source. As traffickers adapt their product movement tactics, every effort to interdict them within Colombia or just as they depart Colombian territory will pay tremendous dividends, as opposed to dispersing limited interdiction resources across the 42 million square miles of the Caribbean and the Eastern Pacific. Providing resources and investments to improve the Colombian military, along with enhancing our interagency capabilities, will build the capacity to integrate and share information with U.S. and international counternarcotic organizations. Our interagency support efforts will directly improve regional and hemispheric security.

Although not part of U.S. Southern Command's regional focus, the situation in Mexico is also of serious concern with regards to drugs and narcotrafficking. With over 6,000 violent killings and thousands of kidnappings in Mexico in 2008, the Mérida Initiative (which links to the rest of Central America and parts of the Caribbean) deserves full support.

U.S. Southern Command's unique counter-narcotic task force located in Key West, FL, is a role model for the kind of innovative cooperation and fusion of capabilities needed to counter this forceful and perilous threat. Joint Interagency Task Force South (JIATF–S) combines efforts of international partners, the U.S. armed services, and numerous U.S. and international departments and agencies to combat the illicit drug trade stemming from Latin America and the Caribbean. Last year, this task force stopped more than 228 metric tons of cocaine from entering the United States or from reaching foreign markets and helped facilitate the capture by law enforcement or partner nations of 317 drug traffickers.

In 2009, JIATF–S will expand on the 35 planned and successful operations it conducted last year, and integrate efforts with various hemispheric initiatives to include interagency, international, and public-private efforts. With an eye toward innovation and integration, JIATF–S continues to be a model for the future and will position itself to tactically identify, engage, and counter asymmetric and dynamic threats more efficiently across the current and emergent spectrum of threat conveyances, routes, and concealment techniques. We will continue to fight this international threat with all available resources.

Crime and Violence. Over the past decade, about 1.2 million deaths can be linked to crime in Latin America and the Caribbean. United Nations data places the homicide rate for this region at 27.5 murders per 100,000 people—five times that of the United States and three times that of the world average. A recent study lists Latin America with the highest global homicide rate for people between 15 and 24, with a rate 30 times greater than that of Europe.[7] Moreover, every year, approximately one-third of the population falls victim to a criminal act—either directly or indirectly.

These statistics are underscored by the growing influence of gangs in several countries and of delinquent youth in general. Gang populations have reached over 100,000 in Central America alone, and there are possibly similar numbers in major South American cities. In recent surveys of the region, closely aligned with economic concerns, delinquency and personal security rank as top social ills for the majority of countries in the region.[8] This insecurity and its associated costs—not just human costs, but, on the order of $250 billion annually in economic impact—have become major threats and a destabilizing factor in many nations in the Western Hemisphere. Organized crime and some of the more structured gangs routinely cross borders and operate inside the United States, including near our Nation's capital in Northern Virginia and of course in Los Angeles.

The primary responsibility for helping our hemispheric partners solve these challenges resides with the Department of Justice, Department of State, and the U.S. Agency for International Development. We seek to be supportive and helpful where appropriate. The complexity of the challenges facing these government entities only reinforces the need for coordinated interagency solutions.

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[7] Latin American Technological Information Network, Map of Violence: The Young People of Latin America, November 2008

[8] Latinobarómetro.

Colombia. Colombia is a strategic ally, an important friend, and a crucial anchor for security and stability in this hemisphere. This beautiful and diverse country is the second oldest democracy in the hemisphere.

Since the United States and Colombia started working together to help secure peace with the Clinton administration's Plan Colombia, a great deal of progress has been made. In the late 1990s, Colombia's democracy was on the verge of failure. The country was embroiled in an internal conflict that, by any objective measure, was tearing it apart. Drug cartels had wide reign and violence was rampant. Today's Colombia is a completely different story. There is a real sense of hope and pride in the country and its accomplishments. The Uribe administration—now leading the follow-on to Plan Colombia, the "Strategy to Strengthen Democracy and Promote Social Development" and with support from the United States—has brought the country "back from the brink" and has it poised for stability. Since 2002 homicides have dropped by 40 percent, kidnappings by 83 percent, and terrorist attacks by 76 percent.[9]

The FARC narcoterrorist group has been beaten back with key leaders at the strategic secretariat level eliminated and more than 50 percent drop in their numbers. Their communications have been disrupted. Desertions continue to accelerate, and, morale is at an all-time low. In addition, most Colombian drug cartels have been significantly impacted, and Colombia has extradited over 700 drug traffickers to the United States. Nonetheless, the FARC remains a serious challenge to the Government of Colombia.

Although cocaine production is still a critical concern, interdiction and seizures of cocaine headed to the United States and abroad have more than doubled over the last 10 years. This increase indicates improved State control, successful governmental strategies, and an overall better interagency and international coordination and collaboration.

I highly encourage members of the committee to visit Colombia, as many of you have already, to experience first-hand the tremendous overall improvements in this country, and, to gain the sense that "this is the moment" for Colombia. This is the time for Colombia and its friends to make the final push to win true peace in this country—a peace that will be of great benefit to the region and the United States. As Colombia wins its peace, narcoterrorists will lose capacity to grow, process, and transport illicit drugs—directly saving U.S. lives and resources. Human rights compliance and training are key to all this.

Over the next 2 years, support for the Colombian armed forces' campaign to defeat the FARC, as well as for Colombian interagency efforts to bring governance and economic opportunity to areas recaptured from the FARC, is essential. Paramount to this support will be training, mobility, and continuation of key infrastructure and human rights programs to provide long-term self-sufficiency. Continued U.S. commitment over the next 2 years will be critical through a "nationalization" period, as the Colombian Government assumes responsibility for funding the majority of current programs through the development and institutionalization of carefully planned resource management processes. With U.S. help, a stable and secure Colombia is very achievable in the near term, and will serve as a democratic model for the region.

Additionally, the U.S. needs to continue supporting counterdrug and counterterrorism programs in Colombia's neighboring countries, especially Peru.

Terrorism. Terrorist networks are active throughout our hemisphere. These networks include domestic narcoterrorists, such as the FARC, who mainly reside in Colombia, as well as the Shining Path Maoist-style narcoterrorists of Peru. Islamic terrorist networks are also active, primarily involved in fundraising and logistical support for parent organizations based in the Middle East, such as Hizballah and Hamas. Individuals with terrorist training and experience who could support or conduct terrorist attacks in our hemisphere may be present in the region, and our intelligence has demonstrated that pre-operational and operational activities have indeed occurred, as exemplified by the attempt to blow up fuel pipelines at the JFK airport in New York in 2007.

Islamic terrorist networks are present in the Tri-border Area, as well as several other locations in the region. A robust Hizballah financial support network exists in the region, as well as an active group of sympathizers and supporters of Hizballah. Also present are Sunni groups, including Hamas, whose members possess operational backgrounds. Moreover, known al Qaeda members have journeyed to Latin America and the Caribbean and other terrorist-inspired Islamic radicals have been arrested in the region.

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[9] U.S. State Dept brief. Charting Colombia's Progress, available at: http://www.state.gov/documents/organization/93761.pdf

As with all of the Department of Defense and other U.S. departments and agencies, U.S. Southern Command dedicates significant effort to remaining vigilant in the struggle against violent extremism. We have a regional plan to combat this threat through multiple avenues. This plan includes shaping the strategic environment through support to interagency humanitarian operations that impede radical organizations from gaining a foothold in the region, as well as building partner nation capacity to detect and defeat threats in a cooperative environment. These efforts will help ensure the forward defense of the United States and increased security for our partners. We thank Congress for providing the dedicated resources necessary for this mission and for providing flexible funding sources to help us rapidly address emerging capability gaps of our partners as the strategic situation develops. U.S. Southern Command will continue to work closely with our interagency and our regional partners to ensure our Nation and those of our friends remain secure.

Marketplace of Ideas

The Americas are a marketplace of ideas where security, economic, and political models compete amidst all the linkages and challenges detailed above. The ideas of personal liberty, electoral democracy, fair and open markets, and political transparency—are competing against a variety of other models, some of which are dramatically different.

Our job at U.S. Southern Command is simply to build cooperative security relationships and to promote U.S. military-to-military interests in the region. Unfortunately, some trends in a few countries hinder security cooperation, and a few leaders have adopted a vocal anti-U.S. stance, making it more difficult to cooperate on security matters.

To compete in this marketplace, we engage proactively in the region and counter anti-U.S. messaging with persistent demonstrations of our goodwill, competence, and professionalism. The U.S. Government, through our interagency, needs to be capable of assisting our partner nations by addressing the underlying conditions of poverty and inequality, while U.S. Southern Command needs to help build security relationships and create innovative security initiatives with cooperative partners to confront transnational security threats.

INITIATIVES

To confront the challenges and embrace the opportunities of this century in the Americas, U.S. Southern Command has shaped its initiatives to cultivate innovative ideas and harness integrated effort. Our mantra has been "joint, international, interagency, and public-private." The changing global and regional conditions of the 21st century require more of an integrated approach. With the approval of the Secretary of Defense, U.S. Southern Command has realigned our internal headquarters structure to better support our interagency partners and to be more agile and comprehensive in our approach to engagement in the region.

In 2008, we witnessed numerous positive results from integrating many initiatives that began in 2007. The following three examples typify the direction our command is taking.

Panamax 2008

Building confidence, capability, and cooperation among partners is essential to confronting today's security challenges. Our exercise Fuerzas Aliadas (Allied Forces) Panamax has matured over the last 5 years and has become one of our flagship programs. Panamax is a multinational and interagency exercise that focuses on defending the Panama Canal from traditional and nontraditional threats. The exercise began in 2003 as a limited naval exercise with just three participating nations. Due to past successes and efforts to expand partnerships, the exercise has grown to include a roster of more than 20 nations, several U.S. departments and agencies, international organizations, nongovernmental organizations, and multiple military branches of Service.

Co-sponsored by Panama, Chile, and the U.S., this year's exercise formed a truly integrated multinational force—Multinational Force-South. The force was led by U.S. Southern Command's Army component, U.S. Army South, but had significant international representation at all levels of command and control. Each of the Service components included significant command-level team members from other countries and agencies. For example, the maritime components were headed by Admirals from Chile and Brazil.

While the exercise scenario focused on the security of the Panama Canal, this type of integrated multinational training certainly would benefit any response to real-world threats in our region—conventional and unconventional. From responses

to catastrophic disasters to United Nations mandated multinational forces, this type of collaborative training has already proven to be indispensible.

In addition to the security scenario focused on the Panama Canal, Panamax also included a multinational humanitarian training and assistance/disaster-relief training mission, a multinational peacekeeping battalion training event, and an interagency Proliferation Security Initiative training event focused on the shipment of weapons of mass destruction.

This was also the second year that we assisted the Government of Panama with integrating their interagency homeland security exercise, Panamax Alpha, with Panamax and facilitated for the first time the involvement and support of the Defense Threat Reduction Agency, the U.S. Coast Guard, and the Federal Emergency Management Agency.

Joint, international, interagency, and public-private is the essence of Panamax. The collaborative integration of participants and helpful lessons learned this year were exceptional. The increased participation and scope of Panamax over the years underscores the significance the international community places on cooperative efforts and strong partnerships as pillars of worldwide security and stability.

Continuing Promise 2008

In 2007, for the first time, we sent a U.S. hospital ship—the U.S.N.S. *Comfort*—on a 4-month tour of Latin America and the Caribbean to conduct medical training and to treat patients in 12 countries. It was a tremendous success. Over 385,000 patient treatments were completed, along with 1,170 surgeries, more than 20 community-improvement projects, 17,700 livestock vaccinations, and more than 25,000 dental patients treated. Throughout the deployment, our personnel received vital training, and our message of positive commitment to the region and to its peoples penetrated deep and touched millions. This effort combined multiple military services, multinational integration, and medical professionals from the private sector.

The success of the mission, combined with uniquely integrated medical and construction training for our personnel, spurred the conception of Continuing Promise 2008. Since the Navy only has two dedicated hospital ships, the Navy sourced our request to repeat the *Comfort* mission in 2008 with two large amphibious ships. Building upon the lessons learned from the *Comfort*, we increased the mission duration from 4 to 7 months, increased contact time in each port, and integrated more partners for the undertaking.

The two ships carried a mix of military, interagency, multinational, and even nongovernmental medical and health specialists. Along with this diverse medical team, we embarked military engineers, construction experts, Navy and Marine Corps helicopters and crews, and military training experts. This uniquely designed team was tailored to training and humanitarian missions, but had the flexibility to easily transition to disaster-relief efforts should the need arise—which it ultimately did.

One of the ships, the U.S.S. *Boxer*, completed the Pacific phase of Continuing Promise with superb results: over 65,000 total patient treatments, including 127 surgeries, 4,000 optometry patients treated, 14,000 dental procedures, medical and military training for thousands of host-nation students, and construction projects at almost a dozen sites. The second ship, the U.S.S. *Kearsarge,* completed the Atlantic Phase in November, and its joint, international, and nongovernmental medical professionals worked alongside host nation officials to treat more than 145,000 patients in 6 countries. The crew also dispensed more than 81,000 prescriptions, provided veterinary care to nearly 5,600 animals, and completed various construction and renovation projects in each of the countries visited during the mission.

As an example of the flexibility of this type of venture deployed in our region, after Haiti was struck by successive tropical storms and Hurricane Ike in September, the *Kearsarge* diverted from its planned stop in Colombia to respond to this emergent humanitarian crisis. Supporting relief efforts led by the U.S. Agency for International Development's Office of Foreign Disaster Assistance, the *Kearsarge* and its crew delivered 3.3 million pounds of food, water, and other relief supplies to Haitian communities devastated by the storms.

Continuing Promise is a perfect complement to our already established medical readiness training exercises that treated nearly a quarter of a million patients at 64 remote inland locations throughout the region. It also complements our humanitarian and civic assistance programs, as well as our engineering training exercises. Overall, Continuing Promise 2008 was an incredibly successful mission that further advanced our strategic messaging and built confidence, capability, and goodwill in numerous countries in the region serving as a visible and lasting counterweight to anti-U.S. messaging.

Self-Propelled Semi-Submersible Capture

On September 13, 2008, the U.S.S. *McInerney* was on a nighttime patrol in the Eastern Pacific Ocean some 350 miles off the coast of Guatemala. Unlike during the Cold War, they were not in search of Soviet submarines. They were, instead, in search of a different type of threat—a possible SPSS that was detected by a Navy maritime patrol aircraft. Embarked aboard this U.S. Navy ship was a Coast Guard Law Enforcement Detachment that has the authority to make arrests—another example of an interagency approach to combating illicit trafficking. This integrated team enables Department of Defense assets like the *McInerney* and crew to search for illicit traffickers, and then pass off law enforcement actions to Coast Guard personnel.

The *McInerney* was one of several assets—air, land, sea, and space—that were coupled with interagency operatives and partner nation agents throughout the hemisphere and Europe who were "on duty." In our JIATF–S headquarters in Key West, 24/7 operators were fusing intelligence and surveillance information, tracking numerous potential threats, and vectoring and monitoring interdiction assets onto probable threats.

McInerney was vectored onto a faint contact that was trying to evade detection and head north towards Mexico or the United States. During this nighttime intercept, the crew came across one of the most sophisticated SPSS vessels to date—capable of carrying a 7-ton cargo in near silent and radar invisible routes with nonstop ranges from South America to California. On that night, the payload was a crew of four and seven metric tons of cocaine. Following deception tactics, this SPSS crew was traveling at night, far off the coast, and at low speeds to avoid detection. This pitch-black intercept against an unknown threat was described by one of the Coast Guard boarding team members as the "scariest event" of his entire career.

Fortunately, the intercept was executed flawlessly, and the traffickers did not have time to scuttle the vessel fully by using built in fast-acting drainage valves that allow incoming water to rapidly sink the vessel to avoid evidence collection. Once again, I must thank Congress for the passage of the Drug Trafficking Vessel Interdiction Act of 2008 that allows law enforcement legal indictments against operators of any submersible or SPSS vessel without nationality—an act that will certainly reduce risk for boarding teams and result in greater intelligence gathering and trafficking convictions.

The story of the U.S.S. *McInerney* is a successful one. But as described earlier, we believe other SPSS vessels get through, accounting for approximately 30 percent of cocaine movement in the drug trafficking transit zones. As we continue to fight extremism around the world, we are alert to connections between narcotraffickers and Islamic radical groups. SPSS tactics and payloads could one day represent an extreme threat to the United States and our partners.

These three examples illustrate our integrated approach and demonstrate commitment to our motto: "Partnership for the Americas." Panamax underscores the importance of partnership at the traditional military level, but with a focus towards supporting multinational, interagency, and even limited public-private efforts. Continuing Promise highlights the effectiveness of integrated medical/humanitarian training missions and of their benefit from a strategic messaging perspective. The self propelled semi-submersible seizure shows the importance of an around-the-clock, collaborative effort to stop specific transnational security threats that could have extreme consequences if left unchecked.

LOOKING AHEAD

This year is already shaping up to be a good one for U.S. Southern Command and our efforts to confront the challenges of this dynamic era. We have numerous initiatives, programs, and exercises scheduled to build on the momentum of the last 2 years. The hospital ship *Comfort* will return to the region with a program crafted from lessons learned from our previous training and engagement. Construction of the new headquarters facility—designed to be a fusion center of integrated effort—is progressing and is on schedule. We have planned numerous bilateral, multilateral, and interagency exercises; programmed several valuable medical and construction training missions; and resourced exchanges and conferences. We continue to improve upon our model of interagency, international, joint, and public-private support. With the ongoing help of Congress, we hope to make 2009 another positive and productive year for U.S. Southern Command.

As we chart our way into the next decade of this century, we will hold steady to our course of persistent engagement, partnership building, enabling understanding, and positive strategic messaging—all propelled by our interagency-support approach. I take great pride appearing before you today to represent the tremendous

efforts of the men and women of U.S. Southern Command. I believe our efforts are making a difference in our hemisphere and for the security of the United States. I truly feel that our superb soldiers, sailors, airmen, marines, coastguardsmen—Active, Reserve, and Guard—as well as our talented civilians are daily living up to the trust the American people have placed in them. They are all volunteers to serve their country, and I am honored and blessed to serve with them every day. Our people are our greatest strength, and I thank you for your continued support to programs that improve their lives and support their families.

Once again, I appreciate your support to U.S. Southern Command and am prepared to answer your questions.

Chairman LEVIN. Thank you very much, Admiral.

General Renuart.

STATEMENT OF GEN. VICTOR E. RENUART, JR., USAF, COMMANDER, UNITED STATES NORTHERN COMMAND/COMMANDER, NORTH AMERICAN AEROSPACE DEFENSE COMMAND

General RENUART. Thank you, Mr. Chairman, Senator McCain, members of the committee. It is a treat, it really is a treat, to be back with you this year. It's especially an honor and a privilege today to represent the men and women assigned to NORAD and NORTHCOM. It is important to express our gratitude to the members of the committee who have been such strong supporters of the men and women in uniform over the last year. We continue to serve proudly and we appreciate your support.

As Commander of NORTHCOM, I'm assigned two missions. One is to defend the homeland against attack, and so topics like ground-based midcourse interceptors, violence along the border, partnering with my friend Jim Stavridis in the fight against narcoterrorism in our region, the movement of drugs, and the support to law enforcement are all critical parts of our homeland defense mission, and I'm happy to talk about those topics with you today.

But also to make mention of our requirement to provide Department of Defense (DOD) support to civil authorities when Mother Nature takes a vote in the course of events in our country. So I'm pleased also to talk about the issues like the consequence management response force that we put on, funded, equipped, trained, evaluated, and brought into service this year. We're part of a combined team. It's a national response. We coordinate with international, Federal, and State partners, with the governors, and with the National Guards of each of the States, as well as the emergency managers. That collaboration is a real success story this year and I'm happy to talk about the successes that we've seen there.

We train hard to execute our mission. We exercise with all of our partners in government, and we must be prepared to ensure that we never let the country down. Our consequence management response force is a great example of an interagency approach and how DOD can provide support in a large-scale catastrophic nuclear, biological, or chemical event.

Those who wish us harm have not gone away. The threat is real. It is there. They only have to be lucky once. We work 24 hours a day, 7 days a week, to ensure that does not happen. We want to keep the momentum that we built. We want to remain alert because the mission of protecting our families and our Nation is the most important mission we have.

Chairman Levin, I appreciate the opportunity to spend time with you answering questions today. I look forward to that dialogue. Thank you very much for your support and that of the committee. I look forward to your questions.

[The prepared statement of General Renuart follows:]

PREPARED STATEMENT BY GEN. VICTOR E. RENUART, JR., USAF

Chairman Levin, Senator McCain, and distinguished members of the committee: Homeland defense is the preeminent mission of U.S. Northern Command (U.S. NORTHCOM) and North American Aerospace Defense Command (NORAD). Our commands are vigilant in protecting our citizens from threats that exist in the air, space, land, maritime, and cyberspace domains. As we look to the future, our aim is to secure our environment by deterring and, if necessary, defeating those who threaten our way of life. Today, it is my honor to report on the state of the commands.

OUR MISSIONS—PROTECTING WHAT YOU VALUE MOST

U.S. NORTHCOM and NORAD are separate commands; neither is subordinate to the other. However, the commands have complementary missions, operate within a common security environment, and share an integrated headquarters staff. U.S. NORTHCOM is committed to the defense of the United States and NORAD, a binational command, is committed to the air defense of both the United States and Canada.

U.S. NORTHCOM anticipates and conducts homeland defense and civil support operations within its assigned area of responsibility to defend, protect, and secure the United States and its interests. The U.S. NORTHCOM area of responsibility encompasses North America, Bermuda, the Gulf of Mexico, the Straits of Florida, the Caribbean region inclusive of the U.S. Virgin Islands, British Virgin Islands, Puerto Rico, the Bahamas, Turks and Caicos Islands, and surrounding waters out to approximately 500 nautical miles. We execute an active, integrated, layered defense that allows us to rapidly deploy military assets needed to defend the United States.

U.S. NORTHCOM provides assistance in support of civil authorities during natural and manmade disasters and pandemic events. Incidents begin and end locally, and most are wholly managed at the State or local level; however, some incidents require Federal support. When requested and approved by the Secretary of Defense or directed by the President, Federal military forces will contribute to Federal support. On behalf of the Department of Defense (DOD), U.S. NORTHCOM employs forces at the request of civil authorities when approved by the Secretary of Defense or the President. That said, U.S. NORTHCOM does not wait for that call to action. Sweeping improvements in pre-event coordination with interagency partners, the National Guard, and the Reserves have led to an anticipatory, forward-leaning operational sequence for expeditious DOD support when requested by civil authorities.

NORAD, a binational command formed by a partnership between the United States and Canada, provides aerospace warning, aerospace control and maritime warning for North America. For more than 50 years, NORAD has defended the skies of the United States and Canada. Across our two countries, armed fighters are on alert and ready to fly air patrols to identify and intercept suspect aircraft. NORAD ensures U.S. and Canadian air sovereignty through a network of alert fighters, tankers, airborne early warning aircraft, and ground-based air defense assets cued by interagency and defense surveillance radars.

U.S. NORTHCOM and NORAD work together in defending our Nation's airspace. While NORAD provides aerospace warning and aerospace control, U.S. NORTHCOM is responsible for air operations, such as evacuation and movement of people and high-value cargo via military airlift, within our assigned area of responsibility. In addition, U.S. NORTHCOM has the capability to accept control of U.S. air defense alert aircraft to conduct unilateral operations, as required and directed.

HOMELAND DEFENSE IS OUR NUMBER ONE PRIORITY

Ground-Based Midcourse Defense

U.S. NORTHCOM is responsible for directing missile defense operations within our area of responsibility and Hawaii, to protect the homeland from potentially hostile acts. During 2008, we enhanced our missile defense capabilities with the incorporation of the Sea-Based X-Band Radar.

U.S. NORTHCOM is very active in the Missile Defense Agency's ground and flight testing programs to ensure the tests are operationally sound. U.S. NORTHCOM

missile defense crews are trained and routinely exercised to ensure we meet the high standards required to defend the Nation.

To fully ensure U.S. NORTHCOM can perform our missile defense mission as assigned, our focus is threefold. The first is sustainability and reliability of the current Ground-Based Interceptor fleet. Second, U.S. NORTHCOM requires realistic training simulations that accurately depict Ballistic Missile Defense System operational behavior. In order to train as we fight, we must develop operationally viable Tactics, Techniques, and Procedures for new capabilities. We continue to work closely with the Missile Defense Agency and U.S. Strategic Command on this issue. Lastly, we need a more robust architecture that enables day-to-day operations to continue concurrently with ongoing research and development activities. The Missile Defense Agency's Concurrent Test, Training, and Operations and Simultaneous Test and Operations will help bridge the gap between operational capability and research, development, test, and evaluation activities.

The Colorado Army National Guard and the Alaska Army National Guard are integral parts of our Nation's Ground-Based Midcourse Defense system. The 100th Missile Defense Brigade at Schriever Air Force Base in Colorado and the 49th Missile Defense Battalion at Fort Greely in Alaska are under our operational control as U.S. NORTHCOM defends the homeland from long-range ballistic missile threats. DOD has cooperative agreements with the States of Colorado and Alaska for manning this homeland defense mission with their Army National Guard units. When National Guardsmen enter a Ground-Based Midcourse Defense site or otherwise commence operational duties, their duty status automatically transfers from title 32 to title 10. Command and control of these National Guardsmen requires designation of dual-status commanders when performing their missile defense mission for U.S. NORTHCOM.

Operation Noble Eagle

Since the attacks of September 11, NORAD has supported the air defense of the United States and Canada through Operation Noble Eagle with airspace surveillance, a ready alert force, and the unique National Capital Region Integrated Air Defense System. Over 50,000 sorties have been flown in support of Operation Noble Eagle, with the Air National Guard conducting more than 70 percent of these sorties. In support of NORAD's missions, Air National Guard units have been successfully employing instantaneous title 10 orders for several years. These orders allow an individual to volunteer, with the consent of the Governor, to be federalized for specific missions prior to execution.

In the National Capital Region, NORAD continues to improve robust air and ground-based air defense systems. Working closely with the Federal Aviation Administration and the Transportation Security Administration, the National Capital Region airspace has been codified by rule to protect our Nation's Capital. This interagency effort meets one of NORAD's long-term goals to secure the skies over Washington. In addition to the alert fighters at Andrews Air Force Base, the U.S. Coast Guard provides NORAD with alert helicopters to intercept low-and-slow aircraft in the National Capital Region.

NORAD provides tailored air defense for designated National Special Security Events. Recently, NORAD completed support of the 2008 Democratic and Republican National Conventions and the 2009 Presidential Inauguration. Working with our interagency partners, NORAD provided continuous air defense of the National Capital Region during the event.

Northern Sovereignty Operations

In 2008, the resurgence of Russian Long Range Aviation flights on NORAD's northern flank continued at the heightened pace initiated in 2007. In 2008, pairs of TU–95 Bear-H aircraft flew into the Air Defense Identification Zone on seven separate occasions. All but one of these flights were unannounced. These bomber aircraft were detected and identified by fighters from the Alaskan and Canadian NORAD Regions, with critical support from U.S. E–3 surveillance aircraft and air-to-air refueling aircraft. While foreign aircraft never violated U.S. or Canadian airspace, expectations for continued activity and growing international interest in the north demand sustained vigilance and allocation of resources. NORAD remains vigilant to ensure no unauthorized, unwanted, or unknown aircraft enter North American airspace.

U.S.-Canadian cooperation in northern air operations is the embodiment of the intent of the NORAD agreement. In 2008, Canada relied heavily on our U.S. aerial refueling tankers to deploy fighters to Forward Operating Locations and extend their patrols; E–3 Airborne Warning and Control System supported operations on

both sides of the U.S.-Canada border to expand surveillance; and fighter aircraft of both nations met the needs of each tactical situation.

In the future, pursuit of natural resources and the potential increase in traffic of northern waterways will demand increased air and maritime surveillance, security, and defense in the Arctic Region. A binational evaluation is underway to improve the quality and coverage of northern surveillance systems; and Canada is investigating the expansion of facilities at Resolute Bay, which may provide a more northern Forward Operating Location than any currently available. Collectively, we will remain vigilant and continue to monitor the Arctic approaches to the North American continent.

Southern Sovereignty Operations

During September 2008, NORAD's integrated air defense assets in and around the Continental United States and Canada detected and identified a pair of Russian Tu–160 Blackjack heavy bombers participating in Russian Air Force activity transiting over the Atlantic on their way to/from Venezuela. Russian air assets at no time violated U.S. or Canadian airspace. This NORAD operation, in concert with similar responses by our North Atlantic Treaty Organization allies, demonstrates our continued vigilance and readiness to defend North American air sovereignty.

Aircraft Recapitalization

Our ability to maintain air sovereignty in the future is at risk. Legacy fighters are aging and will be stressed to maintain reliability and capability as we move into the 2013–2025 timeframe. Recapitalizing the fighter, tanker, and airborne early warning aircraft will remain a challenge given DOD's post-September 11 long-term mission requirements.

NORAD's ability to accomplish its missions will be impacted if legacy fighters retire without a designated replacement being fielded in adequate numbers to maintain NORAD's air defense response capability.

The tradeoff between modernization of legacy airframes and transformation to fifth generation aircraft could limit efforts to keep pace with emerging challenges. Currently, legacy fighters, tankers, and airborne early warning aircraft adequately meet all aspects of the Air Sovereignty Alert mission. Recapitalization of legacy aircraft is critical to the future success of the NORAD mission set.

At this time, the Elmendorf Air Force Base F–22s are tasked with air sovereignty alert missions and future Hickam Air National Guard F–22s should expect similar taskings. F–22s are also key participants in Operation Noble Eagle sorties from Langley Air Force Base. The F–35 will play an even larger part in our homeland defense mission due to their increased numbers and widespread bed down locations of the aircraft they will be replacing. In light of this, I fully support the current Air Force program for the F–35. Program numbers will be reviewed in the upcoming Quadrennial Defense Review.

CIVIL SUPPORT OPERATIONS—SUPPORTING AMERICANS IN CRISIS

Chemical, Biological, Radiological, Nuclear, and High-Yield Explosive Consequence Management

Chemical, Biological, Radiological, Nuclear, and High-Yield Explosive (CBRNE) incidents will pose a great challenge to the security of the American people for the foreseeable future. A terrorist attack on U.S. soil, an accidental CBRNE incident, or one caused by a natural disaster could create catastrophic conditions likely to overwhelm response capabilities of civil authorities. As a result, the Secretary of Defense has established a requirement for three CBRNE Consequence Management Response Forces (CCMRFs) to be trained and ready to respond to requests from civil authorities. The DOD, through U.S. NORTHCOM, currently has one CCMRF trained and ready to support the Federal response to a CBRNE incident. U.S. NORTHCOM will have a second CCMRF in 2009 and a third CCMRF by 1 October 2010. Each CCMRF is designed to provide robust command and control and consequence management capabilities that include aviation, medical, and general logistics support.

On 1 October 2008, the Secretary of Defense assigned CCMRF 1 forces to the Commander, U.S. NORTHCOM. In September 2008, prior to mission assumption, CCMRF 1 participated in a Command Post Exercise at Fort Stewart, GA, during Exercise Vibrant Response to verify operational capability. The assigned CCMRF will participate in U.S. NORTHCOM-sponsored joint exercises, and conduct unit training to sustain CCMRF readiness and requirements, as well as follow-on missions.

While CCMRF 1 is comprised mainly of Active-Duty Forces, the second and third CCMRFs will be comprised predominately of Reserve and National Guard forces. We

are working closely with the U.S. Joint Forces Command, the National Guard Bureau, the military Services and the States on sourcing solutions, training, equipment, readiness, and exercise of those forces identified to fulfill CCMRF requirements.

2008 Hurricane Response Operations

According to the National Oceanic and Atmospheric Administration 2008 Hurricane Season Recap, there were 16 named storms, of which 8 became hurricanes and 5 became major hurricanes (Category 3 or higher). There were a record six consecutively-named storms, from Dolly to Ike, which made landfall on the United States coastline. The majority of DOD support occurred in the short timeframe of August and September as a result of the hurricane stream of Gustav, Hanna, and Ike. This severe impact to several States resulted in civilian agency requests for Defense Support of Civil Authorities operations by DOD. U.S. NORTHCOM's support to the Federal Emergency Management Agency was extremely successful across all areas. Here are just a few vignettes:

In August 2008, through a collaborative effort between U.S. NORTHCOM and U.S. Transportation Command, DOD and National Guard personnel evacuated 723 critical care patients out of Louisiana during the aeromedical evacuation effort for Hurricane Gustav. During Hurricane Ike, DOD and National Guard personnel moved another 400 patients out of Beaumont, TX. In crisis situations such as these, hospitals release many of their less serious cases, but it is a more complex challenge to move the seriously ill and injured. We worked aggressively and quickly to ensure the right capabilities were in place to move patients to the appropriate receiving hospitals.

Immediately after Hurricane Ike made landfall, U.S. NORTHCOM conducted an Incident Awareness and Assessment mission using the U.S. Navy's Global Hawk system to demonstrate its usefulness for support of civil authorities. The unmanned aircraft took off with a mission set of 299 locations and was dynamically re-tasked during the mission to add imagery requirements from the Department of Homeland Security, U.S. Customs and Border Protection, the Federal Emergency Management Agency, and the U.S. Coast Guard. The radar imaging sensor was used to cut through the prevalent cloud cover. These medium-resolution images were sufficient for general damage assessments to infrastructure. Conducted in accordance with applicable laws and DOD regulations intended to protect the civil liberties of American citizens, these missions provided vital situational awareness for DOD forces planning Defense Support of Civil Authorities operations. The DOD made the imagery available to the wider interagency hurricane response forces via dissemination on the Homeland Security Information Network, thus, enabling DOD to plan better and provided added benefit for our partners.

Our goal for the 2009 hurricane season focuses on anticipating Federal and State requirements to ensure timely and efficient DOD assistance. We are working closely with the Joint Chiefs of Staff to improve U.S. NORTHCOM authorities and capabilities in the Joint Staff Defense Support of Civil Authorities Execute Order. We continue to engage our Federal, State, and local partners to enhance DOD augmentation of civilian disaster response efforts.

Additionally, we are identifying gaps and seams in mass fatality management between current mortuary affairs capabilities in DOD and local, State, and Federal capabilities. Our activities have been geared toward integrating efforts that will enhance civil-military understanding and collaboration.

Our mission remains to ensure DOD is prepared to support a timely and effective response to catastrophic conditions. We continue to work with the Department of Health and Human Services, Office of the Assistant Secretary for Preparedness and Response to develop a mass fatality concept of operations in accordance with the National Response Framework's Emergency Support Function #8—Public Health and Medical Services. These efforts will develop fatality management awareness, prevention, preparedness, and recovery operations strategies among Federal, State, local, tribal, territorial, and non-governmental agencies/associations.

Additionally, we have consulted with Scotland Yard in London, England, to ascertain how the British plan and prepare for mass fatality incidents. Closer to home, we partnered with the New York City Office of Chief Medical Examiner on a regional mass fatality management plan, which leverages the expertise and assets currently existing in the New York City metropolitan area to ensure maximum coordination among relevant stakeholders.

Wildland Firefighting

During wildland firefighting operations, DOD, through U.S. NORTHCOM, supports the National Interagency Fire Center and the Federal Emergency Manage-

ment Agency. U.S. NORTHCOM provides a variety of capabilities including Modular Airborne Fire Fighting System (MAFFS)-capable C–130s, rotary wing aircraft capable of water bucket operations, ground crews for fire fighting operations, and incident awareness and assessment capability. There are a total of eight MAFFS; six are National Guard assets and two are assigned to Reserve units. The new MAFFS II capability will be used by the C–130H/J aircraft beginning this year and will provide greater capability to distribute fire suppression retardant. I am particularly pleased that the C–130Js of the California Air National Guard have been added to the MAFFS fleet this year.

U.S. NORTHCOM is also working with the National Guard Bureau to create a trained cadre of National Guard ground fire fighters that is pre-identified and ready pre-fire season to rapidly respond around the country.

Civil Support Operations

Beyond disaster response, U.S. NORTHCOM provided DOD support to five National Special Security Events over the past year: The President's 2008 State of the Union Address, 2008 Democratic and Republican National Conventions, the 2008 G–20 Global Financial Summit, and the 2009 Presidential Inauguration. For each of these events, U.S. NORTHCOM provided unique Secretary of Defense-approved DOD capabilities to enhance the security of the event.

Support to Law Enforcement Agencies

Through our subordinate unit, Joint Task Force North (JTF North), we continue to sustain important relationships with Federal law enforcement agencies and National Guard counterdrug task forces engaged in securing our nation's borders against drug traffickers and their associated activities. JTF North collaborates with operational-level leaders in U.S. Customs and Border Protection; Immigration and Customs Enforcement; U.S. Coast Guard; Drug Enforcement Administration; Federal Bureau of Investigation (FBI); Bureau of Alcohol, Tobacco and Firearms; National Guard Bureau; and State Joint Force Headquarters leadership in the States where JTF North operates. These relationships foster timely and responsive military support to law enforcement and provide greater interagency synchronization to deter and prevent drug trafficking and associated transnational threats.

JTF North coordinated 55 missions in support of Federal law enforcement agencies during fiscal year 2008. In accordance with applicable law and DOD policy for supporting law enforcement's counterdrug efforts, JTF North employed joint air, ground, and maritime sensors along the Nation's southwest and northern borders and coasts; conducted detection and monitoring of suspected trafficking threats; provided for information and intelligence sharing among law enforcement agencies; supported the U.S. Border Patrol's requests for enhanced tactical infrastructure along the southwest border; and provided Federal law enforcement with other support such as transportation, tunnel detection capabilities, and basic military skills training.

Counter-Tunnel Initiative

More than 99 cross-border tunnels have been identified by U.S. law enforcement agencies, in many cases with DOD support. While illegal drugs constitute the vast majority of illicit cargo transported through these tunnels, they could also be used to smuggle terrorists and weapons of mass destruction into the country. U.S. NORTHCOM is examining enhanced tunnel detection capabilities with the lead Federal partner, the Department of Homeland Security, other combatant commands, and international partners. Among these enhanced capabilities are seismic-acoustic and linear fiber-optic sensors, other technologies, and robotics. The U.S. Army Engineer Research and Development Center (ERDC) is the technical lead for these capability development efforts. ERDC has worked on tunnel detection in Iraq and provided subject matter expertise to U.S. NORTHCOM in support of U.S. law enforcement agencies.

Northern Border Security Operations

During fiscal year 2008, U.S. NORTHCOM, through JTF North, conducted 12 counterdrug/counter-narcoterrorism missions along the northern border including aviation reconnaissance, ground-based radars, mobile training teams and intelligence analysis support. During fiscal year 2009, U.S. NORTHCOM has nine counterdrug/counternarcoterrorism missions scheduled through JTF North. These missions, in support of U.S. Customs and Border Protection and the U.S. Coast Guard, will employ aviation reconnaissance, ground and maritime radars, and mobile training teams in Washington, Vermont, Montana, and New York against illicit trafficking along the northern border. In all these operations, JTF North works with Canadian law enforcement and military via U.S. law enforcement agencies, as well

as the U.S.-Canada Integrated Border Enforcement Teams. JTF North also participates in military-to-military activities to foster greater security cooperation between the United States and Canada to improve our collective security situation along our northern border.

THE NATIONAL GUARD AND RESERVES—VITAL COMPONENTS OF OUR NATION'S DEFENSE

The National Guard and Reserve Forces are fundamental to the total force and essential to our homeland security and defense. U.S. NORTHCOM is committed to working with all stakeholders to implement the Secretary of Defense's 24 November 2008 direction in response to recommendations in the Final Report of the Commission on the National Guard and Reserves.

U.S. NORTHCOM seized the opportunity and responsibility to advocate for the Reserve component in support of homeland defense and civil support missions. Leveraging opportunities to fix National Guard and Reserve shortfalls is critical to the success of the U.S. NORTHCOM and NORAD missions. In an environment of constrained budgets and multiple priorities, we need to determine where these requirements converge and give equal deference to materiel and non-materiel solutions alike.

U.S. NORTHCOM is a strong advocate for Reserve component resourcing for the capabilities needed by National Guard and Reserve Forces in support of U.S. NORTHCOM missions. In each of our annual Integrated Priority Lists and Program Objective Memorandum submissions to the DOD, U.S. NORTHCOM and NORAD advocate for and support National Guard and Reserve capability shortfalls. We also advocate for and support National Guard Bureau efforts to validate key initiatives such as Joint Continental United States Communications Support Environment and Beyond Line-of-Sight communications for our Air Sovereignty Alert fighters.

In June 2008, U.S. NORTHCOM hosted the second Reserve component Advocacy Conference wherein over 50 senior leaders discussed how best to advocate for the capabilities needed by Guard and Reserve Forces in support of U.S. NORTHCOM missions. We are advocating for change to DOD policies that allow for more collaborative planning to ensure proper resourcing for National Guard and Reserve units' equipment, personnel, and training for homeland defense and civil support operations.

Since testifying last year, we have successfully partnered with the National Guard in support of several planned and unplanned civil support and homeland defense events. Every operation strengthens our ability to collaborate effectively and I am proud to report that while we still have work to do, our relationship with the National Guard continues to mature and has never been better. Today, my senior leaders meet regularly with their National Guard Bureau counterparts to identify and resolve issues in advance of an emergency. Additionally, our action officers coordinate daily on a variety of deliberate and crisis action planning requirements. Our watch centers are in constant communication with one another to ensure shared awareness. Finally, U.S. NORTHCOM and the National Guard Bureau partner to conduct training and exercises for all State Joint Force Headquarters Joint Task Force Commanders and their staffs.

U.S. NORTHCOM directly supports the National Guard Bureau initiative to establish the Defense Readiness Reporting System in all 54 States and territories. This is a 5-year effort and once completed, asset availability, capabilities, and readiness information will be available to Commander, U.S. NORTHCOM and NORAD for all homeland defense and civil support operations. To date, initial assessments are complete in 45 of the 54 States and territories and are currently visible in the Defense Readiness Reporting System.

It is notable that nearly 10 percent of U.S. NORTHCOM's current full-time military manpower is drawn from the Reserve component. This is the highest percentage of Reserve component manning of the ten combatant commands. We have benefited from the full-time National Guard and Reserve expertise and look forward to full manning of our authorized full-time positions. I am very pleased to have ten flag officers from the National Guard and Reserves among my 21 total flag leaders in Headquarters NORAD and U.S. NORTHCOM and our subordinate commands.

PLANS—THE FOUNDATION OF OUR RESPONSE

U.S. NORTHCOM's homeland defense and civil support plans are vital to the Nation's ability to deter, prevent and defeat threats to our security, and support civil authorities when called upon by the President or Secretary of Defense. They provide a template for U.S. NORTHCOM responses and are continuously updated to reflect evolving national security requirements. NORAD's plans similarly ensure timely, effective responses to threats to the security of the United States and Canada.

With regard to homeland defense and civil support, the Department of Homeland Security and the interagency community use the 15 National Planning Scenarios as a vehicle to shape nation-wide planning efforts for terrorist attacks and natural disasters. U.S. NORTHCOM plans, such as Concept Plan 3501, Defense Support of Civil Authorities, address all of the National Planning Scenarios that may require U.S. NORTHCOM support.

With the recent development of the Department of Homeland Security's Integrated Planning System, there is now a formal process to link and integrate Federal plans across departments and agencies and in the future with State governments and local partners. Leveraging the Integrated Planning System will allow U.S. NORTHCOM planners to gain fidelity on Federal planning, refine potential support requirements, and advocate for essential capabilities and resources.

U.S. NORTHCOM civil support planners work closely with their counterparts at the National Guard Bureau. In addition to formal coordination at every stage of plan development, and regularly scheduled meetings conducted with web-based conferencing tools, U.S. NORTHCOM and National Guard Bureau planners have begun meeting during planning conferences every 6 months. In December 2008, National Guard Bureau planners, and several State National Guard planners, met to discuss the status of U.S. NORTHCOM plans and National Guard Bureau initiatives. In February 2009, interagency planners attended the U.S. NORTHCOM Civil Support and Homeland Defense Planners Conference where U.S. NORTHCOM component planners presented their supporting plans to U.S. NORTHCOM overarching strategic plans. These meetings foster the working relationships that are so vital to synchronize our national response in times of crisis.

In September 2008, I signed our U.S. NORTHCOM Theater Campaign Plan, a first for the command. This campaign plan synchronizes day-to-day operations, placing strong emphasis on three focus areas: anticipating threats to our continental security, improving our homeland defense and civil support plans and capabilities, and strengthening relationships with our mission partners, including the interagency community, Canada command and the Mexican military.

INTEROPERABLE COMMUNICATIONS

U.S. NORTHCOM communications efforts are focused on ensuring a prompt, coordinated response with our mission partners in the Department of Homeland Security, Federal Emergency Management Agency, the National Guard, States, and local organizations. In partnership with the Federal Emergency Management Agency and the National Guard, we maintain a combined total of 25 Deployable Cellular-Based Suites which include cellular towers, satellite communications connectivity, Land Mobile Radio interfaces, and ancillary devices for emergency responders. Several of these systems were deployed during Hurricane Ike and supported the response efforts in Galveston, TX. We have also worked to upgrade DOD Satellite Communications Facilities within the United States. These upgrades enable DOD units to provide much sought after Internet and telephone connections to civil authorities during a crisis.

EXERCISES

Each year, U.S. NORTHCOM and NORAD sponsor two large-scale exercises (Ardent Sentry and Vigilant Shield) and participate in over 30 smaller regional, State, and local exercises, along with exercises with Canada, such as exercises in preparation for the Vancouver 2010 Olympics. We continually review lessons learned from past exercises and real-world events (such as Hurricanes Gustav and Ike) and take corrective action by incorporating identified best practices. These actions are an integral part of our exercise program.

Over the last several years we have collaborated closely with the Joint Staff, the Office of the Secretary of Defense, the Department of Homeland Security, other Federal departments and agencies, and States to develop and refine the National Exercise Program. Our civil support exercises are now fully integrated with the National Exercise Program and are often linked with the Tier I National Level Exercise and several Tier II or III Federal-level exercises, mutually supporting our own exercise objectives and those of our partners in the Federal Government, State and regional organizations, local and tribal governments, and the private sector.

In conjunction with the National Guard Bureau, U.S. NORTHCOM sponsors Vigilant Guard, a joint regional exercise program for the 54 State National Guard Joint Force Headquarters and their Joint Task Forces and Field Units, to improve command and control and operational relationships with internal, regional civilian, Federal, and other military partners. The Vigilant Guard team works side-by-side with our NORAD and U.S. NORTHCOM exercise planners to coordinate and synchronize

our training efforts. Two of the four annual Vigilant Guard exercises are linked with major NORAD and U.S. NORTHCOM exercises, like Ardent Sentry and Vigilant Shield, or the annual National Level Exercise.

To date, 14 Vigilant Guard exercises have been conducted, with participation from 39 States and territories (representing more than 8,000 National Guardsmen) and scores of Federal, State, and local level government agencies and first responders. The Vigilant Guard program exemplifies the successful partnership among uniformed defenders of the homeland—NORAD, U.S. NORTHCOM, and the National Guard Bureau—and helps assure the American public that we are ready for the mission.

PARTNERSHIPS

Canada

The NORAD binational defense agreement is a tremendous example of the closeness and richness of our defense relationship with Canada. The bilateral relationship between U.S. NORTHCOM and Canada command also continues to mature. On 14 February 2008, I joined my counterpart, Lieutenant General Dumais from Canada command, in signing the United States-Canada Civil Assistance Plan. The Civil Assistance Plan is the framework under which military forces of one nation support the military forces of the other nation to provide timely, effective, and efficient support to their respective civil authorities.

Since then, the Civil Assistance Plan has been used once during real-world operations and several times during exercises. Following the appropriate exchange of diplomatic notes, we successfully executed this plan during the 2008 hurricane season when a Canadian C–17 aircraft assisted us with aeromedical evacuation operations during Hurricane Gustav. As we look to the future, the Civil Assistance Plan provides a framework for collaborative planning, training, and exercises in preparation for events such as the Vancouver 2010 Olympics.

Last year I reported that U.S. NORTHCOM, NORAD, and Canada Command initiated a study to examine future roles, missions, and relationships for the three commands, with a desired end state of strengthening North American defense and security while enhancing the valued relationship between Canada and the United States. The study continues, and we have made significant progress in maturing our relationships and promoting enhanced military cooperation among the commands, including work on a proposed framework which will assist in clarifying how the three commands operate and interact, highlight fundamental relationships, and underscore individual command responsibilities concerning mutual support and cooperation.

In an effort to advance our partnership with Canada Command toward enhanced continental defense and security, our commands are also jointly developing various plans to provide a strategic framework for the bilateral defense and security of the United States and Canada, building on the existing U.S.-Canada Basic Defense Document and NORAD Agreement. These plans will, if required and authorized by our respective governments, provide a bilateral construct for employing the military forces of the United States and Canada in coordinated or combined operations, when not already covered by the NORAD Agreement.

Mexico

Our relationship with Mexico has never been better and continues to strengthen every day. Over the past year, we have advanced our relationship from one of introductions and orientation visits to one of open, frequent, and frank discussions on how we can improve our collective security from common threats. The Government of Mexico is engaged in a difficult campaign against organized violent criminal networks that claimed over 5,000 lives in 2008. Your support of the Merida Initiative and DOD counternarcotics programs is helping to build the Mexican military's ability to counter threats to our mutual security. We especially thank Congress for approving our request for critically needed equipment under fiscal year 2008 Section 1206 authority. This enabled us to coordinate the first U.S. military equipment support to Mexico since the command was activated in 2002. This equipment, all of which is non-lethal, includes personal protective equipment, digital media forensics equipment, night vision devices, and equipment needed to board suspect vessels at sea. We are now finalizing the requirements for delivery of transport helicopters and maritime surveillance aircraft to the Mexican military under the Merida Initiative.

U.S. NORTHCOM has teamed with the Department of State, the U.S. Geological Survey, Agency for International Development, Federal Emergency Management Agency, and the Environmental Protection Agency to execute Building Partnership Capacity and Humanitarian Assistance programs within our area of responsibility.

One example of our efforts includes cooperation exhibited by Mexico's first acceptance of large-scale, DOD-provided civil material assistance consisting of 100,000 personal protective ensembles from the Defense Security Cooperation Agency excess property program. Because Mexico is our neighbor and disasters do not respect national boundaries, we are focused on developing and improving procedures to respond to potentially catastrophic events such as pandemic influenza outbreak, mass exposure to dangerous chemical and materials, and natural disasters. It is important to note that some of our international partners in these endeavors include domestic agencies such as Proteccion Civil in Mexico, who is responsible for consequence management response.

U.S. NORTHCOM representatives recently participated in a Western Hemisphere Institute for Security Cooperation (WHINSEC) Board of Visitors curriculum review; the first such participation by U.S. NORTHCOM. Our review helped ensure WHINSEC training supports Mexican efforts against Drug Trafficking Organizations while simultaneously emphasizing human rights. In both areas, WHINSEC has performed superbly in support of our Theater Campaign Plan. Last year, Admiral Stavridis and I wrote a letter of support to Congress expressing the importance of safeguarding the privacy of WHINSEC students and staff.

Caribbean Islands, The Third Border

The 2008 Unified Command Plan shifted the U.S. NORTHCOM and U.S. Southern Command boundaries in the Caribbean. U.S. NORTHCOM's area of responsibility now includes Puerto Rico and the U.S. Virgin Islands and the sovereign islands of the Bahamas, and two dependencies of the United Kingdom (the Turks and Caicos and British Virgin Islands).

Admiral Stavridis and I proposed this change for a number of reasons. First, it simplifies the homeland defense and civil support missions with Puerto Rico and the Virgin Islands. Second, because the Bahamas are just 90 miles from the United States and considering its close relationship with our Federal interagency partners as well, we enhanced our capabilities in this critical sector.

As we have with Canada and Mexico, we will develop a theater engagement strategy for our "Third Border" with the Bahamas, Puerto Rico, the U.S. Virgin Islands, the Turks and Caicos, and the British Virgin Islands. Our strategy will build on existing relationships established by U.S. Southern Command and the Joint Interagency Task Force South to strengthen our Nation's counterterrorism and counternarcotics capabilities in the Caribbean.

Interagency Community

For U.S. NORTHCOM to be successful in protecting the United States and its interests, we must support other agencies in working toward common objectives and building the capacity of partners. Our U.S. NORTHCOM and NORAD Interagency Coordination Directorate and the Commander's Joint Interagency Coordination Group integrate and synchronize information and activities among multiple civilian, Federal, State, and private sector organizations. This interagency Group is comprised of full-time professionals representing 40 agencies resident at U.S. NORTHCOM Headquarters or in the local area. Some of the Federal departments and agencies represented are the Department of State; the Department of Homeland Security (including the Federal Emergency Management Agency), U.S. Customs and Border Protection, the Transportation Security Administration, and U.S. Coast Guard; Department of Health and Human Services; Department of Transportation; Federal Aviation Administration; Central Intelligence Agency; FBI; U.S. Geological Survey; and U.S. Army Corps of Engineers.

U.S. NORTHCOM's planning and operations staffs collaborate with our interagency partners to integrate and synchronize plans, security and emergency response activities. We host an informal Interagency Planner Synchronization Working Group at the national level on a biweekly basis. This type of collaboration has enabled us to execute a "whole-of-government" approach to planning, and has significantly improved cross-agency collaborative planning between the Department of Homeland Security, Federal Emergency Management Agency, the Department of Health and Human Services, Centers for Disease Control and Prevention, U.S. Army Corp of Engineers, Office of the Secretary of Defense, the Joint Staff, National Guard Bureau, U.S. NORTHCOM and component command planning staffs. We continue to see this collaborative effort expand as additional agencies choose to join.

U.S. NORTHCOM's Joint Intelligence Operations Center North invests heavily in the Intelligence Community networks established to improve analysis and warning of international terrorist threats to North America. Working with the Defense Intelligence Agency, we have assigned a senior terrorism analyst to work in the National Counterterrorism Center Defense Intelligence Unit. The Defense Intelligence Unit

serves as a critical information-sharing advocate for all commands and DOD stakeholders. Defense Intelligence Unit analysts work within the National Counterterrorism Center with full access to both widely disseminated and more sensitive Intelligence Community information on terrorism.

We also continue to grow our critical information-sharing partnership with the FBI. The focal point for this relationship is our intelligence liaison officer assigned to the FBI's National Joint Terrorism Task Force. Additional analyst-to-analyst collaborative efforts regarding specific threats of mutual concern are robust and growing. In a step that will immeasurably benefit our preparedness and collaboration on shared threats, the FBI embedded one of their experienced terrorism analysts within U.S. NORTHCOM's Joint Intelligence Operations Center North Terrorism Analysis Division in February 2009.

DOD liaison officers from U.S. NORTHCOM, the Joint Staff, and the National Guard Bureau are assigned to Headquarters, Federal Emergency Management Agency to facilitate information sharing, coordination, and planning efforts for contingency response. These postings help to maintain effective coordination of plans and activities, enhance exchange of knowledge and advice, and facilitate effective relationship building. We maintain visibility of the Federal Emergency Management Agency's logistical preparations and Defense Logistics Agency-sourced deliveries. This improves situational awareness, helps reduce the need for short-notice airlifts, and improves our ability to anticipate and rapidly respond to emerging requirements during defense support of civil authorities missions.

U.S. NORTHCOM has assigned Defense Coordinating Officers, supported by Defense Coordinating Elements, to each of the ten Federal Emergency Management Agency Regions to ensure close coordination in planning and operations. U.S. NORTHCOM and the Federal Emergency Management Agency also co-sponsor an annual Federal Coordinating Officer—Defense Coordinating Officer Conference designed to maintain and enhance civil-military understanding and support for disaster response planning activities.

U.S. NORTHCOM has made considerable progress in developing appropriate planning relationships between the Department and Private Sector/Non-Governmental Organizations (PS/NGO) entities (business, nonprofit, nongovernmental, faith-based, and academia). We teamed recently with the Federal Emergency Management Agency Private Sector office to cohost a first ever "Public/Private Sector Collaboration in Disaster Preparedness and Response" Conference. This conference significantly enhanced DOD and U.S. NORTHCOM collaboration with PS/NGOs who own or manage some 85 percent of our Nation's critical infrastructure and play a major part in disaster response. It's important to note that we are not attempting to take over or direct the private sector; however, we do believe we should be an active member of the overall preparedness and response community.

In coordination with the Federal Emergency Management Agency and the National Guard Bureau, U.S. NORTHCOM continues the deliberate development of relationships with State governments and organizations that represent constituencies. As a primary example of our State engagement efforts, we have teamed with the Federal Emergency Management Agency and the National Guard Bureau to develop and execute internal and tailored training for requested States. We continue to work in partnership with the National Guard Bureau, with State Adjutants General, and State Joint Force Headquarters to identify gaps and shortfalls, specific all hazard events, and other critical issues. Our State engagement outreach also includes the Adjutants General Association of the United States and National Governors Association.

U.S. Coast Guard

The operational relationship between U.S. NORTHCOM and the U.S. Coast Guard provides a flexible, time-critical response, and immediate access to the full spectrum of capabilities and forces to ensure maritime security and defense of the United States. U.S. NORTHCOM and the U.S. Coast Guard coordinate for operations in multiple national defense mission areas: maritime intercept operations, rotary wing air intercept operations, mine countermeasures operations, maritime security and defense, counterdrug operations, migrant interdiction, theater security cooperation, and military environmental response operations. U.S. Coast Guard personnel are fully integrated within the U.S. NORTHCOM staff, and the U.S. NORTHCOM staff is fully engaged with U.S. Coast Guard Pacific and Atlantic Area Commands in maritime planning and execution.

ENHANCING OUR CAPABILITIES

United States-Canada Defense Surveillance Gapfiller Strategy

U.S. NORTHCOM and NORAD lack adequate real-time, persistent, multi-domain surveillance and command and control capabilities for North American defense. Wide Area Surveillance capability is critical to development of an Integrated Air and Missile Defense of the Homeland; however, existing surveillance assets are inadequate and aging.

Gapfiller is the U.S. NORTHCOM and NORAD Family-of-Systems strategy to improve command and control and wide area surveillance of the North American continent and enable the engagement and defeat of missiles prior to impact in the homeland. Current gaps in the Joint Engagement Sequence (i.e., kill chain) leave our countries vulnerable to attacks in multiple domains. To address these gaps, we are conducting two technology demonstrations.

Gapfiller will integrate currently disparate command and control surveillance systems including those of other agencies and will integrate an advanced surveillance capability for initial improvement of homeland defense and security initiatives. Doing so will provide ground truth information to DOD, the Department of Homeland Security, and other civilian organizations.

The second effort is a Technology Risk Reduction Initiative for the Next Generation Over-the-Horizon Radar. Leveraging existing U.S. and Australian collaboration, this Technology Risk Reduction Initiative should greatly improve our ability to surveil the approaches to the homeland. The command and control JCTD will provide the Over-the-Horizon Radar picture to all mission partners. Together, these initiatives lay the foundation for improved integrated wide area surveillance around North America and a coherent, shared operational picture that allows us to detect, respond to, and prevent asymmetric attacks against the homeland.

Unmanned Aircraft Systems

During 2008 in response to requests from U.S. law enforcement agencies, U.S. NORTHCOM employed Unmanned Aircraft Systems (UASs) along the U.S. southwest border. A Global Hawk was employed during the Southern California Wildfires to provide State and local officials with imagery to assist in firefighting efforts. As previously stated, U.S. NORTHCOM employed a Global Hawk to obtain pre- and post-landfall imagery of coastal areas in the path of Hurricane Gustav.

U.S. NORTHCOM is fully engaged with the UAS community through our membership on the Joint UAS Center of Excellence Advisory Council and our participation on the Policy Board for the Federal Aviation UAS Subgroup. We are eager to team with our partners at the Department of Homeland Security as they expand their UAS operational capabilities to achieve synergy with our homeland defense and homeland security efforts. We will be hosting a National Summit for UAS stakeholders this spring to help determine the best way forward on employing UAS capabilities in the national airspace.

Arctic Policy

The law of the sea, as reflected in the 1982 Convention on the Law of the Sea, is the foundation of the extensive international legal framework that applies to the Arctic Ocean. Although all other nations bordering the Arctic are parties to the Convention, the United States has yet to join the treaty. Becoming party to the Convention would protect and advance

U.S. interests in the Arctic by bolstering our national security (including the maritime mobility of our Armed Forces), securing U.S. sovereignty rights over extensive marine areas (including the valuable natural resources they contain), and giving the U.S. a seat at the table when rights vital to our interests are debated and interpreted.

The State Department leads U.S. Arctic policy and, together with a number of Federal agencies, implements the policy through the Arctic Council and bilaterally with other Arctic states. National Security Presidential Directive-66 and Homeland Security Presidential Directive-25 (NSPD–66/HSPD–25) advocate for increased United States regional presence, maritime domain awareness, freedom of navigation, and the ratification of 1982 Convention on the Law of the Sea. NSPD–66/HSPD–25 also states that the United States "is prepared to operate either independently or in conjunction with other states" to safeguard its Arctic interests. Through NORAD, we have an opportunity to work closely with Canada in enhancing aerospace and maritime domain awareness in the Arctic. There is also potential for significant bilateral cooperation with Canada, through collaboration with Canada Command.

Transformational Communications

NORAD requires survivable, protected, and dynamic satellite communications capabilities throughout our area of operations and among all of our assets. At the same time, U.S. NORTHCOM requires dynamic satellite communications for capacity and coverage throughout the entire area of responsibility that will support real-time joint force networking, battle space awareness and land-, air-, and sea-borne command and control, intelligence, surveillance, and reconnaissance. For both commands, the current and emerging missions within the Arctic region require the expansion of current and planned polar satellite communications capabilities. Our networks must seamlessly bridge with Federal, State, and local agencies. In my view, transformational satellites continue to offer the most viable course of action to satisfy our requirements for high-speed, secure, protected, dynamically-allocated and efficiently-utilized communications.

Biometric Access Control Enterprise

Biometrics is increasingly important in many areas of security. U.S. NORTHCOM plans to capitalize on this technology by fielding a networked, interoperable, biometrically-enabled installation access control enterprise for military installations in the United States. Biometric access control systems are already in use overseas and we believe now is the time to apply the same vigilance here at home to protect our people, installations, and critical infrastructure from obvious threats.

Deployable Homeland Air and Cruise Missile Defense

One of the more stressing challenges U.S. NORTHCOM and NORAD will face in defense of the homeland in the near future is emerging air threats to include low flying aircraft, cruise missiles, unmanned aircraft systems, and short- and medium-range ballistic missiles. The United States lacks an integrated air and missile defense capable of defending against these threats. As the threat of terrorism looms and the proliferation of advanced asymmetric capabilities grows, it becomes increasingly important to develop a truly integrated air and missile defense system-of-systems tailored to meet the unique needs of the homeland.

In the past year, U.S. NORTHCOM and NORAD have made significant strides toward protecting the homeland against these threats by developing a viable Integrated Air and Missile Defense Concept of Operations. To prepare for future homeland threats, U.S. NORTHCOM and NORAD worked closely with the Joint Air Defense Operations-Homeland Joint Test Team and participated in the Defense of the Homeland Against Asymmetric Missile Attack experiment. As the operational sponsors of Joint Air Defense Operations-Homeland, U.S. NORTHCOM and NORAD assisted in developing Tactics, Techniques, and Procedures for a Deployable Homeland Air and Cruise Missile Defense capability. This mobile capability could be used to protect a particular venue or city which may be threatened or at risk. Participation in the Defense of the Homeland Against Asymmetric Missile Attack experiment provided an excellent opportunity to test the draft Integrated Air and Missile Defense Concept of Operations and to validate the command and control relationships.

Wind Farm Interference

NORAD faces a unique challenge as the United States seeks greater energy independence. We must continue to work closely with the Department of Energy laboratories and the alternative energy industry to ensure our technologies do not render each other's technology useless. We need to identify mitigation techniques that will allow wind turbines and radars to coexist.

Cyberspace Infrastructure

Cyberspace attacks on our information infrastructure can adversely impact our national security posture. Our opponents in this domain are sophisticated, well-resourced, and persistent. Their objectives are to disrupt operations, deny service, and exploit information and technology. To effectively execute assigned missions, U.S. NORTHCOM and NORAD must ensure the uninterrupted use of the Internet as well as commercial and DOD communications systems. We partner with U.S. Strategic Command, the military Services, DOD agencies, and the Department of Homeland Security to reduce cyberspace vulnerabilities and defend against information infrastructure attacks. While this partnership is sufficient, more coordination and cooperation is required to ensure we operate effectively during major cyberspace incidents.

Maritime Domain Awareness

The maritime domain enables our Nation's growth. In order to ensure freedom of movement for all law abiding entities while identifying threats prior to realization, it is imperative that we have a picture of the maritime domain and its relationship

to activities in other domains. Maritime Domain Awareness represents a global challenge requiring focused efforts. U.S. NORTHCOM has a fundamental requirement for maritime domain awareness in order to execute our missions. However, we need to develop a common operational picture based on a common system architecture between the United States and Canada. This will result in enhanced Maritime Domain Awareness to predict, identify, and intercept vessels of interest as well as enhance and formalize information sharing between partner agencies and departments. In this regard, we will continue to work closely with the U.S. Navy, U.S. Coast Guard, as well as our Canadian and other international partners.

U.S. NORTHCOM has also partnered with U.S. Pacific Command to develop a Maritime Domain Awareness Joint Integrating Concept. It describes how the joint force will conduct future (2016–2028) maritime operations to understand the maritime domain and will help identify requirements to achieve maritime domain awareness. This document will be completed in summer of 2009 and will lead to the development of processes necessary for Maritime Domain Awareness, a key enabler for the range of military options in the maritime domain across the Department of Defense. It will help shape DOD's contribution to global Maritime Domain Awareness.

Finally, Maritime Domain Awareness is a critical enabler for the execution of NORAD's maritime warning mission. A major milestone occurred in November 2008 during Exercise Vigilant Shield when NORAD issued its first series of Maritime Warning Messages which validated procedures and confirmed the ability to provide strategic warning of a maritime threat to the Governments of the United States and Canada. Despite this success, seams and gaps in process, policy, documentation, classification and releasability, as well as technical impediments to cross-border information sharing in the maritime domain, persist.

CONCLUSION.

Today, our team of Active Duty members, Reserve Forces, National Guardsmen, Canadian servicemembers, and civilians are trained and ready to defend the United States and Canada and support civil authorities in times of crisis. With Congress' sustained support, U.S. NORTHCOM and NORAD will continue to anticipate our Nations' needs and be ready to protect and defend our fellow citizens and the freedoms they enjoy.

Chairman LEVIN. Thank you so much, General.

General Ward.

STATEMENT OF GEN WILLIAM E. WARD, USA, COMMANDER, UNITED STATES AFRICA COMMAND

General WARD. Chairman Levin, Senator McCain, distinguished members of the committee, thank you for the opportunity to provide this overview of your Nation's newest geographic command, AFRICOM.

Also with me today are Mary Pleffner from the Department of Commerce, who is a member of my staff, as well as Jerry Lanier from the Department of State. I'm also honored to appear alongside my distinguished colleagues who provide such great, great collaborative efforts as we pursue our Nation's security objectives.

Last year, I talked to you about our plan to put a headquarters together. Today, AFRICOM is executing our mission of conducting sustained security engagement through military-to-military programs and military-sponsored activities that are designed to promote a more stable and secure African environment. We work in concert with other U.S. Government agencies and international partners to ensure that our activities are harmonized. Our strategy is based on military-to-military efforts to enhance the security capacity and capability of our African partners.

In many engagements with African leaders during my time as Commander, AFRICOM, and previously as Deputy Commander for United States European Command (EUCOM), the consistent message they give me is their intent for their nations to provide for

their own security. Most welcome AFRICOM's assistance in meeting their goals for security forces that are legitimate and professional, have the will and means to dissuade the terror and defeat transnational threats, perform with integrity, and are increasingly able to support the missions in support of international peace.

We work as a part of an overall U.S. Government effort. We work closely with the Department of State, the chiefs of mission and country teams, the United States Agency for International Development (USAID), the Departments of Treasury, Commerce, Homeland Security, Agriculture, and other agencies doing work on the continent, and I fully support enhancements to the capabilities of our interagency teammates.

Similarly, we reach out to international partners, including Europeans, international organizations, nongovernmental organizations, private enterprises, and academia. Their perspectives on the situation in Africa are valuable.

AFRICOM is involved in military training, education, sustainment, and logistics support, among other activities, throughout our AOR. The combined Joint Task Force-Horn of Africa, headquartered in Djibouti, conducts training, education, and civil-military assistance that helps prevent conflict and promote regional cooperation among nations of eastern Africa. Operation Enduring Freedom-Trans-Sahara is the military component of the Department of State's counterterrorism partnership with north and west African nations. Africa Endeavor is an annual communications and interoperability exercise that this year will include 23 African nations.

We support the State Department's Africa Contingency Operations and Training Assistance Program that trains roughly 20 battalions of peacekeepers per year. The peacekeepers have been deployed on United Nations and African Union missions across the continent. We helped the Rwandans deploy some of their cargo to the United Nations mission in Darfur. Continuing deployments of the Africa Partnership Station provide training to the navies and coast guards of the maritime nations in the Gulf of Guinea and the coast of East Africa, helping them better secure their own territorial waters.

Given the lack of infrastructure within Africa and the island nations, our sustainment infrastructure, forward operating sites, and en route infrastructure are vital. I endorse upgrade projects supporting these key infrastructure nodes. The enduring presence at Camp Lemonier in Djibouti makes possible our engagement in East Africa and other parts of the continent and supports our U.S. security goals in the region.

It is my honor to serve with our uniformed men and women as well as our civilian men and women of DOD, including our interagency teammates, who are making a difference on the continent each and every day. Their dedicated efforts are a testament to the spirit and the determination of the American people and our commitment to contributing to the well-being and security of our Nation and the people of Africa.

I thank you for your support for this endeavor and I too look forward to this opportunity to provide you with additional information. Thank you very much, sir.

[The prepared statement of General Ward follows:]

PREPARED STATEMENT BY GEN WILLIAM E. WARD, USA

INTRODUCTION

It is my privilege as Commander of United States Africa Command to present to Congress our Posture Statement for 2009. The men and women of U.S. Africa Command have ensured the successful, rapid, and on-schedule activation of our Nation's newest Unified Command—the sixth geographic command within the Department of Defense (DOD). The establishment of U.S. Africa Command provides a single focus for all DOD activities in Africa, and today we conduct sustained security cooperation programs in support of U.S. foreign and national security policy on the African continent and its island states.

Unified Command Status (UCS) on 1 October 2008 was possible due to the extraordinary efforts of our impressive team. By UCS, a total of 172 missions, activities, programs and exercises were effectively transferred to U.S. Africa Command from U.S. European Command, U.S. Central Command and U.S. Pacific Command. I am grateful for the sustained congressional support to U.S. Africa Command during its formative time, and I thank you for your continued support as we prepare to meet future challenges.

Development, diplomacy, and defense programs are integrally linked, and U.S. Africa Command is implementing the National Defense Strategy's vision of a new jointness by supporting and improving collaboration with other agencies and departments across our Government, as well as improving coordination with international, intergovernmental, and nongovernmental organizations. We achieve the greatest effect for our Nation when we coordinate and harmonize our collective efforts in support of our common objectives.

Africa is on a positive course in reducing conflict, building democratic institutions, and promoting sustainable livelihoods for its people, but in each of these areas, the hard-won gains are fragile. Strengthening African security, both in individual nations and regionally, is necessary for its communities to flourish. I am convinced that building African security capability and capacity is the best path to assisting the people of Africa to achieve long-term stability and security.

In the months since UCS, U.S. Africa Command has been serving the interests of our Nation, while also addressing the security and stability challenges confronting our African partners. In this report, I provide a brief overview of the strategic environment in Africa, explain our strategy, and underscore how our coordinated security assistance efforts are promoting stability in Africa in support of U.S. foreign policy objectives.

STRATEGIC ENVIRONMENT

The U.S. Africa Command's area of responsibility (AOR) presents difficult security challenges that should be viewed along with the opportunities available to the people of Africa. These challenges are juxtaposed against abundant natural resources that, if properly managed by African states and institutions, can provide great economic and social benefits to all Africans. Our task is to assist our African partners so that they can provide for their own security in ways that permit realization of their capacity and potential.

Africa is a complex environment requiring a new and different approach. Its unique challenges demand a long-term rather than a near-term focus. For example, two of the most demanding challenges for African coastal nations are the security of their territorial waters and the regulation of their fishing industries. Today, the waters off Africa's west coast are being over-fished at an alarming rate by a variety of entities aware of Africa's inability to monitor and regulate this activity in their economic zone. If this continues, some forecasters predict that the ecological system that supports the fish population, the primary source of protein for many African states, could fail by 2045. Without the ability to secure their maritime spaces and regulate fishing, the Nations of Africa will lose this important source of food and revenue for their people. The United States must adopt a long-term view towards creating programs that will help solve such problems. Failing to do so today means our activities will only produce short-term effects.

Political Geography

The greatest security threats facing Africa include enduring conflicts, illicit trafficking, territorial disputes, rebel insurgencies, violent extremists, piracy, and illegal immigration. While rich in both human capital and natural resources, many African states remain fragile due to corruption, endemic and pandemic health problems, his-

torical ethnic animosities, natural disasters, and widespread poverty. Compounding these challenges, difficulties imposed by geography, climate, and a lack of infrastructure are hindering states' efforts to develop in an ever-globalizing international environment.

Despite these difficulties, a holistic picture of Africa taken over time shows some progress and significant promise. Six major wars have ended in the past 7 years (Liberia, Democratic Republic of the Congo (DRC), Angola, Burundi, Sierra Leone, and the North-South conflict in Sudan). Democracy is growing in Africa, with more than 60 elections in the past 6 years. Almost three-quarters of Sub-Saharan nations are now classified by Freedom House as "Free" or "Partly Free"—up from less than half in 1990. Though the global economy is enduring a down-turn, previous economic growth on the African continent was at an 8-year high, and 20 countries have registered positive growth for each of the past 5 years. Growth in real per capita income was over 3 percent in 2008—a marked change from the declines in growth across the continent in the 1980s and 1990s. Still, the amount of human suffering directly attributable to conflict on the African continent is unacceptably high, and the 2009 Freedom House report on Sub-Saharan Africa notes that, "[O]verall, Africa has seen notable increases in freedom over the past generation, but has experiences some troubling setbacks in recent years."

In addition, African states are working hard to develop their own ability to deal with security challenges. Today Africans are sharing the burden of international peace and security by supplying 32 percent of United Nations (U.N.) peacekeeping forces worldwide. As of March 2009 there are more than 33,000 African peacekeepers deployed in support of U.N. and African Union (AU) peacekeeping missions. Five African countries—Nigeria, Rwanda, Ghana, Ethiopia, and South Africa—rank amongst the top 15 U.N. troop contributing nations.

Although Africa is on a positive trajectory, progress remains fragile and easily reversible.

Demographic Trends

Africa has the world's highest birth rates and the largest percentage of projected population growth. The continent's population of over 900 million is growing by approximately 2.4 percent annually and is projected to double by 2050. Today, 43 percent of Sub-Saharan Africa's population is below the age of 15. Rapid population growth and this "youth bulge" exceed most governments' ability to provide basic services and the capacity of their growing economies to provide jobs. This pool of undereducated and unemployed youth present a potential source of social and political instability.

Africa has experienced large migration flows in recent decades, often in response to economic problems, civil unrest, or natural disasters. Africa generates 49 percent of the world's internally displaced persons (IDPs). Many migrants settle in urban slums, further straining government services and contributing to the spread of infectious disease. Rapid urbanization also increases competition for limited jobs, housing, food, and water.

Transnational Threats and Crime

The United States and many of our African partners face a number of transnational threats in Africa. Violent extremism, piracy, and illicit trafficking are enabled by or directly contribute to instability. Somalia, Sudan, and vast open areas of countries across the Sahel region provide sanctuary for violent extremists. Al-Qaeda increased its influence dramatically across north and east Africa over the past 3 years with the growth of East Africa al Qaeda, al Shabaab, and al Qaeda in the Lands of the Islamic Maghreb (AQIM). At the same time, the general level of support for violent extremism among most Muslims in Africa remains very low.

Other trends pose serious challenges to U.S. interests. Foreign fighter recruitment and support networks are present across northern and eastern Africa, assisting extremists fighting coalition and government forces in Iraq, Afghanistan, and Pakistan. Vast coastal areas provide havens for smuggling, human and drug trafficking, illegal immigration, piracy, oil bunkering, and poaching of fisheries. For example, large-scale oil theft by disparate groupings of armed militants in the Niger Delta is a significant problem. Observers estimate that Nigeria's oil exports have been reduced by 20 percent due to banditry fostered by lingering societal and political grievances. Theft of oil within the country costs the state untold revenues that could be used to improve services for the population.

Africa is a piracy flashpoint, with incidents occurring in Somali waters, the Gulf of Aden, and the Gulf of Guinea. In the first 9 months of 2008 alone, paid ransoms may have exceeded $30 million. Maritime security will remain a challenge, particularly along the Horn of Africa, Swahili Coast, Mozambique Channel, and, to a lesser

extent, in the Gulf of Guinea, where littoral nations continue to lack the ability to patrol and protect their waters.

According to a recent U.S. Department of State (DOS) report, trafficking in persons is a significant and widespread problem throughout Africa. Especially prevalent are trafficking in children (including child military conscription), women for commercial sexual exploitation, and males for forced labor. As of 2008, there was only one African country in compliance with the U.S. Trafficking Victim's Protection Act of 2000.

Illicit trafficking of narcotics poses a significant threat to regional stability. According to the DOS International Narcotics Control Strategy Report 2008, and the U.N. Office on Drugs and Crime, Western Africa has emerged as a critical transshipment point for South American cocaine destined primarily for European markets. The presence of drug trafficking organizations in West Africa as well as local drug use create serious security and health challenges. The strong Euro currency, increased European cocaine demand, and successful interdiction in the Americas contribute to West Africa's place in the narcotics trade. The UN estimates that 27 percent of all cocaine annually consumed in Europe transits West Africa, with trends rising significantly. In addition to the health and medical problems resulting from the distribution and spread of narcotics along the trafficking routes, the presence and influence of traffickers in the West African region has had a profoundly corrosive effect on the rule of law in many West African states. It must be noted that the narcotics trafficking from Southwest Asia through the islands into East and Southern Africa also remains a significant a concern. Although there is a degree of political will within many African states, efforts to combat narcotics trafficking are hampered by resource shortfalls, law enforcement and judicial capacity, and corruption.

Other Nations and Organizations Operating Within the AOR

As Africa's importance is recognized, more non-African countries and international governmental organizations seek to develop, maintain, and expand relations with African states. China, India, Brazil, Turkey, Japan, Russia, European states, the North Atlantic Treaty Organization (NATO) and the European Union (EU) have all focused increasingly on Africa's potential and its strategic significance.

European leaders remain committed to working with their African counterparts on a broad range of developmental issues. Specifically, in the peace and security arena, the EU has mounted several security sector reform operations in Africa, including in the DRC, Guinea Bissau, Chad, and the Central African Republic. NATO airlifted AU peacekeepers into Darfur and Somalia and NATO supports development of AU peacekeeping capability with U.S. and other NATO officers embedded into AU Peace Support Operations Division. Recently, both NATO and the EU initiated Horn of Africa counterpiracy operations and they coordinate their counterpiracy efforts with U.S Central Command's Combined Task Force-151.

Other European nations without historic ties with Africa, such as Switzerland, Denmark, Finland, Norway, and Sweden, have increased their support for U.N. operations, and have bilateral assistance efforts that contribute to capacity building. U.S. Africa Command continues to build cooperation with European partners to coordinate programs and contribute to a focused, collaborative approach to capacity building.

Additionally, it is important to note China and India's ongoing efforts in Africa. Over the last 10 years, China's interests in Africa have increased significantly. China is the world's leading consumer of copper, steel, cobalt and aluminum, and is second only to the United States as an importer of African oil. India, as of April 2008, pledged to invest $500 million over the next 5 years in development projects in Africa, and also pledged to double financial credit to African countries from $2 billion during the past 5 years to $5.4 billion over the next 5 years. The actions and contributions of both of these nations demonstrate the active role they play in Africa today.

U.S. AFRICA COMMAND STRATEGY

U.S. Africa Command's strategy of sustained security engagement focuses our military-to-military programs on conflict and crisis prevention rather than reaction. The command, in accordance with U.S. foreign policy and national security objectives, creates, sustains, and supports opportunities to assist our African partners in their efforts to build enduring security capacity to prevent or mitigate the catastrophic effects and costs associated with instability, conflict, transnational threats, and humanitarian disasters.

Interests, Endstates, and Objectives

The National Defense Strategy objectives of defending the homeland, promoting security, deterring conflict, and winning our Nation's wars define U.S security interests in Africa. U.S. Africa Command, in developing its command strategy, identified the following as our theater strategic interests:

- Prevent attacks against Americans by transnational threats emanating from Africa;
- Prevent acquisition, transfer, or transit of weapons of mass destruction (WMD) material or expertise;
- Maintain our freedom of movement into and through the AOR;
- Foster the prevention, mitigation, or containment of conflict;
- Foster sustained stability;
- Mitigate the effects of significant humanitarian crises or natural disasters;
- Deter and contain pandemic influenza in the AOR.

The DOD Guidance for Employment of the Force specifically directs three strategic endstates as guidance for U.S. Africa Command's activities. These are:

Endstate 1: African countries and organizations are able to provide for their own security and contribute to security on the continent.

Endstate 2: African Governments and regional security establishments have the capability to mitigate the threat from organizations committed to violent extremism.

Endstate 3: African countries and organizations maintain professional militaries that respond to civilian authorities, respect the rule of law, and abide by international human rights norms.

U.S. Africa Command's primary effort is building African security capacity so our partners can prevent future conflict and address current or emerging security and stability challenges. This approach reinforces African states' gains in improving governance, and enables the United States to help improve the effectiveness of current African supported U.N. and AU peacekeeping missions.

The command-developed theater strategic objectives are designed to: 1) support the achievement of the theater strategic endstates, 2) protect or advance U.S. interests in Africa, and 3) provide focus for the command's engagement activities. The primary mechanism for meeting the following objectives is building African security capacity.

U.S. Africa Command theater strategic objectives are:

- Defeat the al Qaeda terrorist organization and its associated networks;
- Ensure peace operation capacity exists to respond to emerging crises, and continental peace support operations are effectively fulfilling mission requirements.
- Cooperate with identified African states in the creation of an environment inhospitable to the unsanctioned possession and proliferation of WMD capabilities and expertise;
- Improve security sector governance and increased stability through military support to comprehensive, holistic, and enduring U.S. Government efforts in designated states;
- Protect populations from deadly contagions.

U.S. Africa Command's strategy of security capacity building will support long-term African stability, while also fostering the development of African forces that can address contemporary and future conflicts. Our strategy allows the Command to provide support to efforts led by other U.S. Government agencies responsible for development and diplomacy. Most importantly, this strategy allows U.S. Africa Command to defend the Homeland and secure U.S. interests abroad.

Continent Wide Programs, Activities, and Plans

To meet our theater strategic objectives, U.S. Africa Command implements and supports programs that span the whole of Africa, as well as programs specific to regions and countries.

Support to the Fight Against Violent Extremism

Combating violent extremism requires long-term, innovative approaches, and an orchestration of national and international power. By strengthening our partners' security capacity, we will deny terrorists freedom of action and access to resources, while diminishing the conditions that foster violent extremism.

Operation Enduring Freedom-Trans-Sahara (OEF–TS) is the DOD contribution to the Trans-Sahara Counterterrorism Partnership (TSCTP). This partnership uses the capabilities of U.S. Government agencies to counterterrorism in North and West Af-

rica. The OEF–TS component of TSCTP is designed to assist participating African nations as they improve control of their territories and thus deny safe havens to terrorist groups. Cooperation strengthens regional counterterrorism (CT) capabilities and reduces the illegal flow of arms, goods, and people through the region. The military train and equip component of TSCTP is primarily funded with DOS Peacekeeping Operations (PKO) funds. PKO funds for TSCTP are a critical component of the long-term strategy for OEF–TS and TSCTP.

Our partners' enthusiasm and support for these efforts was evident during Exercise Flintlock in November 2008, when nine African and four European partners came together to conduct a CT exercise spanning an area larger than the continental United States. The principal purpose of the Flintlock exercises is to improve military interoperability, and strengthen regional relationships.

Combined Joint Task Force—Horn of Africa (CJTF–HOA) is the second named operation ongoing in Africa. Discussed in greater detail in the Component and Subordinate Command Section, CJTF–HOA employs an indirect approach to counter extremism. Through a strategy of Cooperative Conflict Prevention, the task force builds security capacity, promotes regional cooperation, and protects coalition interests.

Operation Objective Voice (OOV), known previously as Operation Assured Voice—Africa (OAV–A), is an operation that strikes at the heart of violent extremist efforts—ideology. OOV is a proactive effort where multiple agencies partner with African Governments to broadcast messages to counter extremist propaganda. Military Information Support Teams, in conjunction with DOS public diplomacy, have demonstrated success in several countries including Nigeria, Mali, and Kenya. We continue to work with participating nations, Embassy Country Teams, and DOS to enhance this program.

Security Assistance

Theater Security Cooperation (TSC) programs remain the cornerstone of our persistent, sustained engagement. These programs build lasting relationships, promote common interests, and enhance partner capabilities to provide safe and secure environments. Our military-to-military programs assist our allies and partners in maturing their capabilities to conduct operations with well-trained, disciplined forces that respect human rights and the rule of law. Our cooperative security efforts provide essential peacetime and contingency access and infrastructure, improve information sharing, and are vital to U.S. Africa Command's support of U.S. foreign policy and national security objectives.

International Military Education and Training (IMET) programs provide education and training to foreign military and civilian personnel. IMET is a critical form of security cooperation in theater. A robust IMET program is a long-term investment in the future and directly supports U.S. interests.

The target audience of IMET is future military and civilian leaders. IMET provides education and training for both military and civilian personnel to help militaries understand their role in a democracy. IMET exposes countries to our democratic principles, but achieving long-term results is impeded if these programs are not sustained over a long period. If we are perceived as unreliable, African states may pursue training with countries that do not share our values, including our commitment to respect for human rights, good governance, and transparency, and this could impact our relationship with a state's security forces—a relationship that might not recover for a generation. The long-term benefit of IMET cannot be overstated. Forty-six of 52 African states and 1 organization (Economic Community of West African States (ECOWAS)) are expected to have IMET programs in fiscal year 2009.

Foreign Military Financing (FMF) provides critical U.S. military equipment and services to partner countries. U.S. Africa Command seeks to align FMF programs to enhance security capacity building by including FMF as part of our long-term strategy to procure compatible systems that increase interoperability, effectiveness, and efficiency of training. Fiscal year 2008 FMF numbers were approximately $18.7 million for 53 countries, with most of this going Tunisia and Morocco. If we are to achieve our endstates and avoid undesirable strategic consequences, we must continue to closely monitor our strategic use of FMF and cooperatively work together to ensure its distribution contributes directly to our long-term goals.

IMET and FMF are critical to accomplishing the United State's mission in Africa and constitute long-term investments in critical relationships. Both programs are fundamental to our strategy of preventative rather than reactive response.

Foreign Military Sales (FMS). Goods bought through FMS have improved interoperability with countries that benefit from the program. Vehicles, watercraft, aircraft, and equipment purchased through the program are often the same materials

currently being used by U.S. forces. Countries that are eligible to receive FMS are eligible to receive Excess Defense Articles (EDA) as well. Trucks supplied to the Senegalese military through the EDA program will be instrumental during the deployment of Senegalese Battalions in support of their peacekeeping operations in Darfur.

Continental peace support operations and military-to-military programs

The Global Peace Operations Initiative (GPOI) is a U.S. State Department-led initiative to enhance global capabilities to conduct peace support operations, with a particular emphasis on building African capacity. This program is expected to train 75,000 peacekeeping troops worldwide by 2010, develop a transportation and logistics architecture to facilitate peacekeeping deployments, and establish an international training center for the training of formed police unit trainers. In Africa, GPOI funds are primarily used to support and expand the pre-existing Africa Contingency Operations Training and Assistance (ACOTA) program. Since fiscal year 2005, ACOTA has directly trained more than 68,000 African soldiers, including approximately 3,500 military trainers. U.S. Africa Command supports the ACOTA program by providing military mentor teams. The U.S. military has provided approximately 350 mentors over the life of the ACOTA program, and we are actively seeking ways to provide additional support.

In 2009, the GPOI program is expected to support and expand our communication initiatives on the continent. In West Africa, specifically, GPOI will expand the ECOWAS Regional Information Exchange System (ERIES) satellite network enabling its 15 partner countries to communicate and exchange information.

GPOI programs such as ACOTA and ERIES are critical to our efforts to develop and improve our African partners' security capacity.

The Military-to-Military Contact program is a pillar of U.S. Africa Command's security cooperation activities in African countries. Since 2003, over 400 military-to-military events have helped host nations address such fundamental topics as integration of women in the military, civilian control of the military, establishment of military legal codes, and programs to develop professional officer, noncommissioned officer (NCO), and chaplain corps. Funding for military-to-military operations uses Traditional Combatant Commander Activities (TCA) funds. In fiscal year 2008, $3.3 million of TCA monies were spent on Africa military-to-military activities. We plan to expand this critical program, with $6.1 million in TCA budgeted for fiscal year 2009.

The National Guard State Partnership Program (SPP) remains a superb, effective TSC program. Linking U.S. states and territories with African countries, the SPP helps build long-term relationships, promotes access, enhances African military professionalism and capabilities, interoperability, and promotes healthy civil-military relations. U.S. Africa Command currently has seven state partnerships: Tunisia-Wyoming; Morocco-Utah; Ghana-North Dakota; South Africa-New York; Nigeria-California; Senegal-Vermont, and Botswana-North Carolina. The unique civil-military nature of the National Guard enables it to interact consistently, over time, with all security forces, and, when appropriate, African civilian officials. We are seeking support from Adjutant Generals to expand this valuable program.

Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome (HIV/AIDS) Programs and Humanitarian Assistance (HA)

U.S. Africa Command's Partner Military HIV/AIDS Program is a successful program focused on a source of suffering and a hindrance to sustained development and stability in Africa—the HIV/AIDS pandemic. HIV/AIDS is a military force generation and sustainment problem for African forces and is a risk to African security and stability. The Command addresses HIV/AIDS in the military context through technical program assistance and implementation from the Department of Defense Executive Agent (DOD HIV/AIDS Prevention Program Office) and the Office of the U.S. Global AIDS Coordinator using three funding sources: the DOD HIV/AIDS Prevention Program Office using a congressional supplemental provided via the Office of the Secretary of Defense Health Affairs Defense Health Program; the DOS Office of the U.S. Global AIDS Coordinator using the U.S. President's Emergency Plan for AIDS Relief (PEPFAR); and the DOS, using the HIV/AIDS Military Health Affairs FMF program. The Command's Partner Military HIV/AIDS Program implemented and executed by the DOD HIV/AIDS Prevention Program Office in collaboration with PEPFAR, provides strategic direction and oversight for designated countries to further U.S. Africa Command strategic objectives.

DOD activities supporting African Military's fight against HIV/AIDS have been very successful and now reach 39 countries in Africa. When DOD's program began in 2001, few African militaries had yet tested their forces for HIV infection, and only

a small number had programs or policies addressing HIV/AIDS. Today, as a result of past joint efforts between DHAPP, PEPFAR and U.S. Africa Command, many militaries in Africa now test their forces for HIV and have active programs for HIV/AIDS prevention, care, and treatment. In the past year, U.S. Africa Command's programs have reached 497,000 African troops and family members with prevention messages, and provided testing and counseling and testing services for 102,000 service members and their families. In addition, 800 senior military leaders have been trained on HIV/AIDS policies in their countries, and 7,000 peer educators and 5,000 health care workers received training. About 19,000 individuals are on antiretroviral treatment as a result of these collaborative efforts. These programs and voluntary counseling and testing are helping to affect behavioral change by reducing the stigma often associated with HIV/AIDS in Africa.

Humanitarian Assistance Programs. Interagency coordination multiplies the effectiveness of Humanitarian Assistance (HA) programs. U.S. Africa Command coordinates its humanitarian efforts with those of the U.S. Agency for International Development (USAID) and DOS to ensure its HA efforts on the continent complement and support USAID's lead on development initiatives in a country. U.S. Africa Command Humanitarian and Civic Assistance (HCA) events are undertaken when they support the security and foreign policy interests of the United States, the security interests of the country in which the activity is performed, and promote the specific operational readiness skills of the U.S. forces that participate. Humanitarian Assistance-Other (HA–O) programs are another means for the Command to complete projects that benefit the civilian population of a host nation and support overall development priorities. The command's fiscal year 2008 projects included providing veterinary and medical care, building and furnishing schools and clinics, digging wells, providing clean water in rural and austere locations, and help in delivering disaster relief. Such activities have proven successful in the Horn of Africa.

A variety of innovative HA activities support our long-term interests by building partnerships with African nations and establishing good working relations with international and nongovernmental organization (NGO) partners. In Tunisia for instance, the HA program funded architectural and engineering services and partial construction of a new educational facility for marginalized autistic children, while French partners supported construction and training by an international NGO for special educators. In Burkina Faso, from August to October 2008, both the Humanitarian Civic Assistance (HCA) and Excess Property Programs were used in combination to conduct a three-phased Medical Civic Action Program (MEDCAP) to combat eye disease. The Burkina Faso Ministry of Health and Ministry of Defense, with support of the U.S. Embassy, and the Burkina Faso Ministry of Defense, worked jointly to achieve this mission. In another program, fully adjustable, self-prescribing glasses—fine tuned by U.S. military personnel—have been distributed during U.S. military medical outreach projects. In Botswana, HA funds doubled the size of a facility used by an international NGO to provide after-school services for orphaned children. All of these activities contribute significantly to well-being while complementing development efforts that serve the interests of our Nation and U.S. Africa Command.

Over the next year, U.S. Africa Command will work closely with country teams to ensure HA resources are used to complement other U.S. Government funding and achieve overall U.S. Government foreign policy objectives while continuing to further American and African security objectives. HA resources are a flexible tool to complement larger humanitarian and development programs implemented by USAID, PEPFAR, and Millennium Challenge Corporation.

Pandemic Response Programs

In light of the important role national militaries are likely to play in pandemic response globally, Congress provided fiscal year 2008 funds to enable USAID and the U.S. Africa and Pacific Commands to partner to develop host nation militaries' pandemic response capacity. Our Pandemic Response Program will help develop and exercise African military pandemic response plans that compliment civilian activities during a pandemic. Our assessment teams are beginning to work in East and West Africa to develop national and regional activities that focus the military role on maintaining security and communications, providing logistic support for provision of food, medicine, and other commodities, as well as providing augmented medical care. This program will build local capacity to respond to other disasters as well.

Interagency Cooperation and Partnership

U.S. Africa Command's interagency efforts are of critical importance to the command's success. The command has three senior Foreign Service Officers in key posi-

tions as well as numerous personnel from other U.S. Government agencies serving in leadership, management, and staff positions throughout our headquarters. From piracy off the coast of Somalia to supporting the UN Africa Union Mission in Darfur, embedded interagency personnel are involved in the earliest stages of U.S. Africa Command's planning. These invaluable experts help the Command ensure its plans and activities complement those of other U.S. Government agencies.

The Command's development of its Theater Strategy and supporting campaign plan is another example of its extensive interagency cooperation. Through collaboration among departments and Federal agencies, we strive to ensure that our collective activities are integrated and synchronized in pursuit of common goals. In developing the U.S. Africa Command Theater Campaign Plan (TCP), a plan that accounts for peacetime activities over the next 5 years, the command has involved interagency experts from the very beginning of the planning process. In the summer of 2008, U.S. Africa Command planners met in Virginia with representatives from 16 agencies in a series of workshops designed to gain interagency input on Africa Command's Theater Strategy and TCP. Representatives from other agencies have also participated in Theater Strategy and TCP discussions and most remain involved in a planning effort designed to complete the TCP by the spring of 2009.

The growth and development of our interagency team depends on the human resources of our partner agencies. U.S. Government agencies and departments have been supportive of our requests to fill our interagency billets, and we remain flexible in defining the role and participation of these agencies as we continue to grow and evolve. Today, all senior executive interagency positions at U.S. Africa Command have been filled, and we continue to work with the interagency to fill additional positions. A total of 27 interagency personnel are assigned to Africa Command from the Department of State, Department of Commerce, Department of Homeland Security, Department of the Treasury, USAID, Federal Bureau of Investigation, and the Open Source Center. The Department of Energy and Department of Justice both have pending assignments. Other agencies, such as U.S. Geological Survey and the Department of Agriculture, have sent representatives to U.S. Africa Command to examine the possibility of placing people at the command permanently.

U.S. Africa Command is aggressively pursuing new, innovative processes and relationships to improve DOD collaboration with other U.S. Government agencies in order to maximize the effectiveness of all U.S. activities in Africa.

Regional African Programs, Activities, and Plans

Many of the programs we are currently implementing were transferred from the commands previously responsible for portions of U.S. Africa Command's AOR. As we move forward, we will synchronize this collection of programs across the five regions of Africa so that, together, they enable us to implement the coherent approach outlined in U.S. Africa Command's Theater Strategy. The command's definition of the five regions of Africa mirrors that of the AU. The regions are: North Africa, West Africa, Central Africa, East Africa, and Southern Africa.

North Africa

While Egypt remains within U.S. Central Command's AOR, we recognize the importance of Egypt's influence throughout the continent. Egypt's partnerships with other African nations contribute to their stability and the professionalization of their militaries, and Egypt has expressed a desire for a close relationship with U.S. Africa Command. As a result, we participated in the U.S.-Egypt defense talks in 2008, and we have concluded a memorandum of understanding (MOU) with U.S Central Command that ensures synchronization and coordination between commands whenever U.S. Africa Command missions require engagement with Egypt.

Regarding Libya, the lifting of Section 507 sanctions and the recent signing of a MOU on defense contacts and cooperation provide a solid foundation upon which we can build our bilateral military relationship. My staff is diligently preparing a proposal for engagement activities with the Libyans. In February 2009, we conducted a site visit to determine ways to assist Libya's Coast Guard, advise them on the procurement of English Language labs in preparation for attendance in our professional schooling, and to conclude a foreign military sales contract enabling Libya's purchase of border patrol vehicles. We approach this new relationship carefully, deliberately, and with the intention to improve military relations consistent with U.S. foreign policy guidance and national security objectives.

U.S. Africa Command will seek opportunities in this region for increased collaboration in the areas of counterterrorism, border, and maritime security. The U.S. Sixth Fleet, along with several European and North African navies (Malta, Turkey, Greece, Morocco, Algeria, Tunisia, Mauritania, France, Italy, Spain, and Portugal), conducted Phoenix Express 2008, a multilateral naval exercise. Phoenix Express

concentrates on operations that directly contribute to safety and security in the maritime domain, focusing on maritime interdiction, communications, and information sharing. U.S. Africa Command's naval component, U.S. Naval Forces, Africa (NAVAF) will expand Phoenix Express 2009 to include navies from Algeria, France, Greece, Italy, Malta, Morocco, Portugal, Spain, Tunisia, Turkey, Senegal, and possibly others.

In June 2008, the marines that have since become U.S. Marine Corps Forces, Africa (MARFORAF) conducted exercise African Lion in Morocco. This annual bilateral exercise focuses on small-unit infantry tactics, staff training, and humanitarian assistance. In 2009, U.S Africa Command's Army component, U.S. Army Africa (USARAF), will support the joint exercise, African Lion, in Morocco.

U.S. Africa Command's air component, Air Forces, Africa (AFAFRICA), is responsible for four exercise-related construction projects in Morocco totaling over $1.2 million. These projects will improve runway capability and construct exercise reception facilities to support current and future Chairman of the Joint Chiefs of Staff exercises in Africa. Additionally, AFAFRICA HCA programs in Morocco have awarded contracts for veterinarian clinic supplies, water wells and school construction.

An excellent model for future U.S. Government whole-of-government cooperation can be found in North Africa. In October 2008, one of Africa Command's senior USAID representatives traveled to Morocco to help integrate DOD HA activities into the U.S. Embassy's Country Assistance Strategy (CAS). Working closing with the Embassy team, a MOU between U.S. Africa Command's Office of Security Cooperation (OSC) and USAID's Mission Director was completed. This MOU is designed to align and focus programs and activities to provide for a coordinated, consistent U.S. Government response in pursuit of shared policy goals. As strategic partners, U.S Africa Command and USAID are implementing a program that targets the number one goal of the U.S.-Embassy's CAS—"Mitigating the factors of youth disaffection and marginalization." This coordinated interagency approach facilitates a whole-of-government, preventative approach to the problem of disaffected youths, with each agency working closely together, within their mandated areas of responsibility, to achieve a greater effect than had they acted alone.

This project serves as an interagency model for other U.S. Embassies while reemphasizing that, while U.S. Africa Command does not have the lead in the development sphere, it plays an important supporting role to U.S. Mission Strategic Plans.

West Africa

As with much of Africa, West African states are confronted with porous maritime and territorial borders contributing to illegal trafficking in narcotics, persons, and counterfeit goods, illegal fishing and extraction of resources, and other criminal activities. There is also ethnic, religious, and social strife, and a lack of adequate infrastructure to support populations and foster economic development. Often, a crisis in one country affects surrounding countries; likewise, a threat to one country often emanates from or rapidly proliferates to neighboring countries. This requires a multilateral approach to improve security, stability, and development. Despite the success achieved by ECOWAS and the ECOWAS Standby Force, various threats continue to inhibit the sustainment of security and prosperity in West Africa. U.S. Africa Command is working with bilateral partners, ECOWAS, U.S. Government agencies, and non-African nations active in the region to address these threats for the mutual benefit of West Africa, the United States, and the international community.

U.S. Africa Command has partnered with several countries in West Africa to develop plans to counter regional threats. In Mali, Niger, Senegal, and Nigeria, the TSCTP and its military element, OEF–TS, are the U.S. lead programs in countering violent extremism in the Sahel. U.S. Africa Command cooperates with the British in their efforts to develop the Republic of Sierra Leone Armed Forces, and, through MARFORAF, also supports the Security Sector Reform program to mentor and develop the new Armed Forces of Liberia.

We have seen significant progress in Liberia during its transition to peace and stability following a 14-year civil war. The Armed Forces of Liberia are completing basic training of their new 2,000 soldier army, but the work here is far from finished. We must continue to provide adequate IMET for officer and non-commissioned officer development, and we must provide additional FMF and Peacekeeping Operations (PKO) funding if we are to sustain the SSR program, military-to-military engagements, and develop the Liberian Coast Guard. Additionally, the other security sector elements, police and judiciary, will need significant assistance if they are to successfully replace the departing U.N. Police Units and improve their legal system. In recognition of the pending U.N. withdrawal, Liberia was our number one Security and Stabilization Assistance request for West Africa in fiscal year 2008. DOS requested funds to support the restructuring of the Liberian National Police.

Security Sector Reform, supported by IMET and FMF along with persistent and sustained engagement are essential if we are to secure the gains made in establishing peace and security—the essential foundation for national reconstruction and economic development.

In Ghana, the professionalism of its armed forces demonstrated during the December 2008 presidential and parliamentary elections is to be noted. The planning, coordination, and exercises conducted with the Ghana Police and other security forces during the run up to the election were critical to its success. While there were a few instances of election related violence, the security forces quickly and professionally restored order. While domestic security is a police task in Ghana, the military is tasked to provide support when requested, and their recent performance was a positive example of what we intend to support when we work with a partner as they seek to professionalize their military forces. Ghana provides a clear example of an African military force respecting and supporting civil authority.

NAVAF's focus on security cooperation activities in this and the Central Region has been through its key initiative, Africa Partnership Station (APS). In recognition of this important effort, both the Senegalese Minister of Defense and the U.S Ambassador attended the opening meeting of the APS-hosted Oil Spill Prevention Workshop in Senegal. In Liberia, 15 U.S. marines along with 5 soldiers from USARAF and a U.S. Navy corpsman are working with the new, U.S.-trained Armed Forces of Liberia (AFL). They are training 350 AFL members on basic officer and noncommissioned officer leadership, logistics and vehicle safety, martial arts, and nonlethal weapons and riot control procedures. Other U.S. Marines, along with their Spanish and Portuguese counterparts, are in Ghana providing similar training there. Our African partners see APS as a successful maritime initiative and are eager to participate and improve this valuable program.

Also in the maritime domain, joint Law Enforcement Detachment operations were conducted to enforce maritime law within the Cape Verde waters in 2008. This was done with support of the host nation, our State Department, the French Navy and the U.S. Coast Guard. In 2009, we hope to continue to build these capabilities with other interested countries, such as Senegal.

Additionally, MARFORAF conducted the bilateral exercise Shared Accord in Ghana in June 2008. This annual U.S. and West African exercise focuses on small-unit infantry tactics, staff training, and HA. In July 2008, exercise Africa Endeavor 08 in Nigeria improved communications and information systems interoperability between U.S. and African partner nation militaries. Exercise Medflag 08, a joint medical exercise with the Malian Armed Forces that included HA to the Malian people, was conducted during July in Mali.

Throughout 2008, MARFORAF African Logistics Initiative events provided Senegal, Ghana, and Liberia with an array of logistics training. In May 2008, MARFORAF Intelligence conducted the Military Intelligence Basic Officers Course for Africa. MARFORAF also provided military mentors in support of the ACOTA program and expanded military-to-military programs in Senegal and Ghana

One of AFAFRICA's key programs for all of West Africa is the Air Domain Safety and Security program. The Air Domain Safety and Security program is a long-term, steady-state, general purpose Air Force Program of Record. Utilizing general purpose air forces, AFAFRICA is working together with interagency and host nation representatives to enhance the safety and security capacity of civil and military air domains comprising four mutually supporting elements of infrastructure, personnel, situational awareness, and response.

Additionally, AFAFRICA supports an exercise program that included Shared Accord 08 in Ghana and Liberia. One of the highlights of Shared Accord 08 was the treatment of 2,323 pediatric, 961 optometry, 558 dental care, and 2,686 adult care patients. AFAFRICA also participated in MEDCAP, DENTCAP, and Civil Affairs outreach projects in Ghana in February 2008. Over 758 dental screenings with 361 patients receiving treatments and 666 child preventative dentistry screenings were conducted.

Central Africa

The Central Region is rich in natural resources. However, resource wealth has brought corruption and the misuse of government funds, which in turn can lead to weakened government institutions, and thereby hinder growth and prosperity.

Active rebel movements persist in the DRC, Burundi, Chad, and the Central African Republic. Despite years of efforts for a negotiated settlement in Northern Uganda, the Lord's Resistance Army, operating out of Eastern DRC, threatens the subregion. Additional areas of concern include movement of transnational terrorist organizations and drugs, as well as the flow of refugees, IDPs, and arms from conflict zones.

The DRC, due to its immense size and strategic location, is a focus of effort because instability there has wider regional implications. An OSC was opened in DRC in the fall of 2008 to manage and coordinate growing theater security cooperation activities. One of our security cooperation focus areas is the Defense Institute of International Legal Studies, which works to develop a viable and transparent military judicial system. We have a great deal of work ahead of us in DRC, and we are taking steps to address the security issues of this important region.

Regarding other U.S. Africa Command efforts in the Central Region, MARFORAF is expanding military-to-military programs in Cameroon. Likewise, AFAFRICA has been instrumental during the initial planning for Exercise Africa Endeavor 2009, which will bring together 37 countries and 2 international organizations in Cameroon, Gabon, and Senegal.

In 2008, APS featured the successful deployments of U.S.S. *Fort McHenry* and HSV–2 *Swift* with an international staff comprised of representatives from 10 countries (United States, United Kingdom, France, Spain, Portugal, Germany, Equatorial Guinea, Ghana, Gabon and Cameroon) that engaged 14 West and Central Africa countries, conducted 35 port visits, and engaged more than 1700 African maritime professionals in courses custom-tailored to each nation's maritime governance needs. In 2009, the centerpiece of APS engagement is the deployment of U.S.S. *Nashville.* France, United Kingdom, Germany, Portugal, Spain, the Netherlands, Cameroon, Gabon, Senegal, Nigeria and Ghana are providing staff members and training teams, complemented by participation or support from the U.S. Coast Guard, embarked Department of State Political Advisors (POLADS), and other governmental and nongovernmental organizations.

MARFORAF also supported the 2008 APS deployment aboard the U.S.S. *Fort McHenry.* Throughout the APS deployment, U.S. and Spanish Marines conducted noncommissioned officer leadership training with African military personnel from Liberia, Senegal, Ghana, Nigeria Cameroon, Equatorial Guinea, Gabon, and Sao Tome and Principe.

The Regional Maritime Awareness Capability (RMAC) Project serves as another excellent example of interagency coordination. RMAC provides awareness of maritime threats to the Coast Guard of Sao Tome and Principe. This project has become the catalyst for other assistance, including U.S. Navy Seabee construction of a pier next to the RMAC facility, U.S. Navy mapping of the port, Defense Institute of International Legal Studies assistance in developing maritime laws, and U.S. Treasury Department and Customs assistance in developing laws against money laundering.

East Africa

East Africa includes the Horn of Africa and the Great Lakes region, portions of both the Swahili Coast and Mozambique Channel, and regional island nations. Kenya is returning to stability and economic growth following the aftermath of the post-election turmoil of December 2007. Ethiopia, host of the AU and a key U.S. Government CT partner, faces an unresolved border dispute with Eritrea and continues to conduct counter insurgency campaigns in the Ogaden. Situations in Sudan and Somalia destabilize the entire region. The Government of Sudan has been implicated in genocide in Darfur and continues to pose a threat to the Government of Southern Sudan despite the conclusion of the Comprehensive Peace Agreement (CPA) following 20 years of civil war. Somalia, a weakly governed state, provides a haven for extremists and a base for piracy operations. However, we are fortunate amongst the problems of this area, to have a solid and reliable partnership with Djibouti. With accepted presence and mature relationships, Djibouti is invaluable as we conduct our Theater Security Cooperation (TSC) activities with our African partners. A stable friend in a fragile region, Djibouti provides the only enduring U.S. military infrastructure in Africa.

In recent years, incidents of piracy on the high seas off the coast of Somalia have received global attention. In 2008, over 120 attacks occurred off Somalia, which has a long and sparsely populated coast that poses challenges to international counter-piracy operations. Approximately 10 percent of the world's shipping passes through the Gulf of Aden or into and out of the Red Sea. While most of the incidents here have occurred in the eastern Gulf, pirates have struck as far as 450 nautical miles off the Horn of Africa. Crew abductions are common, and ransoms are generally paid within a month of capture. The average ransom has tripled since 2007—as has the number of ships seized.

To address regional instability, the U.S. Government, with U.S. Africa Command's support, is leading an international community effort to conduct an effective Security Sector Reform program for Southern Sudan. The goal of U.S. Africa Command's support to the Sudanese People's Liberation Movement/Army (SPLM/A) is to profes-

sionalize their army and increase their defensive capabilities. These improvements are intended to help facilitate implementation of the requirements of the 2005 Comprehensive Peace Agreement. Also, our Air Force component continues to provide transport support to peacekeeping forces destined for Darfur.

Despite the security and humanitarian challenges facing East Africa, our military-to-military professionalization efforts, bilaterally and through our support to ACOTA, have enabled Ethiopia, Rwanda, Burundi, Uganda, and soon Tanzania to contribute to peacekeeping missions in Somalia, Sudan, and elsewhere. Also, USARAF will conduct a multilateral, regional, disaster relief exercise with Rwanda, Burundi, Uganda, Kenya, and Tanzania (Natural Fire) in 2009. Increasing the capabilities of our partner nations allows them to address instability and the enabling effects it has on piracy and violent extremism.

Additionally in East Africa, and as part of our overall professionalization efforts, U.S. Africa Command works with partners to promote stability and security through support to professional schools. Five U.S. military instructors currently teach and assist in curriculum development for Ethiopian senior officers at the Ethiopian Defense Command and Staff College. In Kenya, we are supporting Kenyan efforts to develop a professional NCO corps. In Uganda, CJTF–HOA provides 12 instructors for their NCO Academy, as well as guest lecturers at the command and staff college in Jinja.

CJTF–HOA conducts security cooperation programs throughout the Horn of Africa, East Africa, and the regional islands. The CJTF focuses its operations on building regional and bilateral security capacity to combat terrorism, deny safe havens and material assistance support to terrorist activity, and prepare for other challenges such as natural and manmade disasters. The effect of CJTF–HOA is maximized by close coordination with our OSCs, coalition members, partner countries, other U.S. Government agencies, and NGOs operating in the region.

Military-to-military engagement is the foundation of building security capacity in the East African Region. CJTF–HOA military-to-military activities includes Staff Officer and NCO mentoring, ACOTA mentors, counterterrorism training, Peace Support Operations, Maritime Engagement Team activities, disaster response, and Standard Operating Procedures development. CJTF–HOA invests in regional institutions to ensure Africans are on the leading edge of solving their own challenges.

Civil-military activity and development are also pathways to security capacity building for CJTF–HOA. The presence of Civil Affairs (CA) teams in the region help partner nations improve their civil-military relations with local communities. These teams provide CJTF–HOA the ability to access high risk areas, thereby helping advance U.S. Government and host nation development priorities. In coordination with USAID and DOS, civil affairs activities help mitigate the stresses that contribute to regional instability.

CJTF–HOA is a model for multinational and interagency collaboration, and its presence in the region is critical to accomplishing U.S. Africa Command's mission.

Southern Africa

With the exception of Zimbabwe, the southern African countries are relatively stable but face significant challenges in improving living standards, reducing government corruption, and developing strong democratic systems. The political and humanitarian crisis in Zimbabwe has had spillover effects on the region, with refugees and disease moving across borders. While HIV/AIDS afflict the entire continent, Southern Africa has the highest infection rates in the world. Security forces across this region are compromised by the disease, which reduces their ability to conduct operations.

Additionally, with the exception of South Africa, coastal countries here lack the ability to monitor and control their territorial waters. As a result, the region is vulnerable to illicit trafficking and continues to lose important economic resources through illegal fishing.

Despite these regional challenges, South Africa remains the economic powerhouse of Sub-Saharan Africa, producing over 40 percent of the subcontinent's gross domestic product and exporting strategic minerals throughout the world. South Africa's contributions to Africa's stability are not only economic; its professional and capable military provides over 3,000 soldiers to U.N. and AU missions. U.S. Africa Command is developing a growing and improving relationship with the South African National Defense Force (SANDF). We had a productive pre-planning meeting with SANDF in November 2008 as we worked together to prepare for the upcoming U.S.-South Africa Defense Committee meetings scheduled for this summer. We look forward to co-chairing the military relations working group with SANDF during these bilateral Defense Committee meetings. In addition, NAVAF completed staff talks in

February 2009, and we have a Medflag scheduled by USARAF in Swaziland for this year.

Botswana is also one of Africa's success stories, rising from one of the world's poorest countries at independence to middle income status, and it recently celebrated 40 years of uninterrupted democratic governance. Botswana's military is professional and capable, but remains focused on potential regional instability that may arise from the collapse of the Zimbabwe Government. Namibia and Malawi also contribute to U.N. peacekeeping missions in Africa and states such as Mozambique and Swaziland have also expressed an interest in contributing forces to U.N. peacekeeping operations. At the request of the Chief of Staff of the Botswana Defense Force (BDF), Colonel Martha McSally, my Joint Operations Center Chief, has been assisting the BDF for 18 months as they integrated the first female officers into their force. She has led seminars for senior BDF leaders on good order, discipline, and professionalism in a male-female integrated military, and has also conducted seminars in Swaziland and Lesotho.

Advancing the U.S.-South Africa relationship and expanding military cooperation to focus on regional and continental security challenges is extremely important. NAVAF, expanding its maritime safety and security (MSS) program, deployed the U.S. aircraft carrier U.S.S. *Theodore Roosevelt* to South Africa this past year in an historic visit—the first U.S carrier visit since the end of apartheid.

U.S AFRICA COMMAND COMPONENT AND SUBORDINATE COMMANDS

U.S. Africa Command is comprised of four component commands, one subunified command, and the Combined Joint Task Force-Horn of Africa. The Service components currently have no assigned forces and rely on forces provided through the Global Force Management and Request for Forces system.

U.S. Army Africa

In January 2009, U.S. Africa Command gained operational control of U.S Army Southern European Task Force (SETAF), which now, as U.S. Army Africa (USARAF), serves as U.S. Africa Command's Army component. USARAF, in concert with national and international partners, conducts sustained security engagement with African land forces to promote peace, stability, and security in Africa. As directed, USARAF deploys as a contingency headquarters in support of crisis response. USARAF is currently manned at 67 percent of its approved personnel strength for military and civilian positions, with 244 of its 318 military positions and 44 of 110 civilian positions filled. USARAF capabilities center on planning, directing, and providing oversight of security cooperation activities and stability operations.

Recognizing the Army's important contribution to U.S. Africa Command's Theater Strategy, USARAF continues to execute engagement and exercise programs on a bilateral, multi-lateral, and regional basis. These programs are designed to help our African partners develop capable security forces that respect the rule of law, abide by human rights norms, are accountable to legitimate civilian authorities, and contribute to internal security and external peace operations.

U.S. Naval Forces, Africa

U.S. Naval Forces, Africa (NAVAF) primary mission is to improve the MSS capability and capacity of our African partners. Beyond APS, law enforcement operations, and TSC activities mentioned earlier, NAVAF is working to enhance MSS by focusing on the development of maritime domain awareness, trained professionals, maritime infrastructure, and response capabilities.

A critical aspect of MSS is awareness of activities occurring in the maritime environment. Maritime domain awareness (MDA) provides participating states the capability to network maritime detection and identification information with appropriate national defense and law enforcement agencies. A widely accepted first step in achieving MDA is installation of the Automatic Identification System (AIS). AIS is similar to the U.S. Federal Aviation Association system for aircraft identification. Although AIS is used around the globe, the data has not been widely shared to date. In response to NAVAF initiatives, 18 nations in Africa now share unclassified AIS data through the Maritime Safety and Security Information System.

Partnering with our Reserve components, NAVAF is assigning Maritime Assistance Officers (MAOs) to U.S. embassies. MAOs assist country teams in planning for maritime security cooperation activities. They provide insight into maritime culture, attitudes, and capacity—all of which are necessary for understanding where we can best assist each country in building MSS.

U.S. Air Forces, Africa

U.S. Air Forces, Africa (AFAFRICA) is the Air Force component to U.S. Africa Command. Its mission is to command and control air forces to conduct sustained security engagement and operations to promote air safety, security, and development.

AFAFRICA was activated at Ramstein Air Base, Germany on 1 October 2008. AFAFRICA is administratively assigned to the United States Air Forces Europe for organize, train, and equip (Title 10) support. However, AFAFRICA reports directly to U.S. Africa Command for operational taskings and support, and will be organized into an Air Force Forces staff and the 617th Air and Space Operations Center.

AFAFRICA's current command and control center was established on 1 October 2008 to provide a continuous command and control capability for all theater security cooperation exercise and engagement activities as well as ongoing crisis response contingencies such as foreign HA, non-combatant evacuation operations, and humanitarian relief operations. Ultimately, this capability will evolve into a tailored air operation center, the 617th Air and Space Operations Center. Scheduled to reach full capability in October 2009, the 617th will be the lead command and control organization for air and space operations and will provide a common operating picture of all air missions within the AOR.

AFAFRICA's total force partnership coupled with an increased reliance on technologies and reach-back assets from Headquarters Air Force and lead major commands will ensure AFAFRICA is prepared for the challenges ahead.

U.S. Marine Corps Forces, Africa

U.S. Marine Corps Forces, Africa (MARFORAF) was established on 1 October 2008. MARFORAF is currently colocated with U.S. Marine Corps Forces, Europe, in Stuttgart, Germany. One dual-hatted Marine Corps general officer commands both organizations. The two Marine staffs, in addition to sharing facilities, also share common administrative support elements.

MARFORAF has assumed duties for the conduct of operations, exercises, training, and security cooperation activities in the U.S. Africa Command AOR. The preponderance of the Marine Corps' recent activity has been in West Africa and the Gulf of Guinea. With the establishment of U.S. Africa Command, MARFORAF is planning to expand its activities into other regions of Africa and execute more than sixty engagement events in fiscal year 2009.

U.S. Special Operations Command, Africa

On 1 October 2008, U.S. Special Operations Command, Africa (SOCAFRICA) was established as U.S. Africa Command's Theater Special Operations Command—a functional, sub-unified special operations command for Africa. SOCAFRICA contributes to U.S. Africa Command's mission through the application of the full spectrum of special operations forces capabilities including civil affairs, information operations, TSC, crisis response, and campaign planning.

In fiscal year 2009, SOCAFRICA plans to conduct 44 engagement events with 13 countries in Africa. In addition to Joint Combined Exchange Training and bilateral training, SOCAFRICA will supplement its efforts by bringing senior officers and civil authorities from partner nations together to attend seminars and courses to promote exchanges about military aspects of good governance. In fiscal year 2009, SOCAFRICA's information operations and civil affairs activities will focus on eroding popular support for violent extremist organizations—particularly in countries located within the Horn of Africa, Trans-Sahara, and Central Region.

Combined Joint Task Force—Horn of Africa

Since conception in 2002, CJTF–HOA's mission has migrated to building security capacity through cooperative conflict prevention. During this time, the country of Djibouti has become increasingly important in terms of significance to the U.S. military due to its strategic location. Our enduring presence at Djibouti helps build relationships which are the strongest mechanism for furthering U.S. objectives on the continent.

Responding to the expressed desires of African states, CJTF–HOA focuses its efforts with regional militaries on building state and regional security capacity. Regional security cooperation is fostered through coalition efforts with member countries of the East African Standby Force (EASF) (We do not provide direct support to the EASF; we have bilateral relationships with EASF participating member countries), International Peace Support Training Center, and the International Mine Action Training Center—along with Liaison Officer support for ACOTA training. CJTF–HOA seeks to improve East Africa Maritime Security and Safety through the expansion of maritime domain awareness and implementation of an African Part-

nership Station East. Working with Partner Countries to develop a professional officer and NCO corps is a foundational element of CJTF–HOA capacity building. Professional Military Education development through engagements at Command and Staff Colleges and various Senior Leader Engagements support professionalization of militaries, and assist other U.S. Government agencies in helping partner states diminish the underlying conditions that extremists seek to exploit.

All of these efforts and activities provide collaborative opportunities for CJTF–HOA to better understand cultural dynamics and tailor programming and projects that support partner militaries while enhancing long-term security capacity building.

THEATER INVESTMENT NEEDS

Theater Infrastructure and Posture Requirements

U.S. Africa Command infrastructure and posture requirements are in two major areas: headquarters establishment, and theater operational support. The command's posture plan and facilities master plan are built around these two requirements.

Infrastructure: Headquarters establishment

For the foreseeable future, our headquarters will remain at Stuttgart. For the next 5 years, operational factors will be paramount, and we will benefit from the stability of staying in one location where we can polish our operational processes, cement relationships with our partners on and off the continent, and consolidate our gains.

Posture: Theater operational support

U.S. Africa Command seeks to posture itself via its Theater Posture Plan in a manner that enhances its peacetime mission, ensures access throughout the AOR, and facilitates the conduct of contingency or crisis response operations. The command's posture will support U.S. Africa Command's efforts to integrate and synchronize its theater engagement activities with the rest of the U.S. Government and key international partners.

Forward Operating Site (FOS) and Cooperative Security Locations (CSL) in U.S. Africa Command's AOR

The command's two FOSs are Ascension Island (United Kingdom) and Camp Lemonier (Djibouti). Ascension Island, a major logistic node for the United Kingdom, is a newly identified node for U.S. Transportation Command in support of Africa Command.

Camp Lemonier is the enduring primary support location for East Africa, and is an identified FOS. As U.S. Africa Command matures, Camp Lemonier remains essential to supporting long-term TSC efforts and establishing strong and enduring regional relationships. Camp Lemonier and CJTF–HOA operations have largely been resourced from the global war on terror emergency supplemental appropriations to establish expeditionary infrastructure and achieve operational needs. Current and programmed projects are an integral part of the Camp's installation master plan. These projects are necessary to support sustained security engagement activities and their supporting units. Camp Lemonier is a critical part of supporting and developing regional African capability and capacity.

Also key to operational support is U.S Africa Command's Adaptive Logistics Network (ALN) approach to logistics on the continent. Our goal with ALN is to develop a flexible network of logistics capabilities that has ability to respond to logistic demands. The heart of the ALN will be comprehensive, real-time knowledge of available logistic capabilities and capacities across the continent of Africa. ALN will be the key to integrate the distributed network of FOS and CSL.

En-Route Infrastructure outside U.S. Africa Command's AOR

In addition to the facilities mentioned above inside our AOR, U.S. Africa Command has identified the main operating bases in Rota (Spain), Sigonella (Italy), and the CSL Cairo West as important logistic support facilities. Although these sites are located in other geographic combatant command areas of responsibility, they are critical intermediate nodes for logistics coming in and out of our AOR. Transportation Command requires these facilities to support U.S. Africa Command.

Quality of Life Programs

Africa Command's Quality of Life (QoL) investments affirm our commitment to our team members and their families. Their sacrifices deserve our total dedication. The foundation for our success will be derived from the strength of our families. The command is committed to providing a strong, supportive environment which fosters

growth and excellence, while providing the highest quality of resources and services to our Africa Command family.

The command has created a QoL office to manage and oversee QoL activities both in the headquarters location and on the African continent. This office will continuously assess the theater-wide environment in order to identify emerging and unusually sensitive QoL issues. Additionally, it will serve as an advocate for the well-being of our team members and families on the continent. Providing for our service members and their families living on the continent of Africa and at other European locations remain a high priority for the Command.

In March 2008, we held our first Africa Command Families on the African Continent meeting to address issues facing families living in Africa, followed by a second meeting in February 2009. This will be an annual forum where we can address emerging issues and develop our QoL Action Plan. This will be particularly important as we incorporate CJTF–HOA and its mission. We must ensure that the quality of life for service and family members supporting CJTF–HOA meets their needs as U.S. Africa Command continues to develop. Our goal working with Department of Defense Education Activity and the Department of Defense Dependent Schools—Europe is to provide every student with an opportunity for a quality education.

To assist our team members and their families in solving problems resulting from deployment, reunions, and other family changes, U.S. Africa Command is implementing the Military and Family Life Consultant Program to support both the command headquarters and the African continent. The program has obtained funding for fiscal year 2009 which will provide licensed social workers and psychologists to the embassies, ensuring services are available as needed.

We must ensure that quality of life for our serving members—wherever they are posted—remains a priority and is funded properly.

U.S. AFRICA COMMAND INTERAGENCY INITIATIVES

We multiply effects and achieve greater results when we work closely with our U.S. Government interagency partners. Having interagency personnel imbedded in our command enhances our planning and coordination, and the MOU signed between U.S. Africa Command and USAID in Morocco is a model we hope to replicate throughout our AOR. Also, the flexibility provided through partner capacity building programs enabled us to react quickly to provide security enhancing activities and support to U.S. Embassy plans and operations.

Building Partner Capacity

Partner capacity building programs have provided important tools for addressing emerging threats. We were able to put these funds to good use in assisting our partners in Africa in fiscal year 2008, and sought greater funding—in one case twice the previous years amount—for fiscal year 2009.

Our previously mentioned contribution to a U.S. Embassy's program for "Mitigating the factors of youth disaffection and marginalization" is a wise use of capacity building funds in an interagency fashion that best meets U.S. strategic, security, and foreign policy objectives. This program will reduce disaffected youths' exposure to extremist ideologies as well as the recruiters often found in prisons and elsewhere.

Likewise, use of partner capacity building funds in Liberia is intended to develop police force capabilities to maintain security and stability following the pending departure of U.N. police units. Support to U.S. Government security sector reform and rule of law activities is particularly important across the continent since personal security and stability provides the foundation for constructive economic development, and this development serves the interests of all the peoples of Africa.

Support for Regional Programs

Many of the security and stability challenges on the continent are transnational in nature and require regional, rather than national responses. For example, seasonal droughts and floods usually affect multiple countries and require regionally-based responses. Programs such as the USAID's Famine Early Warning System (FEWS) provide valuable data enabling improved preventive and response activities on the part of both civilian agencies and the U.S. military. FEWS and other regional programs, including various conflict early warning initiatives led by other U.S. Government agencies, demonstrate the advantages of a holistic approach to the problems of Africa.

Foreign language skill, cultural awareness, and regional proficiency are core competencies for U.S. Africa Command. The many bilateral and multilateral relationships that U.S. Africa Command maintains as we work with our partners depend on the language skills, advanced cultural awareness, and regional expertise of our

forces. Effective interaction with regional partner's governments, militaries, and populations demands a robust ability to communicate on a face-to-face level. Growing and enhancing these language and cultural capabilities is vital for U.S. Africa Command.

CONCLUSION

Today United States Africa Command is serving effectively in support of U.S. national security and foreign policy objectives in Africa. As the newest unified command and the DOD's single focal point for activities in this important region, we are implementing the visionary concept of an integrated command, with key interagency personnel included in our organizational structure, to advance collaboration between DOD and other U.S. Government agencies to build greater security with our African partners.

Our priority remains the delivery of effective and sustained security cooperation programs designed to build African security capacity. Long-term security and stability in Africa is dependent on our partners' ability to address their own challenges, so that they can take action not only against security threats, but also to conduct regional humanitarian operations.

In this effort, the importance of our interagency partners cannot be overstated. Diplomacy, development, and defense all require time, funding, and people if we are to meet our obligations successfully. Your support to U.S. Africa Command, as well as to our interagency partners, is critical to our collective ability to meet our national objectives.

It is my honor to serve with the uniformed men and women, our DOD civilian employees, as well as our interagency partners who have made U.S. Africa Command a functioning reality in a very short time. Your sustained support will allow their good work to continue in service of our country.

Chairman LEVIN. Thank you so much, General Ward.

General McNabb.

STATEMENT OF GEN. DUNCAN J. MCNABB, USAF, COMMANDER, UNITED STATES TRANSPORTATION COMMAND

General MCNABB. Chairman Levin and distinguished members of the committee, it is indeed my privilege to be with you today representing the men and women of TRANSCOM, more than 136,000 of the world's finest logistics professionals. This total force team of Active Duty, Guard, Reserve, civilian, contractors, and commercial partners enables the combatant commanders such as General Ward, General Renuart, and Admiral Stavridis to succeed anywhere in the world by providing them unmatched strategic lift and end to end global distribution.

This committee is well aware that it is our great people that get it done. It is our logistics professionals, using newly developed supply routes through the Northern Distribution Network, supporting Operation Enduring Freedom. Senator Levin and Senator McCain, you both asked me about that and I look forward to going over that with you.

It is our total force air crews flying combat approaches on night vision goggles or air dropping supplies to our troops in Afghanistan. It is our air refueling crews delivering 5 million pounds of fuel every day and night, extending the reach of our joint force and coalition partners. With maintenance teams behind them, these crews execute more than 900 sorties a day. That's a takeoff and landing every 90 seconds, sometimes in the most austere places like Antarctica or the most dangerous, like a forward operating base under fire in Afghanistan.

It is our merchant mariners and military and civilian port operators loading, offloading, and sailing more than 35 ships every day in support of the warfighter. It is our terminal operators moving

thousands of containers, domestic freight and railcar shipments, pushing warfighters and their vital supplies to the fight. It is our contingency response groups and port opening experts arriving first to open up the flow in contingency or disaster relief operations in support of the combatant commanders.

It is our commercial airlift and sealift partners standing beside us, opening new avenues of supply into Afghanistan or supporting the Nation in times of surge. it is our medical crews and critical care teams tending to our wounded warriors, rapidly delivering them from the battlefield to the finest, world-class care on the planet, saving lives and families at the same time. It is our crews bringing back fallen comrades, transporting heroes dressed in our Nation's colors, Americans returning with dignity to our country which owes them so much.

It is this logistics team, working from home and abroad, that gives our Nation unrivaled global reach, committed to serving our Nation's warfighters by delivering the right stuff to the right place at the right time. Whether sustaining the fight, providing disaster relief to friends in need, or moving six brigades simultaneously, we are there.

Chairman Levin, your support and the support of this committee has been instrumental in providing the resources our team needs to win, and I thank you. You have given us the Large Medium-Speed Rollon-Rolloff ships and supported upgrades to our Ready Reserve Fleet, all of which have been key to our success over the last 7 years, and the new joint high-speed vessels will give us even greater flexibility.

The C–130J and the C–17 have come of age since September 11 and have allowed us to change how we support the combatant commanders by air. The current C–5, C–130, and KC–10 modernization programs will also make an enormous difference in our capability and reliability to support the warfighter.

My top priority remains the recapitalization of our aging tanker fleet. The KCX will be a game-changer. Its value as a tanker will be tremendous. Its value as a multi-role platform to the mobility enterprise will be incomparable. It will do for the whole mobility world what the C–17 did for theater and strategic airlift. It will be an ultimate mobility force multiplier.

Chairman Levin, Senator McCain, I'm grateful to you and the committee for inviting me to appear before you today. I respectfully request my written testimony be submitted for the record and I look forward to your questions.

[The prepared statement of General McNabb follows:]

PREPARED STATEMENT BY GEN. DUNCAN J. MCNABB, USAF

INTRODUCING THE UNITED STATES TRANSPORTATION COMMAND

Mission/Organization

The United States Transportation Command (USTRANSCOM) operates the integrated, networked end-to-end distribution system that delivers to the "right place," at the "right time," for the warfighter and at the best value for our Nation. As a supporting command, we execute military and commercial transportation, terminal management, aerial refueling and global patient movement throughout the Defense Transportation System (DTS) in a wide range of military and humanitarian operations. As a combatant command, we have operational warfighter requirements. As

the Distribution Process Owner (DPO) we have business and logistics enterprise responsibilities.

USTRANSCOM leads a committed Total Force team of Active Duty, Guard, Reserve, Civilian, contractors and commercial partners. Our component commands—the Army's Military Surface Deployment and Distribution Command (SDDC), the Navy's Military Sealift Command (MSC) and the Air Force's Air Mobility Command (AMC)—and our enterprise partners provide the capacity to deliver logistics and distribution capability that supports the Joint Force Commanders' ability to project combat power and national power in peace and war.

Additionally, as the DPO, USTRANSCOM leads a collaborative effort within the Joint Deployment and Distribution Enterprise (JDDE) to deliver innovative and cost-efficient solutions to increase the precision, velocity, reliability and visibility of our distribution network and the overall Department of Defense (DOD) supply chain.

SUPPORTING GLOBAL OPERATIONS

In support of our warfighters across the globe our components have delivered those "right place," "right time" "best value" solutions in staggering quantities. Last year, AMC and our commercial partners moved more than 2 million passengers and 735,000 short tons (stons) of cargo, and our aging tanker aircraft delivered 229 million gallons of fuel to U.S. and coalition aircraft. Equally impressive, MSC shipped 6.8 million square feet and SDDC moved 3 million stons of cargo worldwide. Finally, to support global DOD requirements, MSC's point-to-point tankers delivered 1.47 billion gallons of fuel. Each of our components individually possesses a tremendous capability. USTRANSCOM ties these capabilities together using intermodal solutions to maximize efficiency and best support the combatant commanders (COCOMs).

Support to United States Central Command

USTRANSCOM continued its focus on supporting operations in the United States Central Command (USCENTCOM) Area of Responsibility (AOR). This year, establishing the Northern Distribution Network (NDN), alternative routes to Afghanistan through the Caucasus and Central Asia, has become a high priority. And we have made significant progress in partnership with the Department of State, DOD, USCENTCOM, U.S. European Command (USEUCOM), and U.S. Pacific Command (USPACOM) to establish these new routes. The NDN—along the historic Silk Road—will leverage the existing commercial distribution networks to move non-military commercial cargo using our U.S. Flag commercial carriers. The NDN also provides additional cargo throughput capabilities vital to support the increasing forces in Afghanistan.

Another top priority is working Gulf of Aden piracy issues with our commercial shipping partners. Recognizing that significant interagency and multinational actions are underway to address this growing problem, we held discussions with U.S. commercial carriers servicing DOD sealift transportation requirements to solicit their concerns. In collaboration with the Maritime Administration, USTRANSCOM served as a conduit to enable U.S. Flag carriers to develop tactics, techniques and procedures to minimize the piracy risk.

In direct support of USCENTCOM force flow, we deployed and redeployed 41 Brigade Combat Teams, 37,000 Air Expeditionary Forces, and 3 Marine Air Ground Task Forces and executed several short fuse deployments such as the 24th Marine Expeditionary Unit to Afghanistan. And to ensure warfighters in theater received the latest advances in vehicle protection, we delivered over 11,000 mine-resistant ambush protected vehicles and more than 8,300 improved vehicle armor kits. We also airdropped 8,000 stons of cargo in Afghanistan. This widespread use of our improved and precision airdrop capability is evidence of our promise to the COCOMs that we will take the supply chain vertically and as far forward as necessary to support them.

Support to Other Combatant Commands

The USEUCOM AOR was also very active. When Russia invaded Georgia, USTRANSCOM moved Georgian troops serving in Iraq back to defend their homeland. In less than 92 hours, AMC crews flew 14 C–17 missions, each averaging 31-minutes on the ground in Tblisi to deliver 1,700 troops—the entire Georgian First Brigade. Additional C–17 sorties delivered over 350,000 humanitarian rations as part of Operation Assured Delivery, providing hope and sustenance to the Georgian people.

As U.S. Africa Command (USAFRICOM) grows and expands its mission, USTRANSCOM will leverage our resources and expertise to support this new command.

In the U.S. Southern Command AOR, we conducted detainee movement operations from Guantanamo Bay, Cuba. At the same time, our defense couriers transported attorney-client material in support of High Value Detainee litigation. Elsewhere in the region, we provided air refueling and aeromedical evacuation support for the repatriation of three U.S. hostages rescued in Colombia and moved time-sensitive cargo for humanitarian assistance and disaster relief missions in Haiti.

We supported USPACOM with force rotations and sustainment for Operation Enduring Freedom-Philippines, transporting more than 2,000 passengers and 2,300 stons and 63,000 square feet of cargo. In support of the National Science Foundation, Operation Deep Freeze set records—we airlifted over 6,400 stons of cargo and 5,400 passengers and sealifted nearly 6 million gallons of fuel and 10,500 stons of cargo into McMurdo Station, Antarctica.

Working closely with U.S. Strategic Command (USSTRATCOM), we supported the engagement of an uncontrollable satellite with operational planning and alert strategic airlift for potential recovery and consequence management. We are also actively and uniquely involved with USSTRATCOM in the cyber security challenges that are especially evident in the strategic partnerships USTRANSCOM has with industry and the logistics enterprise.

Finally, at home, we aided U.S. Northern Command (USNORTHCOM) and government agencies, such as the Federal Emergency Management Agency, during catastrophic events. During the California wildfires we deployed command and control, aerial firefighting, and evacuation elements to reduce loss of life and property. During Hurricanes Gustav and Ike, we provided defense support to civil authorities in Texas and Louisiana, including air evacuation of 5,600 civilians and 1,000 patients. Additionally, we are dedicated to providing deployment support for USNORTHCOM's Consequence Management Response Force.

Support for the Warfighter

One of our most critical missions is moving injured warfighters from the battlefield to world-class medical treatment facilities. This complex, time-sensitive process requires close collaboration with doctors, military hospitals and our aeromedical evacuation crews to move injured personnel at exactly the right time to the right place. In 2008, we transported over 7,800 patients from the USCENTCOM AOR and over 13,000 patients globally. Should a warfighter perish in the defense of our Nation, we ensure the most dignified transport from the battlefield to final destination.

Our support to the warfighter also includes improving quality of life at home. The Defense Personal Property Program improves household goods shipments by allowing personnel to evaluate transportation service providers online, obtain counseling via the web and file personal property claims directly with the provider. With over 329,000 personnel and their families and 1.5 billion pounds of household goods moving each year, USTRANSCOM has maintained a sharp focus on this program and its associated IT system, the Defense Personnel Property System (DPS). DPS successfully came online in November 2008 at 18 DOD locations, and will be available for all 136 DOD shipping offices beginning in March 2009.

Improving Global Joint Sourcing Solutions

USTRANSCOM is always searching for ways to improve performance. We recently established our Fusion Center to integrate planning and operations, which allows more effective requirements management, improves distribution pipeline visibility and fosters customer and partner relationships. Key stakeholders are now able to collaborate on decisions, resulting in synchronized, cost effective distribution solutions.

As a result of the 2005 Base Realignment and Closure (BRAC) process, USTRANSCOM began construction of our new building designed to capitalize on efficiencies by colocating USTRANSCOM and component command experts in close proximity to one another. This design will enable USTRANSCOM, SDDC and some of the AMC and MSC staffs to work side-by-side to resolve issues and formulate solutions from an integrated, intermodal perspective. Additionally, the new facility will include the Joint Intelligence Operations Center-Transportation (JIOC–TRANS). By integrating operations and intelligence, we will further improve mission execution by identifying and assessing threats to our intermodal operations at seaports, airfields, and connecting surface networks worldwide.

A further BRAC related effort is the Acquisition Center of Excellence (ACE) which combines program management, common carrier acquisitions and contract functions under one authority. The ACE better positions USTRANSCOM to establish long-

term national-level transportation contracts with decreased overhead costs, build strategic partnerships with multi-modal transportation and distribution service providers, and manage command modernization efforts for more efficient warfighter support.

Finally, USTRANSCOM created the Joint Distribution Process Analysis Center (JDPAC), an entity which consolidates analysts from USTRANSCOM, AMC and SDDC. Because of its significant analytical capabilities, we envision it becoming the DOD's center of excellence for all joint mobility deployment and distribution studies and analyses. JDPAC's first major undertakings include oversight of the congressionally-mandated study of the size and mix of the inter-theater airlift force (conducted by the Institute for Defense Analyses) and the Mobility Capabilities and Requirements Study 2016 (MCRS–16), which we co-lead with the Office of the Secretary of Defense. These studies, expected to be completed in 2009, will aid decision makers in determining the mobility requirements necessary to defend the homeland, prevail in the war on terror, conduct irregular warfare and win conventional campaigns in the 2016 timeframe.

Maintaining Air Mobility Readiness

While we await the outcome of MCRS–16 to help shape future mobility requirements, there is no doubt that some of our organic air mobility force structure requires recapitalization.

My number one recapitalization priority is replacing the fleet of 415 Eisenhower-era KC–135s with a new platform to preserve a unique asymmetric advantage for our Nation. The KC–X with multipoint refueling allowing same sortie service to Air Force, Navy, Marine and coalition aircraft will address the significant risk we are currently carrying in air capacity and address further capability risks associated with an airframe that is almost 50 years old—and will be over 80 years old by the time we recapitalize all of them. The ability to carry cargo and operate forward with defensive systems will be a game changer when the aircraft is not needed as a tanker. Further delays in replacing this aircraft will add significant risk to our ability to rapidly project combat power to support the Nation and our allies. It is imperative to expedite a smart, steady reinvestment program.

Our newest tanker, the KC–10, has also served us well since entering service in 1981. We must continue to modernize the KC–10 fleet to operate in the global airspace environment and to remain viable past 2040.

Our national defense strategy requires a viable fleet of strategic airlift aircraft. The C–17 has proven itself a critical asset, offering the flexibility to fill key tactical requirements in addition to fulfilling its primary strategic airlift role.

Additionally, the C–5's outsized and oversized cargo capability is essential to meeting our global mobility requirements. Unfortunately, low departure reliability and mission capable rates continue to plague the C–5 fleet. Modernizing all the C–5s with avionics upgrades is essential to allow access to international airspace and foreign airfields. New engines and other reliability enhancements for our C–5Bs and two C–5Cs are necessary to increase aircraft availability, reduce fuel consumption and significantly improve performance throughout their projected service life. We will modernize the C–5 fleet while closely managing the costs.

The C–130 continues to be the workhorse supporting the warfighter in theater and will remain viable through acquisition of the C–130J and modernization of legacy C–130s via the center wingbox replacement program and avionics upgrades. However, the Air Force also needs the flexibility to retire and replace aircraft at the end of their service life.

The C–27 (JCA) is an emerging intra-theater asset that will provide COCOMs and the Services an airlift capability to meet time sensitive/mission critical movement requirements. DOD will leverage the JCA for multi-use, alternating between direct support and general support to maximize utility for the warfighter.

Our mobility aircraft routinely operate in threat areas across the spectrum of conflict from humanitarian relief to combat resupply. To operate safely in these environments, AMC continues to equip aircraft with the Large Aircraft Infrared Countermeasures system and will soon begin developing other defensive systems to avoid radar-guided threats.

Operational Support Airlift (OSA) and Distinguished Visitor (DV) transportation are other key components of the global mobility force. Our senior leaders require time-critical, reliable airlift to carry out their global missions, and require communications capability equal to what they enjoy at their homestations. Therefore, in partnership with the Joint Staff and the Services, we are implementing an airlift information management system called the Joint Air Logistics Information System—Next Generation (JALIS–NG). JALIS–NG will improve visibility of high-priority OSA missions and DV passengers, thereby more efficiently employing the OSA

fleet. Additionally, we are modernizing the executive aircraft fleet with the Senior Leader Command, Control, and Communications System—Airborne (SLC3S–A) package to significantly improve senior leader airborne communications.

The Civil Reserve Air Fleet (CRAF) is a critical partner in our ability to rapidly project and sustain forces. We appreciate the authorities granted in the National Defense Authorization Act for Fiscal Year 2009 allowing the Department to guarantee minimum levels of business to CRAF carriers. These authorities will help strengthen the CRAF program as business in the DTS eventually returns to pre-September 11 levels. We will fulfill our congressionally-mandated responsibilities to improve predictability of DOD charter requirements, strengthen CRAF participation and entice carriers to use newer, more fuel efficient aircraft as prerequisites to exercising these authorities.

Maintaining Sealift Readiness

Like airlift, flexible, cost effective commercial ocean transportation is vital to our National interests and is a critical component of the DTS. DOD's "Commercial First" policy helps ensure the U.S.-flagged maritime industry and pool of U.S.-citizen mariners are available in time of national emergency.

DOD is among the largest single shippers of ocean cargo worldwide, and in the past year alone spent nearly $1 billion on commercial transportation. We acquire worldwide intermodal transportation services in support of DOD and government agency requirements through the Universal Service Contract (USC). USC leverages commercial service on established trade routes and capitalizes upon existing commercial investment in global infrastructure.

USTRANSCOM also partners with the U.S. Commercial Sealift Industry through programs like the Maritime Security Program (MSP), Voluntary Intermodal Sealift Agreement (VISA) and Voluntary Tanker Agreement (VTA) to gain critical access to U.S. commercial capabilities to support DOD's force projection requirements in times of war or crisis. We are working closely with the Maritime Administration to help revitalize the VTA, and we support the Navy's program to replace four T–5 tankers with two newly built commercial charters in 2010.

MSC and the Maritime Administration are also improving the efficiency of surge sealift asset management for our organic fleet. This year we made significant improvements to our strategic sealift readiness posture by relocating three Large Medium Speed Roll-on/Roll-off vessels and two Fast Sealift Ships to the West Coast. Our analysis indicated this move would improve our strategic sealift response capabilities in the USPACOM AOR, mitigate shortfalls in the Army's afloat prepositioning program and optimize sealift flexibility. MSC and the Maritime Administration are also identifying and capturing best practices for the activation, maintenance and operations of surge sealift ships to more efficiently manage the fleet and ensure the readiness of surge assets.

Finally, I urge Congress to continue support for the National Defense Sealift Fund (NDSF) and MSP—both are critical to improving our sealift capacity for our warfighters. This past year, both the Maritime Administration and MSC utilized NDSF resources to improve the capability of roll-on/roll-off vessels in the Ready Reserve Force and the VISA program. Newly upgraded ramps installed on two of these ships increase ramp capacity, enabling loading of heavier vehicles and providing flexibility to load or discharge cargo without regard to pier configuration.

Maintaining Surface Readiness

Preserving and expanding infrastructure is the cornerstone of our ability to project national power. USTRANSCOM uses the Global En Route Infrastructure Steering Committee (GERISC) in combination with regional steering committees to identify worldwide priority construction projects. This year the committees recommended taxiway and ramp improvements in Colombia, a new passenger terminal at Bagram Air Base in Afghanistan and a fuel facility in Oman to improve global mobility capacity and throughput as priority infrastructure projects.

The security of our forces and transportation infrastructure is essential to accomplishing our global mission. Our Critical Infrastructure Program (CIP) fosters information sharing with the DOD and with the Department of Transportation, U.S. Coast Guard, and the Transportation Security Administration. The CIP helps identify worldwide physical and cyber infrastructures critical to USTRANSCOM's global mobility mission and mitigates inherent vulnerabilities.

In addition to preserving and expanding global access, we continue to look for ways to optimize our CONUS infrastructure. SDDC recently completed and is implementing findings from Port Look 2008. This study recommended retaining all nineteen currently designated strategic seaports; designating Charleston Naval Weapons Station and the commercial Port of Charleston as two separate, distinct strategic

seaports; planning for future increased capacity requirements on the Gulf Coast and in Alaska; and institutionalizing future Port Look studies on a recurring basis, synchronized with release of the Quadrennial Defense Review.

Finally, we continue active participation in the capabilities-based assessment of Sea Based operations for the 2015–2025 timeframe. The success of Sea Basing depends on advances in at-sea cargo handling, ship-to-ship cargo transfers with mitigation of motion effects through sea state four and interface with high-speed connectors. The Joint High Speed Vessel offers a promising capability to bridge the gap between high-speed airlift and low-speed sealift, for transport of forces, equipment and sustainment cargo as part of Sea Based operations.

LEADING THE JDDE TRANSFORMATION

Improvements in DOD Supply Chain Management

USTRANSCOM and our JDDE partners are working together to drive tangible improvements in the DOD supply chain. By improving the precision, velocity, reliability and visibility of distribution operations, we gain the ability to synchronize and prioritize the flow of forces and sustainment to support the warfighter across the full range of military operations.

The supply chain needs to move people, equipment and supplies to the right place, at the right time using the most efficient and effective combination of modes. Our DPO Strategic Opportunities initiative is designed to improve precision by examining and aligning key strategic leverage points. Specifically, we are working to strike the optimum balance between inventory stocks and transportation; align supply, transportation and distribution processes; and optimize strategic surface and airlift networks.

For example, given the volatility of fuel and transportation costs, we are analyzing ways to minimize overall supply chain costs by positioning high-demand, low-dollar inventories forward to reduce transportation requirements. We are also examining the impact of consolidating cargo traditionally carried in 20-foot containers into 40-foot containers to gain efficiencies in surface transportation while maintaining "delivery location pure" pallets and containers where the demand supports high volume routes. Finally, we are studying ways to optimize air transportation by increasing pallet utilization, obtaining "best-value capacity" for the shipping volume, and achieving maximum use of organic and commercially contracted airframes. Collectively, these and other opportunities have the potential to improve distribution performance by 25 to 45 percent while reducing overall enterprise-level distribution costs.

USTRANSCOM will focus on velocity to rapidly move America's military might. We are improving velocity by eliminating bottlenecks and chokepoints identified across 200 Integrated Distribution Lanes (IDLs) where we move people and cargo. Each IDL represents a route along which assets travel and is broken down into supply, transportation and theater segments. Each segment has associated performance standards which represent the COCOM's desired expectations. We improve velocity by optimizing mode and routing selection, and monitoring performance against the standards for each IDL. As an example, we have reduced transit times by as much as 35 days for sustainment cargo shipped from the U.S. to Afghanistan.

USTRANSCOM is also focused on improving reliability—delivering what is needed, when and where it is needed, the first time and every time. Perhaps the best example of a system reliability improvement has been the Defense Transportation Coordination Initiative (DTCI). Over the past year, DTCI has changed CONUS freight movement from disparate, locally-managed processes to a more integrated, enterprise level program, bringing proven best commercial practices to DOD transportation. In partnership with the Defense Logistics Agency (DLA) and the Services, we have contracted with a commercial transportation services coordinator to manage the movement of eligible DOD CONUS freight. Under DTCI, DOD shippers specify destination and deadline—the contractor optimizes the shipments through load consolidation; maximizes the use of cost effective, intermodal solutions; and leverages lower commercial market rates. To date, the program's performance goals for on-time pickup and delivery, minimal damage, claims processing, small business participation, and cost savings/avoidance are all on track. Gross cost savings is approaching $10 million (greater than 20 percent savings), and DTCI has increased visibility of CONUS freight.

Replicating DTCI's visibility successes is particularly important. USTRANSCOM designated 2008 as its "Year of Visibility" to strive for exquisite visibility—knowing what is in the pipeline, where it is and how fast it is moving.

A great example of this need occurred in Pakistan. The Pakistan Ground Lines of Communication (PAKGLOC) were plagued by pilferage of unit movement cargo.

In response, we leveraged commercial technologies to mount cellular and satellite tracking mechanisms on trucks and inserted lift and intrusion detection sensor technology on containers transiting the PAKGLOC. The resultant real time knowledge of cargo location, speed and container breaches enhanced security and significantly reduced pilferage.

To ensure continued visibility improvements, as DOD's lead proponent for Radio Frequency Identification (RFID) and related Automated Identification Technology (AIT), we have developed an AIT implementation plan with the Services, DLA and other agencies to fully incorporate AIT into our business processes. Although active RFID continues to be the backbone of our efforts, we are also using satellite technology in austere environments and are continuing to expand use of emerging passive RFID technologies as a result of lessons learned in the Alaska RFID Implementation project.

Improved visibility across the DOD supply chain is dependent on transforming the enterprise information technology portfolio. Historically, logistics IT systems have been managed and acquired as Service-specific stand-alone systems. We have begun the process to replace large, expensive point-to-point monolithic systems and interfaces with streamlined, web-enabled enterprise level services. Our goal is to deliver core DPO enterprise services to standardize common distribution processes and information exchanges while allowing the Services the flexibility to be unique where they need to be.

One example of this transformation is the Integrated Data Environment (IDE)/ Global Transportation Network (GTN) Convergence program, an innovative IT program combining DLA's IDE information broker and USTRANSCOM's Enterprise Data Warehouse capabilities. This convergence will allow one-stop access to enterprise level supply, transportation and logistics systems and data, eliminating redundancies. Although in its infancy, the program will serve as an IT backbone to provide data visibility and support the needs of the future force.

One of the most important initiatives over the coming decade is Agile Transportation for the 21st Century (AT21). AT21 is an effort to incorporate distribution industry best practices and processes using commercial-off-the shelf tools and then transition workflow management, optimization and scheduling solutions. This transition will improve transportation planning, improve forecast accuracy and increase on-time delivery of forces and supplies to COCOMs at a lower cost to the Services. When fully operational, AT21 will provide the warfighter full distribution pipeline visibility and enable throughput management at critical ports and waypoints around the world.

Looking Ahead

We are continuously exploring new ways to support the future force. Through our Deployment and Distribution Enterprise Technology research and development program, we leverage emerging technologies to fix distribution and sustainment issues. For example, using the Joint Precision Airdrop System Mission Planner we have delivered over 3,300 stons of sustainment cargo to Operations Iraqi Freedom and Enduring Freedom over the past year, significantly reducing ground recovery operations and dangerous convoy operations. Additionally, the Node Management and Deployable Depot (NoMaDD), an Advanced Concept Technology Demonstration, which provided material distribution and inventory support during Hurricane Ike, processed nearly 4,000 trucks of meals, water, ice, and plastic sheeting.

Last year, eight USTRANSCOM-funded projects transitioned to DOD organizations. Building on this success, we will transition an Enroute Care Module that will enhance patient care from the battlefield to definitive care; work to improve shipboard handling systems to more safely move cargo, vehicles and containers in high sea states; pursue joint integrated solutions for mesh-network, tags and tracking technologies to ensure end-to-end asset visibility; and develop a collaborative Single Load Planning Capability. These representative samples will greatly improve the precision, velocity, reliability, and visibility of the DOD supply chain.

Fiscal Stewardship

USTRANSCOM is ever mindful of costs and constantly seeking cost efficiencies. Since 2003, we and our enterprise partners have avoided over $2 billion in costs through the aforementioned DPO improvements, forward stocking initiatives, incorporating challenge protocols to validate high-cost transportation requests and negotiating least-cost transportation solutions.

Additionally, as the DOD's largest consumer of hydrocarbons, we continue to pursue alternative fuels. AMC performed operational tests and demonstrated the potential suitability of synthetic fuel blends in the C–17, C–5, and KC–135 aircraft—next

we will test synthetic fuels in the C–130. These are early steps in a long term effort to significantly reduce reliance on petroleum products.

FINAL THOUGHTS

USTRANSCOM is entrusted with an awesome responsibility to support, mature, and transform the JDDE. We provide what our warfighters and operators need to execute their mission—when they need it, where they need it, at the best value for the Nation. From Tblisi, GA, to Galveston, TX, our end-to-end distribution and logistics capability allows us to deliver the message of our Nation's strength. Going forward, USTRANSCOM and its components will continue providing extraordinary capabilities for projecting national will across a wide range of military and humanitarian operations. We are strategically aligned to unify JDDE efforts for delivering value and saving money. I am extremely proud of this championship team. The men and women of the USTRANSCOM, together with our enterprise partners, will continue to enhance logistics capabilities, focus resources, and deliver superior support to warfighters and our Nation.

Chairman LEVIN. Thank you. All the testimonies will be made part of the record.

We'll have a first round of 7 minutes. First to you, Admiral Stavridis. Secretary Gates in his testimony before this committee in January expressed some real concern about "Iranian subversive activity," in his words. He went on to say that the Iranians are opening a lot of offices and a lot of fronts, behind which they interfere in what is going on in some Latin American countries.

Can you give us your assessment on Iranian intent and activities? What is the attitude of governments in Latin America relative to Iranian activities? Also, do you see any connection between the Iranians and the drug trade?

Admiral STAVRIDIS. Yes, sir. First of all, we have seen, as Secretary Gates said, an increase in a wide level of activity by the Iranian Government in this region, to include opening five embassies in the last 5 years, beginning the work in proselytizing and working with Islamic activities throughout the region.

That is of concern principally because of the connections between the Government of Iran, which is a state sponsor of terrorism, and Hezbollah. We see a great deal of Hezbollah activity throughout South America. The tri-border area in Brazil, as in Brazil, Paraguay, and Argentina, as well as parts of Brazil and in the Caribbean Basin, is of particular concern.

The known connection between the Government of Iran and Hezbollah, and the increasing activities of Iran throughout the region are a matter of concern for us, and I can provide additional information for the record on that.

Chairman LEVIN. Any connection with the drug trade that you've seen?

Admiral STAVRIDIS. Yes. We have seen in Colombia a direct connection between Hezbollah activity and the narcotrafficking activity. Again, I'd be glad to provide the specifics on that for the record.

[The information referred to follows:]

[Deleted.]

Chairman LEVIN. Admiral, give us an up-to-date assessment of the FARC in Colombia. As our security assistance to Colombia declines as planned in the coming years, are the Colombians ready to operate successfully with less U.S. military assistance and advisers?

Admiral STAVRIDIS. Sir, the success of Plan Colombia in the last 10 years has been notable. I believe it has contributed to a diminution of the FARC from a high of about 18,000 members to about 9,000 or less today. It has contributed to the elimination of three of the key leaders of the FARC over the last year, and to the rescue of the three U.S. hostages I alluded to, along with about a dozen other high-value political hostages who were rescued in that same raid. Since 2002, kidnappings are down 83 percent, murders are down 60 percent, and acts of terrorism are down 76 percent.

The Government and the military of Colombia enjoy very high approval ratings by the people of Colombia. The FARC's approval rating is somewhere below 2 percent, as opposed to, for example, the army's approval rating, which is over 70 percent.

So I would say that the assistance of Plan Colombia over the past 10 years, a bipartisan effort, has been very successful in helping the Colombian people to achieve the success that they have achieved on their own. In terms of their readiness, I believe that they are ready. I am a believer that we can now begin to move the dial, if you will, from the hard power side of the equation to the soft power side of the equation in Colombia because of the capability that's been achieved by the Colombian armed forces, with some U.S. assistance over this past period, sir.

Chairman LEVIN. Thank you.

General Renuart, the Director of Operational Test and Evaluation recently wrote "GMD flight testing to date will not support a high level of confidence in its limited capabilities." Do you agree that it is important to address the concerns raised by the Director of Operational Test and Evaluation about the GMD system?

General RENUART. Senator Levin, I absolutely agree that we have to continue a robust test schedule, and I believe that the Missile Defense Agency (MDA) has that kind of schedule on tap. I've spoken in some detail to the Director of the Operational Test and Evaluation Organization after his statement and two things struck me. First, he understands that it is important for us to continue aggressive testing, and that so far against the test regimen that has been in place, we have had success. He would comment that high degree or low degree is a subjective view.

So I would add maybe a couple comments on my assessment. Over the last 11 tests, we've had 7 direct hits. While certainly there were some misses early on, I participated directly in the last three tests, each of which were successful. There were some comments in the report that the last test was supposed to have a decoy as part of that. The test vehicle did not adequately deploy the decoy, but the ground-based midcourse interceptor in fact was successful in finding and having a direct hit on the reentry vehicle.

So I continue to believe that the operational capability is good. We're working very aggressively with the MDA to continue this test regimen, to increasingly include all the elements of the missile defense system, the Sea-Based X-Band (SBX) Radar, the Forward-Based X-Band system, and to continue to make the test as realistic as possible.

Chairman LEVIN. General, the last time we met you noted that we've had periods of constructive dialogue and cooperation with Russia over many years. Do you believe it makes sense now to pur-

sue such engagement in cooperation with Russia on security matters, including notification of Russian bomber flights, and the possibility of cooperation on missile defense efforts?

General RENUART. Thank you, Mr. Chairman. I think we have had success in the past with military-to-military dialogue with the Russians. I think that there is a real place for that dialogue in the future. I think Secretary Gates has continued to maintain the position that this dialogue is important to our national security.

With respect to the Russian bombers, the committee members may know that just prior to the Russian action in Georgia last summer the Russians in fact filed a flight plan on one of their long-range training missions that was going to come into the Alaska region. We welcomed that, had direct communication with the commander of Russian long-range aviation, creating the means to do that and continue that in the future.

We hope we will return to that direct dialogue. We've collaborated on counterterrorism exercises with the Russians. Sadly, that exercise did not go forward, as a result of the Russian activity this past summer. But we look forward to the opportunity to re-open that, and I know both the Secretary of State and the Secretary of Defense are actively working with the Russians to reopen that dialogue.

Chairman LEVIN. The possibility of cooperation on missile defense?

General RENUART. Mr. Chairman, I think there are some significant discussions that need to occur and policy decisions made by the administration. But we think that there certainly is the opportunity for increased collaboration and confidence-building in the missile defense area.

Chairman LEVIN. Thank you very much.

Senator McCain.

Senator MCCAIN. Thank you, Mr. Chairman.

General McNabb, in my opening statement I mentioned the increasing difficulties to further our effort in Afghanistan compounded by at least 17,000 additional troops complicates our supply efforts. Unfortunately, in Afghanistan we don't have a convenient neighbor like Kuwait. I think one of the most underestimated aspects of the conflict in Iraq was the assistance that the Kuwaiti Government provided us with.

Give us a thumbnail sketch of the challenge and how you expect for us to meet it?

General MCNABB. Yes, Senator McCain. The big part that you want to do on the supply chain is to make sure you have lots of options, you have lots of ways to get in there, so you're not relying on any one of those.

Senator MCCAIN. We just lost one in Kyrgyzstan.

General MCNABB. Yes, sir. As you look at that, what you want to do is to make sure that, as I told General Petraeus, we will be there; we'll figure out and make sure that you never have to worry about this.

You're exactly right about Afghanistan; it is landlocked. We probably couldn't ask for or find a tougher place from a logistics challenge of getting the stuff in. Obviously, we've been relying on air

and that logistic line coming up from Karachi from the south, through Pakistan into Afghanistan.

What we're trying to do, in conjunction with the State Department and with the Office of the Secretary of Defense (OSD) and basically U.S. Central Command (CENTCOM) and EUCOM, is to establish in the north with the different nations up there to say, who's interested in helping us support Afghanistan, who's interested in peace and stability in that region? What we found was that a number of countries said, we would be in favor of that.

We've offered that we would use normal commercial means, their normal commercial rail and trucks, and we would use our normal commercial partner companies that would help do that, to bring the stuff in from the north. We have 738 containers in the Northern Distribution Network right now and the first 90 have been delivered to Kabul. So we are getting things down through the north. That again just offers another option.

Senator MCCAIN. What percentage is that of your monthly supply?

General MCNABB. If you look at what we need to do to hold our own, and you mentioned a 50 percent increase, as we sit right now, if we average 78 containers a day getting into Afghanistan, we kind of hold our own. As you say, that will go up as the 17,000 folks go in.

Right now our weekly average has been holding at about 130 to 140 containers a day getting through there. So we're getting more in than we need. What we hope is to be able to bring in about 100 containers from the north a day to supplement the Pak-Gloc so we have lots of options to get stuff in.

Senator MCCAIN. I'd be very interested in seeing how you're going to do that, in light of the base closure and the other increased security threats, particularly using commercial operations, given what we know is going to be an escalation in threats to those supply lines.

Admiral, Phoenix, Arizona, was just designated the kidnapping capital of the United States, and I'm sure you may have seen that. There's a level of violence on the border that I've never seen before. Obviously, it spills over into the United States from time to time; and there's an even greater threat if that spills over even more.

There have been calls by Governors, including the Governor of Texas just last week, to send more troops to the border. We have mounted this massive effort. Yet my information is the price of an ounce of cocaine on the street in the United States remains the same.

Maybe you can give us an assessment of the situation, where you think it's leading, and whether you think we need additional troops along the United States-Mexican border, and your assessment of whether the Mexican Government is winning or losing in this existential struggle with the drug cartels?

Admiral STAVRIDIS. Let me, if I could, sir, also get General Renuart into this conversation, as Mexico is part of his AOR.

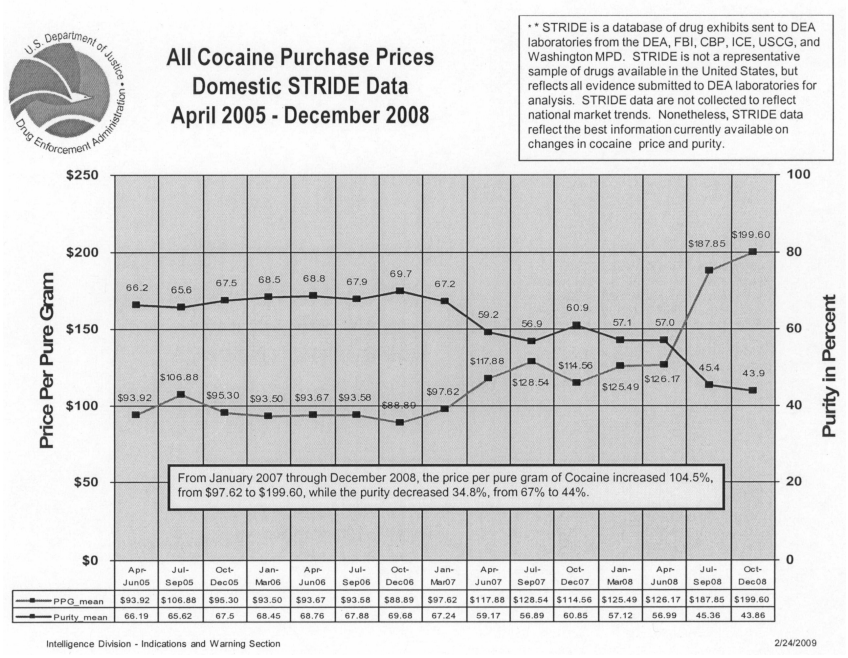
Senator MCCAIN. We'd be very interested in you too, General.

Admiral STAVRIDIS. You're absolutely right that it's part of a connection that flows from the south.

Sir, I'll submit for the record the price of cocaine. I'll find out exactly what that is. I believe in the United States the price of cocaine has actually gone up a little bit over the last year or 2, although there are some indications that may be because of the movement of cocaine to Europe via Africa, as a matter of fact. So the point is extremely well taken.

[The information referred to follows:]

As depicted in the chart below, overall the price of cocacine has increased 104.5 percent from January 2007 through December 2008. Current price is $199.60 per pure gram of cocaine. Additionally, the purity level has decreased 34.8 percent.



	Apr-Jun05	Jul-Sep05	Oct-Dec05	Jan-Mar06	Apr-Jun06	Jul-Sep06	Oct-Dec06	Jan-Mar07	Apr-Jun07	Jul-Sep07	Oct-Dec07	Jan-Mar08	Apr-Jun08	Jul-Sep08	Oct-Dec08
PPG_mean	$93.92	$106.88	$95.30	$93.50	$93.67	$93.58	$88.89	$97.62	$117.88	$128.54	$114.56	$125.49	$126.17	$187.85	$199.60
Purity_mean	66.19	65.62	67.5	68.45	68.76	67.88	69.68	67.24	59.17	56.89	60.85	57.12	56.99	45.36	43.86

Admiral STAVRIDIS. As I look at Central America and the nexus between Central America and Mexico, I feel it is crucially important that the United States be very involved, both with our Central American partners and specifically with our Mexican friends in that zone of violence along the northern tier, where I think 6,000 people were killed last year just south of that border and, most shockingly perhaps, about 700 Mexican law enforcement and military personnel were also killed.

So I'm very hopeful that by military-to-military cooperation in Central America—we can be helpful as the security forces of those countries seek to appropriately deal with the threat that they're dealing with. With that, I'm going to let Gene comment on the Mexican portion of your question, sir.

Senator MCCAIN. Also, General, as part of your answer to the question, if you would include the aspect of the price of cocaine.

General RENUART. Senator, absolutely. We'll add that to the record in our answer as well. My perception is, with Jim Stavridis, that the price has marginally increased.

Senator MCCAIN. First of all, is the Mexican Government winning or losing?

General RENUART. Senator, I would say that the Mexican Government is taking aggressive action to win. They are building momentum. I would not say they are losing. Now, that will sound a little unusual, given the violence we've seen. But my direct interaction with both the senior leaders of the Mexican military has left me with the perception that President Calderon has given very specific guidance to the military to be much more aggressive in their presence.

Senator MCCAIN. How important has the Merida Initiative been?

General RENUART. Senator, I can't tell you how important that is. That is a huge effort. The Mexicans see that as a real outreach and partnership, and it is making a difference in the confidence. We are working with the Defense Security Cooperation Agency to accelerate the deliveries of some of those capabilities.

Senator MCCAIN. Is the Mexican Government making any progress in addressing the issue of corruption that goes to the highest levels?

General RENUART. Senator, I believe they are. I'll give you an example. In Juarez, where we've seen this violence, the Mexican Government has put nearly 10,000 military and Federal police, all who have been vetted, into the region. They've taken the local police out of their responsibility and supplemented or replaced them with Federal forces. That is beginning a return to some sense of normalcy in Juarez. But they are also going through a long-term process to vet each of the Federal police and local police leaders. So I think they're making progress.

Senator MCCAIN. They're effective, the Mexican military?

General RENUART. Senator, they have been very effective when they've been in place. The challenge for the Mexican Government is sustainment of that effort because their military is not that large. We're working with them in a direct relationship to build more of the capacity to allow them to sustain that effort in some of these cities.

Senator MCCAIN. Thank you very much, Mr. Chairman.

Chairman LEVIN. Thank you, Senator McCain.

Senator Lieberman.

Senator LIEBERMAN. Thanks, Mr. Chairman.

Thanks to all of you for your service and leadership to our country. I want to continue, General, with this line of questioning. As you've said in your statement, homeland defense is the preeminent mission of the two commands that you lead. Let me ask you to indicate to us how much of a threat to our homeland security you view drug-related violence from Mexico?

General RENUART. Senator, I'll go back to Senator McCain's comment. Phoenix is a good example of the nexus between the drug trade and gangs, all of which are in, if you will, a business to make money with illicit trade. As there is pressure brought to bear in the efforts between both of our commands to reduce the flow of drugs, we're seeing a more aggressive behavior on the part of the cartels and then their related gangs here north of the border.

So it is a real concern for security in our country. I am pleased with the interface that we have both with Jim's folks in the inter-

diction piece and ours, but also our partnership with law enforcement to help bolster their efforts along the border. But it is a real concern.

Senator LIEBERMAN. Can you describe for the committee some of the things that troops under your command at NORTHCOM are doing now to deter and prevent drug-related violence from Mexico?

General RENUART. Senator, absolutely. I must say right up front that it is a partnership between the National Guard and the NORTHCOM team who work this daily with each other. For example, we are providing training for some of Mexico's unique force capabilities that allow them to conduct raids on some of the cartels.

Senator LIEBERMAN. Okay.

General RENUART. Seizing weapons, for example. We are providing technology to Customs and Border Protection and other law enforcement agencies to identify tunnels that may have been dug underneath the border.

Senator LIEBERMAN. Those are technologies that we've developed in combat situations?

General RENUART. Absolutely, a great transfer from Afghanistan into our southwest border.

Senator LIEBERMAN. Okay.

General RENUART. We man and operate a series of sensors along the border—cameras, listening posts, et cetera, aerial vehicles, both manned and unmanned, with night vision capability—to provide that information to law enforcement authorities, who then conduct the appropriate operations.

We think we can continue to expand that. We have a planning team in place today at the Department of Homeland Security looking at just this kind of additional support, both Guard, Reserve, and Active components, partnering with the law enforcement agencies and the States to ensure that the Governors get the kind of support they feel they need.

Senator LIEBERMAN. That's encouraging, and you anticipated my next question. I know, because many of us here are on the Homeland Security Committee as well, that the Department of Homeland Security is now focused on this threat to our homeland security from drug-related violence from Mexico and they have developed plans for reaction to any escalation of the violence. So I'm glad you're working together with them.

Let me ask a couple of specific questions about that. At least one of the Governors in the southwest has suggested that there ought to be National Guard now placed along the border. What do you think about that?

General RENUART. Senator, I think certainly there may be a need for additional manpower; whether that is best provided by National Guard or additional law enforcement agencies. I think certainly there are capabilities that the National Guard uses, for example some of their aircraft that have the full motion video capability, that are helpful to Customs and Border Protection.

But I think defining the mission for all forces, the team along the border, is critical. This planning effort this week I think will give us a good way to answer the questions and concerns of the Governors.

Senator LIEBERMAN. So it's a little early to answer the question specifically. You sound a bit skeptical about just placing Guard on the border, but rather use Guard and Active resources together with our partners?

General RENUART. Senator, absolutely. This is a whole-of-government problem and I think the best response is an integrated approach, and we're working toward that aggressively.

Senator LIEBERMAN. That was actually going to get to my next question, which is: Is there a trigger in your mind now for what kind of escalation of violence from drug-related activities from Mexico would bring NORTHCOM more actively involved in this battle?

General RENUART. Senator, I think we've had the trigger. To use the example of the city of Juarez and Chihuahua Province in Mexico; 1,700 drug-related murders in the last year. That kind of violence that close to our border I think was the sounding horn, if you will, on the need for an integrated approach.

We have been working at a constant level over time. I think the highlight of this kind of violence and the proximity to our borders elevates the necessity to work aggressively. I think both Secretary Gates and Secretary Napolitano understand that and have given us all mandates to work this problem aggressively, and I think we'll have good plans come out of this work this week.

Senator LIEBERMAN. I appreciate it.

I'm very grateful for the work that has been done at NORTHCOM to improve our homeland security since September 11. We usually at these hearings ask only about the current threats, but I want to just ask you to take a minute to talk about what under your command we have done since then in terms of aviation security, that is the security of the American people from a threat from the air, and also to just say a word about the consequence response management force that you're standing up. I bet most people in the country, probably most Members of Congress, don't know about it, but it's going to be critically important.

General RENUART. Senator, thank you for that. Two points. First, on September 11th the air picture that NORAD looked at to defend our Nation looked outwards, away from our borders. The air picture the Federal Aviation Administration (FAA) looked at every day to control traffic was essentially inward, although certainly they do have the approaches. But the two pictures weren't married together. We didn't have an FAA representative in our operations center on September 11. The Transportation Security Administration did not exist.

Today we collaboratively, with the FAA, look at every one of the 7,000-plus aircraft that are airborne at this minute today around our country.

Senator LIEBERMAN. Is that commercial, military, and most private?

General RENUART. Yes, sir. If one of them deviates from the appropriate procedures that are highlighted both to the FAA and to NORAD immediately and we are able to then use some of those alert aircraft that we have now around the country, in many more locations than we've ever had before, to identify this particular aircraft and determine its intentions, and then take some action should it be required.

So we've come a long way since September 11 in that regard.

With respect to the consequence management force, I think September 11 alerted us that we needed to have a capability if an event like that were taken to a higher level, nuclear, biological, or chemical. Secretary Gates has been aggressive in both mandating a mission for me and our commands, but also funding and allowing us to equip a consequence management response force that's designed against a catastrophic event such as a nuclear, biological, or radiological event in our country.

The first of those forces stood up on October 1st, fully funded, fully equipped and fully trained and exercised. In fact, we just completed what's called an emergency deployment exercise this past week down at Camp Blanding in Florida. It is a superbly trained force that can allow us to come in and augment existing nuclear, biological, and chemical capabilities. The States have a small Civil Support Team (CST). There are 17 kinds of regional consequence response forces that are much smaller, only about 200 people.

Senator LIEBERMAN. This force is over 4,000?

General RENUART. It is, Senator. Our force is about 4,600 to 4,800 depending on the units assigned. It's designed to come in to provide response. It's not a law enforcement force. It is a response force, to provide medical care, decontamination, urban search and rescue, and those kinds of capabilities to sustain over time in one of these events.

Senator LIEBERMAN. Thank you very, very much. That should make all of us feel more secure.

General RENUART. Thank you, Senator.

Chairman LEVIN. Thank you, Senator Lieberman.

Senator Inhofe.

Senator INHOFE. Thank you, Mr. Chairman.

Let me first of all ask Admiral Stavridis and General Ward a question. I have talked to you personally about my interest in the various train and equip programs, 1206, 1207, 1208, the Commander's Emergency Response Program and the expansion of that, and the Combatant Commander Initiatives Fund, as to how they're progressing and how valuable they are to your commands. Admiral?

Admiral STAVRIDIS. Sir, very valuable. Anything that builds partnership capacity is of terrific value in this world to the south. Just to pick up a thread from Gene Renuart and Senator Lieberman's conversation a moment ago about what specifically are we doing about the situation not only in Mexico, but in Central America, it's good to remember the Merida Initiative provides funds not just for Mexico, but for Central America, Haiti, and in the Dominican Republic. So these maritime approaches can be addressed using the kind of funding that you just talked about.

We've used some of those to help our partner nations equip themselves with better radars, intercept boats, a night vision detection capability, and command and control. So it all fits together in how we establish a pattern of stopping this flow of narcotics and allowing our partner nations to know what's in the water around them. That's one specific example.

Another is the hostage rescue in Colombia, which was something that could not have been done without that partnership capacity.

Senator INHOFE. Good. Thank you, Admiral.

General Ward?

General WARD. Senator, I concur. Those programs that deal with training and equipping our partner nations to better enable them to conduct counterterror activities, to have better ability to control their internal borders, are very valuable. The equipment pieces, including things such as was mentioned by Admiral Stavridis, information systems, the radar systems, the equipment pieces that go to their mobility requirements inland, as well as things that they do in their coastal territorial waters, have been very instrumental in increasing their capacity to take care of those challenges.

Senator INHOFE. I notice in your written statement you talk about the fact that in the International Military Education and Training (IMET) program, of the 52 countries in Africa, you now feel that there will be 46 of those countries by the end of this fiscal year that will be participating in that.

General WARD. Yes, sir. We anticipate about 46 African countries will participate in IMET. The IMET program I think provides long-term benefits for our national interest as well as transforming those militaries in positive ways.

Senator INHOFE. You agree with that, I assume, Admiral?

Admiral STAVRIDIS. I do. In particular, we like to use those IMET funds at the Western Hemisphere Institute for Security Cooperation (WHINSEC), which is a very valuable institute for us.

Senator INHOFE. Once there was a time when we thought we were doing them a favor in this program. But we quickly learned that once they are tied into us in that kind of relationship, that remains.

General Ward, there are a lot of problems that people don't really think about. Everyone's familiar with Sudan. Everyone's familiar with the pirating off the east coast. But these are such things as the Lord's Resistance Army (LRA). Right now, in my opinion we have the three Presidents that are in agreement with each other and are all trying to work on this Joseph Kony. Would you want to tell us how that's coming along and how significant you think that is to do something about that particular person, Joseph Kony, and his LRA program?

General WARD. Thank you, Senator. That part of the continent, the heartland, as many Africans describe it, the eastern Congo, is an area where the internal strife has long been affecting neighbors. The fact that Uganda, Rwanda, and the Democratic Republic of the Congo (DRC) came together to look at a way to deal with the problem of the LRA and Kony and the effect that they were having on the population was very substantial.

It has been positive insofar as disrupting the activity of Kony. It's been positive in addressing some of the training and recruiting practices that he and his element have performed in that part of the Congo. The degree of cooperation continues amongst those three nations and we look for that to continue and make a positive difference in that part of the continent.

[Additional clarifying information provided for the record by General Ward:]

COMMANDER
UNITED STATES AFRICA COMMAND
April 17, 2009

Dear Mr. Chairman,

My response to a particular question asked by Senator Inhofe during the 17 March posture hearing before your committee was not completely accurate. Upon noting this error, I wish to take this opportunity to provide information that will address this inaccuracy and respectfully request that this correction be made part of the hearing record.

Senator Inhofe's specific question concerned cooperation among African countries in addressing the threat posed by the Lord's Resistance Army. In my response to this question, I stated that the countries cooperating to address this problem were Rwanda, Uganda, and the Democratic Republic of the Congo. While these three countries are cooperating on shared security and stability issues in the region, the three governments that worked together to address the threat of the Lord's Resistance Army and its leader, Joseph Kony, were Uganda, the Democratic Republic of the Congo, and the Government of Southern Sudan.

I appreciate this opportunity to correct the record and ensure that you and your committee are always provided with accurate and timely information.

Sincerely,

WILLIAM E. WARD
General, U.S. Army

The Honorable Carl Levin
Chairman
Armed Services Committee
U.S. Senate
Washington, D.C. 20510

Copy Furnished:
The Honorable John McCain, Ranking Member
The Honorable James Inhofe

Senator INHOFE. I think that is a huge success. You had President Museveni and Kagame, both having military backgrounds, there's a little bit of a problem with them getting along with each other. Now with Kabila, they are cooperating. I'm glad to hear that progress is being made.

I notice you didn't spend a lot of time in your written statement on Zimbabwe and didn't mention Mugabe. They're apparently trying to work out a program where he and the opposition—very similar to Burundi—work together. Do you think that might work? Do you think Mugabe might work in that program and start getting cooperation?

General WARD. I hesitate to say. I don't know. I think clearly the initiative that's under way with that potential being there is a positive development, and I would certainly look forward to something

positive coming from this arrangement that Mugabe and Tsvangirai have put in place.

Senator INHOFE. Let me ask a question of you, General Renuart. You might be the best one, I'm not sure. Maybe some of the rest of you have some ideas. It's been 5 years now since we lost the battle of Vieques. At that time, I can remember when General Laseo was actually testifying before this committee, where he threatened the lives of some people you're looking at right now.

We had made the statement that they closed down that particular facility that offered a type of training that in my opinion—I think most of you would agree with this—couldn't be replaced anywhere else. Now, as we anticipated, since it is closed, they are coming back. The very people who wanted it closed in the first place are saying, is there any way in the world we can get this thing opened back up and use this facility?

I know it's not a question anyone would anticipate, but have you got any thoughts on that? Can it be resurrected?

General RENUART. Senator, I'm probably not the right person to speak specifically on the capacity to resurrect that training. I will say that we have recently moved the islands of Puerto Rico and the Virgin Islands into the NORTHCOM AOR. On my first visits down there, it was clear to me that one of the challenges we have is to continue to extend the visibility of our homeland further to the southeast in areas of detection of illicit trade and trafficking, a significant human trafficking area there, certainly also in the area of air sovereignty and air defense, as we saw the participation Senator McCain mentioned of Russian bombers in the region.

So I think there is an opportunity for us on a small basis to put some capacity into that area that maybe hasn't been there in quite a while and that could be integrated into our national homeland defense system. So we are looking to work with both the Navy and the National Guard to see how we might take advantage of some of the systems and equipment that is still in place in the Vieques area.

I might defer to Jim Stavridis for a Navy view on this.

Admiral STAVRIDIS. I think you have it exactly right, and I wouldn't speak for the Navy. I'm a joint officer, like everybody else up here.

But, sir, I'll be glad to take that one back to my good friend Admiral Roughead. I think he'll be interested in looking at that. Vieques was the crown jewel of maritime training at one time.

Senator INHOFE. Well, if you would do that I would appreciate it.

Admiral STAVRIDIS. Yes, sir.

General RENUART. We'll collaborate and get you a common answer to that, Senator.

Admiral STAVRIDIS. Yes, sir.

[The information referred to follows:]

The former U.S. Navy range on Vieques Island has been turned over to the Department of the Interior. In addition, the former Naval Station Roosevelt Roads is being disposed of by the Base Realignment and Closure Commission Program Management Office with future parcel ownership by the Commonwealth of Puerto Rico and other private/public entities. U.S. Northern Command is engaging with the U.S. Navy staff and the new Roosevelt Roads' property owners to better understand the

disposal plan and discuss possible use in a Defense Support of Civil Authorities scenario.

Senator INHOFE. Thank you.

Chairman LEVIN. Thank you, Senator Inhofe.

Senator Reed.

Senator REED. Thank you, Mr. Chairman.

General McNabb, roughly what percentage of contract airlift do you depend upon and how cost effective and efficient do you think it is? Does it depend on the area of operations changing from one theater to another?

General MCNABB. Senator Reed, we have a Civil Reserve Air Fleet, and we depend on that when it's fully up to be about 40 percent to almost 90 percent of the movement of passengers, about 30 percent of the cargo, which is the bulk cargo.

Today I would say during normal operations we do about $500 million worth of business. Today we do about $2.5 billion worth of business with them. They have been very instrumental in our ability to both resupply Iraq and Afghanistan. We do have cargo missions that go directly into Afghanistan, which has really helped free up things like Manas.

The one issue with the civil reserve airfleet is the fact that you have to really look hard at the threat to see if you can operate it forward. If you can't take it in there, you have to stop at an intermediate base and then transload to a C–17, C–5, or C–130, and that's the portion that obviously we look at.

As we think about Manas, I say that it's useful but not essential, because we just need to make sure that we have bases that are in there close. CENTCOM's looking very closely at other places where we could bed down airplanes. Obviously if we could keep Manas that would be great. If not, we do have other options.

I would say that we depend a great deal on the civil reserve airfleet. It is the cheapest possible way to move palletized cargo.

Senator REED. General Ward, your command, does it rely extensively on contract airlift or are you directly supported by military aircraft?

General WARD. We are directly supported by military aircraft, Senator. We do have some contract aircraft, but we are directly supported by military aircraft.

Senator REED. Are you concerned that there are some operations that might be tactical in nature that this contract aircraft wouldn't be suitable for? Is that a concern that you have?

General WARD. Not at this time.

Senator REED. Thank you.

Admiral Stavridis, you mentioned the tri-border area. Can you generally describe the level of human intelligence (HUMINT) that you have there? Do you have good insights into what is going on there, or is that an issue of concern?

Admiral STAVRIDIS. Sir, we have good coordination with the three national partners who are in that region, Brazil, Argentina, and Paraguay. Via their capability, we then receive a reasonable level of HUMINT in that area. But I don't feel the need for it as long as we work well with our partners in that region.

Senator REED. General Renuart, have you received comments or complaints from the Government of Mexico that some of these bands are being supplied with weapons from the United States?

General RENUART. Yes, Senator. In fact, from the very first meeting I had with both General Galvan and Admiral Saynez, the leaders of their military, they mentioned the very large percentage of weapons that are captured in that area seem to come from the United States. That message has been continuous and loud. I think it was brought up to the President when he and President Calderon visited. Certainly it was brought up to Admiral Mullen when he visited with General Galvan just a week or so ago.

It is a principal concern. Not all of these weapons directly come from the United States, but in many cases are brokered by illicit weapons dealers that do reside here. I know that our law enforcement partners have had some success and are continuing to work that aggressively.

Admiral STAVRIDIS. Can I add to that?

Senator REED. Yes, sir.

Admiral STAVRIDIS. I get the same thing in Guatemala, in Honduras, in El Salvador, and in Nicaragua. The same weapons are flowing from the United States through Mexico and down to Central America. So I too receive that comment and I associate myself with Gene's remarks.

Senator REED. Do you gentlemen think it's troubling that countries that we see as in some cases teetering on the edge of stability point to the fact that one of the greatest threats to them is coming from weapons that are flowing, it seems with great numbers, into these countries from the United States?

Admiral STAVRIDIS. Yes, sir, I do, and I know there are diplomats like Ambassador Tom Shannon over at the State Department who are working hard on this. I think it's something we should try and address.

General RENUART. Senator, just if I could add a point. There are and continue to be more successes in this regard. For a period of time, it was difficult to get what I'll call the forensics of these weapons captures back from the Mexicans. After some active intervention with their leadership, we are now getting much more of that information. That is allowing us, the interagency, to begin to take some legal action here in the U.S., with some success.

So we're building confidence now with our partners, at least in Mexico, and I think in the other countries as well, that we'll actually do something about it if they continue to share information.

Senator REED. Our allies in this effort cite the situation of easy access to firearms in the United States as a major threat to their stability and consequently as a major national security threat to the United States.

General RENUART. I think that view is held by our friends in Mexico and in Central America. It is concerning that that's a threat to them, and certainly the violence that is brought from this cross-border flow of money and guns generally south, narcotics generally north, is finding its way into this kind of gang violence and other things we see in places like Phoenix.

Senator REED. Just a final point. Do you think the perception that this problem exists in any way inhibits the ability or the willingness of these governments to cooperate with the United States?

General RENUART. No, sir. I find it to be one of the ways they would like to cooperate more.

Senator REED. They would like us to do more?

General RENUART. Yes.

General RENUART. I agree with that.

Senator REED. Thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Reed.

Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

General Renuart, I want to ask you about a study by the Commission on the National Guard and Reserve that you and I have discussed before. It was released last year, and it asserted that there is "an appalling gap in our Nation's ability to respond to the use of a weapon of mass destruction on our soil."

You've talked this morning, in response to questions from Senator Lieberman, about the standing up of a 4,000-member consequence management response team and that is certainly great progress. But as I recall the report, it was very critical of how these teams were going to be put together and whether one team would be sufficient. I believe that the report actually called for three such teams.

We're now a year later. What is your assessment of our ability to respond to the use of a weapon of mass destruction? Let me ask more specifically. What is your assessment now, in responding to the commission saying that there is this appalling gap?

General RENUART. I think I can very confidently say that the situation cited by that commission doesn't exist today. First, in terms of the ability to plan and integrate together, the National Guard Bureau and NORTHCOM are integrated in a way as never before in history. We collaborate on every planning effort. I mentioned to Senator Lieberman that we are at the Department of Homeland Security today working on Mexico border security planning, and we are there in partnership with the National Guard Bureau.

Each State has a small CST that allows them to assess a nuclear, biological, and chemical event, but with not a lot of muscle to do much about that.

Senator COLLINS. Those are very small.

General RENUART. They are small, about 22 people.

In addition, there are 17 so-called Chemical, Biological, Radiological/Nuclear (CBRN) and Explosive Enhanced Response Force Packages (CERFPs). They are another response team built within the National Guard. They're spread around the country. I monitor the readiness of each of those. But they are also relatively small, about 200 or so people. They do have an ability to do consequence management, but on a smaller scale.

As you mentioned, we have the first of three planned consequence management response forces now fully trained and equipped. We are building the second one as we speak. It will be operational on the 1st of October of this year. As you mentioned from the report, we have a tasking from the Secretary of Defense

to build three of these teams total. So we'll build the third in the next year.

That will allow us something on the order of about 16,000 trained and equipped individuals, teams, and organizations capable of responding to a large-scale event. All of this is an integrated approach, so that it's not replacing something the State has. It's augmenting it and supplementing it.

We are now building the collaborative planning process to be able to go from very small to very large with the appropriate size force to provide assistance to the Federal Emergency Management Agency and to the Governors and the States. So I'm very pleased with the progress, and I think that if that report were written today it wouldn't even mention that.

Senator COLLINS. That's great news. Nevertheless, General Blum, who's now your deputy, I believe, and was the head of the National Guard Bureau, testified in the past that 88 percent of the Army National Guard was very poorly equipped. In a hearing before our Homeland Security Committee in July 2007 I asked General Blum whether that lack of resources was adequate to respond to a catastrophic event, and he testified that in a no-notice event, which obviously is what a terrorist attack would be, we are at significant risk.

It's now about a year and a half later since he gave that very sobering assessment. Is the National Guard now sufficiently equipped so that we're no longer at significant risk in your view?

General RENUART. Well, my good friend Craig McKinley, now the new four-star chief of the National Guard Bureau, I'm pleased to say, I think would echo my comments. But my assessment is, for the areas of homeland security that you've described, that the National Guard is equipped at better rates than they've ever seen in their past. It varies with each State, so I won't give you a specific percentage. I can get that and add that to the record if you'd like.

[The information referred to follows:]

For the Army National Guard, dual-use equipment (items identified as critical to domestic missions) is currently at 81 percent and projected to be at 86 percent by June 2010. Approximately 16 percent of dual-use equipment is currently deployed, making 65 percent available to Governors.

General RENUART. But we also sponsor a Reserve Component Advocacy Working Group at our headquarters, that gets just to this issue: How do we ensure that we put into the budget adequate resourcing so that the National Guard can conduct its homeland missions? I'm very comfortable with the progress we've made. There is a commitment on the part of Secretary Gates to continue that progress. So I think if General Blum were here today he would not give you that same, very sobering assessment and he'd be much more positive in his comments.

Senator COLLINS. Thank you.

General McNabb, in 2001 at my request the Government Accountability Office (GAO) studied the security of munitions, weapons, and ammunition being moved within the United States by surface transportation under the supervision of TRANSCOM. Are you familiar with that GAO report?

General MCNABB. Ma'am, I am not.

Senator COLLINS. The report was classified because its findings were so alarming in terms of the security of the weapons as they were being moved from point to point within this country. I would inform you that originally there was no intention of classifying the report, but the findings were so serious that GAO and DOD decided that it should be classified. A major issue, without getting into the classified details, was the availability of depots throughout the United States to receive weapons shipments 24 hours a day, 7 days a week.

To your knowledge, are those depots now open and available to receive shipments 24 hours a day?

General MCNABB. Ma'am, I will take that for the record. But in general, when you think about what General Renuart just talked about with NORTHCOM, there is a lot more of what we are talking about in conjunction with NORTHCOM getting their arms around all of this, working with the Services, because obviously the Services have a big play in that. But I would say that we work together to bring the whole-of-government approach to these kinds of issues, because you are talking significant dollars. Depots are run by the Services. I will take that for the record, take a look at it, and we'll come back with a combined answer that includes OSD, NORTHCOM, and us.

[The information referred to follows:]

All of the Department of Defense (DOD) installations in the United States which serve as final destinations for Arms, Ammunition, and Explosives (AA&E) shipments are available to receive shipments 24 hours a day, 7 days a week (24/7). Furthermore, weapons carriers have access to additional DOD installations and other secure holding locations short of the final destination which can be used 24/7 to get the shipment off the road and secured. Additionally, we have set up an Interagency Working Group to exchange information and collaborate on AA&E and other hazardous material distribution, security management, and surveillance issues.

Senator COLLINS. Thank you.

General RENUART. Senator, just a quick add-on. We were given a responsibility for more of that security. I can tell you that I monitor the movements each day. In a classified environment I could tell you how many are moving today and where. We monitor that and flight-follow those movements.

In terms of the hours of the depots, I think we're going to need to come back to you with specifics. But I can also tell you that we have, if you will, way points that these shippers can use if for some reason a depot is not accessible. There are DOD installations that provide them a temporary haven during their movement.

Senator COLLINS. Thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Collins.

Senator Bill Nelson.

Senator BILL NELSON. I want to compliment General Ward and Admiral Stavridis as you are adapting to this new policy where you're not only a warrior, you're also a diplomat. Secretary Gates actually commented on this policy. He says: "Broadly speaking, when it comes to America's engagement with the rest of the world, it's important that the military is and clearly seen to be in a supporting role to civilian agencies."

You've been doing that, Admiral Stavridis and General Ward, as you're setting up AFRICOM. You're doing that.

Admiral Stavridis, what would you say to General Ward on your experience in prioritizing the coordination with those civilian agencies?

Admiral STAVRIDIS. Senator, you'll be glad to know that General Ward and I just brought our staffs together for 2½ days of very specific conversation on this, to include a great deal of our personal time and all of our senior leadership. We learned a lot from each other, and I'm learning things from the way Kip Ward is doing business and hopefully we were helpful to him.

I would say that fundamentally both General Ward and I understand, based on these conversations, that SOUTHCOM and AFRICOM do defense and that State Department does diplomacy and USAID does development. But as you said, what we try to do is be in a supporting role wherever we can. At SOUTHCOM, to give you one specific example, we are taking all of our theater security cooperation plans about our military-to-military activities and we're actually going and sitting with our partners at State and USAID and looking at how our training activities, our human rights seminars, and our disaster relief work can be supportive of what USAID does as they do development and what State does as they do diplomacy.

So we very much see ourselves as taking a supporting background role. We do not want to militarize our foreign policy in any way. We want a civilian face on these activities and civilian leadership, but we want to seek to be helpful in supporting them where we can. That's been our approach.

Kip?

Senator BILL NELSON. I'm going to short-circuit this if I may, General Ward, because I have some other questions that I need to get into. Just suffice it to say, congratulations on what you're doing.

Admiral, are you satisfied with the Fourth Fleet that's standing up? Does it give you the projection?

Admiral STAVRIDIS. Sir, the Fourth Fleet has been very positive for SOUTHCOM and our efforts. The ability of that planning staff in Mayport, FL, to reach back to the Navy and obtain the assets has been a singular success. I talked earlier about our ability to bring Navy ships like the *Boxer* and the *Kearsarge* into the region to do medical activities. That's an example of it. Our disaster relief off of Haiti, that's an example of it. Our counternarcotics interdiction of last summer and this past fall, that's an example of it.

So we're very satisfied with the Navy's decision to stand up the Fourth Fleet.

Senator BILL NELSON. General Renuart, NORTHCOM is responsible for missile defense operations to protect the homeland.

General RENUART. Yes, sir.

Senator BILL NELSON. We're developing a national missile defense system. Do you think that the system needs to be operationally effective, suitable, survival, and cost-effective?

General RENUART. Yes, sir, I do.

Senator BILL NELSON. Do you think that we need to take the steps needed to make sure that the system is all of those things?

General RENUART. Senator, I absolutely do, to include the robust testing that should be carried out.

Senator BILL NELSON. In that GMD testing program, should it include operational testing?

General RENUART. Senator, it should absolutely. In fact, I will tell you the last two tests had operational crews actually conducting that missile launch.

Senator BILL NELSON. What are you doing in coordination with the MDA and Strategic Command to realistically test the GMD?

General RENUART. Senator, we have become a member of the Missile Defense Executive Board, which up until about a year ago we did not participate in. That allows us to drive an operational requirement into the test and development and budgeting process. We work directly with now-General O'Reilly, the Commander, to ensure that at each test we add a more operational feature to it. He has been very supportive of that, and we continue to work aggressively to get more and more of an operational flavor into the test program with each subsequent mission.

Senator BILL NELSON. In doing that, are you going to be able to reconcile the test and evaluation responsibilities with your mission to defend the homeland?

General RENUART. Senator, absolutely. In fact, as we prepare for the next test series that will occur, we have added at our request some complications in the communications network we use for command and control, just to test those kinds of possible system failures that may occur.

Senator BILL NELSON. The bottom line question is: Is it operationally effective so that in fact if we had the threat it could do the job?

General RENUART. Senator, I think we're right now in a mode of very limited threat. Essentially, North Korea is the system that we are focused on. Senator, I'll tell you, if we felt the North Koreans were going to shoot a ballistic missile at us today, I am comfortable that we would have an effective system able to meet that need.

Senator BILL NELSON. That's particularly true because of the layers, such as the Aegis system and so forth.

General RENUART. Senator, absolutely.

Senator BILL NELSON. The chairman has given me the responsibility on the Strategic Forces Subcommittee to be able to answer the underlying question, is the national missile defense system operational today? Now, if you're talking about the layer, such as Aegis, the answer to that is yes.

But if you're talking about the one shot from Vandenberg or from Alaska, today the answer is no.

As you suggest, when that threat may materialize, maybe it will be. But we have to have absolutely clear eyes with regard to the capability of this system.

By the way, Mr. Chairman, I want to compliment the new three-star who is the head of Ballistic Missile Defense. He is approaching this straightforward and transparently. He answers your questions. He's absolutely committed to operational testing. I think it's a new day there and I want to compliment the General.

Chairman LEVIN. I would join Senator Nelson, by the way, in that reaction to the commander there.

General RENUART. Sir, I would also echo that. He has been very focused on bringing the operational user into this process. So I think we're on the right track.

Thank you, Senator.

Chairman LEVIN. Thank you very much, Senator Nelson.

Senator Martinez.

Senator MARTINEZ. Mr. Chairman, thank you.

Welcome all and thank you very much for your service and your testimony today.

Admiral, I want to start with you, obviously, from the many areas of interest that we share. But as we look at the Venezuelan situation, the declining price of oil, do you perceive any change in the ability of Venezuela to project itself in the region, given the diminution of their financial status?

Admiral STAVRIDIS. Sir, I do. As always, whenever I discuss Venezuela, I'd like to begin by pointing out the United States has enjoyed a long, positive relationship with Venezuela stretching back 150 years. Clearly we have some political differences right now. We do have correct professional military-to-military relations with the Venezuelan military.

My assessment is, like any other nation that sees a reduction in its revenues, there will be effects on the ability of the Venezuelan military to not only continue the high level of arms purchases, $5 billion over the last 4 years, more than $20 billion in contracts, and all of it with Russia, I think the ability to consummate all of that and then to maintain and train and equip these very expensive systems would be diminished significantly with the loss in oil revenues, yes, sir.

Senator MARTINEZ. By the way, speaking of that level of purchases, those are very disproportionate to the region and to what any other country may be doing in the region, correct?

Admiral STAVRIDIS. That's correct, sir.

Senator MARTINEZ. Do you have any clue from all of that type of data, as well as the recent naval exercises with Russia, as to what are the intentions of Venezuela as it relates to military projection in the region?

Admiral STAVRIDIS. I do not, sir.

Senator MARTINEZ. I wanted to ask a combined question of General Renuart and yourself, Admiral. It really has to do with the regional perception of our country. Sunday we saw where a new government was elected in El Salvador. While it might be perceived to be not particularly friendly to our country, I do like the statements that the new president has made so far. But whether it is that, the trend in other neighboring countries—Venezuela, Ecuador, Bolivia, or the situation which continues in Cuba, what do you perceive that we as a country should be doing in the region? Obviously, I'm now asking you in your merged role as diplomat as well as military.

Some would suggest that the fence on the border is a very bad signal. Others would talk about different issues. What is your assessment?

Admiral STAVRIDIS. Let me address El Salvador first. State Department has come out and congratulated President-elect Mauricio Funes on his election. By all standards, it is a very legitimate proc-

ess that unfolded, with high voter turnout. President Funes has indicated a real willingness to continue to work strongly with the United States.

We count El Salvador on a military-to-military basis as among our very strong partners in the region and we're looking forward to continuing that very strong relationship and, based on what I've heard, that's what I expect will happen.

Looking at the region very broadly, I think it's the nature of something good, actually. In all of the Americas today, every country is a democracy, with one exception, and that of course is Cuba. Senator, you know democracies don't always agree. There are going to be political disagreements. From my lane doing defense and looking at military-to-military, I would believe that our military-to-military engagement across the spectrum of political actors in the region is a very positive aspect of what we need to continue. So we work very hard to have positive military-to-military relations with Ecuador, with Bolivia, with Nicaragua, with Brazil, with Argentina, with Colombia, with Mexico, et cetera, et cetera.

So I would say that from a defense lane, strong military-to-military activity is a very positive force as we work through these occasional disagreements amongst friendly democracies.

General RENUART. Senator, I might just add a couple points, if I may. First, SOUTHCOM and NORTHCOM have created a transparent relationship across the border of our combatant command lines that I think is very positive. We share prisoners routinely with our staffs back and forth. We two have had staff-to-staff talks. We put liaisons, for example, in the Joint Interagency Task Force (JIATF) South down in Key West. They put liaisons in our Joint Task Force (JTF) North along the Mexican border.

Mexico, I think, could be put into many of the same categories that Jim mentioned. They are eager to reach out to us in a military-to-military way. They see that relationship as very positive. I think we need to continue with that. In Mexico, the national military is one of the most highly respected organizations in the country.

Mexico also sees a role for itself looking south. It is a considerable economic power in that area and it is increasing its trade to the south, and I think that's a positive element. It also allows Mexico to begin to collaborate with the nations to its south on the illicit traffic issue as well.

So I think from the U.S. perspective, we have to continue that certainly positive engagement. The soft power we bring is very important. One thing we've found with the Mexicans in particular is that our experiences of interagency cooperation are a very positive element for Mexico, and they are trying very aggressively to learn how to do that better, and that will help them in the counternarcotics fight.

Senator MARTINEZ. Thank you very much.

Admiral, do you have any insights into the recent purge in Cuba?

Admiral STAVRIDIS. No, sir, I do not, other than I think it shows that Raul Castro has completely consolidated power in that country.

Senator MARTINEZ. There's an interesting article in this week's Newsweek by former Foreign Minister Castaneda.

Admiral STAVRIDIS. Yes, sir. I saw it. Thank you.

Senator MARTINEZ. If you get a crystal ball available to you at any point, let me know.

General Ward, I wanted to ask you about the piracy issue near Somalia in the past year, where you know we've had a considerable amount of disruption to commercial shipping. Any insights into that issue and what can we do to continue to try to stave off those problems?

General WARD. Senator, the counterpiracy effort is led on the water by CENTCOM, the Combined Task Force 151. There has been considerable progress made as the coalition of nations supporting counterpiracy has increased. That is an international coalition of nations. We support that through our activities ashore as well as through our limited facilities in Djibouti as those nations participate in the counterpiracy activity.

But I would offer, as I think most of us know, that the root of the piracy issue in the Gulf of Aden there and the Indian Ocean is the result of the lack of an effective government in Somalia. So our efforts to support the establishment of effective institutions of government in Somalia would be the long-term fix to the piracy that goes on there. It also exists on the west coast of Africa, certainly not to the degree. But in that regard, our efforts to work with those nations to increase their capacity to provide for their own maritime safety and security have gone a long way to helping address the threat of piracy.

We look to increase those efforts along the East Coast of Africa, again adding to the capacity and capability of those nations to coordinate, to share information, to have visibility over their territorial waters, and to be able to do something about it once something is detected. So those efforts continue, the large increase in naval presence afloat with that coalition, as well as tactics being taken by commercial shippers to address the issue, because there are measures that they have been taking to help address piracy issues as well.

So it's been a combination of those things that have led to what has been received or seen as a reduction in the level of pirating that goes on in the Gulf of Aden and there in the Indian Ocean.

Senator MARTINEZ. Thank you, sir.

General MCNABB. Senator Martinez, if I could just add to what General Ward mentioned, in working with CENTCOM and with AFRICOM, but it is with our commercial partners, working with the Maritime Administration (MARAD), as we have Military Sealift Common (MSC) ships, but also we have a lot of commercial U.S. flag vessels that are taking our cargo across that area. We are working very closely on those techniques about how you get through, when should you convoy, how do you make sure you have visibility, and when you are the type of ship that may be a little bit at risk then you'll be escorted.

It's all of those kinds of things. MSC also, working with MARAD, has asked our commercial partners that if they need, we have antipiracy assessment teams that will join them and say, here's some techniques that you can use. Again, everybody is working together with the idea that obviously you have the military who are watching this, but also there are a lot of things that our commercial folks

can do to make sure that they help themselves. All of that is going on.

Senator MARTINEZ. Thank you, General. I'm sorry we didn't have time to talk about KC–135, but maybe in the second round.

Thank you.

Chairman LEVIN. Thank you, Senator Martinez.

Senator Ben Nelson.

Senator BEN NELSON. Thank you, Mr. Chairman.

Thank you, gentlemen.

The piracy issue, if my history recollection is right, is reminiscent of what President Thomas Jefferson had to deal with with the Barbary pirates. Who would have thought in 200 years we'd be dealing with something like that again?

General Renuart, you spoke earlier about the consequence management force that became fully funded, equipped, and trained on October 2008. Can you speak to how this force will work with the National Guard CSTs? The funding for the CSTs has been cut for the last 3 years. So will we be able to have a full partnership there with adequate resources to be able to fund it?

General RENUART. Senator Nelson, thank you for that question. I think it's important that we continue to push for adequate funding for each element of these forces. As I mentioned earlier, no one of them can stand alone and do this job. As I mentioned to Senator Collins, the integration and partnership with the National Guard is at a level really never before seen in terms of its collaboration, coordination, and communication.

But what we've tried to do is to tier our approach so that the first responders will always be the State and local responders. The CST is integral to that. We have 55 of those teams funded. My sense is that the upcoming budgets allow them to sustain that effort. They don't necessarily allow them to grow. We are working on some training opportunities that will expand their training under the NORTHCOM flag in exercise funding.

The second layer in terms of size and capacity is the CERFP, and it is a force of about 200 guardsmen as well. There are 17 of them around the country. On any given day, about five or six of them are what I'll call green across the board, all the people, all the equipment, and all the training. They are on a tiered set of alerts so that they could respond in due course if an event occurs.

We are advocating for some additional funding, especially in the area of pharmaceutical supplies for some of those teams, to grow them a bit. DOD seems supportive of that, so I don't think that's in jeopardy.

The consequence management response force that is under my command is a much larger force, designed to come in on top of both the existing civilian and military forces to provide long-term sustainment of a large-scale effort. Right now we have about $130 million in our budget for the next few years to grow and build those forces. That's for National Guard. The active duty comes out of its existing operations and management (O&M) budget. That's not at risk at this point.

So I'm not uncomfortable. It's something we just watch and pay attention to. But I think we have the capacity to grow each of those appropriately over the coming years.

Senator BEN NELSON. As a former Governor, I hope that we'll be in a position to make sure that the CSTs are able to respond appropriately. Not that long ago, I realized by first-hand inspection that resetting the equipment needs was way behind the curve. We put some more money in for that, but I'm not sure that we've achieved the level of reset that we had hoped to. So I hope that we'll keep pushing for that, because without the equipment the capabilities are going to be diminished, there's no question about it.

General RENUART. Senator, just one quick point to finish on that. I look at the readiness numbers of each of those on a weekly basis, as does General McKinley. We collaborate on advocacy within the budget on those issues, and we continue to keep them very much at the central part of our focus. So we too are concerned that we not let that capability deteriorate on the vine, and we'll work that hard.

Senator BEN NELSON. I'll see General McKinley, I think, next week and I'll go over this with him as well.

I am encouraged by the efforts to make commands seamless by avoiding overlap or underlap by working together. As combatant commanders, I would hope that perhaps this seamless approach would apply to determining what kind of equipment you need, because that has been part of the reason for complaints about cost overruns and the challenges we've had with waste and questions about the costs of equipment. By working together perhaps we can avoid some of that which Secretary Gates has mentioned and we're all concerned about, given the fact that we want to get the biggest bang for the military buck that we can, particularly as it comes to equipment.

Would you agree that your working together can help us overcome some of that? Admiral?

Admiral STAVRIDIS. Yes, sir, very much so. As we mentioned, in our staff talks with NORTHCOM and our staff talks with General Ward at AFRICOM, and we have staff talks scheduled for the Pacific Command later this year, we're trying very hard to do precisely that, to synthesize all of our requirements and our approaches. I think there's great, no pun intended, money to be made there.

General RENUART. Senator, I'd absolutely agree. In fact, I know my great contributing partner, Duncan McNabb, who owns the lift of all of the world, gets a lot of questions about tankers and airlift. But I will tell you that in our air sovereignty mission tankers are equally critical to us. So we try to collaborate on each of these issues, so that DOD gets a true sense of the requirement.

General WARD. Senator, I would even carry it beyond just equipment. To the degree that we collaborate, the entire resources available to our Nation are better used. So we take that very seriously, not just with our combatant command partners, but also our interagency partners, working as closely as we can to assure ourselves that those resources are in fact used wisely and appropriately and are in fact not duplicated or in an overlapping of posture.

General MCNABB. Senator, from our standpoint as TRANSCOM, we're always going to be the supporting command of one of these folks or one of the other theater commanders. Whenever they say, this is what we need, we have to be there, but we obviously have

to have already exercised that and made sure that we are there, that we have the systems and processes all set. I talked about General Renuart. When you look at NORTHCOM and TRANSCOM as they work through consequence management; how fast can you react to a disaster relief effort for a hurricane or a CBRN event. Our ability to have already worked that out and already have that all set, so that our staffs and our command centers already know exactly how this will go down, with General Renuart saying, here's what I need, and then we flow the forces to him, all that works well.

I would say the same thing with Admiral Stavridis, General Ward, General Petraeus, Admiral Keating, and General Craddock. In every case, they know that when they say, here's what we have, we can have a dialogue back and forth and say, if we can do it this way, you just tell us when you need it; we'll figure out the best way. It might be multi-modal, it may be Guard and Reserve, or it may be commercial. There's lots of different ways of doing it, and we're always looking at satisfying the warfighter first, but making sure that we're doing it with an eye towards the taxpayer as well.

Senator BEN NELSON. I appreciate it.

My time has expired. Just one, hopefully for the record. If you could provide more information about the arms that are being supplied to Mexico. Are they manufactured in the United States or are they just brokered through a broker in the United States? Do they flow through the United States? Are they illegal or legal weapons in any event under U.S. law? I'd like some more information on that. It would be very helpful.

General RENUART. Senator, we'll collaborate and get an answer for you for the record with some more detail on that, absolutely.

[The information referred to follows:]

The Department of Justice's Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) exercises jurisdiction, enforces Federal criminal laws, and regulates the firearms and explosives industries. As such, ATF is the appropriate organization to answer your questions.

Senator BEN NELSON. That would be very helpful.

Thank you very much.

Chairman LEVIN. Thank you very much, Senator Nelson.

Senator Chambliss.

Senator CHAMBLISS. Thank you, Mr. Chairman.

Gentlemen, thank you for your service to our country and thank you for your leadership.

General Renuart, we are certainly pleased with where you have landed with this last assignment. We still miss your leadership at Moody.

General RENUART. Sir, I miss it as well.

Senator CHAMBLISS. You discuss in your statement the issue of aircraft capitalization and air sovereignty. I want to quote what you said there. You said: "Our ability to maintain air sovereignty in the future is at risk. Legacy fighters are aging and will be stressed to maintain reliability and capability as we move into the 2013–2025 time frame. The tradeoff between modernization of airframes and transformation to fifth generation aircraft could limit efforts to keep pace with emerging technologies."

I agree with that statement. I think it's very fair and accurate. You go on to talk about the role of the F–22 as well as the F–35 in air sovereignty and in homeland defense generally.

Looking out over the next 10 to 15 years, General, how concerned are you about the ability of legacy non-stealth aircraft to play that role with respect to domination of the airways as well as general homeland defense? Where does the F–22 and the F–35 play into this in your mind?

General RENUART. Senator, thanks, and I really honestly really do miss Valdosta, Georgia.

I think first, as the combatant commander responsible for the defense of the homeland and the sovereignty of our air space, it is important to me to ensure that over the long term we continue to recapitalize those resources, as I mentioned in my statement. I think that there are really two tiers that we need to pay attention to. First is, is there a peer competitor nation who would threaten us? That certainly would require the best capability the Nation has.

I think there is a second tier. That is, can I go find that aircraft that's not complying with FAA regulations somewhere in our United States? That may not require the same, very high end capability, but certainly capability nonetheless to find and fix that target, very high or low altitude, large radar cross-section or small radar cross-section.

I think both of those requirements talk to advanced aircraft capabilities. The F–16 will begin to go out of service here shortly. Much of my air sovereignty force resides in the National Guard, many of whom are flying some of the older versions of the F–16. So as I see that end of service approaching, I still have the requirement to maintain the sovereignty of our air space. I've worked very closely with the chiefs of the services, not just the Air Force but the Navy and the Marine Corps as well because they certainly can contribute to this mission. I've worked closely with Duncan McNabb on air refueling tankers to ensure that we have a robust, sustainable capability.

The F–22 certainly is a marvelous aircraft. It gives a variety of capabilities. I think we have already used it in our air sovereignty missions, primarily in Alaska, but occasionally here in the lower 48. The F–35 offers again an all-aspect capability that will be helpful, not just to see aircraft, but to see ships on the surface of the ocean, small radar cross-section, cruise missile, that kind of threat.

So both of those fit very well into the capabilities that I think we'll need in the next 10 to 15 to 20 years. I maintain the requirement for a certain level of capacity and rely on the Services to provide that. So I try not to get into specific numbers of airplanes with the Services or with the committee, but rather maintaining a level of capacity for the country. Certainly those aircraft will both fit into that for the future.

Senator CHAMBLISS. Are you comfortable with where you see us headed over the next 10 to 15 years about having that capacity?

General RENUART. Senator, I'm very comfortable in the 10- to 15-year point. I'm a little more careful on the 5- to 10-year just because there is a production build and we want to make sure we can sustain the existing force. The Air Force is working very aggres-

sively to look at bridge capacities in there. So far I'm comfortable with their approach. They haven't determined the final answer yet.

Senator CHAMBLISS. Admiral, your security cooperation arrangements throughout SOUTHCOM and the Southern Hemisphere in large part allows you to be successful in your mission. Almost everything you do at SOUTHCOM is in partnership with other countries in that region. One of the best ways we have to build and sustain those partnerships is through WHINSEC. Both Chairman Levin and I serve on that board at WHINSEC and we have seen first-hand the value of the training WHINSEC conducts and the partnerships with our southern allies and what it does to create that good feeling between our respective countries.

I was pleased to see you mention WHINSEC in your written statement. If you would amplify as to what your thoughts are on WHINSEC, and in particular regarding how it helps you carry out your mission.

Admiral STAVRIDIS. Yes, sir. I serve on the board of visitors of WHINSEC along with you and the chairman. Every year we have about 1,500 students from 23 different countries. It's a tremendously positive personal contact event for all of them to come. They come with their families. They spend a year in Georgia. It's a terrific positive event that will cause them to be bound with the United States in many ways forever.

So it's an irreplaceable aspect of our security cooperation down south. There's an extremely high component of human rights training that goes on in every one of those courses. Between 10 and 35 percent of the time in every course taught there has to do with human rights, which is a very important part of how we can share lessons across all of these militaries throughout the region.

So I'm a very firm believer in it. I'm a satisfied customer. The U.S. Army runs it, but I'm proud to be on the board of visitors and I'm proud of the work that goes on down there. It is fully transparent. I would invite anyone who wants to, to come and visit at any time, and I'd be glad personally to facilitate that with the U.S. Army. We don't do it as a dog and pony show. We'll bring you in there to see a class, to walk through the classrooms, to walk through the teachers, lessons, and books. It's a transparent facility that is doing very, very good work in the region in my opinion.

Senator CHAMBLISS. General McNabb, we have this ongoing conversation relative to the C–5 and the C–17. I view those airframes as not being in competition with each other, but as making a significant complement one to the other. But with respect to the C–5, all those airframes are old. We keep the modernization program constantly on the books. The C–17, we're flying it at 150 percent of the anticipated rate that we thought we'd be flying it in Iraq and Afghanistan. Now we're looking at whether or not we're going to continue that line of C–17s.

What's your thought about where we are from a current capacity rate with respect to those aircraft and where do we need to go in the future?

General MCNABB. Thank you, Senator Chambliss. Where I sit is the program of record that has 205 C–17s, re-engining the C–5Bs and two C–5Cs, and then doing the avionics modernization program on the C–As, that mix of airplanes satisfies the requirements

that I have, the 33.95 for outsized, oversized cargo. Then obviously I have the Civil Reserve Air Fleet to carry the bulk cargo as well.

That came out of the Nunn-McCurdy. They looked at a lot of options, including additional C–17s or re-engining all the C–5s, and they came up with this mix. I was part of that as the vice chief, but also as the AMC commander, so I'm comfortable that that meets those needs.

We have MCRS–2016 that is in the works right now, about to be taken to OSD in May. It is looking at the additional things that have happened since the mobility capability study, the increase of the ground forces, changed the way we use the airplanes; as you mentioned the higher usage of the C–17. It's also looking at the tanker capability and the sealift as well.

So that's the latest study. We'll take a look at that. As the different studies have gone on, Senator McCaskill tasked the size and mix of the airlift force and it confirmed the same, so this mix about works.

The good news on the C–5 re-engine program is the first three have been delivered to Dover. They're going to go out in the system and we'll test it out. When I talked to Lockheed, I said I'd like to have the reliability like we have on the C–17 so that we can get it out and trust that it'll go back and forth with high reliability. They promised 75 percent as a minimum. It looks like 81 percent is what the test is showing.

So we'll go out there and wring it out, and I'm really excited about that complementary capability of those C–5Bs and C–5Cs that become re-engined will be huge. The C–5As, we'll put the avionics modernization program and that'll allow it to fly in the airspace all over the world.

So I think the overall mix we have is about right, unless something changes. I will say from my standpoint, that more modern airplanes is better because, if you can trust it, if it has more reliability, you don't have to put backup airplanes out there and so forth. Multi-modal also plays well.

Senator CHAMBLISS. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Chambliss.

Senator Hagan.

Senator HAGAN. First of all, I want to congratulate Admiral Stavridis on the rescue of Keith Stansell, Thomas Howes, and Mark Gonsalves, as well as the 12 other hostages, last July from the FARC. I can remember watching that shaky video and just thinking how professional and how remarkable the operation was, and I can assure you the pride that you felt in watching that rescue was shared by millions of Americans. It was certainly a great moment for SOUTHCOM and for our country and for all of our partners in that mission. I'm just sure it must have been an extremely gratifying and emotional event for you.

Admiral STAVRIDIS. It was. The Colombian military, which undertook that operation, is to be highly congratulated in every sense.

Senator HAGAN. Very good.

General Ward, in my hometown in Greensboro, NC, I have a large number of refugees from the DRC. They talk to me frequently about their situation and their home and their fears for their safety, for their family members and associates there. There is also a

situation where if there is a violation of an immigration status that there's fear that people who are deported back to the Congo will be murdered when they arrive.

I wondered if you could update us on the security situation there. Then in addition, I read quite frequently about the use of rape as a weapon against young women and children and old women in the Congo. There was a recent article that Bob Herbert wrote in the New York Times talking about that it's really hundreds of thousands of victims, and the fact that should they live the humiliation of themselves and their family members is widespread.

General WARD. Senator, to be sure the violence that can be perpetrated against civilian populations in the DRC and other parts of the continent is absolutely deplorable. We through various mechanisms are doing our part in providing increased capacities for these nations to, firstly, deal with these rebel and renegade groups that operate inside their territories.

As was mentioned recently, the collaboration that exists between three governments—the Governments of Uganda, the DRC, and Rwanda—to address the LRA in the eastern Congo was I think at this point in time something that we should all look at in a very optimistic way as signaling a degree of cooperation amongst those regional neighbors to address a common problem that has done the sorts of things you described as it terrorizes the populations of those areas.

The use of violence, rape, murders, and other atrocities that these groups commit against citizens in these areas is something that we all look at in a very negative way, and to the degree that we can continue to support efforts to address that I clearly say we ought to take every opportunity we can to do so. We do that in conjunction with the Department of State, with USAID, as they work their activities to help increase the effectiveness of the institutions of government in those region. Obviously, our role there as we work with these nations is increasing their capacity from a security point of view to deal with that threat that exists.

Programs such as the Defense Institute of International Legal Studies, where we provide some support to these institutions and these governments, where in fact they catch and apprehend folks who have done these crimes and can prosecute and punish them accordingly, we also support. To be sure, those are deplorable situations that we pay attention to and do our best to do something about.

Senator HAGAN. It's certainly a horrible thing to read about and to think that that's happening on a daily basis. It's most concerning.

I have another question I wanted to ask you, about oil theft. You discussed the serious problem of oil theft in the Niger Delta. In your written testimony you stated that in Nigeria oil exports have been reduced by up to 20 percent due to banditry, and in a country in which 95 percent of the foreign exchange earnings come from the oil industry certainly a 20 percent reduction in exports is a serious blow to that country's economy.

Can you expand on this problem and what is being done to address it?

General WARD. The country of Nigeria, Senator, a sovereign nation, has its own requirement to provide for the security within its borders. We, through various programs, work with the Nigerian Government to increase their capacity to in fact deal with these problems of illegal oil bunkering as well as other threats against the oil infrastructure there in the Niger Delta.

We do not get actively involved in activities, but we in fact are involved in our training work. There is the Africa Partnership Station, which is a training program where we work with the nations in the region, the Gulf of Guinea, to increase their capacity to do several things: first, to detect what goes on inside their territorial waters; second, to address it in some common way; and third, to do it in a way that helps to increase and promote security, such that the work being done by those in the military and other security forces is in fact work that contributes to additional security, as opposed to alienating populations, alienating the local community, et cetera.

Our programs for increasing their military capabilities include training, equipment, and common operational procedures that lead to better interoperability among these nations as well. That is an ongoing project that we have, working with the Nigerian Government, but also other governments there in the Gulf of Guinea to address that problem of illegal bunkering.

I would also add that when effective training for illegal bunkering happens, it also transfers over into other areas like illegal fishing, which also robs those nations of a very, very valuable resource that can be used to support their population. It also gets to the point that we talked about with SOUTHCOM; the flow of illegal drugs, trafficking in people. They're all tied. Our ability to correct those issues is enhanced through our military-to-military cooperation and military-to-military support, and training and assistance programs that address these common threats that exist in the region.

Senator HAGAN. If there is such a stealing of the oil, though, there has to be a distribution network set up to deal with it. I was just wondering, from a security measure and an oversight standpoint, do you see this distribution system also?

General WARD. We don't see it in great fashion. I will take that and get a better answer back to you. But what we do know is when it does occur it is done through black market channels, that bunkering that exists. The local population, because of the wealth distribution, will use that to augment their own resources that they can bring to account. But it is there. We don't know the extent to which it goes on in sight of the government, but unfortunately, it also wastes a lot of the resource. So in many respects it all goes back and it contributes to pollution and other negative effects there on the environment as well.

[The information referred to follows:]

The theft and distribution of Nigerian oil is best characterized as a combination of black market and legitimate commerce (or "gray market"). The stolen ("bunkered") oil goes into the international trade along with legitimately-loaded oil. Many of the tankers leaving the Gulf of Guinea carry a mixture of legitimate and illegitimate oil, since much of the 100,000+ barrels of oil a day of "bunkered" oil is "paper" theft, due to deliberate misrepresentation of the amount actually pumped, loaded, and/or transported. For the portion of stolen oil that is physically taken from

existing pipelines via illegal "hot taps" and subsequently ferried offshore in barges for further transportation, it is often either mixed with legitimate cargo or put in separate false/hidden tanks. Since stolen oil and legitimate oil come from the same wellheads, the stolen oil is very hard to chemically trace. Regardless of the method used to steal the oil (paper theft or physical theft), once transported to and off-loaded at foreign refineries, it vanishes into the worldwide market as refined products, and some is even re-imported into Nigeria, since Nigeria has little indigenous refining capability.

The rate of oil theft in Nigeria is at least 100,000 barrels of oil per day and likely higher. A small portion of the stolen oil is sold directly on the open market in Nigeria since the sweet, light crude from the Niger Delta can be burned directly in diesel or gas engines with minimal refinement. Tracking stolen oil and the proceeds from its trade is extremely difficult. Endemic corruption at multiple levels of government and within the oil industry facilitates the trade and frustrates tracking and prosecution.

Senator HAGAN. Thank you.

Chairman LEVIN. Thank you, Senator Hagan.

Senator Thune.

Senator THUNE. Thank you, Mr. Chairman.

Gentlemen, thank you all very much for your service to our country.

General Renuart, I wanted to come back to the issue of air sovereignty for just a moment. In your prepared testimony you discuss the impact that retiring legacy fighters will have on air sovereignty operations and highlight the importance of continuing planned recapitalization programs. According to a GAO report released in January, even under F–22 and F–35 fielding schedules an air sovereignty alert fighter gap will exist by 2015. Added to this, the GAO report states that the Air Force has requested the Secretary of Defense's approval to accelerate the retirement of over 300 F–15s and F–16s in the fiscal year 2010 budget, many of which are performing alert duties.

If approved, retiring these aircraft earlier than is currently planned will likely begin affecting air sovereignty alert operations in the near term. I guess my question is, do you agree with the GAO's findings that by 2015 some of the units that are currently performing air sovereignty alert operations will no longer have aircraft with which to perform that mission?

General RENUART. The GAO report took a good hard look at the air sovereignty mission, both from the operator standpoint, our perspective, and the service provider's perspective. I think that their point is well taken, that if we don't make some clear decisions now that we will see a gap out there in the future, given the current sustained role of air sovereignty missions.

I've made the strong case that that level should continue for the foreseeable future and I think have support from DOD to continue that mission. Given that, then we have to build some bridge strategies that will allow us to ensure that the basic requirements for this mission are met. But as a joint service activity, I can pull that from a variety of different possible service providers. Certainly the Navy has the capability, as do the Marines, as well as the Air Force.

The Air Force is working very aggressively to build that strategy. We are being very supportive of them in terms of the key requirements for air sovereignty to continue in the future. I think we still have a little work to do in terms of having a firm plan to sustain this over time.

I mentioned earlier to Senator Chambliss I think there's a bridge capacity that needs to be created, and General Schwartz and his team are working on that now. Until I see the results of that, I'd be careful to be too definitive in an assessment at this point, Senator.

Senator THUNE. Do you foresee units that currently don't have a full-time alert mission, say for example the South Dakota Air National Guard, picking up a full-time alert mission in order to mitigate that fighter gap? Is going to some of the Guard units a possibility?

General RENUART. Yes, Senator, I think absolutely. As we get a better sense of what that recapitalization line will look like, whether it is refreshing existing aircraft or upgrading radars and the like on existing aircraft, there will also be a discussion, I think, on moving this mission around to a variety of units. Certainly we have done that. As Ellington Field Joint Reserve Base drew down its F–16 missions, we relied on Tulsa and other units to come in and fill that gap. So certainly we will continue to meet the requirement, and that's the bottom line for us.

We're comfortable with any of our Guard units. It requires some training, but we can do that and have them pick up the mission as it may be required.

Senator THUNE. As I'm sure you know, we would love to continue to have a discussion with you about that where South Dakota's concerned.

Admiral, a question for you regarding the January 22, 2009, executive order to close the detention facilities at Guantanamo Bay within 1 year, in which the President also ordered an immediate review of all of those detention facilities. The review I think mandated certain participants be included, one of which was the Attorney General, who's responsible for coordinating the review, as well as the Secretary of Defense and the Chairman of the Joint Chiefs of Staff, among others.

Additional review participants can be designated by the Attorney General. As the regional combatant commander responsible for the military's JTF in Guantanamo, you have valuable first-hand expertise on how dangerous some of these detainees are and the requirements for their proper disposition. I guess my question is: Has the Attorney General requested you or any of your subordinates to take part in the administration's review of all Guantanamo detentions?

Admiral STAVRIDIS. He has not asked me personally. Attorney General Holder came down almost immediately upon taking office and spent a great deal of time on the ground in Guantanamo Bay. He had very detailed discussions with the two-star admiral who's down there. I think he has a full-sight picture. We stand ready to answer any questions that are posed by the Secretary.

Senator THUNE. Could you in your knowledge of those discussions that were held provide any details about perhaps dealing with the proposal that might transfer Guantanamo Bay detainees into facilities in the United States? Are you familiar with the discussions?

Admiral STAVRIDIS. No, sir. Those are not really in my purview. My job is to provide humane, transparent, and legal care to the detainees, and we do that every day in accordance with Common Ar-

ticle 3 of the Geneva Convention and the Detainee Treatment Act, which is U.S. law, and we'll continue to do that. But disposition is outside of my purview.

Senator THUNE. I compliment you on the treatment that you do provide. I think everything I understand is very good in terms of all the things the detainees are permitted to do, the way that they're cared for, the opportunities they have to worship, and everything else. I think the issue is that over the course of this next year as this study is completed, that will concern many Members of Congress is, if in fact they are not housed or stationed at Guantanamo, what will be the alternative, and would that entail putting them somewhere here in the United States?

There are a couple of bases in particular that have been mentioned, both of which I think the delegations from those States would find objectionable. But as you perhaps know, there was a vote in the Senate last year, a 94 to 3 vote, that that not be a solution.

So as this process plays out, to the degree that you are apprised of what's happening and could share any details about that with this committee, there will be a very high level of interest, I can assure you, in Congress about that.

So thank you. Thank you, Admiral.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Thune.

Senator Burris.

Senator BURRIS. Thank you, Mr. Chairman.

I'd like to commend our distinguished panel for all the work that you do on behalf of the people of this great country and the people of the world. So congratulations, gentlemen.

I'm going to really focus, in the interest of time, on two of the commands. I noted that the three geographic commands all addressed interagency cooperation in the statements and specifically a new interagency organizational model at SOUTHCOM and AFRICOM. I'm interested in how success with interagency organizations' inclusion can be used in other commands. I'm also very interested in the future of AFRICOM, and in TRANSCOM's response to increased fuel prices and any piracy concerns related to our transportation assets.

Let me begin with my question to SOUTHCOM. I understand that the USNS *Comfort*, a Navy hospital ship, has its home port in Baltimore. It's preparing to deploy next week for a 4-month humanitarian assistance mission through Latin America and the Caribbean. The hulking hospital ship, three football fields long and one wide, which must be a monster, will deliver medical, dental, veterinarian, and engineering assistance in support of the mission Continuing Promise. This mission is SOUTHCOM's fourth in as many years, and the public diplomacy value of a visit by the *Comfort* is immeasurable, according to DOD and State Department officials.

So Admiral, have the nations receiving assistance from the *Comfort* expressed any concern, about the visit of the *Comfort*? What is their reaction to that service coming to them?

Admiral STAVRIDIS. Sir, it's been overwhelmingly positive. *Comfort* made a voyage 2 summers ago and did 400,000 patient treatments through 12 different countries. The public response to that

was extremely positive in each of the nations, and we have very detailed information about that and I'd be glad to share that with you as a matter of record. In fact, I'd like to.

This summer's voyage of the *Comfort* for that reason is called Continuing Promise. The first one was The Promise because it was the first time we were lucky enough to have a hospital ship, and this year's voyage is to show that we want to continue those good effects.

It's important to note that this is a ship that's full of nongovernmental volunteer organizations, such as Operation Hope, for example, one of our partners. It has full interagency cooperation. It's very tied into and supportive of the individual country teams. It functions under the direction of the ambassador when it gets into the individual port. It has been received with open arms in every port visit it's gone to in the past, and we anticipate the same this summer, sir.

Senator BURRIS. Thank you.

Let me go to AFRICOM. I noted that you've addressed the human immunodeficiency virus (HIV) treatment program in Africa, but no other broad-spectrum military treatment. General Ward, what consideration has your command given to securing a visit from the hospital ship? Is that ship going to head for any African ports?

General WARD. Senator, clearly, given the success that the hospital ship program has had in other geographic commands, we too are looking at it as an augmentation to our security cooperation and the benefits that we can provide to the continent of Africa. Of the nations in Africa, there are currently five that have the capacity to bring that large vessel into port. Most of them are on the Mediterranean, and so therefore what we have done in the meantime, as we continue to pursue the benefits of the hospital ship, is to incorporate those like capabilities aboard our Africa Partnership Station, bringing medical, dental, and veterinary treatment, as well as providing a platform for training the regional medical personnel to embark upon those platforms when they are in their geographical areas along the coastline, receive training, treat local residents, and then continue on.

We do see this as a viable option and as we conduct our security cooperation planning efforts in the future we see the hospital ship program as one that we too would like to take advantage of as we continue to provide this type of support to our African friends.

Admiral STAVRIDIS. Senator, if I could just add to concur completely with General Ward. This was a subject of discussion between AFRICOM and SOUTHCOM at the staff talks that I mentioned earlier. We learned a lot from how General Ward's folks are doing what he calls Africa Partnership Stations, which is a terrific program. We want to try some of those things. Hopefully he had a chance to look at the hospital ship program. It's a good example of how we're trying to cooperate amongst ourselves here to be efficient.

Senator BURRIS. Regarding AFRICOM's headquarters location, upon the command's establishment there was speculation that AFRICOM might be permanently located in Europe or in the United States. Some have argued that AFRICOM's headquarters

should be located in Africa. I understand it's in Stuttgart, Germany. Is that any hindrance to the service that you can give the continent of Africa, General Ward?

General WARD. Senator, at this time it is not a hindrance. As we stood the command up—and this occurred about a year ago—the location that we had there in Stuttgart, Germany, provided the facilities, the geographic locational relationship that we need as we work with our European partners, as well as working with the nations of Africa.

The continent is obviously so large, wherever the headquarters is, quite candidly, sir, we would be going someplace else, as reflected in the tremendous travel that I do on a weekly basis throughout the continent of Africa.

Right now, where we are works for the command. Our focus, our priority, is to show our African friends, show our international as well as interagency partners, that the creation of the command is enhancing the delivery of security assistance programs on the continent. The headquarters location at the current time is not a factor in our ability to do that in an increasingly effective way.

As time goes on, I'm sure that this decision might be revisited. But at the current time it does not at all impede the ability that we want to have and the results we want to have, and that is increasing the capacity of these African nations through our robust military-to-military programs, as well as our other military support activities.

Senator BURRIS. My time has expired, but just one quick question for General McNabb. Is there any problem with piracy in the transportation of our assets?

General MCNABB. Yes, Senator. We are doing a couple things. On our MSC ships and ships that they charter, we have security teams that are aboard them. For our other commercial liners, we work with MARAD to make sure that they know the latest techniques and how to link in with Combined Task Force-151, make sure that they are working very well, especially ships that are more at risk, ones that are slower and have a lower freeboard. We've also offered to those companies anti-piracy assessment teams that could help them and say: Hey, if you encounter this, here are some things that you can do in terms of tactics, techniques, and procedures.

So it is one that I'm concerned with. I really like how the interagency has worked together on and with MARAD and the Navy in particular, and then with both CENTCOM and AFRICOM. All of that has played out very well.

Senator BURRIS. Mr. Chairman, I have some more questions, but I'll just submit them. Thank you so much, Mr. Chairman.

Chairman LEVIN. Thank you so much, Senator Burris.

Senator Webb.

Senator WEBB. Thank you, Mr. Chairman.

Gentlemen, I'm sorry I had to leave during the hearing. I had a meeting in my office, but I did follow a good bit of the hearing when I wasn't here on the television screen in my office.

First of all, I'd like to say I appreciate all of your willingness to come by and talk to us personally and our staff. It's been very valuable to explore some issues that we're not going to be able to go

into in a whole lot of depth today. But I do want to follow up on a number of those.

I watched the exchange between Senator Reed and the Admiral and General Renuart on the shipment of guns. I'd just like to raise a cautionary voice here, that we really need to be careful that we're not understating the problem that we are facing along our border and in the country, or causing people to view it in an improper context, that this is simply gun show loophole, guns going down there, and basically, we're arming the threat that we face.

It's much, much more sophisticated than that. We're talking, just with the Mexican drug cartel, a business that runs about a $25 billion profit, from what I've seen. They're highly trained. A lot of these individuals are former Mexican army soldiers, some of whom were trained by our own special forces. Their tactics are very sophisticated. You don't get a rocket-propelled grenade, an automatic weapon, or a hand grenade at a gun show. So we need to make sure that people understand that as we're discussing, what we're going to do about it.

There have also been some exchanges here talking mainly about the situation on the border, and I think it's important for people to understand that this is not simply a Mexican problem and it's not simply a border problem. What we have seen along the border has illuminated the problem for a lot of people in this country, but it's a national security problem. The Mexican cartels by the evidence that I have seen are operating in 230 American cities right now. There were reports that the outdoor marijuana plantations in California—by the way, marijuana is now the number one cash crop in California; it just outstripped wine about a year and a half ago—are run principally by the Mexican drug cartels.

So we have a situation and it's transnational, which, Admiral, you used in your testimony a couple of different places. I've been trying to get that word in the lexicon as well. But it's also transcommand here, because so much of it initiates in your command, but so much of the response is going to have to come out of your command, General.

So my question really is, at what point does a transnational organized criminal threat become an insurgency or something tantamount to an insurgency? If so, what do we do about it?

General RENUART. Senator, absolutely we should make no mistake, this is a transnational, very complex, well-integrated, apparatus. It flows from the sources, some of which are in South America, certainly to the distributors, many of which are here in our country.

You are correct in saying that there is a presence in our Nation in hundreds of our cities. In fact, just a week and a half ago, the Drug Enforcement Agency announced some fairly significant efforts that they had concluded, yielding the arrest of some 700 distributors, and these were distributors in our country, not the cartel members in Mexico.

So this is a problem that we have to deal with. You are absolutely correct to say that the Mexican drug cartels are much like an insurgent organization. They are well-trained, they're well-equipped. Their tactics are good. Those in the Gulf cartel area are some of the most sophisticated around.

Having said that, we need to ensure that we have created an interagency capacity that can start at the source and continue all the way through the retailer, if you will. Our role is to ensure that Jim's folks and ours are integrated each day. We do that through his JIATF-South and my JTF-North. We both partner with the full interagency effort and we are as supportive as we can be.

I think that, as we come further to the border, our role is to then help the Mexican military, who is the principal element of the law enforcement effort. The lack of corruption in the Mexican military is noteworthy. They are carrying this role for their government.

As we move to the border, we partner with our law enforcement to help identify and stem the flow as much as we're able. Then of course, the law enforcement has the retail element there.

So I think this is an effort that will require even closer, more aggressive work, but it is one that is significant.

Admiral STAVRIDIS. I agree with Gene's remarks. Senator, I agree with your comments. I believe that, as I mentioned earlier, sir, this is really about finding a supply chain, understanding it, reverse engineering it, and killing it. That's the process we need to undertake. To do that, we need international and interagency cooperation.

Sir, I'd love to get you down, or any member of the committee, to JIATF-South, JTF-North, and we'll show you how these seams fit together. It's been something we've been working very hard.

Senator WEBB. For our purposes, I think we may be looking at the necessity of a more robust Federal response. I think we're going to have to have that debate up here.

General McNabb, when you and I visited in my office, we were talking about the alternative supply routes into Afghanistan. You addressed a good bit of that today. I have two thoughts for you. One is, and this is for the record, Mr. Chairman, I would like to see a comparison of the cost and the time and the load capability of the different approaches that we are now taking.

[The information referred to follows:]

We believe we can deliver 100 containers per day into Afghanistan using the Northern Distribution Network (NDN) whereas approximately 150 containers per day can be delivered via the Pakistan Ground Lines of Communication (PAK GLOC). The cost and timing estimates are based on approximately 190 containers being delivered via the NDN to date and over 13,000 containers delivered via the PAK GLOC in the past 6 months.

For containers originating in Continental United States, the NDN Russian route costs $17,600 per container and currently performing at 59 days from booking to date of delivery. The PAK GLOC costs $5,900 per container and is currently performing at 95 days.

For containers originating in Germany, the NDN Russian route costs $16,200 per container and currently performing at 45 days from booking to date of delivery. The PAK GLOC costs $5,100 per container and is currently performing at 88 days.

Initial NDN costs are based on 120-day quotes from our commercial partners. Competition and volume should contribute to lower rates over time. The biggest reason for the cost differential is longer ocean transit for the Pakistan route as compared to the NDN routes. This factor drives the difference in overall cost because ocean transport costs less than surface segments. The additional cost provides for better velocity as NDN's transit time will be half of PAK GLOCs.

Senator WEBB. In other words, what we are moving through Pakistan right now. Per container, what's the cost of moving it that way, what's the time, what's the volume that we are able to move over a period of time, say a quarter, 3 months, whatever it is, from

the different approaches that we're taking? If you could give that to us, I would appreciate being able to look at it.

General MCNABB. Senator, if I can give you a rough order of magnitude cost. We do it by container for the land.

Senator WEBB. You don't have to say container, but what I'm trying to do is to get something that's measurable, where we can look in a logical way at what these changes are going to do to the resupply pattern in there.

The second question I would have is, there's been a lot of discussion and a lot of verbiage on the Internet about some NATO countries moving supplies through Iran, making a deal there. Do you know what stage that approach has reached?

General MCNABB. Senator, I do not, and we are not in any way contemplating using Iran.

Senator WEBB. I understand the United States is not, but it's been widely reported that other NATO countries are.

General MCNABB. I saw that General Craddock, in his role in NATO, is saying that if individual countries want to negotiate that. That's what I saw as well. I would just tell you that we're not in any way thinking about Iran, for all the reasons that you and I talked in your office.

Senator WEBB. Right.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Webb.

Senator Sessions.

Senator SESSIONS. Thank you.

Senator Webb, I was late because I was at a Judiciary Committee hearing on the Mexico matter. We've had Customs and the attorney general from Arizona and others. I concluded fundamentally the best thing we can do to help Mexico is to dry up these organizations, as Admiral Stavridis indicated. They are flowing money back in huge amounts, so it gives them the power. If we target those we would help Mexico a lot.

They're doing a lot better. I believe a lot of the violence is because Calderon is standing up to these guys and taking them on. If he'll stay at it, I believe they'll be as successful as President Uribe in Colombia. But it's life and death. They'll kill you, and it's a dangerous bunch. He has to break that group because it threatens the good and decent people of Mexico and their ability to have a good government.

General McNabb, on the tanker, this is such an important issue. It remains the Air Force's number one acquisition priority, is that correct? You have to be responsible for all of that in TRANSCOM. Aren't a lot of these aircraft 50 years old or more in age?

General MCNABB. Yes, sir. The KC–135s are Eisenhower-era tankers. By the time they start being replaced, it'd be 50 years.

Senator SESSIONS. So it's been a priority for how many years now?

General MCNABB. Senator Sessions, starting in 1999 when I was the Air Force programmer we were working hard on the replacement to the KC–135.

Senator SESSIONS. So we're about 10 years off and we still haven't gotten there. I hope that we can get there. I believe it's possible.

I will just add for my colleagues' sake that it was reported that the Northrop Grumman-EADS aircraft that was going to be built in my home State of Alabama by American citizens was 25 percent less expensive than the competing aircraft, 17 years later, newer in design, and had larger capacity and capability, which is why I assume the Air Force chose it in the competitive process.

So where we go and how we get there I don't know, but it would be folly and damaging to the integrity of our entire acquisition process if somehow politics caused us to do something that's not right. We ordered that thing bid. It ought to go to the best bidder. If we have to we can analyze a dual situation perhaps and see how that comes out, but in the long run we need to get the best aircraft for the best people, and I think you correctly decided that.

General Renuart, you remain committed, do you not, and the military does, to the completion of the deployment of the 44 missiles in Alaska and a few in California that would complete the anti-missile system, that would provide protection against a limited missile attack?

General RENUART. Yes, sir, we do. That 44 production rate is the number we remain committed to.

Senator SESSIONS. We have what, 26 now already in the ground?

General RENUART. We have 26 operational silos, Senator. We've moved some in and out to do maintenance and that sort of thing, but yes, sir.

Senator SESSIONS. All I would just say is, yes, this has been 20, 30 years of research and development. These systems do work. I'm absolutely convinced that if a missile were launched from North Korea, as they're talking about launching, and it came all the way to the United States, that this system would effectively knock it out of the air.

General RENUART. Senator, I am confident that with the capabilities that are designed into the system, the various radars and sensors, it would give us good enough information against that single target to be successful.

Senator SESSIONS. I think so, too. There are costs, are there not, if you were to substantially reduce the assembly line production of those missiles? Wouldn't we probably have contract penalties to pay and wouldn't it end up costing more per launch vehicle than we would if we went on and completed it?

General RENUART. Senator, I think General O'Reilly, the Director of MDA who owns that process, is better suited to give you specifics. But my sense would be that any time you stop a contract there are costs to that. So my sense would be in this case that there would be some costs.

Senator SESSIONS. We're more than halfway there and I think we need to just go on and complete that.

Now, with regard to the proposed site in Europe, this is a matter I think of real importance. This is not a small thing. We've asked our friends in Poland and in the Czech Republic to participate in a system that would defend virtually all of Europe and the United States from attacks from Iran, and they've gone along with us on that. I am, I have to say, disturbed, troubled, worried that some of the politicians are now talking about making a deal with the

Russians and maybe they'll promise us something and we won't go forward with this site, maybe.

Is that your pay grade?

General RENUART. Senator, you've just jumped it up about three above me.

Senator SESSIONS. At any rate, we spent all these years doing the system. Now, with regard to a system that would be deployed in Europe, isn't the key thing in all of these systems the guidance system that's on the nose of the rocket? Isn't that the most complicated and critical component? We have a lot of missiles, but the question is whether we can guide it to the collision point; isn't that right?

General RENUART. Yes, sir. I'm not an expert on the technical means, but I would tell you that the success of this capability is based in the system of systems. It is the radar sensors. It certainly is the guidance system on the missile. It is the ability to update that in transit. It's the collaboration of the many space and land-based, I call them radars, although some are different kinds of capabilities. All of those together give you the precision that allows you to strike a target in space in that regard.

So it is, as we've mentioned with Senator Levin, the combination of all of these that can give us success.

Senator SESSIONS. We've proven, I think, in the Pacific that we have the radar systems that all come together so fantastically, and the guidance system to make that thing work. I guess all I'm saying is that, with regard to the European site, we're talking about a two-stage rocket instead of a three-stage rocket that we have in Alaska and California. In many ways, isn't that really a simpler launch system?

I know we have to test it, but it's not a quantum leap forward. If you have the guidance system, in theory at least it should be simpler to have a two-stage system than a three.

General RENUART. Senator, I'd like to defer that to Pat O'Reilly.

Senator SESSIONS. You just need to agree with me that it's logical. [Laughter.]

Chairman LEVIN. You're doing really well, General. Stick to your guns. [Laughter.]

Senator SESSIONS. That's the logical thing. We may have to test it and prove it, but a two-stage system is certainly not something we can't perfect. We've perfected a three-stage which is more complex.

I would say this for the record. I believe that independent sovereign nations that were once part of the Soviet empire are independent sovereign nations. They have a right to decide who they sign treaties with. They have a right to decide what kind of defense systems they'll deploy in their nations. I think we ought to be prepared to defend that and not be taking any action that might be interpreted as an affirmation of Russia that they have the right to tell these countries how to conduct their defense.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Sessions.

Senator McCaskill.

Senator MCCASKILL. Thank you, Mr. Chairman.

Last, not a bad place to be, although a lot of material I wanted to talk about has been covered by other Senators, and I will not go back over it. I know that the study that we asked for on the C–17 and the C–5 is pending and we're anxious to get the information from that as soon as it's available. We have not yet seen any information from that.

There are some bad habits we have in Congress, and that is a tendency to be very parochial when it comes to you buying things. I have to confess my parochial interest, obviously, in the C–17. It's pretty obvious, I represent Missouri. Boeing is an important employer in my State.

What is confusing to me is when it seems like you may not be asking for things because you know that there's enough political will to give it to you anyway as an add-on. I guess my question is, if we're utilizing the C–17 at 159 percent—I mean, we're just flying the wings off of those things—why are you not asking for more? Could it be that you're encouraging our bad habits in terms of being parochial by knowing that if you don't ask for it we're all going to pile in and put it in the budget anyway?

General MCNABB. Senator, I hope we are not. I will only say that from the standpoint of any of these, you start with the requirement. You will look at a number of different options, and it really is competition that will come up with the best mix. My responsibility as TRANSCOM Commander is to take a look at everything that goes in and say, okay, does this meet what I need to do for the combatant commanders that I support? As long as it does, what we'll try to do is make sure that you get the most cost-effective mix that actually meets those needs.

It really does depend on that competition, on the cost, for instance the re-engining of the C–5 vice how much does a new C–17 cost. That's what they did in the Nunn-McCurdy. They brought that all together and said, hey, there's lots of different ways of doing this, and they brought everybody together and came up with, okay, here's the fleet mix that we think makes the most sense both for the warfighter and the taxpayer.

I was part of that. I would say that it was very open. They went through the Joint Requirements Oversight Council, which is all the Vice Chiefs of the Services, reconfirmed the requirements, made sure that we have that right, and then turned that over to, in this case, John Young, who is overseeing that, and said: "Okay, here's all the parts of the puzzle; let's come up with the best mix overall."

I think that, hopefully, we are the honest brokers to come back and say: "Hey, this is the best overall way to do this, and of course that's what you see in the program of record."

Senator MCCASKILL. I'll be anxious to see the results of the study. I want us all to break these bad habits and I want to make sure that you're not enabling us by maybe not being as forthcoming with what the real needs are and by the way you put this thing together. There's a lot of habits we have that are really hard to break and we don't need enablers. So help us with that.

I particularly am interested that the plan to do the Avionics Modernization Program on the C–5 ended up being obviously way more expensive. It's another one of those textbook cases of incredible cost overruns. I don't want to be a Monday morning quarter-

back here. I don't think that's fair. But looking back, I'm not sure that modernization program was, frankly, the best bang for the buck since it's turned out to be way too many bucks.

Let me talk a little bit about the Iraq drawdown as it relates to equipment. What kind of plan is in place in terms of what's coming back? What about the rolling stock versus the white property? What I'm really concerned about in terms of the contracting is, how much is walking away with our contractors, and what's on top of that? Who's paying attention to our inventory?

We've had problems with our inventory over there, whether it's guns or other things. Obviously, that's been a big issue for us, and I'm concerned. Who's in charge of getting our stuff back and making sure contractors don't call it their own when it's not theirs?

General MCNABB. Obviously, CENTCOM is putting together their plan on how they will bring that back, and they are sorting out now what they are going to bring back, what they are going to leave behind maybe for the Iraqis, or what they are going to move to Afghanistan. So they're going through all of that.

I will say, the oversight of the contracting, making sure that's all done, is under CENTCOM's purview. I would say that what they do with us is they say, okay, here's how much we think we're going to bring out. I make sure that on the supply chain side, not only the transportation but also the distribution network, that I have plenty of lift to be able to do that.

Senator MCCASKILL. You've not gotten any heads-up yet about what kind of lift you need to start to begin to expect over the next 18 months to 2 years?

General MCNABB. Yes, ma'am, they have. I want to make sure that we were not a long pole in the tent and we are not. We have plenty of lift, especially because of our commercial partners. As long as we give notice of what's available, our U.S. flag industry, both air and sea, is actually tremendous if you can give them advance requirements, and obviously we can use that. It's one of the great advantages we have, and that's cheaper than using military-unique type vessels.

So I think that right now I know that we are not the long pole in the tent. The big part there is just to say, hey, as soon as you have it really definitized let us get that out to the market and then we can get it even cheaper on the market as well.

Senator MCCASKILL. The cost-benefit as to whether we leave it or bring it back is being done by CENTCOM?

General MCNABB. The Services. So for instance, if it's on the equipment it'll be CENTCOM as the combatant commander working with their Service components, to say, okay, how do you want to do that. What might we also do in prepositioning and leave it in theater for that, all of that's being worked out.

Senator MCCASKILL. I just want to know whose shoulder I need to look over, because I'd like to pay attention to that. I think we've learned some lessons. I just want to make sure we've learned them.

General MCNABB. Yes, ma'am.

Senator MCCASKILL. General Renuart, as we talk about the National Guard and equipment, it seems to me that there is this rub between civilian needs of equipment and military needs. I think probably it varies with each Guard how much they're drawn to al-

most a seduction of getting all the military equipment as it relates to that side of their responsibility, which is huge now since they've become more operational as opposed to strategic.

On the other hand, I know what a Humvee costs and I know what a pickup truck costs or a passenger van, and I know in our State, in terms of their domestic mission in terms of ice storms and flooding that it is not major flooding where you need a vehicle that goes through water, you need to transport people. I'm worried that we're spending big, big, big money on Humvees when a real good sport utility vehicle for a fraction of the cost is what we should be buying.

Would you comment on that?

General RENUART. Senator, absolutely. The Guard has their principal deployment mission, and it is a significant one. So we need to ensure that they are adequately and properly equipped and trained for that mission. In my role overseeing what I'll call the support to civil authorities and homeland security mission, we look at the capabilities that each of our partners in the National Guard have and look at what might be used out of that operational pool, because you don't have to buy anything else and you don't overuse the equipment to a degree. We also look at maybe some unique capabilities that really only apply to that mission.

You're absolutely right, in your State certainly tornadoes and floods and ice storms, but also planning for a large earthquake, the New Madrid Fault is a huge issue along all of the border States of the Mississippi and Missouri Valley.

So we try to advocate for those unique pieces of equipment, things like portable cell phone towers, interoperable communications devices that allow law enforcement and Active Duty and Guard military to talk to each other. We try to make sure those are included in the funding lines either of the State or of the DOD budget to provide to those States.

So we are sensitive to your concerns. We try not to buy Cadillacs when a Jeep will do.

Senator MCCASKILL. It's like Apache versus Chinook. We have Apache helicopters in our Guard and I'm like, do we need those in Missouri? We need to take people in them.

General RENUART. Yes, ma'am. So as we continue this road map with the National Guard, it is a partnership. Craig McKinley and I talk about this on a routine basis. He works with the Services for those operational force requirements. He and I work together with the Services on those homeland security kinds of things. We try to be good stewards of that.

But we do try to take advantage of the equipment that they already have so that we don't procure new equipment just for the unique mission that they might have in the homeland.

Senator MCCASKILL. I would just encourage you to muscle up on your side.

General RENUART. We will do that, yes, ma'am.

Senator MCCASKILL. I think if you muscle up on your side it's going to in the long run give our folks the equipment they need day-to-day in terms of what they're doing. Not that they don't need some of the other, but I just think that if the pendulum is going to naturally swing away from the dual use equipment, I hope you

keep advocating, because it's obviously much less expensive and desperately needed.

General RENUART. Yes, ma'am. Absolutely, we will.

Senator MCCASKILL. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you.

We're not going to be able to have a second round, but the record will be open for questions. If Senator McCaskill has no other questions, there's no one else here to ask; I will bang the gavel. Thank you very much for your testimony. It was very, very helpful.

We are adjourned.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR DANIEL K. AKAKA

DRUG-RELATED VIOLENCE IN MEXICO

1. Senator AKAKA. Admiral Stavridis, according to a press release, Southern Command (SOUTHCOM) disrupted the flow of more than 200 metric tons of cocaine in 2008. You have made great strides in the SOUTHCOM area of responsibility (AOR). From your experience in SOUTHCOM, how can the Department of Defense (DOD) best utilize its diplomatic, military, and economic power to minimize U.S. impact from the drug-related violence in Mexico?

Admiral STAVRIDIS. No single action will eliminate the flow of illegal drugs into our cities or illegal drug use in our Nation. Countering this threat requires coordinated U.S. and international effort against all aspects of the illicit narcotics industry—education, treatment, cultivation, production, transportation, and consumption—to fully attack this complex problem.

SOUTHCOM works closely with Northern Command (NORTHCOM) to counter-illicit trafficking and its effects in Mexico. Central America, as a transit-zone for narcotics trafficking on its way to Mexico, is also facing similar challenges. We appreciate Congress' continued support of the Mérida Initiative, which includes funds for both Mexico and Central America.

Mexico's military is currently the most effective element combating the drug trafficking organizations (DTOs) operating within their borders, and while the diplomatic, informational, and economic elements of a whole-of-government approach are essential to success, NORTHCOM's most significant contribution is in strengthening the operational capacity of the Mexican Army and Naval forces. This goes beyond providing the hardware and associated training that puts its military on an equal tactical footing with the DTOs. Our engagement should also focus on developing the ability to analyze and share the intelligence that allows the Mexican military to rapidly and effectively interdict critical capabilities within the DTOs' apparatus in order to systematically dismantle the organizations perpetrating the violence. Leveraging the renewed sense of gravity of this situation, we continue to assure Mexico that we are committed to a long-term security partnership that benefits both nations. The most significant consideration in determining military ways and means is to work with our Mexican and U.S. Government partners to provide support to their efforts.

AFRICA COMMAND EFFORTS

2. Senator AKAKA. General Ward, I recognize the increasing strategic significance of Africa and believe that Africa will pose one of the greatest potential challenges to global security. At this point, how do the people of Africa and other foreign countries in the region perceive Africa Command (AFRICOM) efforts in the region?

General WARD. Most African nations welcome AFRICOM's assistance in reaching their goals for security forces that are legitimate and professional.

We try to have our best understanding of our partners—their culture, environment, history, traditions, et cetera. Those things help build our relationships, and increase Africans' trust and confidence in our command.

Africans see us as partners and allies. The focus of AFRICOM is on our programs.

The good will generated by the election of U.S. President Barack Obama has created a more positive and receptive environment for AFRICOM. AFRICOM has reached French, Lusophone, and English-speaking audiences through media venues including BBC, Al Jazeera, Africarama Magazine, VOA, and local media.

Over the past 2 years, media coverage of AFRICOM has become somewhat less critical. Media analysts attribute this trend to AFRICOM's efforts to communicate the command's mission, goals, and objectives to our African partners.

Overall, media analysis over the past year has suggested that Africans are more receptive to AFRICOM than they were in 2007 when the command was first announced.

EVACUATION STANDARDS IN AFGHANISTAN

3. Senator AKAKA. General McNabb, according to previous testimony from Secretary Gates, the goal in Iraq is to have a wounded soldier in a hospital within 1 hour. However, in Afghanistan, that time is closer to 2 hours. As we continue to send additional troops to Afghanistan, we need to make sure the necessary medical support is available in theater. In your opinion, what is the greatest challenge to improving evacuation standards in Afghanistan?

General MCNABB. Senator, in my opinion, the challenge in Afghanistan is one of distance, terrain, and altitude, along with the dispersion of medical support, aviation resources, and combat forces. Although the evacuation of wounded from the battlefield is a Service responsibility, Central Command (CENTCOM), in concert with the Services is increasing forces and aviation assets in theater to support the medical evacuation (MEDEVAC) mission in Afghanistan. Transportation Command (TRANSCOM) is currently engaged in transporting these additional helicopter units and forces to theater, and will continue to support CENTCOM and the Services as they provide a more robust MEDEVAC capability to meet the needs of the warfighter.

OPERATION DEEP FREEZE

4. Senator AKAKA. General McNabb, in your prepared statement, you mentioned TRANSCOM's support of Operation Deep Freeze. As you know and experienced in Operation Deep Freeze, Hawaii and the rest of the Pacific theater are unique because we have to deal with the tyranny of distance. How would you assess TRANSCOM's current ability to support the humanitarian assistance and operational missions in the Pacific theater as it relates to your current forward basing strategy of air, land, and sea mobility assets?

General MCNABB. TRANSCOM has the ability to meet all humanitarian assistance and operational missions in the Pacific theater in relationship to the current forward basing strategy of air, land, and sea mobility assets. For example, in February 2008, Hawaii- and Alaska-based C–17s delivered 225,000 pounds of food, medicine, and cold-weather supplies to Shanghai, China, to provide relief for Chinese citizens across 19 provinces during their most severe winter in 50 years. Within 18 hours of the Secretary of Defense's mission approval, 18 cargo pallets were delivered to mainland China. In May and June 2008, Yokota Air Base C–130s delivered 1.3 million pounds of relief supplies to Burma in the aftermath of Cyclone Nargis that caused tremendous devastation and tragic loss of life.

Global Reach allows TRANSCOM to bridge the distances in the Pacific to deliver effects in a matter of hours, not days or weeks. Basing Air Force C–17 airlift assets in Alaska and Hawaii shows the increased emphasis TRANSCOM puts on improving our ability to respond more rapidly in this region. Bases in Alaska and Hawaii serve as critical components for humanitarian assistance, disaster relief, or combat operations. In addition, C–17s in Hawaii and Alaska have brought unprecedented levels of organic, flexible airlift to the warfighter. Hawaii- and Alaska-based C–17s are strategically co-located with Army units, allowing PACOM to respond immediately with a joint force to any type of contingency worldwide. Likewise, KC–135 tankers permanently based in Alaska, Hawaii, and Japan, as well as rotational tankers on Guam, make up the air bridge required to move fighters, bombers, and other assets throughout the theater. In short, they allow us to dissuade, deter, and, if necessary, defeat any potential adversaries. Forward based aerial port squadrons and detachments throughout the theater from Alaska to Diego Garcia and Perth, Australia ensure ready support for strategic airlift movements in support of national interests.

Surface Deployment and Distribution Command's forward basing in Hawaii, Alaska, Japan, and Korea ensure quick execution of surface movements originating both within and outside of the theater. This capability ensures timely movement of heavy forces for both contingency and humanitarian support. Their strength comes with strong commercial partnership with strategic sealift liner services provided by U.S.

flag carriers and ground transportation provided by U.S. military units and contracted services.

Rounding out TRANSCOM's forward posture, the Military Sealift Command (MSC) provides in-theater, Pacific Rim, command and control of sealift ready to meet any challenge offered. MSC's presence in Singapore, Korea, Hawaii, Guam, Japan, and other strategic locations ensures hands-on availability. They have strong ties to our commercial partners to contract sealift capabilities on short notice when required. MSC is also positioned to respond with government controlled vessels to include large medium speed roll-on/roll-off vessels strategically stationed in 3 locations on the west coast of the United States and to activate over 14 Ready Reserve Force vessels including roll-on/roll-off and crane ship capabilities. Whether it's contracting ferry support from a foreign nation in a time of crisis for non-combatant evacuation operations or working with indigenous maritime resources to execute short notice cargo charters, the MSC is ready to carry out any mission in the Pacific theater.

TRANSCOM continually reviews readiness of our forces to include posturing of capabilities to meet any need while keeping our resources balanced across the globe. Based on our assessments and reviews, we are confident the forward posture of our forces best fits the need in the Pacific theater as it is today. As part of our planning and readiness review process, TRANSCOM will continue to analyze our forces and posture as the environment changes.

QUESTION SUBMITTED BY SENATOR MARK UDALL

RELOCATION OF CHEYENNE MOUNTAIN OPERATIONS CENTER

5. Senator UDALL. General Renuart, I've had concerns about the relocation of the North American Aerospace Defense Command (NORAD) from Cheyenne Mountain to the new NORTHCOM/NORAD Command Center at Peterson Air Force Base (AFB). In particular, many members in the House Armed Services Committee (HASC) were not happy with the decision to relocate operations without fully analyzing the full range of threats—nor was the Government Accountability Office (GAO), which was made clear by a GAO report last year highlighting the lack of a comprehensive threat analysis. Last year, because of our ongoing concerns about the vulnerability of the new command center, HASC Chairman Skelton and I urged Secretary Gates to retain redundant operations at Cheyenne Mountain. When you and I spoke last, you assured me that redundant capabilities would be maintained in Cheyenne Mountain for the foreseeable future. You also told me that you would inform me should that ever change. I'd ask you to please repeat that commitment for the record, and give me a brief summary of some of the security measures you are putting in place to protect the command center in its new location.

General RENUART. For the foreseeable future, the NORAD and NORTHCOM Alternate Command Center will remain in Cheyenne Mountain. We will inform Congress of any decision regarding the location of our Alternate Command Center.

In order to further protect our ability to accomplish the NORAD and NORTHCOM missions, we have a comprehensive security enhancement program. This includes consulting with security and mission assurance experts from Sandia National Laboratories, Air Force Space Command, the Defense Threat Reduction Agency, and the Joint Staff Integrated Vulnerability Assessment Team, who have identified vulnerabilities and assisted in designing the best security system for our facility. We established a new security directorate to implement these recommendations and improve the overall security posture of the commands.

Our physical security systems supporting the NORAD and NORTHCOM Command Center have been upgraded to include additional vehicle barriers, new perimeter fencing, and a vehicle searching station. We have converted our contract access controllers for the facility to Air Force security guards. We also have 24–7, dedicated 21st Space Wing Security Forces in our facility to provide the External and Internal Response Teams, and control access to the restricted areas. We have also instituted a security education and training program, comprehensive external security agency coordination, improved access control and screening, and Peterson AFB installed the Defense Biometric Identification System at their gates.

QUESTIONS SUBMITTED BY SENATOR JOHN MCCAIN

ACQUISITION POLICY

6. Senator MCCAIN. Admiral Stavirids, General Renuart, General Ward, and General McNabb, in a report titled, "Defense Acquisitions: Perspectives on Potential Changes to DOD Acquisition Management Framework" (GAO–09–295), GAO found that reform of the requirements process is necessary to create a truly joint military and lay the foundation for an acquisitions process that is responsive to operational needs. Based on its work and other major acquisition reform studies, GAO believes that enduring requirements reform will occur when the combatant commands (COCOMs) have more influence over the requirements process to meet their priorities. To your knowledge, has the Joint Staff been engaging the COCOMs in the requirements process through participation in meetings of the Joint Requirements Oversight Council (JROC)?

Admiral STAVRIDIS. Yes. The Joint Staff welcomes and encourages SOUTHCOM participation in the requirements process through Functional Capabilities Board (FCB) participation as advisory members. I have an open invitation to attend any JROC meeting. The Joint Staff solicits my review of and comments on draft JROC memoranda and requirements documents.

General RENUART. Yes, NORAD and NORTHCOM actively participate in the JROC process and engage its supporting construct, which includes the Joint Capabilities Board (JCB) and FCBs as advisory members, but not voting members.

In order to assure maximum support for NORAD and NORTHCOM equities within requirement and capability forums and processes, members of our Programs, Resources, and Analysis Directorate represent the commands in each FCB and coordinate JCB and JROC participation when required. These resourcing professionals provide my focal point for the commands' requirement and capability activities, and coordinate the participation of other command subject matter experts to provide core knowledge when interfacing with these forums. They maintain routine engagement with Joint Staff offices to assure our active participation and awareness in the DOD requirements processes, and advise me of JROC and JCB requirement and capability topics that may require NORAD and NORTHCOM senior leader participation.

Our active engagement with Joint Staff and senior OSD leadership also includes the annual JROC and JCB site visits, which put particular focus on the combatant commanders' capability gaps and issues, and address the latest JROC initiatives and OSD policy and programming issues.

General WARD. Yes, the Joint Staff has been engaging the combatant commanders in the requirements process through the JROC. Also, subordinate to the JROC, the Joint Staff actively and adequately engages the COCOM through participation in: Joint Staff requirements forums such as the JCB and the nine DOD Joint Capability Area based Functional Capability Boards (FCB); the Capability Portfolio Management (CPM) process; the Senior Warfighter Forum (SWARF) process; the Joint Capabilities Integration and Development System (JCIDS) product development process; and most directly through the COCOM Integrated Priority List (IPL) process.

General MCNABB. Yes, the combatant commanders are engaged in the requirements process through active participation in the JROC. Additionally, our involvement continues to increase through the direct review of all capability documents (via the JCIDS), voting membership on FCBs, COCOM co-leadership of Capability Portfolio areas, increased importance of COCOM IPLs, the emerging Science and Technology IPL and increased use of SWARF.

7. Senator MCCAIN. Admiral Stavirids, General Renuart, General Ward, and General McNabb, do you think that combatant commanders need to have more formal influence than they do now over the requirements process to meet their priorities?

Admiral STAVRIDIS. No. Multiple forums to address SOUTHCOM current and future requirements are available and the Joint Staff actively encourages our participation in each venue.

General RENUART. No, various venues are already currently available to me to formally influence the requirements process to deliver capabilities for near-term (less than 2 years), mid-term (2 to 7 years) and long-term (beyond 7 years) resourcing and capability development needs in response to the commands' requirements. We actively participate with appropriate acquisition authorities to influence the requirements process.

For instance, while we do not often initiate or develop Joint Staff JCIDS documents, we are routinely tasked by the Joint Staff to coordinate and comment on formal JCIDS documents initiated outside the commands. In many cases these docu-

ments have great potential to contribute to capabilities required by NORAD and NORTHCOM.

In addition to the JCIDS process, the SWARF provides an effective means for 3-star level COCOM leaders to engage their counterparts to identify issues and capabilities associated with a particular mission or function, develop agreement on common gaps within current capabilities, and develop new, coordinated approaches for addressing emergent opportunities. The results provide a consensus view from senior warfighters to the Vice Chairman of the Joint Chiefs of Staff for identifying joint warfighting capabilities, associated gaps, and opportunities within those required capabilities.

As an example, the Joint Rapid Acquisition Cell (JRAC) mandates that combatant commanders interface with and provide feedback to acquisition authorities on the suitability and timeline regarding proposed solutions to JRAC-certified Immediate Warfighter Needs. In compliance with JCIDS processes, an acquisition authority may request NORAD and NORTHCOM to develop and provide requisite architecture products to develop solutions analysis and influence follow-on acquisition documents.

General WARD. Combatant commanders' inputs should be incorporated at all levels of analysis in DOD. This will ensure that as risk/benefit trade-offs are debated throughout the decision process, COCOM inputs are part of the final DOD position. We must ensure COCOM IPLs remain within their original context as these validated operational requirements proceed through the FCB, JCB, and JROC.

General MCNABB. No. Current involvement via the IPL, review of capability documents via the Joint Capabilities Integrated Development System, FCB voting membership, COCOM-led Senior Warfighter Forums, Capability Portfolio Management roles, and direct engagement with the JCB/JROC provide combatant commanders sufficient venues to influence/shape the DOD's requirements process.

8. Senator MCCAIN. Admiral Stavirids, General Renuart, General Ward, and General McNabb, what, if anything, do you think can be done to provide more authority to combatant commanders to ensure that their long-term needs are met or do you believe that the current IPL process embodied in the JCIDS is sufficient?

Admiral STAVRIDIS. Though the IPL serves as an important document to communicate critical capability shortfalls, the IPL process remains an inadequate way to ensure long-term COCOM needs are addressed. IPLs do inform the Program Objective Memorandum (POM) build process and lend credence to COCOM issue nominations to the OSD Program Budget Review (PBR) process. Unfortunately, the Services are not required to formally accept and integrate COCOM IPL issues into their POM submissions. Instead, the Services are directed to modify their POM submissions after a COCOM successfully argues a position within the OSD PBR process. If the Services were directed to formally discuss how their POM submissions addressed COCOM IPL items during a JROC meeting, it would help the Services' senior leadership focus on COCOM long-term requirements earlier in the process.

General RENUART. The NORAD and NORTHCOM IPL is one of the most important documents for communicating my most critical capability shortfalls or gaps to the Secretary of Defense, Chairman of the Joint Chiefs of Staffs, and Military Services to influence the DOD Planning, Programming, Budget, and Execution process.

The IPL focuses on 2 to 6 years out. Because of this, it is insufficient as a single-source document for acquiring long-term needs. The IPL addresses my highest priority requirements, prioritized across Service and functional lines, which affect the forces' ability to accomplish our commands' assigned missions. The current IPL process, vetted through a Service and Functional COCOM JROC-centric construct, is only one capability-based format embodied in the JCIDS. The JCIDS is an important tool to influence solution development of our commands' long-term needs across the entire Doctrine, Organization, Training, Materiel, Leadership and Education, Personnel, and Facilities spectrum within, and external to, the JCIDS process.

Other requirement documentation sources available to the combatant commander—and which I use—include overseas contingency operations, Lessons Learned, Joint Combat Capability Assessments, Comprehensive Joint Assessment, and Joint Urgent Operational Needs.

I do not believe that more authorities are necessary; the IPL does the job of conveying our critical capability gaps. However, the existing processes that the IPL feeds, the proliferation of inputs to those processes, and the various methods of analysis to support decisions have become more and more difficult for the participants to navigate.

Joint Staff and OSD receive inputs from an ever-growing number of sources—FCBs, Capability Portfolio Managers, Command and Control Capabilities Integration Board, and Senior Warfighter Forums to name some of the more prominent

ones. In most cases, these entities have different charters, leadership, and membership. We should continue to critique our processes to allow us to better focus our limited resources to effect change and acquire needed capabilities.

General WARD. The establishment of AFRICOM is recognition that the Department must take a longer-term view of activities, programs, investments, and desired effects in our dealings with partner nations. A review of existing authorities with a view to help the Nation meet the threats of this century would be consistent with that approach. A longer-term focus (beyond the usual budget cycle) would help provide sustained, predictable, and reliable engagement, resulting in measured, consistent improvements in partner capacities over several years. AFRICOM's core mission is Sustained Security Engagement to reflect a new and evolving focus on building partner capacity at the country and regional levels. Current 1206 and 1207 authorities along with the wise use, and continued support, of FMF and IMET funding are key to our ability to assist our partner nations. Any additional authorities must support a robust, multi-year, sustainable ability to provide Security Sector Reform assistance programs to build partner capabilities.

General MCNABB. The JROC is experimenting with shifting a portion of its authorities to functional combatant commanders commensurate with their Unified Command Plan mission which is expected to provide a greater COCOM voice in addressing long-term needs. This combined with existing participation in SWARFs, FCBs/JROCs, Capability Portfolio Management roles, Quadrennial Defense Reviews (QDRs), various studies/assessments, and an increased voice in science and technology, is sufficient to address long-term requirements.

9. Senator MCCAIN. Admiral Stavridis, General Renuart, General Ward, and General McNabb, what additional resources, if any, do you believe that combatant commanders need to establish robust analytical capabilities to identify and assess their long-term requirements?

Admiral STAVRIDIS. Additional financial and human resources to enhance SOUTHCOM's in-house analytical capability to identify and assess our long-term requirements would be very beneficial. However, as an economy of force command, SOUTHCOM is very sensitive to concerns that additional analytical personnel at a geographic COCOM might duplicate robust analytical capability in the functional COCOMs, defense agencies, and Services.

General RENUART. Increased in-house analytical capacity to conduct unbiased identification of required capabilities over time and to perform strategic-level assessments of our commands' long-term capabilities to execute multiple missions and to achieve desired effects could be beneficial. However, we must be cautious not to drive a negative resourcing impact to current DOD manpower allocations or create a duplication of robust defense service and agency analytical capabilities. The commands currently leverage these capabilities within the supporting defense agencies and Services.

Using our commands' modest analytical capacity for capabilities and requirements determination, NORAD and NORTHCOM have developed and implemented a Capability Review and Resource Assessment analytical process that links national strategies, departmental guidance, internal direction, and formal plans to strategic investment decisions intended to deliver required capabilities. We leverage existing Defense Department, Service, and Agency analytical capabilities. Our process employs a capabilities-based risk and resource management methodology providing traceability from national-level strategy to programs of record. This linkage provides the foundation for engagements with OSD, Joint Staff, defense agencies, and the Services to influence investments in training, capability development, acquisition, and sustainment. It establishes a top-down view from the combatant commander's perspective to assure that developmental programs, driven by strategic guidance and assigned missions, will meet the warfighters' needs (i.e., "requirements"). This process provides the "guidance-mission-objective-effect-capability-program" correlation that is essential to establishing the connection between guidance and required capabilities. Likewise, the linkage provides the Services and agencies with a bottom-up perspective to assure that their programs provide the COCOM's priority capability requirements.

NORAD and NORTHCOM use a Linking Plans to Resources process that serves to define the missions and desired effects, validate the capabilities required, identify the capability gaps, assess the risk to each gap, prioritize the gaps, identify and assess potential Doctrine, Organization, Training, Materiel, Leadership and Education, Personnel and Facilities solutions, and provide recommendations on where to accept risk and how to address mitigation strategies within near-term (less than 2 years), mid-term (2 to 7 years) and long-term (beyond 7 years) resourcing and capability development opportunities in response to the commands' requirements.

General WARD. Combatant commanders require robust analytical and assessment capabilities to support our execution of national defense policy and guidance (e.g. Guidance for the Employment of the Force, QDR). Our vision and strategy, campaign and subordinate plans (Comprehensive Joint Assessment, Annual Command Assessment); all require assessment capability to ensure that near- and long-term operational requirements are synchronized with assigned missions and Theater Campaign Plans. At each level of analysis and assessment, a robust capability is needed to inform and guide future plans and execution of the strategy.

General MCNABB. The robust analytic capability provided by TRANSCOM's Joint Distribution Process Analysis Center (JDPAC) is a key enabler and is increasingly in demand by other COCOMs. We continuously balance our analytical resources between operational and programmatic support, but may require additional analysts and funding if the demand continues to grow.

10. Senator MCCAIN. Admiral Stavridis, General Renuart, General Ward, and General McNabb, the Beyond Goldwater-Nichols Phase II Report (BGN Phase II Report) recommends that DOD could utilize functional commands, such as Joint Forces Command (JFCOM), to provide robust analytical support to the geographical COCOMs to identify and assess each command's long-term requirements. That recommendation appears to be reflected, at least in part, in a recent JROC memorandum, dated June 20, 2008, titled "Assignment of Joint Potential Designators and Coordination by COCOMs on Capabilities Documents." Do you believe that the BGN Phase II Report's recommendation has merit?

Admiral STAVRIDIS. Yes, the recommendation has merit as it is certainly beneficial to have independent experts, such as the JFCOM, assist in assessing geographical COCOM long-term requirements. Functional COCOMs have much to offer geographical COCOMs; their advice, support, and expertise should be sought to ensure that the latter collaborate, combine efforts where possible, and create efficiencies. Furthermore, SOUTHCOM would certainly appreciate additional analytical support. Nevertheless, two ideas expressed in the BGN Phase II Report should govern any proposed changes: "those charged with executing missions should set the requirements for the capabilities they need" and "the process for identifying and advocating joint capability requirements be restructured around the COCOMs."

General RENUART. Yes, the BGN Phase II Report's proposals have merit, paraticularly the ideas that "those charged with executing missions should set the requirements for the capabilities they need," and "the process for identifying and advocating joint capability requirements be restructured around the COCOMs, with Services competing to supply the capabilities that the COCOMs determine are necessary."

It's important to highlight that significant changes have occurred within the JCIDS process since the publishing of the July 2005 BGN Phase II Report. Recent changes to the March 2009 revised JCIDS instruction include reducing in the number of Joint Staff acquisition focused documents going to the JROC, streamlining capabilities-based assessment requirements, and determining analytical depth that produces "relevant but imperfect" analysis over robust "perfect but irrelevant" analysis.

COCOM empowerment highlights another key change as evident by JROCM 130–08, which provides functional combatant commanders with enhanced COCOM authority and responsibility within the JCIDS process to influence capability-based, acquisition documents in four of nine portfolio areas (Battlespace Awareness [STRATCOM], Command and Control [JFCOM], Logistics [TRANSCOM], and Net-Centric [STRATCOM]).

However, of note is that these improvements in the JCIDS process help with the lack of mission-focused geographical combatant commanders authority and responsibility. As a geographical combatant commander, I must champion my prioritized requirements against other geographical combatant commanders within the functional combatant commanders' and Services' oversight.

It is important to understand and appreciate the robust analytical requirements demanded on Services as well as all COCOMs. Services are responsible for sustaining current force capabilities as well as developing future capabilities that are organized, trained, and equipped to meet the geographical and functional combatant commanders' requirements. Geographical combatant commanders are responsible for employing those existing and emergent capabilities to achieve our geographically-focused missions within current and near-team strategic and operational environments.

General WARD. The BGN Phase II Report provides a number of informative and constructive recommendations for improving the advocacy of joint capability requirements and in providing the combatant commander a greater resource allocation role.

Even so, there are several recommendations within the BGN Phase II report that require additional scrutiny. It may be possible that a functional command could identify and provide input to a geographical COCOM's long-term requirements, but we should examine the functional application of this concept to ensure it does not detract from a combatant commander's ability to synchronize activities and reinforce success. I would support a review of BGN recommendations that allows each COCOM its own team of analytical subject matter experts that understands its command's core missions while leveraging the synergy of a common functional approach.

We should use caution that the use of an isolated and geographically separated functional entity such as JFCOM would not create additional seams within the geographic COCOM at the operational and planning levels, thus hindering our ability to synchronize near- and long-term operational requirements.

General McNabb. I believe the report has merit. The TRANSCOM is already providing support to the geographic COCOMs in this capacity through its analytical contingent, the Joint Distribution Process Analysis Center (JDPAC). The JDPAC is a collaborative organization comprised of analysts from our transportation component commands and networked with the Services and other DOD analytical agencies. TRANSCOM's JDPAC is quickly becoming a center of mobility analytical excellence.

RELOCATION OF CHEYENNE MOUNTAIN OPERATIONS CENTER

11. Senator McCain. General Renuart, in July 2006, the former Commander of NORTHCOM announced plans to move certain functions from Cheyenne Mountain, CO, to an integrated command center at nearby Peterson AFB. Cheyenne Mountain was built in the early 1960s to withstand a multimegaton-yield-weapon strike and to provide protection against chemical and biological warfare. In justifying the decision to scale down Cheyenne Mountain, DOD officials have stated that the threat of an intercontinental ballistic missile strike on facilities in Colorado in today's environment is low. As the current Commander of NORTHCOM and NORAD, do you still share this assessment of the relatively low threat against your operations center?

General Renuart. Yes. We assess the threat to the NORAD and NORTHCOM Command Center at Peterson AFB from an ICBM or chemical and biological weapons as low. An ICBM or chemical and biological weapon strike against Peterson AFB would only occur as a result of a major nuclear confrontation, which is highly unlikely given the current geo-political environment. Further, due to the increased size and accuracy of today's nuclear warheads, Cheyenne Mountain Air Force Station's ability to withstand a nuclear strike is less certain, as it was built to withstand the threat of the day, some 40+ years ago. We are currently in the process of designing a chemical, biological, radiological, and nuclear collective protection system for our Command Center, and have upgraded our physical security system to provide additional protection against a high-yield explosive threat.

12. Senator McCain. General Renuart, how is your current command center at Peterson AFB protected from likely threat scenarios and what plans do you have in place to improve that protection?

General Renuart. NORAD and NORTHCOM have a comprehensive security system protecting our Command Center. Our physical security system at the facility has been upgraded to include additional vehicle barriers, new perimeter fencing, and a vehicle searching station. We have converted our contract access controllers for the facility to Department of the Air Force Security Guards. We also have 24–7, dedicated 21st Space Wing Security Forces in our facility to provide the External and Internal Response Teams, and control access to the restricted areas, and Peterson AFB installed the Defense Biometric Identification System at their gates. We maintain integrated, redundant, and distributed command and control functions, hosted in a resilient network of facilities that enhance flexibility and survivability.

Cheyenne Mountain Air Force Station continues to host, protect, and operate key assets securely remoted to the NORAD and NORTHCOM Command Center in Building 2 on Peterson AFB, CO. It further serves as our NORAD and NORTHCOM Alternate Command Center and a daily training location. We routinely train and exercise the operational relocation of critical mission essential functions from Building 2 back into Cheyenne Mountain and to other redundant mission sites. We also have plans to improve High-Altitude Electromagnetic Pulse and Chemical, Biological, Radiological, and Nuclear protection, electronic monitoring, and access control to our Command Center.

13. Senator McCAIN. General Renuart, should Cheyenne Mountain be restored as your primary command center? If not, why not?

General RENUART. [Deleted.]

ESTABLISHMENT OF REFUGEE CAMPS AT NAVAL STATION GUANTANAMO BAY, CUBA

14. Senator McCAIN. Admiral Stavridis, the Secretary of the Army notified this committee in November 2008 of the intent to use emergency construction authority on your behalf to spend $18 million to install utility infrastructure to support a 35,000-person contingency mass migration complex at the Leeward North Naval Station Guantanamo Bay, Cuba. This notification was subsequently rescinded in January 2009 due to concerns raised by congressional defense committees about the requirement, but may be readdressed in the upcoming President's budget for fiscal year 2010. In light of all other issues facing you, is the construction of the mass migration complex still a high priority for you? If so, why?

Admiral STAVRIDIS. I appreciate the feedback from Congress on the authority originally selected to advance this important project and assure you it remains a priority.

Under Executive Order 13276, SOUTHCOM serves as a supporting command to the Department of Homeland Security and operates migrant camps at U.S. Naval Base Guantanamo Bay (GTMO), Cuba in order to provide for the safety, care, custody, and transportation of migrants interdicted outside of the United States. Currently able to accommodate around 10,000 if needed, GTMO regularly houses a small number of migrants, a number which has increased since the beginning of the year.

The risk of high mass migration numbers continues as a result of natural disasters and political or economic turmoil plague the region. This past year, Haiti and Cuba were devastated with the cumulative effects of tropical storm Fay and hurricanes Gustav, Hanna, and Ike. In Haiti, the heavy rains caused mass flooding, eroded roads, and wiped out bridges throughout the region. The destruction of cropland severely retarded food production and further compromised the ability of the poor to cope. Over 700 persons were killed and 114,000 were displaced. Currently 78 percent of Haitians live on less than $2 a day. In Cuba, hurricanes wiped out approximately 63,400 homes and damaged approximately 446,500. Agriculture, poultry, and tobacco industries were negatively affected; one-third of crops destroyed causing food shortages. Cuba's damage is estimated at over $10 billion U.S. dollars.

It has been assessed that the governments of Cuba and Haiti will require 2–3 years to fully recover from the hurricane season of 2008. Another strong hurricane season coupled with the current economic crisis could severely affect stability in Haiti, Dominican Republic, and Cuba, greatly increasing the chances of a mass migration.

Past experience shows that GTMO is under-resourced to adequately handle such a mass migration scenario which could easily exceed the requirements of the one experienced during Operation Sea Signal in 1994, where GTMO housed some 46,000 migrants.

The modest Leeward North request would provide waste and fresh water utility infrastructure to support an additional 35,000-person contingency mass migration. In my view this cost is prudent compared to the nearly $1 million per day that would be required to purchase, transport, and store fresh water and to rent portable facilities to handle human waste of this magnitude.

As a result of discoveries during the ongoing unexploded ordnance clearance at GTMO, the project has to be relocated; it will remain on hold until a more suitable site is determined.

15. Senator McCAIN. Admiral Stavridis, understanding the fact that we have a history of supporting refugee operations at GTMO with existing facilities, why is this requirement urgent?

Admiral STAVRIDIS. Currently able to accommodate around 10,000 if needed, GTMO regularly houses a small number of migrants, a number which has increased since the beginning of the year.

The risk of high mass migration numbers continues as a result of natural disasters and political or economic turmoil plague the region. This past year, Haiti and Cuba were devastated with the cumulative effects of tropical storm Fay and hurricanes Gustav, Hanna, and Ike. In Haiti, the heavy rains caused mass flooding, eroded roads, and wiped out bridges throughout the region. The destruction of cropland severely retarded food production and further compromised the ability of the poor to cope. Over 700 persons were killed and 114,000 were displaced. Currently 78 per-

cent of Haitians live on less than $2 a day. In Cuba, hurricanes wiped out approximately 63,400 homes and damaged approximately 446,500. Agriculture, poultry, and tobacco industries were negatively affected; one-third of crops destroyed causing food shortages. Cuba's damage is estimated at over $10 billion U.S. dollars.

It has been assessed that the governments of Cuba and Haiti will require 2–3 years to fully recover from the hurricane season of 2008. Another strong hurricane season coupled with the current economic crisis could severely affect stability in Haiti, Dominican Republic, and Cuba, greatly increasing the chances of a mass migration. We need to act prudently but rapidly to posture ourselves to humanely provide for the care, custody, and safety of migrant populations at GTMO.

The modest Leeward North request would provide waste and fresh water utility infrastructure to support an additional 35,000-person contingency mass migration. In my view this cost is prudent compared to the nearly $1 million per day that would be required to purchase, transport, and store fresh water and to rent portable facilities to handle human waste of this magnitude.

CLOSURE OF MANTA AIR BASE, ECUADOR

16. Senator McCAIN. Admiral Stavridis, in 1999, the U.S. Government signed a 10-year lease with the Government of Ecuador to allow us to operate counter-drug missions from Manta Air Base. The Ecuadorian government announced in early 2008 that it did not intend to renew the lease, even though the U.S. Government invested over $70 million to improve the airfield and pumps an estimated $6 million annually into the local economy. How does the loss of Manta Air Base affect U.S. counter-drug operations in South and Central America?

Admiral STAVRIDIS. SOUTHCOM is grateful for Ecuador's assistance and support over the last 10 years, and appreciates and commends the Ecuadorian Air Force for its hospitality and cooperation. Ecuador has fulfilled its commitment to the United States, and we look forward to continued cooperation with Ecuador on counterdrug efforts.

Manta Air Base has proven to be a highly valuable asset in countering narco-significant geographic advantage in accessing narcotics trafficking routes both south and west of the Galapagos Islands frequented by smuggling vessels. Without Manta we will lose the ability to target these specific routes. Loss of access to Manta will also degrade support to the Air Bridge Denial program in Colombian airspace.

17. Senator McCAIN. Admiral Stavridis, what is being done to find other locations to compensate for the loss of Manta?

Admiral STAVRIDIS. Some operations currently conducted from Manta can be conducted from other locations where we have access to facilities. For example, the Air Bridge Denial program can be conducted from Curacao, but at higher operational cost due to increased transit times to the operational area in Colombia.

Additionally, JIATF–S is able to operate law enforcement aircraft in support of SOUTHCOM's Detection and Monitoring (D&M) mission from commercial locations in partner nations that are reluctant to allow U.S. military air operations. Military aircraft conducting D&M missions will continue to operate from existing facilities in El Salvador, and other locations where we currently have access.

However, it is important to identify alternate locations in order to maintain the operational reach needed to monitor trafficking corridors that extend deep into the Pacific. We are in discussions with other governments to allow the United States to utilize their airfields and support facilities. These airfields must have runways of adequate length, sufficient fuel available, and appropriate force protection. Additionally, they must be close enough to the threat vector to give aircraft as much on station time as possible.

18. Senator McCAIN. Admiral Stavridis, will you require any resources or authorities in the National Defense Authorization Act (NDAA) for Fiscal Year 2010 to assist you in overcoming this loss?

Admiral STAVRIDIS. Our immediate efforts to address the loss of Manta will focus on increasing our intelligence capabilities and coordinating additional basing options for the DOD, interagency, and partner nation aircraft that fly in support of SOUTHCOM's D&M missions. As we continue to analyze the available options to offset the loss of Manta, we will make the committee aware of any additional resources that may be required in the NDAA.

Title 10, U.S.C., section 124, provides the necessary authority to conduct D&M operations. No additional authorities are required to accomplish this DOD directed mission.

QUESTIONS SUBMITTED BY SENATOR SAXBY CHAMBLISS

MAINTAINING OR RETIRING ASSETS

19. Senator CHAMBLISS. General McNabb, you discuss the value of the C–130 in your written statement, and it certainly is, as you say, "the workhorse supporting the warfighter in theater." You also mention the need to continue acquiring the C–130J and modernize legacy C–130s, but you point out the need for the Air Force to have flexibility in retiring and replacing aircraft that are at the end of their service life.

I am all for modernizing and maintaining aircraft, and other equipment for that matter, that have useful service life left and that it makes sense to modernize. But as anyone who owns a 15-year-old car knows, they are more expensive to maintain, never get any cheaper, and are also less safe. The Services, including the Air Force, have a careful, analytical method for determining which platforms should be modernized and which should be retired. For the past several years, the best judgment of you and the Air Force leadership aside, Congress has forced you to keep C–130s that you've wanted to retire and added funds to the budget for maintaining them.

I would appreciate it if you could outline what you do with those aircraft that you are forced to keep in your inventory, the effect it has on your ability to accomplish your mission, and to what extent you believe keeping them in the inventory and adding unrequested funds for this purpose is a wise use of taxpayers' dollars.

General MCNABB. Under the NDAA for Fiscal Year 2009, Congress did not place restrictions on C–130E retirements. However, the Air Force is still required to maintain 24 C–130Es (retired under the NDAA for Fiscal Year 2008) in a "condition that would allow recall of that aircraft to future service." This is classified as Type 1000, or "inviolate," storage. These aircraft will require reopening, inspection, and new preservation actions every 4 years, at an approximate cost of $37,000 per aircraft, or almost $900,000 for all 24 aircraft. Of these 24 C–130Es, 16 had flight restrictions and 2 were grounded due to center wing box cracks and fatigue, while the remaining 6 aircraft were either temporarily repaired or near center wing box related flight restriction. The cost associated with regenerating these aircraft for future service is projected to be $10 million per aircraft for basic airworthiness repairs alone. Therefore, they do not appear to be good candidates for return to service. Additionally, the Type 1000 restrictions mean the Air Force is unable to pull parts from these assets, nor are they available for foreign military sales.

20. Senator CHAMBLISS. General McNabb, do you have any thoughts in general about how the Services should go about making decisions whether to maintain or retire assets and do you think Congress should have confidence in the Services' recommendations in this area?

General MCNABB. The Services conduct rigorous analysis with regards to life cycle management of military assets, to include compliance with Federal acquisition regulations. As long as the Services continue to present solid, empirical analysis as the basis for asset management, I see every reason for Congress to have full confidence in their recommendations.

QUESTIONS SUBMITTED BY SENATOR ROGER F. WICKER

MEXICO

21. Senator WICKER. General Renuart, earlier this year JFCOM published "Joint Operating Environment 2008." It referenced the possibility of Mexico becoming a failed state. Violence in Mexico is on the rise and is spilling over our border. Recent trends show that the cartels even acquired military grade weapons on the black market. The Governor of Texas has requested additional National Guard troops for security along the border. Furthermore, instability within Mexico creates the potential for a refugee crisis.

On page 21 of your prepared testimony you discuss the situation in Mexico. In it you comment on how our relationship with Mexico is improving and you thank Congress for its support of the Merida Initiative. At the beginning of your testimony you state "Homeland defense is the preeminent mission of NORTHCOM." What contingency/operational plans does NORTHCOM have to respond to the possibility of Mexico as a failed state?

General RENUART. While the collateral violence that has escalated between the competing drug trafficking organizations and the associated effects upon our border states is serious, we do not see any strategic indicators that the government, infrastructure, or social fabric of Mexico are at risk of collapse. In fact, the violence rep-

resents the result of the Mexican Government's laudable efforts to attack this ongoing source of crime and corruption. As such, NORTHCOM is not developing any plans for a failed state scenario; however, we have developed plans and operational concepts that allow us to support the appropriate U.S. lead agency north of the border, or support Mexican efforts south of the border, including, but not limited to: humanitarian relief, mass migration, or support to law enforcement. We are also currently engaged with the Department of Homeland Security as they address a range of potential concerns; and we continue to partner with the Mexican armed forces, in line with the traditional geographic COCOM security cooperation process, to support Mexican efforts to diminish violence within their borders.

22. Senator WICKER. General Renuart, at the unclassified level, what resources are needed to help stabilize Mexico?

General RENUART. Mexico is in the midst of a deliberate campaign to root out powerful drug cartels that have been tolerated to some extent in the past. Under the U.S.-Mexico understanding of a mutually shared responsibility for this drug war, Mexico needs our assistance to get this effort down to a more manageable level where they can finish off the job themselves. So, I believe it's incorrect to couch Mexico's security posture as one of "stability" or "instability."

The drug cartels are nimble and highly adaptive in exacting their violence. Because of the cartels' use of increased firepower and lethal tactics, Mexican President Calderon has tasked his military to bear the brunt of the mission to defeat them. Accordingly, we have given a hard look at what immediate capabilities their military needs now. Working with our counterparts in the U.S. Embassy in Mexico City and the Department of State, we have identified the most urgently needed non-lethal support that the Mexican military needs to turn the corner on its national campaign to defeat violent transnational drug trafficking networks. In the arena of short-term capabilities, this includes information and intelligence sharing, air platforms (fixed wing and rotary wing) with which to conduct surveillance, resupply, interdiction, and eradication operations. We have also identified a need for extensive upgrades, repairs, and modernization to Mexico's existing fleet of surveillance aircraft. It also includes a host of specialized tools such as night vision devices, ion scanners, tactical communications, non-intrusive inspection equipment, personal support equipment, and digital media forensics training and equipment. These items meet an urgent, short-term need to get a firm grip on the current situation.

23. Senator WICKER. Admiral Stavridis, what impact would Mexico as a failed state have on the SOUTHCOM AOR? What contingency/operational plans does SOUTHCOM have to respond to the possibility of Mexico as a failed state?

Admiral STAVRIDIS. Though the situation in Mexico is critical, Mexico has fully functioning executive, legislative, and judicial branches and President Calderon has demonstrated he has the political courage to confront the cartels that threaten the region's security. SOUTHCOM has neither contingency nor operational plans to respond to Mexico as a failed state, as they are part of the NORTHCOM region.

BROAD-AREA SURVEILLANCE

24. Senator WICKER. Admiral Stavridis, as you are no doubt aware, the March 2008 edition of Seapower Magazine has a piece regarding the number one capability gap that exists in the SOUTHCOM region. The title of the piece indicates that "Broad-area Surveillance is SOUTHCOM's Greatest Need." Clearly the SOUTHCOM region is vast with large areas of open ocean and lots of coastline where narco-terrorists are presently operating. Can you tell me the level of resources and what kinds of surveillance systems you have been able to apply to this problem over the past few years?

Admiral STAVRIDIS. The scope of this problem is large; SOUTHCOM's area of focus is nearly one-sixth of the Earth's surface. Not only are there large areas to cover, but the vast open ocean and extensive coastlines require a mix of sensors to provide the necessary coverage. No one sensor system can address this target adequately. SOUTHCOM has put considerable resources toward this issue using DOD and Interagency Intelligence Surveillance and Reconnaissance (ISR) assets. Although the Seapower article identifies "Broad-area Surveillance" as our greatest need, SOUTHCOM's top two IPL priorities are Signals Intelligence and Foliage Penetration collection. These are critical capabilities that support broad-area surveillance.

Other specific surveillance systems applied to this problem include the USN Global Hawk demonstration, the USN Rampant Lion technology demonstration, contract

B200 maritime patrol missions, available National Technical Means, and JIATF–S assigned air, surface, and subsurface assets.

25. Senator WICKER. Admiral Stavridis, broad-area surveillance systems such as satellites and high flying unmanned aerial vehicles (UAVs) such as Global Hawk are also in short supply and their operating costs are relatively expensive. Are there other kinds of systems or other UAV systems that can give you greater, more persistent surveillance capability and availability at a lower cost?

Admiral STAVRIDIS. We are constantly pursuing potential solutions which promise greater persistence and capability at lower cost. Some of these initiatives may not live up to their potential in terms of cost savings and capability, but the demonstrations themselves allow us to test out the systems while applying additional capabilities to the current problem. We are currently exploring very promising systems that include UAVs, radar systems, and sensor systems.

QUESTIONS SUBMITTED BY SENATOR DAVID VITTER

MISSILE DEFENSE

26. Senator VITTER. General Renuart, I'm very glad you confirmed that our missile defense system is "an effective system" able to defend against a North Korea missile threat, and I strongly agree with you. Would you assert that any cuts to our missile defense program or halting or retraction of our missile defense developments send a message that we don't have confidence in our missile defense system despite your stated confidence in its ability to defend us?

General RENUART. Our missile defense program is oriented toward countering the threat defined by our U.S. leadership. That threat is dynamic, meaning that both the defensive systems we have in place today and those we have planned for tomorrow will necessarily evolve as we adapt to maximize our defense against new threat capabilities.

27. Senator VITTER. General Renuart, if we do cut our investment in missile defense, would that empower hostile nations like North Korea and encourage military aggression?

General RENUART. [Deleted.]

QUESTION SUBMITTED BY SENATOR SUSAN COLLINS

COMMERCE GUARD

28. Senator COLLINS. General McNabb, in September 2008, TRANSCOM deployed a new container security system, called Commerce Guard, that helps protect military container shipments moving from Afghanistan to Pakistan by providing an alert if a container's doors are opened. Has this system proven effective enough to deploy more broadly and further address any security vulnerabilities in the supply chain?

General MCNABB. Yes, the system has proven effective in reducing pilferage and enhancing security of containers in transit. Although Commerce Guard is no longer available due to General Electric's business decision to discontinue the product line, we continue to evaluate this and similar technologies for further applications in the supply chain. We used this technology only for unit move cargo into Operation Enduring Freedom, but we plan to mature the capability in other applications such as Arms, Ammunition, and Explosives cargo shipments and Joint Staff sponsored exercises.

[Whereupon, at 12:50 p.m., the committee adjourned.]

DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 2010

THURSDAY, MARCH 19, 2009

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

UNITED STATES PACIFIC COMMAND, UNITED STATES STRATEGIC COMMAND, AND UNITED STATES FORCES KOREA

The committee met, pursuant to notice, at 9:35 a.m. in room SH–216, Hart Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Lieberman, Reed, Akaka, Bill Nelson, E. Benjamin Nelson, Webb, Udall, Hagan, Begich, Burris, McCain, Inhofe, Thune, and Martinez.

Committee staff members present: Richard D. DeBobes, staff director; and Leah C. Brewer, nominations and hearings clerk.

Majority staff members present: Madelyn R. Creedon, counsel; Russell L. Shaffer, counsel; and William K. Sutey, professional staff member.

Minority staff members present: Joseph W. Bowab, Republican staff director; William M. Caniano, professional staff member; Paul C. Hutton IV, professional staff member; Daniel A. Lerner, professional staff member; David M. Morriss, minority counsel; Lucian L. Niemeyer, professional staff member; Christopher J. Paul, professional staff member; Richard F. Walsh, minority counsel; and Dana W. White, professional staff member.

Staff assistants present: Kevin A. Cronin, Jessica L. Kingston, and Breon N. Wells.

Committee members' assistants present: James Tuite, assistant to Senator Byrd; Elizabeth King, assistant to Senator Reed; Bonni Berge, assistant to Senator Akaka; Christopher Caple, Greta Lundeberg, and Caroline Tess, assistants to Senator Bill Nelson; Ann Premer, assistant to Senator Ben Nelson; Jon Davey, assistant to Senator Bayh; Gordon I. Peterson, assistant to Senator Webb; Jennifer Barrett, assistant to Senator Udall; David Ramseur, assistant to Senator Begich; Anthony J. Lazarski, assistant to Senator Inhofe; Sandra Luff, assistant to Senator Sessions; Jason Van Beek, assistant to Senator Thune; Brian W. Walsh, assistant to Senator Martinez; Erskine W. Wells III, assistant to Senator Wicker; and Chip Kennett, assistant to Senator Collins.

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good morning, everybody. We have with us today three of our combatant commanders to get their assessment of the issues and challenges facing each of them. On behalf of the committee, I'd like to welcome: Admiral Tim Keating, Commander of the United States Pacific Command (PACOM); General Kevin Chilton, Commander of the United States Strategic Command (STRATCOM); and General Skip Sharp of the United Nations Command (UNC), Combined Forces Command (CFC), and United States Forces Korea (USFK).

The committee appreciates your long and faithful service to the Nation and the many sacrifices that you and your families have made for us. Please thank, on behalf of the members of this committee, the men and women that you lead, both military and civilian, for their service and patriotism. Their selfless dedication helps keep our country strong.

Now, this may be Admiral Keating's last hearing with us as Commander of PACOM, as his new—or I guess as his current tour is soon going to be over. That's what we have heard. That's what the announcement yesterday was, and it's an expected announcement, so it comes as no surprise. However, there's obviously an element of sadness because you've been terrific and you've been a wonderful help to this country, to our committee. We congratulate you on a successful tour at PACOM and again thanks for all the cooperation and support and counsel that you have provided us over the years. We wish you and your family all the best.

Although much of our Nation's military and diplomatic efforts are understandably centered on the ongoing challenges in Afghanistan and Iraq, it's critical that we also stay engaged elsewhere in the world.

At today's hearing we will hear the views and assessments of the senior U.S. commanders in the Asia and Pacific region, together with those of the commander responsible for our worldwide strategic capabilities. PACOM's vast geographic area of responsibility (AOR) includes 36 countries, over half the world's population, 3 of the world's 5 largest economies, and 5 of the world's 6 largest militaries. Security and stability in the region are vital to our interests and the interests of our allies and our partners. While the region remains largely stable, we cannot afford to take that stability for granted. Indeed, there are pockets of significant instability in the region which demand our attention.

We must reassure our allies that we will continue to work with them to further our mutual interests and continue to make it clear to those who would contribute to instability and threaten security that we're prepared to stand in their way.

China's influence continues to grow regionally and globally. In 2009 China will increase military spending by nearly 15 percent, which is their 20th straight year of double digit growth in defense spending. In addition, China's economic growth, although slowing, appears to be on track to surpass Japan as the number two economy in the world.

We need to continue to assess what this military and economic growth means to the region and the world, while also of course continuing our efforts to find common ground. To this end, mutually

beneficial military-to-military relations with China need to be developed further. The recent incident involving the harassment of the USNS *Impeccable* by Chinese ships in the South China Sea, while disconcerting, appears to be less about military might and more about a disagreement over claims of sovereignty and freedom of navigation. Such a disagreement is an example of what we may benefit from if we had meaningful military-to-military conversations designed to reduce misunderstandings and to avoid miscalculations.

Admiral Keating, we're interested in your assessment of China's military modernization and the way forward on establishing and maintaining mutually beneficial relations with China.

On the Korean Peninsula, North Korea's rhetoric has grown increasingly acerbic in recent months and their plan for a satellite launch in the next few weeks has raised concerns. The Six-Party Talks have stalled, frustrating efforts to identify nuclear capabilities and to move to phase three, which would go beyond phase two's disablement requirement into a verifiable dismantlement of the full North Korean nuclear weapons program. At the same time, the U.S. alliance with South Korea remains strong, and this week our two militaries are wrapping up another round of combined military exercises.

General Sharp, the committee is interested in hearing your assessment of the U.S.-South Korean relationship, the progress being made toward the force positioning and command and control changes which are planned in the next several years, and what needs to be done to ensure peace and security on the peninsula as those changes reach fruition.

In South Asia, the interests and fates of India, Pakistan, and Afghanistan are linked. The Mumbai attacks of last November and the aftermath remind us that tensions still exist between India and Pakistan and that stability between these two countries is important to stability in the region. Likewise, the recent unrest in Pakistan and the continuing threat of terrorism in both Pakistan and India highlight the precariousness of the situation there and raise questions about what more can be done to stabilize Indo-Pakistan relations and to address the threats that are common to each.

This is of particular concern as both Pakistan and India possess nuclear weapons and a regional nuclear arms race would be dangerous and destabilizing.

The challenges and responsibilities of STRATCOM are global, varied, and vital. From an operational perspective, STRATCOM has three main mission areas: strategic deterrence, space operations, and cyberspace operations.

In addition, STRATCOM has coordinating responsibilities across the combatant commands (COCOMs) for missile defense, combatting threats of weapons of mass destruction (WMD), allocating high-demand/low-intensity intelligence, surveillance, and reconnaissance (ISR) assets, and integrating information operations.

Over the course of the last 2 years, our nuclear program has come under necessary increased scrutiny as lack of discipline appeared. Now, after multiple panels, boards, and teams have completed numerous reports, it is time for action to be taken to ensure that discipline is restored.

General Chilton, we look forward to hearing from you on your view of the status and progress of the security of the U.S. nuclear forces, the safety, security, and reliability of nuclear weapons.

A new Nuclear Posture Review (NPR) is due at the end of the year, which I hope will bring about a new and carefully considered discussion of the role of nuclear weapons in national strategy and the size of the stockpile to support that role. The Strategic Arms Reduction Treaty also expires at the end of the year and a new replacement treaty will need to be negotiated. The Comprehensive Test Ban Treaty remains unratified. STRATCOM will be closely involved in the analysis to support the decisions that will be reflected in those efforts. General Chilton, we look forward to working closely with you to ensure the necessary reductions are made in the size of the nuclear stockpile and that excess weapons are dismantled.

A second domain over which STRATCOM has responsibility is space. As the leading spacefaring nation, the United States must sustain and protect its space assets. On the other hand, how these space assets actually contribute to military operations is not always well understood. Today we have an opportunity with General Sharp and Admiral Keating here to understand the importance of space systems, and what would happen to our military abilities if these capabilities were lost or degraded.

Finally, the role of the military and combatting WMD and how these capabilities are integrated with other elements of the U.S. Government and the international community is an additional challenge confronting the STRATCOM.

The Asia Pacific region continues to be one of the hotbeds of proliferation for both nuclear and missile technologies. Remnants of the A.Q. Khan network may still be active in the region and, with A.Q. Khan recently released from house arrest, what becomes of this network is very uncertain.

It is again a pleasure to have each of you with us this morning. We look forward to a very interesting discussion on the range of very challenging topics.

Senator McCain.

STATEMENT OF SENATOR JOHN MCCAIN

Senator MCCAIN. Thank you very much, Mr. Chairman. I want to join you in welcoming the witnesses here today. I want to thank each of you for your long and honorable service to our country and express my appreciation to all the men and women who serve under your command.

Perhaps no region of the world is undergoing change as rapidly as the Asia Pacific. Nine years into what some have termed as the Pacific Century, we see economic power migrating east and Asian militaries growing in strength as well. The United States, as an Asian nation, has a vital national interest in supporting stability, prosperity, and human rights throughout Asia. I look forward to our witnesses' views on how we can further that interest in the future.

Key to that endeavor is maintaining and strengthening our alliances. I have long viewed our alliances with Japan and South Korea in northern Asia, together with our alliance with Australia in the South Pacific, as the pillars of U.S. engagement in the re-

gion. Now we have opportunities to go further with closer military ties to India, Vietnam, and Indonesia, among others.

As a country that faces terrorism within its own borders and cooperates with the United States in its counterterrorism mission, Indonesia is a key partner in the war on terror. Admiral Keating, I'd invite you to comment on our current military-to-military relationship with Indonesia and how we are assisting Indonesia in developing more effective counterterrorism strategies. I'm especially interested in hearing about how our International Military Education and Training (IMET) program is fostering closer military ties with the Indonesian military.

I also look forward to hearing our witnesses' views on how to deal with the challenges that plague the region. Burma remains a pariah in the world, where Aung San Suu Kyi remains under house arrest, minorities and political opponents face certain retaliation, and the junta shows no sign of relenting in its violent oppression.

The military imbalance across the Taiwan Straits continues to grow and there have been repeated naval skirmishes in the South China Sea and Islamic terrorists are still active in the heart of Southeast Asia.

With respect to China, we all are growing increasingly concerned about China's irregular engagements with U.S. vessels in the Pacific. As Chairman Levin pointed out, last week Chinese fishing boats harassed the ocean surveillance ship USNS *Impeccable*, which was conducting standard operations in international waters east of Hainan Island. I'd very much appreciate your comments on that.

Asia Pacific boasts some of America's most mature and formidable alliances, none as robust as the U.S.-Japanese alliance. Admiral Keating, I'm interested to hear your views on the strategic benefits to the Asian region of the Defense Policy Review Initiative (DPRI), specifically our agreement with the Japanese Government to invest over $10 billion in the next 5 years to relocate 8,000 U.S. marines and their families from Okinawa to Guam. I'd like to ensure this committee understands the full range of benefits to be gained from the substantial cost of this move.

North Korea continues its belligerent and inscrutable ways, and I'm encouraged by testimony before this committee that the United States can intercept a North Korean missile targeting our homeland. Pyongyang still poses multiple threats to the world, from assisting other countries in developing ballistic missile programs to the atrocities it commits against its own people to the chaos that a collapse of the North Korean regime may threaten.

General Sharp, I look forward to hearing about the progress of transferring wartime command to South Korea and your assessment of the readiness and capabilities of both the South Korean and North Korean militaries.

General Chilton, STRATCOM serves as the steward and advocate for our Nation's strategic capabilities. In the face of an increasingly complex strategic environment, STRATCOM is a vital element of our national security structure and the mission of your command is critical to our Nation's defense and long-term strategic goals. I look forward to hearing your assessment of the progress

you're making in adapting our strategic forces to deal with today's new threats.

Admiral Keating, I understand this will be your last appearance, at least in uniform, before this committee. I want to thank all three of you for your service to the country, but especially you, Admiral, for a long and outstanding career of service to this country. I thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you so much, Senator McCain.

I understand that there are three votes scheduled at 10:50 a.m., at least as of late yesterday, and then there's going to be, I believe, a 30-minute debate and then final passage. So we may have as many as four votes here this morning. It's our hope that we'll be able to work right through those votes.

Admiral, let's call on you first this morning.

Admiral Keating.

STATEMENT OF ADM TIMOTHY J. KEATING, USN, COMMANDER, U.S. PACIFIC COMMAND

Admiral KEATING. Mr. Chairman, Senator McCain, members of the committee: Thanks very much for the opportunity and the privilege to represent the 325,000 soldiers, sailors, airmen, and marines of PACOM in annual testimony before your committee.

I'd like to introduce three members of our party. I use that term loosely. You'll understand what an understatement that is. First, Chief Master Sergeant Jim Roy, who's our senior enlisted leader, a man who has remarkable impact in his travelings throughout our AOR.

Next, Ambassador Gene Christy, our foreign policy adviser, who's making great strides in helping us realize and implement smart power throughout the Asia Pacific region.

Finally, most important, my wife Wanda Lee, proud mother of a naval aviator and mother-in-law of a naval aviator. She too serves in very important ways for all of us.

Chairman LEVIN. A special thanks to your spouse, but welcome to all of you.

Admiral KEATING. Thank you, Mr. Chairman.

Senator MCCAIN. Where did they go wrong? [Laughter.]

Admiral KEATING. We should change places.

Mr. Chairman, Senator McCain, as you both highlight, the importance of our region to the United States and to the world we think is hard to overstate, particularly given what all of us expect in the future, given current economic, energy, and demographic trends. We at PACOM are pleased with our current conditions in the region and we are optimistic about continued progress. We're proud of our legacy and leadership role in the region and we're committed to doing everything we can to guarantee continued success. We want to ensure our capacity and capability to succeed in our primary mission are not diminished, and that is to defend our Nation and our allies and our interests in the region.

To do all that, we employ a strategy which concentrates on partnership, readiness, and presence. We think this is a blueprint for enhancing U.S. relationships and we think we take advantage of the capability of our allies and regional partners to address chal-

lenges and leverage significant opportunities in the Asia Pacific region.

We want to enhance our position as the indispensable partner with all of those in the region through sustained and persistent collaboration and cooperation, and by employing those forces that are necessary to strengthen the partnerships and support all those conditions which preclude the necessity for combat operations.

Senator McCain, you asked for a little bit on the DPRI. We regard Guam as a strategic centerpiece for us in the decades ahead. It is a U.S. possession. We have our flag flying there. So any and all efforts we can make to ensure continued access to the waters and the air and the training areas around Guam we think are vital to our strategy.

Our region's characterized by what is today a remarkable level of stability. The continuation of those conditions underpins freedom and prosperity. It is not a foregone conclusion. There are challenges, to be sure, and you both addressed some of them. Foremost is the spread of violent extremism or curtailing and extinguishing violent extremism in our region.

You asked for an opinion on Indonesia, Senator. Indonesia has become an increasingly important partner of ours. We have the Leahy amendment to observe and there are aspects of that which cause Indonesia certain problems. I'll be happy to elaborate on those if necessary. Writ large, however, we are increasingly active with Indonesia. I have been there three times.

The efforts of Indonesia to curtail terrorism are beneficial and productive as a direct result of section 1206 funding from this body. The Indonesians are cooperating in a much greater fashion with the countries in the region. As a direct result of this cooperation, enhanced by or improved by section 1206 money, incidents of terrorism and piracy in the Strait of Malacca have gone from 45 or so 3 years ago in 2006 to 2 in 2008. We think that's a direct reflection of the support provided by section 1206 money, amongst other reasons, including cooperation and collaboration by those countries.

The second important challenge, and we work with General Chilton and his folks, is the spread or curtailing the spread of WMD and watching technology proliferation in our region. Of course, of particular concern there is North Korea, and we work closely with General Sharp and his folks in that area, and happy to address that in questions.

Finally, a few words about the People's Republic of China (PRC). We think we made some real headway in the first part of 2008 after, you will recall, the denial of port access by the Chinese to the U.S.S. *Kitty Hawk* battle group for Thanksgiving of 2007. Since then we've installed a hotline, we've provided several immediate response efforts, a couple of C–17s each time, to cold weather and earthquake relief. We've had senior-level officer exchanges. The aforementioned Chief Master Sergeant Jim Roy led an inaugural senior enlisted leader delegation to China and they reciprocated by coming back to our headquarters in Hawaii.

All that said, the relationship certainly isn't where we want it to be. The Chinese suspended military-to-military activity following the announcement of our arms sales to Taiwan and the USNS *Impeccable* incident of 2 weeks ago causes us significant concern.

Those are vivid reminders that a mature, constructive military-to-military relationship is hardly a reality today and that the PRC's behavior as a responsible stakeholder has yet to be consistently demonstrated.

To be sure, the slight warming in relations across the Strait, particularly following the election of President Ma in Taiwan, we think that warming is a good sign that China and Northeast Asia are somewhat stable and are willing to consider alternatives. But the *Impeccable* incident is certainly a troubling indicator that China, particularly in the South China Sea, is behaving in an aggressive, troublesome manner, and they're not willing to abide by acceptable standards of behavior or rules of the road.

Thanks again for this opportunity, Mr. Chairman. I think the more familiar you become with the region and the issues, the more you appreciate and experience our environment, our people, and our challenges, the better you and our Nation will be able to retain, influence, and remain indispensable. Thank you very much. We'll be happy to take your questions.

[The prepared statement of Admiral Keating follows:]

PREPARED STATEMENT BY ADM TIMOTHY J. KEATING, USN

INTRODUCTION

Mr. Chairman and members of the committee: On behalf of the men and women of the U.S. Pacific Command (USPACOM), thank you for this opportunity to testify regarding the posture of our command and security in the Asia-Pacific.

In November, we published the U.S. Pacific Command Strategy. It underscores the fundamental importance of sustained and persistent cooperation and collaboration in times of peace to mitigate situations that could lead to conflict and crisis. While it emphasizes security cooperation and capacity building, it does not signal a departure from our primary responsibility to fight and win. Instead, it acknowledges the complexity of our security environment and the importance of proactively employing forces to strengthen partnerships and support conditions that preclude the necessity for combat operations. It is a strategy in which we collectively seek—with our allies, partners and friends—multilateral solutions, recognizing challenges are best met together. Ours is a strategy based on partnership, readiness, and presence.

It is hard to overstate the importance of our engagement in the Asia-Pacific both to our national interests and to the broader interests of all in the region. Having visited most of the 36 nations in our area of responsibility (AOR), I am convinced that our success depends on our ability to understand the complexities and intricacies of this dynamic region.

Please consider the following:

- USPACOM AOR encompasses almost half the Earth's surface.
- More than half the world's population lives in our region.
- The Asia-Pacific is home to 36 nations, 3.4 billion people, 3,000 different languages, the world's 6 largest militaries,[1] and 5 nations allied with the U.S. through mutual defense treaties.[2]
- The region includes the most populous nation, the largest democracy, the largest Muslim-majority nation, and the smallest republic in the world.[3]
- China, Japan, South Korea are three of our top trading partners. About one-third of our total two-way goods trade[4] is with nations in the region.
- Collectively, the region contributes 20 percent of the world's GDP, thanks to several of the largest economies in the world.[5]

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[1] USA, China, India, Russia, North Korea, South Korea (International Institute for Strategic Studies)

[2] Japan, South Korea, Australia, The Philippines, and Thailand (Department of State Treaties in Force 2007)

[3] China; India; Indonesia; Nauru

[4] $3.4 trillion (U.S. Census Trade Statistics Data)

[5] #2 Japan, #3 China, #8 Russia, #12 India, #14 Australia, and #15 South Korea (CIA World Fact Book)

- The Asia-Pacific region is home to 10 of the 15 smallest economies and to several hundred million people who still live below the $1.25 a day poverty line.

Given such diversity, the challenges are many. While the region is characterized by a remarkable level of relative stability, the endurance of the secure and stable conditions that underpin prosperity in the region is not a foregone conclusion. While USPACOM cannot take full credit for this generally favorable environment, the positive contributions of U.S. Armed Forces cannot be disputed. Our strategy is designed to ensure USPACOM remains an engaged and trusted partner committed to preserving the security, stability, and freedom upon which enduring prosperity in the Asia-Pacific region depends.

USPACOM readiness and presence support extensive military and civil cooperation in the Asia-Pacific. In response to several significant natural disasters this past year, our military forces provided aid during a number of Humanitarian Assistance and Disaster Relief (HADR) operations. Coordinating with U.S. Government agencies, U.S. embassy teams, and other Asia-Pacific nations, our forces provided support to Burma in the aftermath of Cyclone Nargis; in February and in May 2008, our men and women aided China after it was struck first by extreme winter storms and followed by an earthquake in the Sichuan province; and in the wake of Typhoon Fengshen, the U.S.S. *Ronald Reagan* Strike Group delivered critical supplies to outlying areas of the Philippines. The tradition of nondisaster related humanitarian assistance continued this past summer with the 4-month deployment of USNS *Mercy*. This multinational, civil-military effort resulted in the treatment of more than 90,000 people in five nations: the Republic of the Philippines, Vietnam, Timor-Leste, Papua New Guinea, and the Federated States of Micronesia.

All five of our alliance relationships are strong and remain critical to stability. Military transformation and realignment continue in Japan with the Defense Policy Review Initiative (DPRI). The transition of United States Forces Korea (USFK) to Korea Command (KORCOM) moves forward with the shift of wartime operational control to the Republic of Korea (ROK) in 2012. In the Philippines, we are working with our ally to combat violent extremism in its southern region. The 28th Cobra Gold multinational exercise in Thailand enhances regional interoperability in joint operations. Australia remains a trustworthy and steadfast ally whose leadership enhances stability within the Pacific.

Our engagement and relationship with the People's Republic of China (PRC) continues to mature. In July, USPACOM hosted the Commander of the Guangzhou Military Region whose responsibilities include the South China Sea and support operations in the Taiwan Strait. We enjoyed a productive visit and developed a relationship that I hope to strengthen in the coming year. Recently, our senior enlisted advisor led a delegation of noncommissioned officers (NCO) to the PRC to develop a relationship through NCO engagement. In October, his counterparts from the People's Liberation Army (PLA) made a reciprocal visit to USPACOM.

Improving the interaction between USPACOM and China's armed forces is critical to maintaining peace and stability across the Taiwan Strait and reassures our regional allies, partners and friends. While cautiously optimistic, we seek a mature, constructive relationship with our Chinese counterparts. Through cooperation and candor we aim to reduce the chances of miscalculation, increase mutual understanding, and encourage cooperation in areas of common interest.

In November, we partnered with the Chief of the Indonesian Armed Forces to cohost the 11th annual Chiefs of Defense Conference in Indonesia. Of the 27 nations represented, 22 nations were from the Asia-Pacific. This was a remarkable gathering and the informal setting encouraged candor and constructive dialogue. Discussions during the conference did not focus on terrorism, nuclear proliferation, the wars in Iraq and Afghanistan, or emerging threats in the region. Rather, the military leaders shared a common concern over the issues surrounding energy, and the impact on the environment and regional security.

For over 60 years, USPACOM has been a force for security and stability within the Asia-Pacific. Nations rely on our leadership and presence—we are an "indispensable partner" to our allies, partners and friends. Furthermore, we will continue to extend an outstretched hand to nations who desire to collaborate in addressing mutual security goals and concerns.

Partnership: Northeast Asia

Japan

Our alliance with Japan is the cornerstone of our strategy in the Asia-Pacific region. Despite difficult economic times and changes in administrations, it remains strong. Six weeks before the elections in the United States, Japan chose a new

Prime Minister, Taro Aso, whose government has continued strong support for the U.S.—Japan Alliance. Secretary Clinton's first overseas visit to Tokyo demonstrated the importance of the alliance and our broader ties with Japan. The signing of the International Agreement on Guam reflects our shared commitment to the realignment process.

Japan remains a reliable partner in maintaining regional and global stability. From March 2004 to December 2008, Japanese C–130 aircraft flew missions in support of Iraqi reconstruction. In November 2008, the Diet renewed the law allowing Japanese Maritime Self Defense Force ships to refuel coalition ships supporting operations in Afghanistan. Just this past week, Japan deployed two ships to the Gulf of Aden region for counter-piracy operations. Japan hosts the bulk of our forward-deployed forces in the region, and contributes over $4 billion in Host Nation Support.

Despite a Japanese defense budget that has decreased each year since 2002, the Japan Self Defense Forces remains willing to interact bilaterally with the U.S., and trilaterally with the U.S. and our allies, such as the ROK and Australia, to enhance regional stability. This year witnessed the completion of several successful milestones in our relationship, including the completion of a year-long study of contingency command and control relationships and the Ballistic Missile Defense (BMD) testing of a second Japan Maritime Self Defense Force Aegis destroyer.

Republic of Korea

The U.S.-ROK alliance is also a critical pillar in our regional strategy, and stability in Northeast Asia. The alliance remains focused on the most immediate security threat: North Korea. We do not foresee a near-term, overt challenge by North Korea; however, Pyongyang retains a significant conventional capability with massed forces near the demilitarized zone and a potent missile arsenal. We remain convinced that a strong U.S.-ROK alliance is the key to deterring North Korea.

The U.S.-ROK alliance continues to transform to better meet security challenges, both on and off the peninsula. ROK is scheduled to assume wartime operational control over its own forces in April 2012, which is a testament to the advanced capabilities of the ROK military and the strength of our alliance. We continue to seek opportunities to build upon our partnership with the ROK to respond to regional security challenges such as counterproliferation and maritime security. The ROK successfully concluded a 4-year deployment in Iraq in 2008, and recently dispatched a ROK Navy warship to the Gulf of Aden in support of anti-piracy and maritime security operations. Also, trilateral security cooperation between the U.S., ROK, and Japan is particularly relevant since our three nations have the shared values, financial resources, logistical capability, and planning ability to address complex contingencies throughout the region.

People's Republic of China

Our policy toward China and Taiwan is based on our one China policy, the three joint U.S.-China Communiqués, and the Taiwan Relations Act.

Our military-to-military interaction with the People's Liberation Army (PLA) fell short of expectations in 2008. This year's engagement was impacted by the Chinese prioritization of Olympic security and their reaction to the U.S. announcement of arms sales to Taiwan in October. I was able to visit China twice before the Olympics and found my discussions with their senior military leaders generally candid. Overall though, we saw little change in PRC willingness to allow port visits in China, reciprocate a mid-level officer exchange, or conduct pragmatic interactions such as safety issues in the Military Maritime Consultative Agreement (MMCA) talks—the activities USPACOM views as most useful in reducing the potential for miscalculation and misunderstanding between our forces. The unlawful and dangerous behavior exhibited by Chinese vessels against unarmed U.S. special mission ships lawfully operating in the East and South China Seas underscores the importance of these types of interactions.

Our attempts at engagement with the PRC have been complicated by both nations' differing objectives in our military-to-military relationship. We desire engagement to build understanding and create trust, while the PRC emphasizes putting its best foot forward for the outside world to see, illustrated by our experience when attempting to schedule U.S. port calls in China. Chinese ships have had the opportunity to visit all U.S. fleet concentrations over the years with the exception of Norfolk. In return, the Chinese have offered the U.S. access to ports that, although ostensibly military are designed primarily to showcase their modern and prosperous cities while minimizing our access to their operational forces. We continue to strive for reciprocity in our exchanges with the Chinese military and encourage the Chinese to be more open and forthcoming.

A high point in our relationship with the People's Liberation Army (PLA) is the emerging military-to-military exchange among enlisted members of the U.S. Armed Forces and PLA. In June 2008, our Senior Enlisted Adviser led 12 Senior Noncommissioned Officers (SNCOs) on a trip to China. The itinerary included briefings by the PLA Department of NCO Administration and Discipline of the General Staff, Nanjing Military Regional Political and Operations Department, and an NCO roundtable and tour of the 179th Motorized Infantry Brigade (Nanjing). In October, a PLA Delegation reciprocated by visiting USPACOM to continue dialogue between the two countries. Both visits represent positive steps in maturing the U.S.-PRC military-to-military relationship and support the USPACOM goal of promoting operational and tactical level exchanges to influence future PLA leaders. In all cases, our contacts and exchanges with the People's Liberation Army comply with relevant provisions of the National Defense Authorization Act for Fiscal Year 2008.

Taiwan

The foundation of our relationship with Taiwan is based on common democratic values and commitment to peace, stability and prosperity in the Western Pacific. In accordance with legislation and policy, the USPACOM relationship with Taiwan is "unofficial." The USPACOM relationship with Taiwan makes available advice, training, and support for congressionally-approved equipment necessary to enable Taiwan to maintain a sufficient self-defense capability. This unofficial relationship results in a range of restrictions on our military-to-military interaction; however, we still maintain a robust engagement schedule. USPACOM and its service components provide a wide range of training and assessment activities including support to Taiwan's annual Han Kuang (HK) exercise.

President MA Ying-jeou's administration has significantly reduced cross-Strait tension by following a status quo oriented policy of "three no's"—no unification, no independence, and no use of force—and by working with China to expand cross-Strait ties in such areas as trade, travel, and finance. Military challenges include the rapidly increasing military capabilities of the PRC; and Taiwan's goal of making a transition to an All-Volunteer Force by 2014. Taiwan continues to balance future capabilities with immediate defense needs, such as hardening, readiness, and sustainability.

Mongolia

Mongolia is an enthusiastic U.S. partner willing to support U.S. policy objectives in the region. While a nascent democracy, it is still burdened with Soviet vestiges, including an unresponsive bureaucracy and remnants of corruption. Mongolia is mindful of the delicate balance between its engagement with the U.S. and maintaining relationships with China and Russia.

We continue to help Mongolia transform its military into a professional, modern force capable of self-defense, border security, participation in international peacekeeping, and HADR response. Mongolia is a staunch supporter of our efforts in the struggle against violent extremism and has contributed armed forces in support of both Operation Iraqi Freedom and Operation Enduring Freedom in Afghanistan. To further enhance the professionalism and development of Mongolian Armed Forces, they are included in our hosted and co-hosted multilateral activities and seminars such as the Pacific Army Management Seminar, Non-Lethal Weapons Seminar, the Pacific Rim Air Chiefs Conference, and the Chiefs of Defense Conference. USPACOM conducted several exchanges with MAF to increase defense capabilities, including bilateral exercises, security operations exchanges, and NCO development. Finally, the MAF participated in several multinational exercises to build the proficiencies necessary to operate in peacekeeping environments. These include Multinational Planning Augmentation Team events; Military Law Exercises; and Khaan Quest, a premier regional multilateral peacekeeping exercise held in Mongolia.

Russia

The U.S. suspended military-to-military engagements with Russia following their incursion into Georgia and subsequent recognition of South Ossetia and Abkhazia as sovereign nations. USPACOM is prepared to re-engage when activities align with U.S. interests. Prior to Russia's invasion, military-to-military cooperation between PACOM and Russian armed forces was modest with room to grow. The U.S.S. *Stethem* Guided Missile Destroyer visited Vladivostok in May 2008 and two Russian officers observed the Rim of the Pacific exercise in Hawaii in July 2008. The U.S. and Russia share common interests in the USPACOM AOR including weapons of mass destruction (WMD) counterproliferation, counterterrorism, and regional stability. These areas of strategic alignment are the focus of military-to-military cooperation in the future. Of note, USPACOM coordinates all Russian security co-

operation activities with U.S. European Command to ensure the efforts of both geographic combatant commands are mutually supportive.

Partnership: South Asia

People's Republic of Bangladesh

Bangladesh is a solid regional partner that continues to address a growing internal extremist threat while they make the transition from Emergency Rule to a democratically-elected government. Over the past year, the Bangladesh armed forces played a constructive role in support of democracy as the Caretaker Government prepared for and held national elections in December 2008. Visits by senior USPACOM delegations and military exchanges with Bangladesh military leadership throughout the duration of Emergency Rule assisted in reinforcing the U.S. desire for free, fair, and credible elections. The recent mutiny in Bangladesh by the enlisted members of the Bangladesh Rifles (BDR), Bangladesh's border guards, against the Army officers assigned to the BDR demonstrates our continuing need to support defense sector reform. This reform should not only involve units under the Ministry of Defense but should include all security forces, including those under the Ministry of Home Affairs, such as the BDR and the Rapid Action Battalion.

The key USPACOM focus in Bangladesh is the enhancement of their ability to conduct counterterrorism operations. We also continue to assist Bangladesh's recovery from the 2007 cyclone and flooding by providing humanitarian assistance for the construction of schools and cyclone shelters, disaster mitigation assessments and civil affairs training. Likewise, through the Global Peace Operations Initiative (GPOI), designed to build competent and professional peacekeepers worldwide, USPACOM is enhancing Bangladesh's ability to conduct international peacekeeping. In April 2008, Bangladesh successfully hosted the region's GPOI Capstone Event, Exercise Shanti Doot 2, which included participation by 12 additional countries.

India

USPACOM activities are helping to build the solid foundation of the evolving U.S.-India strategic partnership. Due to the increasing maturity and complexity of this relationship, our cooperation in areas of common security interests will continue, regardless of the outcome of the Indian national elections scheduled for April-May 2009. Increased defense sales, advanced multilateral/joint exercises and operational cooperation in areas of maritime security, counterterrorism and HADR highlight our engagement over the past year. Of special note, the Indian Air Force and the Joint Prisoner of War (POW)/Missing in Action (MIA) Accounting Command (JPAC) jointly conducted the first ever MIA recovery survey mission in India.

The increased piracy in the Gulf of Aden and terrorist attacks in Mumbai highlight areas of common security concerns for enhanced U.S.-India cooperation. We are working together with U.S. Central Command to ensure a more formal and synchronized approach to address incidents of terrorism in South Asia and other issues that may cross combatant command boundaries

Nepal

The peaceful assumption of power by the Maoist Government after the 2008 national elections started to clarify the political environment that influences our military-to-military relationship with the Nepalese Army. The Nepalese Minister of Defense has indicated that the Maoist-led government desires continued military-to-military engagement with the United States. Due to the potential for the current peace to unravel, USPACOM focus is on supporting the peaceful integration of members of the Maoist People's Liberation Army into the Nepalese security forces. Senior level dialogue and defense sector reform events are the primary means to assist this change. USPACOM will also continue to help Nepal in the development of its peacekeeping operations and training capabilities through the GPOI.

Democratic Socialist Republic of Sri Lanka

Even with current restrictions on military-to-military engagement and security assistance to Sri Lanka, our military relationship remains strong with room to grow. In an effort to address alleged human rights abuses and the recruitment of child soldiers, the USPACOM theater campaign identified military justice reform, human rights training and professionalization of the armed forces as top priorities. These will continue to be our focus until the Government of Sri Lanka meets the prescribed international standards.

Another priority is civil-military cooperation and nation building. As the Government of Sri Lanka liberates areas previously controlled by the Liberation Tigers of Tamil Eelam in the Eastern and Northern Provinces, the Sri Lankan military is playing a key role in ensuring peace and stability. In support of the U.S. Agency

for International Development (USAID) and the Department of State, USPACOM is providing assistance with small-scale repair and rehabilitation of schools and health centers in eastern provinces, and with civil-military operations/civil affairs training to the Sri Lankan military.

Partnership: Southeast Asia

Burma

The policies and practices of the Burmese Government undermine regional security through human rights violations particularly when directed against democracy advocates and ethnic minorities, and widespread jailing of dissidents and pro-democracy protesters. Among threats to regional stability are issues concerning narcotics trafficking, trafficking in persons, and disease. Over the past year, our military-to-military engagement with Burma was limited to facilitating delivery of aid to the Burmese people during Operation Caring Response, an HADR operation in response to Cyclone Nargis in May 2008. During Operation Caring Response, USPACOM supported the USAID in delivering over 3 million pounds of relief aid via 185 sorties.

Cambodia

Our military relationship with the Royal Cambodian Armed Forces continues to progress. In 2008, USPACOM held the first working-level talks to plan future engagement events. Cambodia demonstrated a willingness to cooperate closely on counter-terrorism, peacekeeping, disaster response, and medical and health related activities. Cambodia received peacekeeping training through the GPOI. In addition to being a strong participant in peacekeeping exercises and operations, Cambodia has offered to host the region's premier GPOI peacekeeping exercise in 2010. The U.S. Pacific Fleet has conducted five port visits over the past 2 years to Cambodia's port at Sihanoukville, reinforcing the USPACOM commitment to continued engagement with Cambodia.

Indonesia

Since the normalization of our military relationship with Indonesia in 2005, we moved deliberately to upgrade our ties with the Indonesian Armed Forces (TNI). Sitting astride key sea lanes, Indonesia is the world's largest majority Muslim nation and third-largest democracy. The United States and Indonesia share a broad range of security interests, and our security relationship should reflect that. USPACOM conducted significant military-to-military engagement activity with the TNI in 2008. Two particularly noteworthy events include: the Chiefs of Defense Conference co-hosted by TNI and USPACOM; and the sixth iteration of the multilateral Tendon Valiant Medical Readiness Exercise. In all activities, and at all levels, the interaction between the U.S. and TNI armed forces was positive, professional, and demonstrated a desire to improve peacekeeping and disaster relief skills. Consistent with this view, Indonesia has deployed a third and fourth set of military and police troops to support peacekeeping operations in Lebanon as well as a 140-person formed police unit to Darfur.

In 2009, we anticipate greater Indonesian leadership and more complex interaction within our theater campaign plan engagement activities. For example, Indonesia has agreed to co-host the GPOI Capstone Exercise and is taking a leading role in the first Asean Regional Forum (ARF) HADR activity, to include the ARF Voluntary Display of Requirements in which 27 nations will participate.

Laos

We steadily build security-related activities with Laos beyond our important legacy activities such as POW/MIA personnel recovery and humanitarian assistance cooperation. In December, Laos officially received the first U.S. Defense Attaché in over 30 years and selected a Defense Attaché for duty at its embassy in Washington. Engagement activities with Laos focused on English language training for mid- and senior-level officers, medical cooperation, avian influenza preparedness, and increased Lao participation in regional conferences and activities.

Malaysia

Our military-to-military ties with Malaysia remain strong despite the fluid political environment resulting from the March 2008 elections. Malaysia's long-range deployment of three ships to the coast of Somalia in response to the hijacking of two Malaysian-flagged commercial tankers demonstrated a new, impressive capability that prompted discussion with key defense officials on how to develop deeper cooperation in maritime security and counter-piracy. Twenty-one ship visits were made to Malaysia last year, and we engaged with their new Joint Forces Command and submarine forces to increase interoperability. Malaysia is unique in maintaining three challenging border areas: the Strait of Malacca, the border with Southern

Thailand, and the Sulu Sea region with the Philippines and Indonesia. Although the Government of Malaysia opted to end its contributions to the International Monitoring Team in the southern Philippines, it has renewed and increased its contribution of peacekeeping troops to Lebanon.

Republic of Philippines

The Republic of Philippines (RP) is a U.S. treaty ally under the 1951 Mutual Defense Treaty (MDT). The Armed Forces of the Philippines (AFP) continue to make significant strides in combating the terrorist threat in the southern Philippines. The Government of the Philippines and its security forces are also increasingly effective in their prosecution of operations aimed at marginalizing the ongoing insurgency. Utilizing all elements of national power, the Philippines has worked diligently to reduce the armed threat while creating the conditions for sustained peace and prosperity. The U.S. contributes to this success through the Kapit Bisig strategic framework. Kapit Bisig provides U.S. forces with clear guidance to support humanitarian and civic assistance, security assistance and training, and operations while ensuring respect for the sovereignty and legal limitations outlined in the Philippines' Constitution and Visiting Forces Agreement. Moreover, USPACOM participates in the implementation of a successful integrated whole-of-government approach, working with the Departments of State and Justice and USAID in the southern Philippines, contributing to a more stable subregional security environment and decreasing ungoverned spaces.

During our annual bilateral defense talks in September, we reiterated our support to the ongoing Philippine Defense Reform program. Increasing professionalism and overall military capabilities are key pillars for this program. In close partnership with the AFP, USPACOM continues to support efforts aimed at institutionalizing Enlisted and Officer Professional Development programs. USPACOM is also actively conferring with the AFP on developing a National Training Center to enhance opportunities to conduct high quality joint training among their Army, Navy, Air Force and Marine Corps units.

Finally, Philippines' agreement to host the first ever ASEAN Regional Forum (ARF) training activity this May represents a significant step forward for the ARF and for improving multinational cooperation in the areas of HADR in the theater.

Singapore

Singapore continues to be one of our strongest security partners in Asia and a key coalition partner. Beyond providing strategic access to ports and airfields for transiting U.S. forces, which includes approximately 100 ship visits and 30,000 servicemembers each year, Singapore cooperates with the U.S. on maritime security, counter-terrorism, and counterproliferation initiatives. Singapore continues to provide niche capabilities, such as engineering and medical teams, to support reconstruction in Afghanistan. Their efforts to enhance maritime security and information sharing in the critical Singapore and Malacca Straits will be realized when their Command and Control Center at Changi Naval Base is completed later this year. In November 2008, the first of Singapore's 24 F–15s deployed to Idaho. Singapore's desire to purchase and maintain U.S. platforms enhances our overall level of cooperation.

Thailand

Thailand remains a critical ally and engagement partner. Co-hosted with Thailand, exercise Cobra Gold remains the premier USPACOM multilateral exercise with participants and observers from 27 countries. I attended the closing ceremony for this year's Cobra Gold, and my observation reinforces the value of this event.

We also appreciate Thailand's important global security contributions in the struggle against violent extremism, counternarcotics efforts, humanitarian assistance and peacekeeping operations, to include a planned 800-troop contingent scheduled to assist the U.N. mission in Sudan in the summer of 2009. Regarding the recent changes in Thai political leadership, it is noteworthy that the military has moved beyond the 2006 coup and has affirmed its commitment to using democratic principles to resolve differences.

Timor-Leste

There are several reasons USPACOM remains optimistic about the future of this fledgling democracy. This past year, Timor-Leste's first democratic government managed to maintain control of the country, despite assassination attempts on the President and Prime Minister, strong rallying by the opposition party, and more than 10 percent of the population living in Internally Displaced Person (IDP) Camps. The Timor-Leste civil-military defense establishment is in place, and its Defense Forces operate under the rule of law, despite lacking many basic capabilities.

The leadership of Timor-Leste is working with several countries in an effort to begin critical institutional development. USPACOM interaction with Timor-Leste increased significantly. The most notable engagements included two events: an Asia-Pacific Center for Security Studies (APCSS) sponsored workshop to assist the military, government, and opposition party in developing a viable National Security Policy (NSP); and a 2-week port visit by USNS *Mercy* focused on providing humanitarian assistance. Additionally, Marine Forces Pacific (MARFORPAC) initiated an annual platoon exercise with the Timorese military that consists of skills exchanges and Humanitarian Assistance activities. Pacific Fleet (PACFLT) initiated annual port visits and is conducting a maritime and land assessment survey with MARFORPAC to determine the best way to increase our engagement opportunities with Timor-Leste Defense Forces.

Vietnam

Our military-to-military engagement with Vietnam continues to advance at a measured pace. Vietnam willingly receives humanitarian assistance and has shown a desire to be a regional partner as well. The USNS *Mercy*, the first U.S. military vessel to visit Nha Trang since 1975, provided humanitarian assistance in cooperation with the Vietnamese Medical Corps. Vietnam announced its intention to participate in training and other activities for peacekeeping operations. USPACOM is also sustaining an information exchange that allows Vietnam to better prepare for and respond to severe typhoons. This year, we continued our support of the Presidential Emergency Program for AIDS Relief, with DOD contributions exceeding $5 million.

Partnership: Oceania

Australia

Australia remains a steadfast ally that works tirelessly to enhance global and regional security and provide institutional assistance in the Pacific. During 2008, Australia continued to lead the International Stabilization Force in Timor-Leste and the Regional Assistance Mission to the Solomon Islands. The Australia Defence Force works closely with USPACOM on building regional security capacity, and continues to make significant contributions to global security through robust support of Operations Enduring Freedom and Iraqi Freedom.

Australia places major emphasis on advancing interoperability with the United States through well-coordinated acquisition and training programs. Australia is a Joint Strike Fighter level three partner and has made great progress in implementing Strategic Level and Operational Level Review recommendations to enhance U.S.-Australia interoperability. The biennial Exercise Talisman Saber 2009 will test our policies, tactics, hardware, and infrastructure. Talisman Saber 2009 will build upon the 2007 exercise, which was very successful and validated the U.S.-Australia Joint Combined Training Capability. We are working to enhance that bilateral capability to inject virtual and constructive forces into exercise and training environments and enhancing our cooperation on Intelligence, Surveillance, and Reconnaissance (ISR) and regional HADR response.

Compact Nations

We appreciate our partnership with the three Compact Nations—the Federated States of Micronesia, the Republic of the Marshall Islands and the Republic of Palau. USPACOM was pleased to host visits from the elected leaders of each of these nations during 2008. In concert with the U.S. Coast Guard, USPACOM fully supports their initiatives to expand capacity and operations to protect their valuable economic exclusion zone resources, and acknowledges the mutual benefit of our bilateral ship rider agreements concluded with each of the Compact Nations over the last year. U.S. Army Pacific Joint Task Force Homeland Defense headlines our special relationship with these nations to ensure our mutual defense, as set forth in the Compacts of Free Association. We also recognize the extraordinary support from the citizens of these nations and acknowledge those who serve with great distinction in the U.S. military and Coast Guard. The Marshall Islands host the U.S. Army's Ronald Reagan Ballistic Missile Defense Test Site, integral to the development of our missile defense programs and conduct of space operations.

New Zealand

New Zealand shares many U.S. security concerns about terrorism, maritime security, transnational crime, and the proliferation of WMD and delivery systems. New Zealand remains supportive of our global efforts in the struggle against violent extremism and extended its lead of the Provincial Reconstruction Team in Bamyan Province, Afghanistan through at least September 2010. Although the 1987 New

Zealand nuclear-free zone legislative declaration and U.S. defense policy guidelines restrict bilateral military-to-military relations, the New Zealand Defence Force participates in many multilateral events that advance our common security interests. Currently, our Marines are supporting the New Zealand Force integration of their recently acquired multi-role maritime patrol vessel H.M.N.Z.S. *Canterbury* which we expect will enhance HADR efforts in the region.

New Zealand remains active in Pacific Island security initiatives, from stabilization efforts in Timor-Leste and the Solomon Islands, to operations in Korea, Sudan, and throughout the Middle East. Additionally, the New Zealand Defence Force supports our National Science Foundation efforts in Antarctica and provides the primary staging area for joint, multinational Operation Deep Freeze support.

Tonga

Tonga remains an extraordinarily committed U.S. partner in the struggle against violent extremism and is a regional leader in peacekeeping operations. The Royal Tongan Marines returned to Iraq in September 2007 for two 6-month rotations and the Government of Tonga renewed their mandate for an additional year. With changes in the Iraq mission, the Tongan marines returned home in December 2008. We look forward to the possibility of the Tongan Defence Service joining the international efforts in Afghanistan at some point. USPACOM security cooperation with Tonga supports their efforts to expand the peacekeeping capacity of the Tongan Defence Service through our annual Marine-led Exercise Tafakula and through Tongan participation in the region's GPOI capstone exercise.

Readiness

USPACOM is a combatant command committed to being a trusted partner and preeminent warfighter. We are a force ready and a force present. Within Asia and throughout the Pacific, in coordination with the Office of the Secretary of Defense, our U.S. Ambassadors and other government agencies, we work with and through our regional partners to combat violent extremism and transform vulnerable environments. We have made progress but must remain actively engaged.

Operation Enduring Freedom-Philippines (OEF–P)

With U.S. Government assistance, the Government of the Philippines (GRP) reduced transnational terrorist organizations' capability, mobility, resources, and popular support to conduct attacks against U.S. and Philippine interests. Although these transnational terrorist threats are substantially diminished, they have not been eliminated, and the underlying conditions for a stable and secure southern Philippines have not been fully achieved. Success will require a persistent interagency approach.

National Defense Authorization Act, Sections 1206 and 1207

With authority provided by Congress in section 1206 of an amendment to the National Defense Authorization Act for Fiscal Year 2006, USPACOM supported/managed/oversaw more than $62 million to increase security capacity in Malaysia, Indonesia, the Philippines, and Bangladesh. By reducing unmonitored waterways, these countries restricted the freedom of movement of terrorists in the region.

We continue to work with our partners at the Department of State and USAID to formulate and integrate a Section 1207 proposal that enhances stability and reconstruction efforts across the theater. Section 1207 allows us to complement USAID and other U.S. Government efforts in good governance and law enforcement unit capacity building.

Executed in full cooperation with the Department of State and our regional Ambassadors, Sections 1206 and 1207 authorities are effective tools to build regional capacity and deny safe havens to terrorists in Southeast Asia. USPACOM thanks Congress for supporting these authorities.

Joint Interagency Task Force West (JIATF West)

JIATF West is a USPACOM standing task force authorized to use Department of Defense (DOD) resources to advance regional interagency and multilateral cooperation against illicit drug-related transnational criminal organizations threatening U.S. interests and regional stability. JIATF West partners with and supports U.S. law enforcement agencies, as well as host nation counterparts, to conduct this work. As the USPACOM Executive Agent for regional counter-drug efforts, JIATF West maintains strong programmatic continuity within the following lines of operation: training security forces, building security force infrastructure, and providing analytic and other intelligence support to U.S. law enforcement agencies and host nation counterparts.

JIATF West and our U.S. law enforcement partners recently supported the following national security elements: the Indonesian National Police and Counter-narcotics Bureau; the Royal Thai Police, the Royal Malaysian Police and Malaysian Maritime Enforcement Agency; and the Philippine Drug Enforcement Agency, National Police; and National Bureau of Investigation. Specific examples of JIATF West successes include fostering closer Indonesian and Philippine cooperation through an October 2008 formal agreement to share information on transnational crime between respective national fusion centers. JIATF West established these centers in both countries with strong U.S. Drug Enforcement Agency (DEA) support and sponsorship. In September 2008, Philippine security forces with recent JIATF West interdiction training disrupted a major trafficking operation in the Southern Philippines Sulu Sea region, where local Abu Sayyaf Group (ASG) sub-commanders conduct illicit activities to obtain weapons and supplies.

Communications System

The DOD communications infrastructure continues to be vulnerable to cyber exploitation and attack. USPACOM faces significant challenges to proactively counter cyber threats and maintain freedom of action in cyberspace. We work daily with Joint Task Force Global Network Operations to defend the Global Information Grid against cyber threats. We must proactively defend our critical Command and Control (C2) networks to ensure confidentiality and integrity of the information. The mitigation of computer network vulnerabilities is a top priority.

USPACOM relies heavily on Military Satellite Communications (MILSATCOM) which shows increasing degradation and vulnerability. Many of the projected replacement systems have suffered funding cuts and schedule delays. USPACOM is engaged with our national satellite community to ensure SATCOM programs remain synchronized and availability gaps are addressed.

Intelligence, Surveillance, and Reconnaissance (ISR)

USPACOM needs "pervasive and persistent surveillance," defined as having the right assets able to observe and understand potential adversary's plans and intended actions, especially in denied areas. The expansive size of the Asia-Pacific region, combined with finite available assets, means we must prioritize our ISR activities.

Advocacy of programs critical to USPACOM

USPACOM remains a theater of opportunities and challenges requiring the United States to maintain a credible warfighting capability. The trend toward new regional powers and presence of unpredictable actors necessitates that USPACOM maintain preeminence in military capability and understand the emerging threats to deter or defeat any aggression. To this end we must continue to advance our capabilities to better gauge intentions, enhance our ability to operate in an advanced electronic warfare environment, and continue to develop a BMD system capability that will protect our high value assets and our territories.

As a theater dominated by the maritime environment we must maintain maritime superiority in a time of conflict. Undersea warfare capabilities of regional players in our theater are continuing to improve, and we must retain the competitive edge we now enjoy. The vast distances encountered in USPACOM have the potential to stress critical air and sealift capabilities; we continue to look for ways to improve our ability to operate throughout the USPACOM AOR.

By increasing the capabilities of our partners in the theater, we will ensure that the relationships exist and the capability is present to facilitate current and future coalition support and multi-nation operations.

Undersea Superiority

The continued improvement of air, surface, subsurface, Command, Control, Communications, Computers, and Intelligence systems, acoustic modeling and navigation charts, and cooperative training and operations with partners and allies enhances our ability to operate effectively in the maritime domain. However, with the People's Liberation Army Navy modernization and their expanding area of operations, anti-submarine warfare remains a challenge and is the number one priority for U.S. Pacific Fleet. Maintaining an operational advantage also requires rigorous training at sea before deployment in the AOR. Without the recent Supreme Court ruling overturning two restrictions placed on the use of active SONAR in the waters of Southern California, our maritime force would have faced significant training challenges in preparing for deployment in the Western Pacific.

Combating Weapons of Mass Destruction

The centerpiece for our activity remains the Proliferation Security Initiative (PSI), which aims to build global capacity to disrupt the proliferation of WMD, delivery systems, and related materials among states and non-state actors of proliferation concern. Fourteen nations within the AOR have endorsed the PSI (Australia, Japan, Singapore, New Zealand, the Philippines, Brunei, Cambodia, Fiji, Mongolia, Marshall Islands, Sri Lanka, Papua New Guinea, Russia, and Samoa). We continue to work towards expanded participation during regional military-to-military engagements.

While a common commitment to counterproliferation is important, we also made gains with the essential next step—exercising counterproliferation capabilities. In September 2008, USPACOM participated in the PSI Exercise Maru hosted by New Zealand. DOD personnel participated in a Boarding Operations demonstration, followed by U.S. Coast Guard personnel providing in-port demonstrations. In November 2008, USPACOM participated in a Singapore-hosted Table Top Exercise to assess Singapore's current capability and capacity for dealing with a WMD event. USPACOM, in coordination with the Office of the Under Secretary of Defense for Policy, conducted Chemical, Biological, Radiological, Nuclear (CBRN) Defense and Consequence Management bilateral working groups with Japan, the ROK, and Singapore with the intent of improving interoperability and mutual response capability and capacity. These activities will become increasingly multilateral.

Maritime Domain Awareness

USPACOM fully supports the Maritime Domain Awareness (MDA) process. MDA ties the whole-of-government approach and regional partnerships together to maintain a coherent picture of our AOR. The end result of the MDA process is the ability to locate seaborne smugglers of WMD, terrorists, combatants, and other criminal activity.

While there have been growing pains in the process, we have seen success in integrating partner countries. Our traditional allies continue to collaborate with us while we work to add more partners to the collective. Building Partner Capacity (BPC) program funds have created opportunities for us to improve the capability throughout the AOR.

Pandemic Influenza

USPACOM supports our national strategy for a pandemic influenza (PI) response with a robust plan and is prepared to support lead agencies (Department of Homeland Security, Department of Health and Human Services, Department of Agriculture, and Department of State) at the national level. Exercise Lightning Rescue 08 tested the State of Hawaii's pandemic influenza response and the domestic linkages to the USPACOM pandemic influenza plan and response. Exercise Tempest Express 15 tested our coordination mechanisms, at both the strategic and the operational civil-military levels, in the event of a foreign pandemic influenza outbreak. Over 20 countries, along with members of the United Nations and several Nongovernmental Organizations (NGOs), participated.

The Center for Excellence in Disaster Management and Humanitarian Assistance (COE–DMHA) executes workshops for civil-military influenza cooperation in the AOR. The COE and Malaysian Armed Forces Health Services hosted a Senior Leader Pandemic Influenza Capstone Seminar last August with 15 countries attending. USPACOM collaborates with Centers for Disease Control, World Health Organization, World Food Program, Food and Agriculture Organization of the U.N., and conducts "Laboratory and Rapid Response" train-the-trainer workshops. We are working to improve our cooperation with USAID which will bring additional opportunities for regional engagements in 2009–2011.

Quality Of Life

The USPACOM partnership, readiness, and presence goals require well-equipped, well-trained professionals who are sustained by programs that enhance their quality of life. Exceptional support by Congress has provided consistent pay raises, enhanced compensation and benefits, expanded medical and dental services, derived lasting care and treatment for veterans and wounded warriors, and secured comprehensive support for our military dependents.

The education of our children remains paramount to sustaining military families, retaining our servicemembers, and, ultimately, our future. Congressional appropriations and initiatives enriched our educational programs, built new schools, and aided the ongoing transformation of our forces. Efforts like the Interstate Compact on Educational Opportunity for Military Children, the Hawaii Joint Venture Education Forum, Tripler Army Medical Center's "Project Assist," and the Department

of Defense Education Activity's "Partnership Pilot Program for Hawaii Public Schools" all reflect the sincere dedication of Congress to our military children and their teachers. Specifically, I appreciate the military construction funding which provided two state of the art facilities for our military children on Guam. Looking at the sweeping transformation and force posture changes throughout the Pacific theater, I request your continued support and dedication to military child education, the number one priority for our families.

Presence

Our current level of force presence and posture is essential to maintain stability in the Asia-Pacific region. Our presence reassures our allies and partners and dissuades those who would threaten the security of the region. We will sustain our warfighting readiness and credible combat power through programs that support training, education, and quality of life for USPACOM personnel.

The Defense Policy Review Initiative

The DPRI, initiated by the Secretary of State and Secretary of Defense with their counterparts in December 2002, will significantly impact our forces in the Japan posture realignment. This agreement was codified by Secretary Clinton during her recent visit to Tokyo. Major elements of the Realignment Roadmap with Japan include relocating two U.S. air bases from urbanized to rural areas; transferring approximately 8,000 marines from Okinawa to Guam; colocating U.S. and Japanese command and control capabilities; deploying U.S. missile defense capabilities to Japan, in conjunction with Japan's own deployments; and improving operational coordination between U.S. and Japanese forces. Both the Governments of Japan and the U.S. remain committed to the provisions of the DPRI.

USMC Relocation to Guam

The rebasing of 8,000 Marines and their dependents from Okinawa to Guam enhances the flexibility of the forward-based Marine presence in the USPACOM AOR and eases the burden on the people of Japan. The Joint Guam Program Office, led by the Department of the Navy, continues to manage all aspects of this relocation effort. We plan to begin upgrades to the military infrastructure, housing, and training facilities on Guam in 2010.

U.S. Forces Korea (USFK) Transformation

We continue to support transformation on the Korean Peninsula with the full cooperation of the ROK Government. U.S. forces will consolidate into two enduring hubs south of the Han River, resulting in a less intrusive U.S. military footprint. To increase readiness and boost the quality of life for Korea-based forces, the Department of Defense (DOD) approved "tour normalization" resulting in longer family accompanied tour lengths. This aspect of transformation is good for our servicemembers and reinforces our commitment to our alliance with South Korea.

The Secretary of Defense and the ROK Minister of National Defense confirmed, during the 40th U.S.-ROK Security Consultative Meeting in October 2008, that we are on schedule to transfer responsibility for wartime operational control (OPCON) from the U.S. to the ROK in 2012. As part of this transition, the U.S.-led Combined Forces Command (CFC) will be deactivated and U.S. Forces Korea (USFK) will become a U.S. joint warfighting command, provisionally-titled Korea Command (KORCOM). The new command is charged to support the ROK military in defense of their nation. The robust combined training and exercise program is the primary mechanism to validate the new command relationship which will see the U.S. military in a supporting role to the ROK military. One of two major theater-level exercises in Korea, Exercise Ulchi Freedom Guardian in August 2008, was the first test of the future command structure with two separate, but complementary ROK and U.S. warfighting headquarters. The exercise was a success and demonstrated the capabilities of the ROK military to lead the U.S.-ROK combined forces.

Although we have seen significant progress, a great deal of work remains for the transformation of the U.S.-ROK alliance. USPACOM is actively engaged with USFK to ensure that the structure, function, and capabilities of the future KORCOM will make our enduring U.S.-ROK alliance stronger.

Preferred Munitions/Prepositioned Stocks

Due to time-distance challenges in the Pacific theater, our forces require readily available and properly maintained preferred munitions and prepositioned stocks at the outset of any conflict. Over the past year, USPACOM Service Components made steady progress in improving inventory levels of preferred munitions.

Missile Defense

To defend U.S. forces, interests, and allies from short, medium range and intermediate range ballistic missiles, USPACOM seeks a forward-deployed, layered, and integrated air and missile defense system that is capable of intercepting threat missiles throughout the entire time of flight. USPACOM established an initial missile defense capability by forward deploying the Standard Missile 3 (SM–3) aboard U.S. Navy Aegis ships, integrating a forward-based X-band radar into the Ballistic Missile Defense System (BMDS) architecture, conducting BMD exercises and training with key partners, and refining the tactics, techniques, and procedures required for coordination with U.S. Northern Command (USNORTHCOM) and other combatant commands. Increased inventories of both Patriot PAC–3 and SM–3 interceptors, continued development of far-term sea-based terminal and boost phase interceptor capabilities and enhanced nonkinetic offensive and defensive capabilities would effectively build on the initial missile defense capability already deployed in the USPACOM AOR. Additionally, basing an air and missile defense capabilities in Guam would increase our BMD forward presence. The Army continues to work with the Joint Guam Project Office to set the conditions for air and missile defense on Guam.

As the Government of Japan fields its own national BMDS consisting of Patriot PAC–3 Fire Units, Aegis SM–3 capable ships and new search and track radars, USPACOM will continue to work closely with our Japanese allies to maximize our bilateral planning efforts to achieve the most effective bilateral employment of this combined capability. As we grow the overall BMD architecture, interoperability will play an even greater role. Accordingly, it is vital to mission success to have communication systems capable of integrating across the joint spectrum as well as with our partner nations.

Acquisition and Cross-Servicing Agreements

Acquisition and Cross-Servicing Agreements (ACSAs) are bilateral agreements for exchange of logistics support, supplies, and services. They are used to enhance interoperability and readiness, and provide a cost effective, legal mechanism for mutual logistics support between U.S. and allied or partner military forces. USPACOM forces that participated in fiscal year 2007/2008 exercises such as Cobra Gold, Talisman Saber, and Balikatan were able to reduce their logistics footprint by using ACSAs. Furthermore, ACSAs have been particularly helpful in conducting operations in the struggle against violent extremism. For example, we have made extensive use of the current agreement with the Philippines to support Armed Forces of the Philippines (AFP) operations against terrorist cells in that country.

USPACOM has 12 ACSAs in place. We are negotiating with Australia to renew the current ACSA. We continue work on concluding agreements with the following countries: India, Vietnam, Papua New Guinea, Indonesia, Brunei and Timor-Leste. These agreements will yield positive results and are viewed as vital in maximizing our interoperability and increasing the readiness of coalition partners in the Pacific region.

Security Assistance

Foreign Military Financing (FMF) and International Military Education and Training (IMET), executed in partnership with the Department of State and our embassy country teams, are critically important features of the USPACOM Theater Campaign Plan and are powerful engagement tools for building security partnerships with developing countries. FMF continues to prove its value in equipping and training regional partners to more effectively contribute toward common security goals and is vital to supporting U.S. partners such as the Philippines, Indonesia, and Mongolia in combating violent extremism.

IMET is the program of record where defense and diplomacy join to advance U.S. interests by educating participants in essential principles of a professional military force, creating trust and influence, access and interoperability. IMET provides lasting value to the individual participants, the respective nations and the United States. The program is a modest but highly effective investment that yields productive personal and professional relationships, fostering a more secure and stable region.

Enlisted Leader Development—Partner Nation Enlisted Development

We place a premium on developing the enlisted leaders of partner nations in the Asia-Pacific. To that end, we are assisting selected militaries as they work to create a professionally-committed, competent, and empowered enlisted force. The operational success across the full spectrum of security interests of these nations is enhanced through professional enlisted forces that directly contribute to the struggle

against violent extremism, global peacekeeping initiatives, and humanitarian assistance. For example, we are currently supporting the transformation efforts of Indonesia, Republic of the Philippines, Mongolia, and Taiwan.

Joint Exercise Program

The USPACOM Joint Exercise Program (JEP) remains a productive and tangible part of our Theater Campaign Plan and joint training plan. The JEP continues to mature and advance the USPACOM partnership, readiness, and presence while improving interoperability with allies and partner nations. USPACOM is currently undertaking a thorough review of its program to realize greater efficiencies, mitigate strains on the force, and seek opportunities for expanded engagement with allies and partner nations.

To maximize the important engagement opportunities afforded by the JEP, it is a USPACOM priority to increase multinational participation in the exercises, and we are realizing success. In 2008, Exercise Cobra Gold expanded to include 24 participating nations with Japan, Indonesia, Thailand, and Singapore participating in all of the exercise events for the first time, and China observing. Additionally, the United Nations (U.N.) Force Headquarters was completely manned and operated by partner nations, representing a major advancement in partner nation capability. Interoperability is also stressed in exercises, including Balikatan and Talisman Saber. We continue to advance our ability to plan and operate successfully in an "integrated" environment.

This past year marked the first year of executing our training and exercise programs under the Combatant Commander Exercise Engagement Program (CE2). By almost every measure, CE2 has fulfilled its charter. It has provided USPACOM an effective and adaptable means of funding for our joint, multinational, and "whole-of-government" training programs, at all levels.

CE2 funding enables a wide range of priorities for USPACOM, including force readiness and interoperability, partner nation capacity building, multinational training, and military-to-military engagements. Continued congressional support acknowledges the critical role training and engagement activities play in providing security and stability in the Pacific.

Global Peace Operations Initiative

GPOI is an initiative in support of a G–8 action plan to build competent and professional peacekeepers worldwide. Within the Asia-Pacific region, the USPACOM implementation of the GPOI program continues to leverage existing host-nation programs, institutions, policies, and exercises. This program is one of our key components for fostering military-to-military relationships and meeting theater campaign objectives among nations within the Asia-Pacific region. We encourage long-term sustainment of qualified peace support operations forces through a train-the-trainer approach, ensuring standardization and interoperability, and working within the framework of United Nations guidelines. To date, USPACOM has produced over 3,256 tactical peacekeepers, 1,097 qualified staff officers, and 499 trainers available for immediate worldwide deployment.

In 2009, USPACOM will fully implement the GPOI program in Bangladesh, Cambodia, Indonesia, Malaysia, Mongolia, Nepal, Sri Lanka, Thailand, and Tonga, and will begin implementation in the Philippines and Vietnam. We expect to train 5,000 peacekeepers this year. Also, in June 2009 and in conjunction with Indonesia, USPACOM will host the largest multinational peacekeeping capstone exercise conducted in the Asia-Pacific region, with all 11 current regional GPOI partner nations participating.

Multinational Planning Augmentation Team

The Multinational Planning Augmentation Team (MPAT) is a multinational program established in 2000 by the Chiefs of Defense of the countries in the USPACOM AOR. In a part of the world where there are no comprehensive regional security arrangements like NATO, MPAT was set up to develop procedures to facilitate the establishment of a multinational task force headquarters, focusing on military operations other than war—from humanitarian assistance through peace operations, including aspects of counterterrorism. This entails training a cadre of military planners in each of the participating MPAT nations who are available to support or augment a multinational response.

Thirty-one nations' militaries are part of the MPAT program, which is supported by United Nations humanitarian agencies (for example, the World Food Program and the Office for the Coordination of Humanitarian Affairs), the Red Cross and Red Crescent, and numerous NGOs. USPACOM provides the MPAT Secretariat that supports and coordinates the activities of the program. By developing and practicing common operating procedures, developing possible responses to natural disasters

and other humanitarian crises, and working with the various civil, relief, and international organizations, the MPAT cadre and the countries they represent are enhancing regional security cooperation and increasing our collective capacity to respond to crises in the Asia-Pacific region. As part of the program, the MPAT nations have developed and use a Multinational Force Standing Operating Procedures (MNF SOP) to enable multinational operations in the theater.

Recent MPAT events have focused on building capacity for responding to humanitarian crises, reflecting one of the most likely contingencies in the Asia-Pacific region. The MPAT program continues to serve as an excellent tool for regional engagement and building capacity. It is our most productive multinational program.

Pacific Partnership

USNS *Mercy* deployed to Southeast Asia and Oceania for 150 days from May to September 2008 to perform public diplomacy. The mission consisted of humanitarian assistance and theater campaign plan activities focused on improving regional stability, building partner capacity, and demonstrating U.S. commitment. Pacific Partnership enhances strategic partnerships through public diplomacy and goodwill established during its previous missions in 2005, 2006, and the U.S.S. *Peleliu* mission in 2007. The Pacific Partnership 2008 team of regional partners, NGOs, military engineers, doctors, dentists, veterinarians, and the Pacific Fleet Band provided support to the Philippines, Vietnam, Timor-Leste, Papua New Guinea, and Micronesia. Together they conducted 128 Medical Civic Action programs, seeing 90,963 patients. In addition, they treated 1,369 surgical patients, 14,866 dental patients, 6,665 veterinary patients and completed 26 engineering civic-action projects for the betterment of the host nation populace. In 2009, the U.S.S. *Dubuque*, a smaller ship with reduced medical capability, will conduct Pacific Partnership with a shift from on-board medical care to an increased emphasis on primary care ashore and long-term capacity building efforts.

Pacific Angel

Pacific Angel employed the exceptional capabilities of the Pacific Air Forces International Health Services to conduct humanitarian assistance and public diplomacy in Southeast Asia. This unique C–130 based humanitarian assistance operation helped increase public health capacity as well as cooperation and understanding among the armed forces and peoples of Cambodia, Thailand, and the United States. In just 17 days, from May to June 2008, 6,880 medical patients, 966 dental patients, and 978 veterinary patients were assisted by U.S., partner nation, and NGO medical personnel providing health care, building health care capacity, and increasing cooperation. In the future, USPACOM will continue similar missions using the unique capability of the C–17 to bring assistance to remote, generally isolated locations in the Asia-Pacific region to foster regional cooperation and build host nation capacity.

Center for Excellence in Disaster Management and Humanitarian Assistance

Center for Excellence in Disaster Management and Humanitarian Assistance (COE–DMHA) is a direct reporting unit to USPACOM and is the principal organization to promote stability, security and resiliency in the Asia-Pacific region. COE–DMHA facilitates education and training in disaster management, humanitarian assistance, societal resiliency, and health security to develop domestic, foreign, and international capability and capacity. In fiscal year 2008, COE–DMHA participated in multinational capacity-building efforts throughout the AOR, including international disaster management, civil-military coordination and humanitarian resiliency educational workshops, seminars, and conferences to promote effective management of complex contingency situations. COE–DMHA efforts to create, enhance, and broaden regional partnerships are an integral part of the USPACOM effort to foster a secure, stable region while improving responsible governance and promoting universal individual liberties.

Asia-Pacific Center for Security Studies

Asia-Pacific Center for Security Studies (APCSS) supports USPACOM multinational security cooperation and capacity-building efforts through its programs of international executive education and tailored assistance on important security challenges that educate, empower and connect key regional security-practitioner leaders. Fiscal year 2008 witnessed continued expansion of this critical international network, with 12 newly-formed alumni associations added throughout the region. APCSS workshops and other outreach events produced significant actionable outputs addressing key security issues facing Indonesia, Mongolia, Timor-Leste, and others, collaboratively developed by participants with APCSS facilitation. Transformational progress achieved during fiscal year 2008 in the areas of educational

technology and services that enrich the APCSS learning environment is already paying dividends in terms of enhancing participant-centered learning and connection to global audiences. These initiatives will continue to build a community of interest and action to advance progressive change in specific security-cooperation areas.

Joint POW/MIA Accounting Command

JPAC has an important and honorable mission: achieve the fullest possible accounting of Americans missing from our Nation's conflicts. JPAC successfully accomplished 69 missions globally last year. The JPAC Central Identification Laboratory identified 82 unaccounted Americans from the Vietnam War, Korean War, and World Wars I and II. In conducting its recovery and investigation mission during 2008, JPAC relied upon cooperation from Cambodia, Vietnam, Laos, ROK, India, Japan, Papua New Guinea, Palau, Canada, Solomon Islands, Suriname, Hungary, Germany, France, and Indonesia. We anticipate similar results in the coming year. JPAC conducted one mission to India in October 2008 with the second mission ongoing from February—April 2009. JPAC continues to engage with the People's Republic of China on details attendant to a mission there. Operations in North Korea remain suspended, but we are prepared to resume discussions on the resumption of operations when conditions permit and upon interagency approval.

In fiscal year 2009, the Navy programmed $8.4 million for design plans for a new JPAC facility located on Hickam Air Force Base, HI, with construction scheduled to begin in fiscal year 2011 and continue with the final increment in fiscal year 2012. I appreciate support for this new facility that reinforces America's commitment to those that have honorably served and gave their lives in the ultimate sacrifice, and to those that continue to honorably serve the Nation.

SUMMARY

USPACOM is a force for peace and a steadfast partner throughout the Asia-Pacific. Our long-term priorities promote a region that is stable, secure and at peace. We are engaged extensively throughout the AOR to advance our theater campaign goals through partnership, readiness, and presence. We are committed—along with our allies and partners—to turn the promise of a stable and secure region into reality and transform challenges into opportunities that strengthen regional relationships and cooperation. We are fortunate to have traditional allies, and both existing and emerging partners, who are willing to promote conditions for security and stability, and collaborate for the well-being of the people in the Asia-Pacific.

We are very aware that without the unwavering support of Congress and the American people, we cannot succeed. I am proud and honored to represent the men and women of the USPACOM and, on their behalf, thank you for your support.

Chairman LEVIN. Thank you so much, Admiral.

General Chilton.

STATEMENT OF GEN. KEVIN P. CHILTON, USAF, COMMANDER, UNITED STATES STRATEGIC COMMAND

General CHILTON. Thank you, Chairman Levin, Senator McCain, members of the committee. I certainly appreciate the opportunity to be with you here today, and also appreciate the opportunity to testify with my colleagues and friends, Skip Sharp and Tim Keating.

If I might take a moment to add my congratulations to Admiral Keating and Mrs. Wanda Lee. I had the distinct pleasure of being their next door neighbors on a previous assignment when he was the Commander of North American Aerospace Defense Command (NORAD)-Northern Command (NORTHCOM). I think it's not insignificant that this Nation has had the trust in this man's leadership to command two COCOMs back to back, two very important COCOMs for this Nation, and he's done it in such a spectacular fashion.

I can't begin to describe the love and passion this couple has for the men and women under their command. I saw it in person as

their next door neighbor and I've admired it from afar. So I give my best congratulations to them both.

Sir, since my last opportunity to testify before this committee, which was in the fall of 2007, I've been honored by the committee's counsel and in the close relationship we have. I want to thank you all and your staff for the time they've spent out at Omaha at STRATCOM and visiting our folks and getting to understand STRATCOM's mission even better, and particularly for your strong support of our soldiers, sailors, airmen, marines, and civil servants in STRATCOM which make the mission happen for us every day.

Today America faces unique national security challenges and equally unique leadership opportunities. These challenges include global population changes, serious economic difficulties both at home and abroad, resource competitions, bids for regional and global power, the proliferation of WMD, and an era of often persistent and irregular warfare, coupled with an exceptional rate of technological challenge that often outpaces capabilities and policies.

These challenges make this year an especially noteworthy year as we look forward to the report of the Congressional Commission on the Strategic Posture of the United States and prepare to conduct both the Quadrennial Defense Review and an NPR. The recommendations made in these studies will shape our national security capabilities long into the future.

As a COCOM chartered with a global and operational perspective, our responsibilities and relationships uniquely position STRATCOM to execute global operations, to support the regional combatant commanders and to close potential seams between those COCOMs and provide a clear and consolidated warfighter position on future global capability requirements.

I'm pleased to tell you that today STRATCOM's capability to execute deterrence, space, and cyberspace operations has been enhanced and continued robustly every day. Additionally, our unique global perspective has given us a good platform for advocating for the Nation's needs for missile defense, information operations, ISR capabilities, and the things we need to both enhance our information operations and our planning for combatting WMD.

Focusing on our three main lines of operations, today, deterrence remains as essential to America's national security as it was during the Cold War, because, as ever, we prefer to deter war rather than to wage it.

Last year, the Secretary of Defense approved our strategic deterrence plan, a significant first step toward integrating deterrence activities across our Government. Still, credible deterrence rests first on a safe, secure, reliable, and sustainable nuclear enterprise, including our stockpile of weapons, on delivery, on command and control systems, and on ISR platforms, on space-based capabilities, on our laboratories and industrial base, and most of all on our people, our most precious resource.

Since the end of the Cold War, the United States has substantially reduced our deployed nuclear weapons, dismantled our production capability, and ceased nuclear testing. Despite our reductions and lack of modernization of weapons and infrastructure, other states still seek nuclear weapons. Additionally, many of our closest allies continue to rely on the U.S. nuclear umbrella. This re-

liance should be considered as we look forward to address nuclear proliferation issues.

The most urgent concerns for today's nuclear enterprise lie with our aging stockpile, our aging infrastructure, and our aging human capital. This year will be an important year to act to relieve growing uncertainty about the stockpile's future reliability—and I emphasize "future" because it is safe, secure, and reliable today—and the stockpile's sustainability by addressing these important issues.

Space-based capabilities provide our Nation and our forces essential but often unnoticed abilities to act and operate. The satellite constellations that carry these capabilities, however, require more careful attention to eliminate delays that can leave us just one launch failure away from an unacceptable gap in coverage in the future.

We have made progress in space situational awareness, but capability gaps remain and required sustained momentum to fulfill, as evidenced by the recent collision between an active communications satellite and an inactive Russian satellite.

Turning to cyberspace, this domain has emerged as a key warfighting domain and one on which all other domains in the warfighting environment depend. We remain concerned about growing threats in cyberspace and are pressing changes in the Department of Defense's (DOD) fundamental network, culture, conduct, and capabilities to address this mission area and share our best practices. Still, the adequate provisioning of the cyber mission, especially with manpower, remains our greatest need.

Finally, the command's advocacy efforts for missile defense, ISR management, information operations support, and plans to combat WMD continue to mature and I believe positively influence its acquisition processes with inputs that we collect from all of the COCOMs.

In this uncertain world, your support is critical to enabling successful execution across the command's assigned missions and realizing our vision to be leaders in strategic deterrence, preeminent global warfighters in space and cyberspace.

Thank you again for this opportunity and for your support, and I look forward to your questions.

[The prepared statement of General Chilton follows:]

PREPARED STATEMENT BY GEN. KEVIN P. CHILTON, USAF

Chairman Levin, Senator McCain, and Members of the Committee, thank you for this opportunity. Since assuming the leadership of U.S. Strategic Command (USSTRATCOM) in October 2007, I have appreciated many thoughtful exchanges with you and your staffs on our Nation's security—in Washington, at our headquarters at Offutt Air Force Base, and at locations around the globe. USSTRATCOM remains a vital element of our national security structure. The Command appreciates your thoughtful interest and tremendous support for our team and in addressing America's security challenges.

Since my last testimony before you, the men and women of USSTRATCOM have made great progress advancing the command's vision. Building on a unique mission set's natural synergies, we execute strategic deterrence, space, and cyberspace operations every day to achieve national and command objectives. USSTRATCOM's unique global perspective, responsibilities, and relationships enable effective execution across all of our assigned missions, closing the seams between other combatant commanders and providing a clear and consolidated warfighter position on future requirements.

This year, 2009, will be especially noteworthy. America inaugurated its 44th President, the first in 40 years to assume office in a time of war. This administra-

tion will undertake the Quadrennial Defense Review and Nuclear Posture Review in an era of largely irregular and persistent conflict. The recommendations made in these studies will shape America's deterrence and global warfighting capabilities far into the future. Today, I will provide an update on USSTRATCOM's progress, plans, and capability requirements, and seek your assistance in securing America's future together.

U.S. STRATEGIC COMMAND

Several milestones define the command's 2008 progress. Last February, a USSTRATCOM-led Joint Interagency Task Force, formed in partnership with the National Reconnaissance Office (NRO) and many other Federal entities, eliminated the threat to human life posed by an uncontrollable satellite's frozen hydrazine fuel. This team adapted quickly and with great professionalism to the emerging challenge, providing lessons learned that enhance mission partner relationships and information sharing. In the fall, the Secretary of Defense approved a new global deterrence plan, a significant step toward integrating deterrence activities across government agencies and with Allied partners. By enforcing common standards and discipline throughout the year, our work in the cyberspace domain continued to better secure military networks.

The USSTRATCOM team also strengthened the command's exercise program to meet the demand for operational proficiency across our lines of operation. The new, comprehensive field training program engages all command elements well beyond previous command-post-only style exercises. This approach allows us to test and assess our combat readiness, re-emphasize every function's unique importance to the overall mission, and demonstrate effectiveness to ourselves and the world.

As a steward of America's nuclear enterprise, USSTRATCOM remains committed to the highest standards of excellence, and, after a fresh look, our team made several internal adjustments in 2008. We created and filled a new General Officer position within the Directorate of Global Operations, providing a senior-level, full-time nuclear mission focus. We also established the Nuclear Enterprise Council (chaired by USSTRATCOM's Deputy Commander) and the Nuclear Enterprise Board (comprised of staff and components) which provide active nuclear policy, requirements, operations, and surety oversight within the command. Finally, we expanded the capacity of the command's Inspector General Office, allowing for 100 percent oversight of every nuclear inspection with direct feedback to the USSTRATCOM commander.

STRATEGIC CONTEXT

The hallmarks of today's complex global security environment include pressures from population changes, competition for increasingly scarce natural resources, economic struggles, and bids for regional and global power. The United States faces stark economic challenges at home, just as we witness similar struggles abroad. The past decade's complicated security landscape blurred the way we define regular, irregular, strategic, conventional, and unconventional operations and the capabilities required to address them. Perhaps more than any other force, technology underlies today's challenges and opportunities, enabling activities once thought impossible but now deemed commonplace. We bank online, obtain driving directions from cell phones, communicate around the world from our living rooms, fly Unmanned Aerial Vehicles in Iraq from the U.S., and expect information to be delivered in an instant. In some ways, a few well placed computer keystrokes today can potentially match the impact of earlier generations' Armed Forces—for good or ill.

Strengths gained from America's space-based and cyberspace-enabled capabilities are truly amazing. We must remember, however, that asymmetric advantages carry asymmetric challenges—a particularly poignant consideration in this era of irregular and persistent conflict. Though we cannot rule out the need for capabilities to dominate a classic, force-on-force conflict (indeed, those capabilities are an integral part of our deterrent), in the near term it is unlikely that any state would choose such a course with the United States. Adversaries are increasingly more likely to seek indirect and irregular means to challenge our freedom of action and disrupt our way of life. Countering these threats requires an innovative, global approach, one for which USSTRATCOM is uniquely positioned.

STRATEGIC DETERRENCE

The Department of Defense's (DOD) 2009 Quadrennial Roles and Missions Review identifies deterrence as one of six core mission areas and defines deterrence operations as "integrated, systematic efforts to exercise decisive influence over adversaries' decision-making calculus in peacetime, crisis, and war." Deterrence today is not just Cold War deterrence, and we cannot address all of today's threats with only

yesterday's tools. Effective, modern deterrence requires a complex global understanding and the elegant execution of coordinated, whole-of-government options to meet today's broad security challenges. In that role, USSTRATCOM supports DOD efforts to foster interagency relationships and synchronize government-wide deterrence activities. In fact, the Unified Command Plan assigns USSTRATCOM's first responsibility as detecting, deterring, and preventing attacks on the United States, its territories, possessions and bases, and employing appropriate force to defend the Nation should deterrence fail. Deterrence depends on both the credible capability to impose costs or deny benefits and the expressed will to do so. America's civilian leadership represents the "will" of the people. USSTRATCOM's job is to ensure that our national leadership has credible capabilities available, and that adversaries and allies alike grasp their nature and our constant readiness to employ them.

The deterrence problem grows more intricate each year, but our bedrock capability remains a reliable, safe, and secure nuclear deterrent. The same land-based, airborne, and seaborne delivery platforms; nuclear command and control platforms; communications and warning satellite constellations; ground-based radars; laboratories and industrial base; intelligence capabilities; and warhead stockpile that have always underpinned the U.S. strategic deterrent enterprise remain just as vital today as in the past. Nuclear weapons endure, for now and the foreseeable future, as essential national security tools, deterring both nuclear aggression among nuclear powers and large scale conventional conflict. As long as other states maintain nuclear arsenals, we must maintain a reliable, safe, and secure nuclear deterrent. Nuclear weapons' political significance makes their status as much about political objectives as military requirements, but if our capabilities are not seen as credible, our leadership's options become severely limited.

Within the nuclear enterprise, the U.S. stockpile—which today is indeed reliable, safe, and secure—requires the most urgent attention. Without action, our current weapons are not indefinitely sustainable. The weapons continue to age and decay in ways we may not sufficiently understand, and even though the Stockpile Stewardship Program's scientific advances have allowed us to retain an acceptable level of confidence, we risk a disruption in confidence from unanticipated technical changes in nuclear and non-nuclear components. We mitigate that risk today, along with risk from an inability to respond to strategic surprise, only by maintaining more weapons than we would otherwise need. This is clearly an unacceptable long-term approach. Similarly, today we do not need new or additional weapons, nor upgraded military capabilities, nor an effort to resume nuclear testing, but we do clearly need to fix our decaying stockpile. In other words, we need a concerted effort to assuage growing uncertainty and ensure a more reliable, safer, more secure, and sustainable long-term nuclear deterrent.

Nuclear weapon proliferation represents a serious global challenge, and USSTRATCOM supports efforts to combat the spread, transfer, or use of nuclear weapons wherever possible. In my opinion, a stockpile modernization strategy and nonproliferation efforts should be considered complementary, not mutually exclusive, means to the same safer world. Modernization could provide a unique opportunity to introduce enhanced safety and security features that would render our weapons undesirable terrorist targets. It can be argued that the effort also strengthens the confidence numerous allies derive from our extended nuclear deterrent umbrella, allowing them to forgo indigenous nuclear programs. Should these allies (many of whom have the resources and technical ability to develop their own nuclear weapons) come to believe the United States is unwilling or unable to protect their interests through the full use of our assets, I believe global nuclear proliferation could increase, a clearly unacceptable prospect for U.S. or global security interests.

Unfortunately, some other states perceive nuclear weapons as a significant bargaining tool and deterrent to conventional intervention in their regional conflicts, and non-state actors pursue them as weapons of ultimate terror. We must use all of the tools at our disposal to ensure that nuclear capabilities do not spread. Maintaining a robust nuclear deterrent capability should be seen as an important nonproliferation tool for both deterring potential adversaries and reassuring allies.

I ask for your support to act and ensure a credible nuclear enterprise for as long as our Nation requires it. We need reliable warning, command, control, and communication systems to enable and direct our forces; Service programs that sustain the long-term viability of our land-based, airborne, and sea-based delivery platforms; and the meaningful nuclear weapons work in our laboratories to attract and retain the human capital necessary to support the nuclear stockpile of the future. Additionally, the valuable Stockpile Stewardship Program deserves robust support. We should also consider using sustainable designs, employing less-exotic and better understood materials, restoring a responsive infrastructure, and introducing increased

weapon reliability and key safety and security measures as ways to further increase our confidence in our arsenal over time.

Other USSTRATCOM capabilities also contribute to modern strategic deterrence. U.S. missile defense capabilities provide a critical deterrent against certain existing and potential threats, increase the cost of adversaries' already expensive technologies, and reduce the value of their investments. To provide the President a better range of non-nuclear options against rapidly emerging threats, we also require a deployed, conventional prompt global strike capability to hold at risk targets in denied territory that can only be rapidly struck today with nuclear weapon platforms. Sustaining a viable missile defense and filling our prompt global strike capability gap remain essential to broader deterrence. We appreciate Congress' fiscal year 2008 and 2009 support and look forward to 2009 as an important development year, as we increase the available range of national leadership deterrence options.

Finally, our new strategic deterrence plan, approved by the Secretary of Defense last year, incorporates an interagency approach and acknowledges the need for a new understanding of the global context in which we live. Accordingly, the command's Director of Intelligence moved to recapitalize our organic intelligence capability and established the Strategic Joint Intelligence Operations Center. These actions, recommended by the Under Secretary of Defense for Intelligence and applauded by the Secretary of Defense's Task Force on DOD Nuclear Weapons Management, will ensure appropriate intelligence support across our missions. Seeking new ways to understand our world, address national security challenges, and support combatant commanders' efforts to build global partnerships strengthens global security for America.

SPACE

Space assets, whether space or terrestrially based, provide the U.S. with vital communications, command and control, positioning, navigation, timing, surveillance, and reconnaissance, environmental observation, warning, and launch capabilities. The greatest challenge facing our space assets today are all-too-often reactive planning, programming, and procurement processes best described collectively as "gap management." It is time for this approach to end. Our historical experiences in space operations tell us that we will likely have a critical space capability launch or on-orbit failure in the future. We must posture ourselves to stay more than a single failure away from an unacceptable degradation in these national security capabilities.

Missile warning and satellite communications represent two such capabilities. Reliable and enduring strategic missile warning for U.S. leadership and forces is essential to defending our interests worldwide. Although Defense Support Program (DSP) satellites have provided assured, uninterrupted missile warning since 1970, this aging constellation is performing well past its intended lifetime. The DSP constellation's age and ongoing delays in follow-on programs place our missile warning capability at an unacceptable risk.

Similarly, to assure robust global satellite communications for our national leadership, nuclear forces, and combatant commanders, we will continue to need uninterrupted, survivable, and protected communications capabilities and more flexible, wideband assets to address bandwidth growth. I strongly urge continued support to protect against future failures or schedule slips and to provide effective satellite communications capabilities throughout the next decade.

We have begun to make progress in Space Situational Awareness (SSA), although February's unfortunate collision between an active communications satellite and an inactive Russian satellite highlights remaining SSA challenges. The U.S. space surveillance architecture detects and tracks thousands of objects, but critical gaps remain in an ability to fully characterize all on orbit objects, analyze and predict conjunctions, and protect not just military satellites but also the commercial satellites on which military operations rely. Working across the National Security Space Enterprise and with Congress, we funded critical legacy SSA elements to increase overall SSA capability. We must sustain the momentum gained through these investments and strive to close SSA gaps, bringing us ever closer to combining an operational picture of space with command and control systems and moving us from 'watching and reacting' to 'knowing and predicting' in the space domain.

An improved awareness of the entire operational space environment, including the ability to discriminate across natural and manmade threats, will establish the foundation for protecting the vital space capabilities of the United States and its friend and allies. SSA is also critical to ensuring our Nation's freedom of action in what is clearly a contested environment. With increasing concern about sustaining our constellations and the threats they face, space protection is increasingly important.

The Air Force and NRO's development of a Space Protection Program last year represents an important step forward in this arena.

The U.S. must also continue to lead the community of space-faring nations in promoting spaceflight safety and encouraging responsible behavior. International space cooperation is essential to maintaining space as a free and accessible domain. I appreciated the opportunity to meet with many space-faring partners in 2008, including attending the Strategic Space and Defense Symposium in Omaha with delegations from the United Kingdom, Canada, and Australia. I also met with military space leaders from the United Kingdom, France, and Germany, and participated in a military space operations and security conference last spring in Paris, France. These engagements laid the groundwork for greater cooperation with our friends and allies around the globe and with other leading spacefaring nations. Enhanced data sharing with our Allies is important to the future of Space Situational Awareness, as we build a common understanding of the space environment. Pursuing opportunities for mutual benefit through peaceful exploration, data sharing, and other endeavors strengthens alliances and national security with partners who possess or are developing space technology and demonstrate the intent, will, and capacity for responsible space operations.

Finally, I remain concerned that our own civil and commercial space enterprise, which is essential to the military space industrial base, may be unnecessarily constrained by export control legislation and regulation. Clearly, legitimate national security concerns must continue to underlie the need to restrict the export of certain space-related technologies, equipment, and services. However, appropriate flexibility to permit relevant technology transfers to allies, or decontrol of some technologies in a timely fashion when commercial availability renders their control no longer necessary should be considered to help ensure our space industrial base for the future.

CYBERSPACE

Within DOD, USSTRATCOM is the global warfighter for cyberspace, charged with operating and defending the Global Information Grid (GIG), planning, and acting—when directed—to maintain our freedom of action in this domain. Cyberspace is a key front in today's irregular conflicts and is itself a warfighting domain upon which all others depend. In fact, irregular warfare manifests itself in cyberspace in ways not seen elsewhere, driven by actors ranging from the unsophisticated to the trained military hackers who can target industry, academia, government, and the air, land, maritime, and space domains. Consistent with the National Military Strategy for Cyberspace Operations, we have made progress toward defining requirements and advocating for Service cyberspace workforces. Still, addressing the cyber threat is no small challenge and demands a new mindset as we refine the culture in which we understand our responsibilities and grow our cyber expertise; shape the conduct we follow to organize and orient against threats; and improve the technical and manpower capabilities our Services and interagency partners bring to the cyberspace fight.

Cyberspace is a national challenge, further complicated, in many cases, by the physical location of the servers and constructs (organizational and administrative) developed for physical domains. All networks, regardless of their location, are at risk. Whether a network domain ends in .com, .edu, .org, .gov, or .mil makes no difference, as cyberspace intrusions can rapidly cross between military and civilian networks. Cyber threats demand new approaches to managing information, securing information systems, and ensuring our ability to operate through an attack. As we seek to mitigate the immense but unseen costs of cyber espionage, DOD personnel must always understand that every networked computer is on the front line. Everyone who logs on is a cyber defender first. There are no 'protected zones' or 'rear areas'; all are equally vulnerable. Future growth in intelligence, planning, and operations requirements emphasizes an increasing need to act and react at machine, not human, speeds.

USSTRATCOM's Joint Functional Component Command for Network Warfare (JFCC NW) and Joint Task Force for Global Network Operations (JTF–GNO) have added unprecedented rigor to meeting challenges within and beyond the cyber domain. For example, this team recently marshaled resources to mitigate capacity degradation stemming from breaks in undersea cables, restoring service with no significant operational impact. They have also implemented a more responsive command and control structure reliant on centralized orders and decentralized execution. This structure enables DOD-wide leadership to address computer security incidents and network compromises—enhancing timely threat identification and mitigation through unity of effort. Steps to secure the GIG also include enhanced internet access protections and improved instrumentation that give us greater visibility into

and control of our diverse network configurations. Tightening the relationship between JFCC NW and JTF–GNO this past year has led to a better, more responsive capability to defend our military networks.

Within DOD, we continue to evaluate organizations, processes, and personnel to ensure agility in adapting to new challenges. USSTRATCOM is also working with the Services and leading a cyber Manning Integrated Process Team to determine cyber workforce composition and sourcing across DOD. The provisioning of adequate cyber forces to execute our assigned missions remains our greatest need in this mission area. Finally, we are also assessing joint doctrine to ensure that it addresses cyberspace operations and collaborative planning among the DOD, interagency, and allied partners.

GLOBAL SYNERGY

Beyond the three areas where we maintain day-to-day operational responsibilities, USSTRATCOM is also charged with synchronizing DOD planning and advocacy to support several joint mission areas. Taken most simply, we identify challenges and support solutions to issues that cross geographic combatant command borders and advocate for the right balance of effort toward achievement of theater and national objectives.

Integrated Missile Defense

The threat of WMD, coupled with ballistic missile proliferation, is a very real danger to the U.S., our deployed forces, and our Allies. We must continue the careful development of a missile defense capability that preserves our freedom of action at home and abroad. Regional and global ballistic missile threats will require sustained, focused attention and dedicated resources to ensure a balanced defensive capability portfolio.

This past year, the Missile Defense Agency's (MDA) efforts enhanced missile defense capabilities by increasing the redundancy and depth of the ballistic missile defense system. Additionally, successful tests in 2008 improved our confidence in the performance of existing capabilities. Close coordination between combatant commands and MDA enabled warfighters to train with and operate the ballistic missile defense system while continuing to support a robust test and evaluation program.

Through USSTRATCOM's maturing advocacy role and the Warfighter Involvement Process, warfighting combatant commanders, in particular U.S. Northern Command, influence MDA development decisions. MDA's program activities are also reviewed by the Missile Defense Executive Board (MDEB), which meets quarterly and includes USSTRATCOM. I believe the MDEB provides effective oversight.

This year, USSTRATCOM's Joint Functional Component Command for Integrated Missile Defense (JFCC IMD) developed a Global Integrated Missile Defense Concept of Operations in concert with the geographic combatant commanders. In the coming year, this effort should implement a collaborative planning framework to address present day threats with pre-planned rules of engagement and execution doctrine. JFCC IMD is also exploring mechanisms to increase interoperability with our allies' capabilities to enable better operational cooperation. Agile concepts of operation, integrated sensor suites, warning systems, and common battle management systems will help us to better address future threats.

Combating Weapons of Mass Destruction

A key 2008 National Defense Strategy objective is to prevent adversaries from acquiring or using weapons of mass destruction. Our nation must prepare—across the collaborative whole of Federal, State, and local governments—to deter, dissuade, detect, tag, track, intercept, and destroy WMD materials. Should the worst occur, we must also be ready to respond.

In the last year, several USSTRATCOM initiatives enhanced our Nation's ability to combat weapons of mass destruction. The Joint Requirements Oversight Council validated our Joint Capabilities Document, prioritizing current combatant commander needs and providing a foundation for future capability development. We also facilitated the first Global Combating WMD Synchronization Conference, bringing stakeholders from across the government into a common forum to promote a unified approach and to clarify roles across the combating WMD community of interest. We initiated a Capabilities Based Assessment to define requirements for DOD to support National Technical Nuclear Forensics, which should be complete in early 2009 and inform future advocacy efforts. The Joint Elimination Coordination Element, intended to form the core of a Joint Task Force for elimination, progressed toward full manning and supported multiple combatant command exercises, providing valuable planning capability. Finally, the SCC–WMD-managed Interagency Combating Weapons of Mass Destruction Database of Responsibilities, Authorities, and Capa-

bilities emerged this year as a key information reference resource, aiding planning, advocacy, and training exercises and assisting in providing transparency and synchronization across the Federal Government for assessment, planning, and response activities.

Congressional support for standoff detection of shielded nuclear materials sparked additional interest and investment in this high priority area, allowing the Defense Threat Reduction Agency to accelerate promising active interrogation technologies, as evidenced in a field demonstration last September. Intelligence linkages between USSTRATCOM and U.S. Special Operations Command—including a newly created cell for Joint Intelligence Preparation of the Operational Environment—should enhance predictive analytic capabilities, allowing us to act rather than react to threats. Finally, in support of the National Response Framework, our efforts this year with U.S. Northern Command, U.S. European Command, and other Allies will focus on mitigating the effects of an actual attack. The results of an evaluation across geographic combatant commanders' consequence management capabilities only amplified the need for additional experts and trained personnel to operate in contaminated areas.

Intelligence, Surveillance, and Reconnaissance (ISR)

USSTRATCOM, through our Joint Functional Component Command for Intelligence, Surveillance, and Reconnaissance (JFCC ISR), collaborated with geographic and functional combatant commanders this past year and participated in planning, allocation, and assessment efforts to optimize global ISR utilization. An enterprise-wide management approach in 2008 enabled adequate support for surge operations in U.S. Central Command while mitigating risk to ISR support for other commands. Within the Secretary of Defense's ISR Task Force, USSTRATCOM also spearheaded efforts to highlight the vital link between collection systems and processing, exploitation, and dissemination (PED) capabilities, making progress to ensure that ISR collection and PED requirements are paired appropriately.

Operations in Iraq, Afghanistan, and across all combatant commands continue to intensify global ISR demand. Modern technological advancements enable large volumes of intelligence data to flow to warfighters, analysts, and decision makers around the globe. While available ISR capabilities continue to increase, demand has risen even faster. Unmanned Aircraft Systems in particular have experienced explosive growth, but demand continues to outstrip existing capacity. Many intelligence requirements lie beyond the reach of our manned and unmanned terrestrial platforms and can only be met by space-based capabilities. We must continue to address these warfighter requirements and mitigate dangers to our forces as we begin the development of the next generation of space-based ISR. We will need an efficient, responsive ISR enterprise long into the future to employ available resources while modernizing key assets, synchronizing operations, integrating U.S. and Allied ISR capabilities, and meeting the challenges posed in the space and cyberspace domains.

Information Operations

Controlling the use of the electromagnetic spectrum and ensuring its availability to our forces and our Allies remains fundamentally important to all of our missions, other combatant commanders, and larger national security efforts. In the 21st century, an increasingly congested and contested electromagnetic environment promises new challenges to maneuverability and operations through this increasingly limited resource. During the past year, we successfully completed a DOD-wide effort to identify and address joint electronic warfare capabilities and gaps. The Joint Information Operations Warfare Command's Electronic Warfare Center is now conducting a Joint Staff directed study to identify and recommend viable solutions to identified gaps, ensuring our joint forces access to and freedom within the electromagnetic environment for the full spectrum of military operations. We have also made significant strides in ensuring well-coordinated and synchronized transregional information operations across the combatant commands, in an effort to better link actions toward achieving theater and national objectives.

CONCLUSION

America today faces unique national security challenges and equally unique leadership opportunities. In the face of an increasingly complex strategic environment, we must act to address the long-term safety, security, and reliability of our nuclear enterprise; the robust health of critical space-based capabilities; and the culture, conduct, technical capabilities, and manpower necessary to defend against 21st century cyberspace threats. USSTRATCOM, as a warfighting combatant command with a global perspective, is uniquely positioned to execute and integrate these vital, global missions and to support national security activities around the world. In this

uncertain world, your support is critical to enable USSTRATCOM's successful execution of its assigned missions. The men and women of U.S. Strategic Command are fully engaged and with your help will continue to provide global security for America.

Chairman LEVIN. Thank you, General Chilton.

General Sharp.

STATEMENT OF GEN WALTER L. SHARP, USA, COMMANDER, UNITED NATIONS COMMAND; COMMANDER, REPUBLIC OF KOREA-UNITED STATES COMBINED FORCES COMMAND; AND COMMANDER, UNITED STATES FORCES KOREA

General SHARP. Mr. Chairman, Senator McCain, members of the committee: I am honored to be here before you today. I would also like to thank and recognize Tim Keating and Wanda Lee for their friendship over the years. I had the honor to be able to follow Tim as the Director of the Joint Staff and then continued to work with him while he was at NORTHCOM and now at PACOM, and I have learned a lot and it's been a great, great honor.

As the Commander of UNC, the Republic of Korea (ROK)-U.S. CFC, and USFK, it is a privilege to represent the soldiers, sailors, airmen, marines, DOD civilians, and their families who serve in the ROK. On behalf of all these outstanding men and women, thank you for your continued commitment to improving the readiness of our forces and the quality of life for all of our servicemembers and their families. Your support is vital and it allows us to ensure the security of the ROK, promote prosperity and stability in Northeast Asia, and protect our shared national interest in that region.

The ROK plays a vital role in the region that accounts for 22 percent of all U.S. goods. It is a first class economic power, our seventh largest trading partner, and one of the most technologically and scientifically advanced countries in the world. It is also our partner in what must, I believe, be considered our strongest and most successful alliance, an alliance that has maintained its strength and grown stronger over the last 50 years, an alliance that was forged in blood and maintained by an enduring commitment and the friendship and the commitment of the Korean and the American people.

ROK armed forces have fought alongside Americans in Vietnam. They participated in Operation Desert Storm and deployed troops to Iraq and Afghanistan. The ROK has participated in United Nations peacekeeping operations and currently have presence in six of those operations around the world. The ROK deployed a 4,500-ton destroyer and an anti-submarine helicopter to the waters off of Somalia for the conduct of anti-piracy operations.

Most recently, the United States and the ROK demonstrated their enduring commitment to the alliance by signing a special measures agreement that will provide ROK funding, ROK funding support, for U.S. forces in Korea over the next 5 years.

I want to thank you, the Members of Congress, for passing legislation that elevated the ROK foreign military sales (FMS) status to that of a level on par with the countries of NATO as well as with other nations that we share longstanding U.S. alliances. This legislation will go a long way to enhancing the alliance's combined

warfighting capability. If I might note, the ROK now has over $12 billion worth of FMS cases that are open, 566 FMS cases, and this legislation you passed will continue to contribute and increase our warfighting capability.

While Northeast Asia generates a significant share of the world's commerce, it is also characterized by uncertainty, complexity, rapid change, and has constantly posed the most difficult security challenges. Beyond the North Korean threat, the presence of four of the world's six largest militaries and two proven nuclear powers, as well as historical animosities, territorial disputes, and resource competition, all combine to pose long-term regional security challenges. The ROK sits at a nexus of a region that is influenced by and is influencing an emerging China, a resilient Russia, and a prosperous Japan.

North Korea remains the primary threat to stability and security in Northeast Asia. Regime survival remains North Korea's overriding focus. North Korea remains the world's leading supplier of ballistic missiles and related technology and remains a major proliferator of conventional weapons as well. North Korea's recent provocation actions, to include severe restrictions on the ROK activity at the Kaesong Industrial Complex and the Mount Kumgang Tourist Resort, threats to the ROK in the West Sea, unilateral nullification of South-North Basic Agreement, the North Koreans' stated inability to protect the safety of civilian airlines traveling through their air space, and its intent to launch a ballistic missile are all an attempt to ensure regime survival and improve its bargaining position in international negotiations to gain concessions.

We continue to be concerned with the threat posed by North Korea's large conventional military, artillery, ballistic missiles, and special operating forces, all located very near the ROK and the North Korean border.

My first priority as a commander is to maintain trained, ready, and disciplined combined and joint command forces that is prepared to fight and win in any potential conflict. Facing any number of challenges that could arise on the peninsula with little warning, our commitment to the alliance spans the entire spectrum of conflict. Given the varied potential challenges, our forces constantly strive to maintain the highest possible level of training and readiness.

My second command priority is to continue to strengthen this great alliance. In addition to improving combined military capabilities, U.S. and the ROK forces are adapting to the changing conditions in this dynamic region and are transforming into a more modern and capable force. This will enable the ROK forces to retain wartime operational control on April 17, 2012.

An enduring U.S. force presence in Korea after operational control transfer in 2012 will ensure a strong alliance which is fully capable of maintaining security in this critical part of the world. I am absolutely confident this transition will be a success for both the U.S. and the ROK and will serve as a key foundation for future regional stability.

My third command priority is improving the quality of life for all servicemembers, DOD civilians, and families serving in Korea. Our goal is to make Korea the assignment of choice for all service-

members and their families. Our implementation of tour normalization, which is usually a 3-year tour for the majority of our accompanied servicemembers, will significantly increase our warfighting capability and improve the quality of life for our personnel, while eliminating long and unnecessary separation of service from their families.

The Yongsan relocation program, which moves U.S. forces stationed in Seoul to Camp Humphreys, which is approximately 40 miles south of Seoul, and the land partnership program, which provides for the relocation of the Second Infantry Division to south of the Han River, will also significantly improve the quality of life for our servicemembers and their families as they move into world-class training and living facilities.

The U.S. presence in Northeast Asia is a long-term investment in regional stability, and the ROK-U.S. alliance today is more relevant to the national security interests of the United States than it has ever been before. The alliance will remain essential to the protection and the advancement of U.S. national interests in this strategically vital part of the world well into the future.

The ROK-U.S. alliance could not have been successful over the last 50-plus years without the significant contribution of the noncommissioned officers (NCOs) serving in Korea. The Army has declared 2009 to be the Year of the NCO and it is my great privilege to have the dedicated and professional NCOs from all Services defending this great alliance. Without them, none of the advances we have made in the ROK-U.S. alliance would have been made possible.

I am extremely proud of the soldiers, sailors, airmen, and marines, the DOD civilians and families serving in the ROK, who selflessly support the alliance and help maintain stability in this important region. On behalf of them, I want to thank you for your continued support and know you will agree how important it is to provide these fine Americans the very best working, living, and training environment possible.

Again, thank you for your support of our troops and their families and I look forward to answering your questions. Thank you.

[The prepared statement of General Sharp follows:]

PREPARED STATEMENT BY GEN WALTER L. SHARP, USA

I. INTRODUCTION

Mr. Chairman and distinguished members of the committee, I am honored to appear before you today. As the Commander, United Nations Command (UNC); Commander, Republic of Korea-United States (U.S.) Combined Forces Command (CFC); and Commander, United States Forces Korea (USFK), it is a privilege to represent the soldiers, sailors, airmen, marines, Department of Defense (DOD) civilians, and their families who serve in the Republic of Korea (ROK). On behalf of these outstanding men and women, thank you for your continued commitment to improving the quality of life for our servicemembers and their families. Your vital support allows us to ensure the security of the ROK, promote prosperity and stability in Northeast Asia, and protect our shared national interests in the region. I appreciate this opportunity to report on the state of the command and our plan for the ongoing transformation and strengthening of the ROK-U.S. Alliance.

For the last 56 years, since ratification of the Mutual Defense Treaty by the U.S. and the ROK, the ROK-U.S. Alliance has deterred aggression, maintained peace on the Korean Peninsula, and promoted security and stability in this vital region. Our bilateral Alliance has served both nations well. The ROK transformed from a country devastated by war to a vibrant democracy with the world's 14th largest econ-

omy.[1] The U.S. gained a stalwart ally and strategic partner with unwavering dedication to the defense of peace and freedom in a challenging part of the world. ROK armed forces fought alongside Americans in Vietnam and participated in Operation Desert Storm. More recently, the ROK has deployed forces to Iraq and Afghanistan, being the third largest contributor of forces to Operation Iraqi Freedom during most of the 2004 to 2008 time period.[2] The ROK's 5-year presence in northern Iraq contributed significantly to the stabilization and reconstruction of that country. Similarly, the ROK currently maintains a civilian medical and vocational training team in Afghanistan and has contributed assistance to that country worth millions of dollars. On a broader scale, the ROK has also participated in United Nations (U.N.) peacekeeping operations, currently having a presence in six operations around the world.[3] The ROK also deployed the Cheonghae unit—which consists of a 4,500-ton destroyer and an anti-submarine helicopter—to the waters off Somalia for the conduct of anti-piracy operations.

President Lee Myung-bak's efforts to maintain regional security and stability include robust, economically-focused, and results-oriented regional outreach initiatives. Within the first year of his term of office, President Lee has conducted multiple summits with each of the national leaders of China, Japan, Russia, and the U.S. President Lee and his cabinet actively participated in our Ulchi Freedom Guardian exercise in August 2008 and promised even more participation in 2009. Measures aimed at strengthening the ROK-U.S. Alliance, establishing strategic partnerships with China and Russia, and working with Japan and China on a multi-lateral response to the recent global financial crisis demonstrates his resolve to achieve a more prosperous, stable, and secure future for the ROK.

In the past year, our two nations have taken significant actions to enhance the military capabilities of and reinforce the mutual trust that underscores this great Alliance. In 2008, our Governments agreed to maintain the current level and capability of U.S. force presence on the Korean Peninsula for the foreseeable future. This is a clear and visible statement of U.S. commitment to the Alliance. Our two nations also concluded host nation burden sharing negotiations, resulting in a Special Measures Agreement (SMA) that will provide ROK funding support for U.S. forces in Korea over the next 5 years. I thank you for passing legislation that elevated the ROK's Foreign Military Sales (FMS) status to be on par with NATO countries and other longstanding allies. This legislation will enhance interoperability with the ROK and the Alliance's warfighting capability. Finally, the U.S. DOD approved proceeding with implementation of 3-year accompanied tours for servicemembers assigned to Seoul, Pyeongtaek, Osan, Daegu, and Chinhae. This constitutes a major step forward in ending our outdated system of 1-year unaccompanied tours for the large majority of servicemembers assigned to Korea. These measures will strengthen the Alliance and improve our ability to promote regional security and stability in Northeast Asia.

The U.S. has significant national security interests in Northeast Asia. With 5 of the world's 19 largest economies located in the region and a combined 2008 gross domestic product (GDP) of $16.6 trillion (23.5 percent of global GDP), Northeast Asia is a crucial component of the global economy.[4] The ROK plays a vital role in a region that accounts for 22 percent of all U.S. trade in goods.[5] It is a first-class economic power, our seventh largest trading partner and one of the most technologically and scientifically advanced countries in the world that boasts the world's largest shipbuilding industry.

While Northeast Asia generates a significant share of the world's commerce, it is also characterized by uncertainty, complexity, and rapid change, and has consistently posed difficult security challenges to the international community. Beyond the

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[1] ROK gross domestic product (GDP) was valued at $1.3 trillion in 2008 when measured at purchasing power parity. The GDP figure and ranking were obtained from the CIA World Factbook 2009.

[2] In 2004, the ROK deployed 3,566 troops to Iraq, making it the third largest contingent in that country only exceeded in number by the United States and the United Kingdom. Troop figure obtained from the ROK Ministry of National Defense 2006 Defense White Paper.

[3] The six U.N. peacekeeping operations currently having representation from the ROK are UNMOGIP (Pakistan), UNOMIG (Georgia), UNOMIL (Liberia), UNAMA (Afghanistan), UNMIS (Sudan), and UNIFIL (Lebanon).

[4] GDP at purchasing power parity in 2008 for the countries of Northeast Asia were as flows: China $7.8 trillion; Japan $4.48 trillion; Russia $2.22 trillion; ROK $1.3 trillion; Taiwan $757 billion: DPRK $40 billion; and Mongolia $9 billion. World GDP in 2008 was valued at $70.6 trillion. Source: 2009 CIA World Factbook.

[5] U.S. trade in goods during 2008 was valued at $409.2 billion with China, $205.8 billion with Japan, $82.9 billion with the ROK, and $61.6 billion with Taiwan. Total U.S. trade with these four countries of Northeast Asia was valued at $759.5 billion in 2008, accounting for 22.3 percent of total American foreign goods trade of $3.4 trillion. Source: U.S. Census Bureau.

North Korean threat, the presence of four of the world's six largest militaries[6] and two proven nuclear powers (China and Russia), not including the U.S., as well as historical animosities, territorial disputes, resource competition, and historical struggles for regional hegemony combine to pose long-term regional security challenges. The ROK sits at the nexus of a region influenced by—and influencing—an emerging China, a resurgent Russia, and a prosperous Japan.

U.S. presence in Northeast Asia is a long-term investment in regional stability with specific objectives: promoting democracy and free market economies; preserving peace and stability in the region; engaging other regional powers; and setting the conditions for denuclearization and the eventual peaceful reunification of the Korean Peninsula. A strong Alliance, with a meaningful U.S. force presence, is absolutely essential to meeting these objectives. U.S. forces in Korea are adapting to changing conditions in this dynamic region. We are transforming into more modern and capable warfighting units and headquarters, while preparing to assume a doctrinally supporting role after the transition of ROK wartime operational control (OPCON) to the Korean Government on April 17, 2012. An enduring U.S. force presence in Korea after OPCON transition in 2012 will ensure a strong Alliance fully capable of meeting its treaty commitments well into the future.

II. NORTH KOREA ASSESSMENT

North Korea (DPRK) remains the primary threat to stability and security in Northeast Asia, though we have made progress in reducing that threat through the ongoing Six-Party Talks to achieve the complete and verifiable denuclearization of the Korean Peninsula. Regime survival remains the DPRK's overriding internal and external focus. Reports of Kim Jong Il's major health problems last year highlight uncertainties about the future and the possibility of North Korean instability. The DPRK's recent actions contributing to the continued chill in South-North relations, to include severe restrictions on ROK activity at the Kaesong Industrial Complex, the Mount Kumgang Tourist Resort and on cross-border travel, threats against the ROK in the West Sea and unilateral nullification of the South-North Basic Agreement, as well as the DPRK's stated inability to protect the safety of civilian airliners traveling through its airspace, are reminders of the state of tension that exists between the two Koreas.[7] The DPRK has previously resorted to provocative behavior, including ballistic missile launches, a nuclear test, and slowing down, ceasing, and reversing disablement activities at Yongbyon, all in an attempt to improve its bargaining position at international negotiations to gain concessions. North Korea remains the world's leading supplier of ballistic missiles and related technology, and remains a major proliferator of conventional weapons as well. Finally, we continue to be concerned with the threat posed by DPRK's large conventional military, artillery, ballistic missiles, and Special Operations Forces (SOF).

North Korea's Strategy and Goals

The DPRK continues to focus its strategic efforts on regime survival and reunification of the peninsula on its terms. Internally, North Korea ensures regime survival by securing the loyalty of the elites and military forces. The DPRK retains the loyalty of its elites by providing incentives purchased with hard currency partly raised through money laundering, counterfeiting, drug trafficking, and arms sales. To maintain the military's loyalty, North Korea devotes up to one-third of its available resources to maintaining and developing its conventional and asymmetric capabilities, thereby seeking to deter external interference and provide leverage for international negotiations.

North Korean Nuclear and Ballistic Missile Developments

The DPRK currently maintains nuclear and ballistic missile development programs, both as a deterrent and as its greatest international manipulation tool, leverage exacerbated by the potential export of Weapons of Mass Destruction (WMD) material. The DPRK conducted its only nuclear test in October 2006. Prior to the test, the Intelligence Community assessed that the DPRK had reprocessed enough plutonium for at least a half a dozen nuclear weapons. Additionally, the Director

[6] The world's six largest militaries in terms of number of personnel are: China #1 (2.1 million personnel); U.S. #2 (1.54 million); India #3 (1.28 million); North Korea #4 (1.2 million); Russia #5 (1.02 million); and the ROK #6 (687,000). Source: The Military Balance 2009, produced by the International Institute for Strategic Studies.

[7] The South-North Basic Agreement, formally named the Agreement on Reconciliation, Non-Aggression, and Exchanges and Cooperation (ARNE), was signed by the ROK and DPRK on 13 December 1991. The agreement and associated supplements cover three areas of inter-Korean relations: ROK-DPRK reconciliation; non-aggression between the two Koreas; and exchanges and cooperation between the ROK and DPRK.

of National Intelligence assesses that in the past Pyongyang pursued a uranium enrichment capability for nuclear weapons and notes that some in the Intelligence Community have increasing concerns that North Korea has an ongoing covert uranium enrichment program.[8]

The DPRK views its ballistic missiles programs as a source of prestige, a strategic deterrent, a means of exerting regional influence, and a source of hard currency. North Korea continues building missiles of increasing range, lethality and accuracy, thereby bolstering its inventory of missiles available for internal use or external sale, while maintaining several hundred missiles in its active force. North Korea is now fielding a new intermediate range ballistic missile capable of striking Okinawa, Guam, and Alaska, and continues to develop and mature systems with an intercontinental range capability. The DPRK's missile export program, with established links to Syria and Iran, among others, along with its quest to develop improved ballistic missile technology, poses a threat to Northeast Asia and the world at large. It is a threat that we cannot afford to overlook.

North Korea Armed Forces

North Korea continues to maintain the world's fourth largest armed force with 1.2 million active duty personnel, 5–7 million Reserves, 1,700 aircraft, 800 naval vessels, and over 13,000 artillery systems. Though outfitted with aging and unsophisticated equipment, 70 percent of the DPRK's ground forces remain staged within 90 kilometers of the Demilitarized Zone (DMZ), including 250 long range artillery systems capable of striking the greater Seoul metropolitan area and its 23 million inhabitants. Despite a failing economy, the North Korean Government consistently diverts precious resources from the civil sector to military readiness. While qualitatively inferior to CFC, resource-constrained, and incapable of sustained deep maneuver, North Korea's military forces retain the capability to inflict lethal, catastrophic destruction on and off the Korean Peninsula. They are well postured to conduct limited attacks or kinetic provocations against the Alliance, as well as our allies and interests in the region, with little or no warning.

The DPRK continues to maintain the largest SOF in the world, comprised of over 80,000 personnel. Among the best resourced forces in North Korea's military, these tough, well-trained, and profoundly loyal troops are capable of conducting illicit activities, strategic reconnaissance, and asymmetric attacks against a range of critical civilian infrastructure and military targets across the region.

North Korean Threat Outlook

The potential for North Korean instability will remain a top concern for the foreseeable future. The DPRK's long-term viability and corresponding stability remains problematic, as the North Korean Government has shown little tolerance for market reform, resulting in deteriorating infrastructure and chronically depressed agricultural and industrial sectors. While keenly aware of its economic crisis and the impact of its chronic dependency on foreign aid for survival, the DPRK continues to struggle with balancing the benefits of increased international interaction and assistance against the risks such interaction and assistance pose to regime control. This raises questions about the long-term viability of an increasingly stressed North Korean regime.

Absent a commitment to economic and other reforms, we expect the regime's goals and strategy to remain static, as it pursues regime survival at the expense of both the North Korean state and its people's future prosperity.

Now, I would like to briefly discuss my three priorities for the Command: 1) be prepared to fight and win; 2) strengthen the Alliance; and 3) improving the quality of life for personnel under my command.

III. PREPARED TO FIGHT AND WIN

My first priority as Commander of CFC, UNC, and USFK is a trained, ready, and disciplined Combined and Joint Command that is prepared to fight and win. Facing any number of challenges that could arise on the peninsula with little warning, our commitment to the Alliance spans the entire spectrum of conflict, from major combat operations under conditions of general war through multiple instability possibilities to humanitarian assistance, or elimination of WMD in an environment characterized by instability. Given these varied potential challenges, it is imperative that our forces maintain the highest possible level of training and readiness.

[8] Assessment obtained from the "Annual Threat Assessment of the Intelligence Community" produced by the Director of National Intelligence for the Senate Select Committee on Intelligence and released on 12 February 2009.

Training

Readiness can only be maintained by training to conduct full spectrum operations in today's complex operational environment. We must ensure that our training facilities and opportunities fully support the transformation of U.S. military forces stationed in Korea. The U.S. Army and U.S. Marine Corps possess adequate training resources on the Korean Peninsula to maintain unit combat readiness including the conduct of robust amphibious operations. Eighth U.S. Army is aggressively improving, in conjunction with the Department of the Army, Live, Virtual, Constructive and Gaming technologies that train Brigade and Battalion Battle Command in a major combat and full spectrum operating environment.

USFK still faces challenges with insufficient training range capacity and capability needed to maintain the readiness of our air forces in Korea. In addition, the continued shortfall in electronic warfare training capability for our on-peninsula air assets poses a significant challenge that must be addressed. Increased deployments of U.S. air forces to off-peninsula training events will mitigate current training shortfalls within Korea and ensure the same standard of training and readiness as the rest of our combat air forces. We are working with the ROK Government and military to solve our training challenges and anticipate continued progress throughout the remaining months of fiscal year 2009 and into fiscal year 2010.

Combined Exercises

Our CFC exercise program is designed to maintain the "Fight Tonight" readiness of our combined forces and drive the transformation of CFC into separate ROK and U.S. warfighting headquarters. Key Resolve and Foal Eagle (KR/FE), held concurrently each year, ensure CFC readiness while visibly demonstrating the strength of the Alliance. FE is a large-scale combined Field Training Exercise, which includes the strategic deployment of U.S. forces from bases in the United States as well as the participation of 200,000 ROK troops. KR, a Command Post Exercise focused on crisis management, trains as we will fight today, with CFC executing command and control (C2) of our combined forces. KR/FE 2009, taking place this month, will once again confirm that CFC remains highly capable of deterring aggression, and should deterrence fail, decisively defeat a North Korean attack.

Ulchi Freedom Guardian (UFG), an annual computer-simulated warfighting exercise, focuses on training and certifying the 2012 and beyond future command structure. We executed the first UFG in August 2008 under the command structure as it will exist after the transition of wartime OPCON of ROK forces in 2012, with two separate warfighting headquarters. The ROK Joint Chiefs of Staff led the warfight with U.S. Korea Command (KORCOM) in a supporting role. The ROK military leadership performed well, and proved that it will be fully capable of taking the leading role in the defense of the ROK by 2012. While there is still much work to do between now and April 2012, based on performance in this first UFG exercise, I am confident that the ROK is ready for this challenge.

Readiness

Continued congressional support for force capability enhancements is also critical to readiness. USFK has continued to make meaningful progress in several key focus areas for modernization: joint C2, communications, and intelligence, surveillance and reconnaissance (ISR); counter-fire and precision munitions; theater missile defense (TMD); and prepositioned equipment and logistics. I ask for your support to meet resource requirements in these areas, which are essential to our readiness posture, as well as the successful transformation of U.S. forces in Korea.

Command and Control (C2) and Communications

We are making strides in modernizing our C2 and communications systems, yet a significant vulnerability to our infrastructure continues to exist. Numerous facilities are vulnerable to service disruption due to reliance on single outdated communication platforms. North Korean SOF and ballistic missiles represent the most significant infrastructure threats, but accidental damage to the data path due to construction and natural disasters also poses a threat. We are mitigating this threat by upgrading microwave capacity and replacing vintage fiber optic cable. These upgrade and replacement programs are projected to be executed over the next few years with the high priority facilities and cable phases being completed by November 2009 which will significantly reduce existing infrastructure vulnerabilities. We will continue to address these vulnerabilities and prioritize our efforts and resources to mitigate the risk to the infrastructure with having full replacement and redundancy complete by the end of 2011.

We are also designing a Joint Information Environment-Korea (JIE) that will be designed to consolidate numerous federated systems into a unified communications

network under the management of a single provider. Adoption of JIE into the Korea Theater of Operations will make operational the Joint Staff Global Information Grid 2.0 concept. The JIE-Korea approach will reduce operations and maintenance costs, lower network redundancies, and reduce network seams that have caused past network disruptions.

Intelligence, Surveillance, and Reconnaissance (ISR)

Continued modernization of ISR capabilities also remains a top priority, crucial to transforming the ROK-U.S. Alliance. As we prepare to transition wartime OPCON of ROK military forces in 2012, coalition interoperability is of paramount significance for the establishment of a seamless multi-national C2 capability. While the ROK intelligence community transforms in parallel with USFK transformation and the U.S. Rebalancing Intelligence effort, our preeminent challenges are to enhance intelligence sharing and the ability to leverage and integrate unique ROK intelligence capabilities without losing the synergy gained from combined intelligence production. To this end, we are now publishing new modules of CFC's Peninsula Intelligence Estimate (PIE) with the support of ROK and U.S. Intelligence Community partners—all coordinated via DOD's Intelligence Planning (IP) initiative. In parallel with OPCON transition, the PIE will change from a CFC publication to a bilateral ROK-U.S. intelligence community product by 2012, ensuring a common intelligence baseline for Allied operational planning, indications and warning and crisis management.

Other major milestones include maturation of integrated ROK intelligence systems; establishment of the Intelligence Fusion Center in Seoul; continued development of the Warning and Intelligence Operations Center, which is a combined intelligence coordination organization successfully tested during UFG 08; and embedded national multi-intelligence support elements at ROK military single discipline intelligence centers. Concurrently, maintenance of a viable U.S.-only link with national authorities that also enables reach back and reach forward capabilities to and from support agencies will enhance operational and strategic decision making.

Congressional support is essential to sustain and improve ISR during this critical period of Alliance transformation. Validated U.S. requirements for Global Hawk, Predator, the Joint Surveillance and Target Attack Radar System, along with improvements to our more sensitive intelligence capabilities, continue to exist. Support for our intelligence requirements ensures that we close the most critical gaps, support diligent ongoing daily operations, and improve the overall long-term intelligence posture in the region.

Precision Strike and Preferred Munitions

Increasing the forward stocks of preferred munitions is vital to operational success in the Korean theater. Precision strike is a critical requirement for our contingency plans because it affords the opportunity to change the dynamics of a conflict and rapidly achieve campaign objectives. Our priority ordnance requirements include: Guided Multiple Launch Rocket System with extended range capability; a ground-launched, extended range, all weather capability to defeat hardened and deeply buried targets; precision guided munitions; and air-to-ground and air-to-air missiles. In the near-term, we will address this problem by requesting available munitions from war Reserve stocks in the United States and other theaters of operations. For the mid- to long-term, we will use the DOD planning and programming process to acquire the needed munitions and capabilities.

Theater Missile Defense

The DPRK missile threat demands a robust, active TMD. PAC–3 Patriot Missile System upgrades and improved munitions have significantly enhanced our ability to protect critical U.S. facilities in Korea. I would like to thank the committee for its fiscal year 2009 support of production of PAC–3 missiles and development of the Terminal High Altitude Area Defense and AEGIS Ballistic Missile Defense. In addition, a speed-of-light capability to destroy ballistic missiles in their early stages of flight, when combined with the previous programs, would provide a layered missile defense capability to protect U.S. forces on the Korean Peninsula.

The ROK should also continue to invest in a TMD capability, which would ideally be interoperable with U.S. systems to enhance our combined defensive capabilities. The ROK recently began operational deployment of eight Configuration-2+ German Patriot fire units, which will be operational in 2010. Once fielded, these eight firing units will possess a U.S. Patriot PAC–2 equivalent theater ballistic missile defense capability. The ROK must continue to develop and field an interoperable TMD system to protect critical civilian and military command capabilities, infrastructure and population centers.

Theater Logistics, Prepositioned and War Reserve Stocks

Army Prepositioned Stocks–4 (APS–4), which includes critical combat equipment, weapon systems, preferred munitions, repair parts, and essential supplies, is vital for rapid combat power projection to the Korean theater. Army Materiel Command has made great strides maintaining our prepositioned stocks in Korea. APS–4 critical combat systems are currently at 100 percent fill and the Heavy Brigade Combat Team (HBCT) equipment set is 98 percent Fully Mission Capable.[9] We annually certify APS–4 HBCT equipment set readiness during the KR/FE exercise. In March 2008, Task Force Blackhorse, from the 11th Armored Cavalry Regiment at Fort Irwin, CA, drew several APS–4 HBCT combat vehicles and conducted a road march that culminated in a live-fire exercise.

The Army is steadily addressing remaining equipment shortfalls. For example, we have 79 percent of the full authorization of up-armored (UA) High-Mobility Multipurpose Wheeled Vehicles (HMMWV) in our Army operational and pre-positioned fleets.[10] Eighth U.S. Army fielded 170 UA HMMWVs in fiscal year 2008, and anticipates fielding an additional 148 UA HMMWVs in the third and fourth quarters of fiscal year 2009.

Responsive strategic transportation platforms, such as cargo aircraft and APS–4, remain essential to our ability to rapidly reinforce the Korean theater and sustain U.S. forces in the event of crisis. We tested our critical strategic airlift capability during the March 2009 KR/FE exercise, deploying multiple units to the ROK including U.S. Army III Corps Tactical Command Post. During the same exercise, elements of III Marine Expeditionary Force deployed to the peninsula via the Marine High Speed Vessel, Westpac Express. These deployments demonstrate the vital role that expeditionary capability and responsive strategic lift play in defense of the ROK and will continue to be a part of future exercises.

Significant progress was made in the area of war reserves stocks. In October 2008 the U.S. and ROK reached agreement on the transfer of surplus U.S. ammunition and military equipment to the ROK. Thank you for passing the special legislation that enabled DOD to reach this win-win agreement, signed by the Secretary of Defense and the Korean Minister of Defense at the recent 40th Security Consultative Meeting. Under this agreement, the ROK received 248,000 short tons of munitions and other equipment for $280 million worth of concessions, such as munitions storage and domestic transportation costs. The transfer benefits both nations. The U.S. avoids almost $1 billion in transportation and demilitarization costs and the ROK gains, at no cash cost, munitions stocks that will address sustainment shortages and enhance readiness.

IV. STRENGTHENING THE ALLIANCE

After "Prepared to Fight and Win," my second command priority is to continue strengthening the Alliance. In addition to improving combined military capabilities, strengthening the Alliance also requires actions that ensure the Alliance's future viability. The most significant of these actions is the transition to a ROK-led national defense. It is both prudent and the ROK's sovereign obligation to assume primary responsibility for the lead role in its own defense. To achieve that aim, our two nations have embarked on the most profound defense transformation on the peninsula since the end of the Korean War. This transition will be a success story for both the U.S. and the ROK and will serve as a key foundation for future regional stability.

Wartime OPCON Transition

In September 2006 the presidents of the U.S. and the ROK agreed that the ROK should assume the lead for its own defense. In early 2007, the U.S. Secretary of Defense and ROK Minister of National Defense determined that the ROK will assume wartime OPCON of its forces on April 17, 2012. Transitioning the Alliance to a new ROK-led military command and control structure in 2012, with U.S. and UNC forces in doctrinally supporting roles, will best serve all nations' long-term interests and matches each nation's defense capabilities. Both the ROK and U.S. will stand up new headquarters, the ROK JCS will be the supported command and the U.S. Korea Command (KORCOM) will be the supporting command. After the transition of wartime OPCON in 2012, CFC will be disestablished. Although the U.S. KORCOM Commander will assume a doctrinally supporting military relationship, he will still

[9] As of 4 September 2008

[10] EUSA: 78 O/H of 244 AUTH; APS–4 554 O/H of 554 AUTH; total 632 O/H of 798 AUTH = 79 percent; EUSA G4 12 MAY 09.

maintain national command over all U.S. forces. As is USFK, KORCOM will be a fully capable and resourced U.S. joint warfighting command.

To achieve this realignment of roles and responsibilities, in 2007 the ROK and U.S. established and agreed to a transition roadmap—the Strategic Transition Plan (STP)—to identify requirements and milestones leading to OPCON transition in 2012. Prior to the ROK assuming wartime operational control of its own forces, U.S. and ROK planners are developing new terms of reference, crisis action standard operating procedures, wartime C2 procedures, and operational plans through formal Alliance consultative processes such as the Security Policy Initiative and the annual Security Consultative and Military Committee Meetings. Lessons learned from our combined exercise program will also help to eliminate shortfalls in capabilities and ensure a strong and credible deterrent during the transition period. The culmination of the STP will be marked by a certification exercise in March 2012. Our intent is to achieve initial operational capability by December 2010 for the doctrinally supporting KORCOM and its Service components, followed with full operational capability by June 2011, prior to the final certification exercise.

U.S. Force Capabilities

Over the last few decades, as the ROK armed forces have gained in capability, the U.S. has reduced its ground forces in Korea while maintaining the ability to quickly repel any threat with robust and lethal U.S. regional air and naval forces. While maintaining the 28,500-force level in Korea, U.S. military capabilities in the region need to be more air and naval-centric. U.S. air and naval platforms stationed in the region provide the Alliance with strategic flexibility, and a powerful response to augment the modern, highly capable, ROK ground forces. This arrangement combined with significant U.S. follow-on forces will complete the warfight. The upcoming Quadrennial Defense Review will further refine the capability requirements of U.S. forces in Korea over the next 20 years.

ROK Defense Initiatives

Since assuming operational control in 1994 of its armed forces under armistice conditions, the ROK has made great strides in modernizing the organization, equipment, and training of its forces. The goal of the ROK's ambitious Defense Reform 2020 plan is the development of a self-reliant and technology-oriented, qualitatively superior military force. The plan's emphasis on advanced technology will result in an approximately 45 percent reduction of its total (Active and Reserve) Army ground forces, from about 3.7 million to 2 million personnel. The ROK military is on its way to realizing its goals. U.S. willingness to share technology and advanced capabilities will enable the modernization of ROK forces to accommodate increased responsibility following OPCON transition. Further, passage by the U.S. Congress of legislation that upgraded the ROK's FMS status will greatly assist the ROK's modernization efforts and support interoperability with U.S. military forces. Beyond the real impact it will have on Alliance warfighting capability, the upgrade in FMS status is recognition of the ROK as a longstanding ally and one of the U.S.' largest FMS partners. In 2007 ROK spending on national defense was equal to 2.74 percent of GDP, lower than the 3.99 percent figure registered by the United States for that same year but well above the 1.57 percent average allocated by the countries of the North Atlantic Treaty Organization (NATO) [excluding the United States].[11]

ROK Global and Regional Security Cooperation

The ROK, a committed U.S. ally, is an active defender of freedom around the world. The ROK armed forces fought alongside Americans in Vietnam, participated in Operation Desert Storm, and conducted peacekeeping operations in Somalia and East Timor. More recently, the ROK deployment in support of Operation Iraqi Freedom, the Zaytun unit, concluded in December 2008. The Zaytun unit's 5-year mission in northern Iraq contributed significantly to the stabilization and reconstruction of that country, and at its peak strength of about 3,600 soldiers in 2004, constituted the third largest national contingent of forces in Iraq. The Zaytun unit's honorable service stands as a source of great pride to the Korean people. The ROK military deployment to Afghanistan, in support of Operation Enduring Freedom, ended in December 2007; however, the ROK maintains a civilian medical and vocational training team, has contributed other military assistance worth millions of dollars, and dispatched survey teams in November 2008 and January 2009 to assess future assistance opportunities. In July 2007 the ROK deployed a peacekeeping force to Lebanon in support of U.N. operations there and has deployed a destroyer

[11] Percentages obtained from The Military Balance 2008, produced by the International Institute for Strategic Studies.

to the Gulf of Aden to participate in maritime security operations. We will continue to work with our Alliance partner to seek new opportunities for ROK contributions to global peace and security.

Allied Burden Sharing

Defense burden sharing is advantageous to both Alliance partners. For the U.S., host nation funded construction satisfies critical infrastructure requirements that would otherwise be borne by U.S. taxpayers. For the ROK, nearly all ROK Special Measures Agreement (SMA) burden sharing funds are expended in the Korean economy through the payment of Korean national employee wages, Korean service contracts, and Korean construction firms. In 2008 the ROK contributed 315.8 billion won ($307.9 million) toward Korean national employee wages, funding the majority of the cost of this absolutely necessary workforce on U.S. bases. ROK SMA contributions also provided 161.5 billion won ($157.5 million) of U.S. logistics requirements last year, through contracts with Korean companies in critical warfighting functions such as equipment repair, maintenance, and munitions storage.[12] Finally, ROK SMA funds in 2008 are being used to conduct 264.2 billion won ($257.6 million) worth of construction work for my command.

The ROK and the U.S. recently concluded a new SMA governing ROK cost sharing contributions for the years 2009–2013. Under this new agreement, the ROK will contribute 760 billion won ($741 million) in 2009, with subsequent annual contributions increased by changes in the ROK Consumer Price Index.[13] We have also agreed to transition ROK host nation funded construction contributions from primarily cash to majority "in-kind" provision of services, in which the ROK constructs buildings to U.S. specifications and standards in accordance with mutually agreed principles and U.S. priorities. This long-term agreement on host nation burden sharing will provide a predictable funding stream that is essential to the successful completion of our relocation plans.

V. IMPROVING QUALITY OF LIFE

Improving the quality of life for servicemembers, DOD civilians, and their families is my third and final command priority. Our goal is to make the ROK an assignment of choice for all servicemembers—both single and accompanied. Central to achieving this aim is allowing the majority of servicemembers the opportunity to serve normal 3-year tours, accompanied by their families. This is an important step and full implementation of tour normalization supports all of my command priorities. It improves our "Fight Tonight" readiness by keeping trained forces in place for a longer period of time, improving continuity and stability. It demonstrates a strong, visible, and enduring U.S. commitment to security for the ROK. The greater number of American families in Korea offers more opportunities for meaningful interaction between Americans and Koreans, further strengthening the long-term viability of the Alliance. Finally, tour normalization significantly improves quality of life, eliminating long and unnecessary separation of servicemembers from their families.

Tour Normalization

Over the past 56 years the ROK has transformed from a war ravaged country to a modern, progressive, and democratic nation. Despite Korea's emergence as a prosperous country that offers a standard of living commensurate with that found in Japan and much of Europe, we continue to rotate the majority of U.S. servicemembers on 1-year unaccompanied tours. During the Cold War, facing a significant Soviet and Warsaw Pact military threat, we encouraged our servicemembers to bring their families on assignment to Europe. This stationing policy decision granted much needed stability to U.S. forces and sent a strong message of American commitment and reliability to our European Allies. But we have sent a message to our Northeast Asian allies that we remain less than fully committed and can withdraw our forces at a moment's notice. Conflict on the peninsula is not imminent, and, once our forces relocate to enduring locations south of Seoul, our immediate no-notice vulnerability will be dramatically less than that faced by our forces in Europe during the Cold War. A policy of 3-year family accompanied tours in Korea, exactly as we have in place in Japan and across Europe, demonstrates long-term U.S. commitment to the ROK and other members of the Northeast Asia community.

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[12] DOD official 2008 exchange rate 1025.7 won to the U.S. dollar was used for currency conversion.

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Current stationing practices in Korea needlessly contribute to family separations, exacerbating the strain placed on servicemembers and their families by continuing operations in Iraq and Afghanistan. There are currently just over 4,000 U.S. servicemember families in Korea. Of those, 2,135 families are Command Sponsored, authorized relocation to Korea at U.S. Government expense.[14] The other families, many undoubtedly motivated by the prospect of future separation during combat tours, have decided to accompany their servicemembers to Korea at their own expense. While we provide a housing allowance for off-post quarters and medical care, relocating families to Korea without Command Sponsorship is a significant financial burden borne by servicemembers. We ultimately seek to expand Command Sponsorship so that the majority of servicemembers assigned to Korea have the opportunity to bring their families at government expense.

We are making progress. In December 2008 the DOD increased accompanied tour lengths from 2- to 3-years for servicemembers assigned to Pyeongtaek, Osan, Daegu, Chinhae, and Seoul. The new stationing policy maintains 1-year unaccompanied tours for all locations, and authorizes 2-year accompanied tours at two new locations, Uijongbu and Dongducheon. In accordance with this policy change, Command Sponsorship will expand as needed growth in infrastructure, services, and base support is realized. Existing infrastructure will allow an increase to 4,350 Command Sponsored positions. A phased program will synchronize further increases in family authorizations with the expansion of necessary infrastructure. A phased approach ensures that the appropriate level of necessary services, such as education and medical care, are in place as the number of family members increase. Execution of this phased approach could be expedited if additional appropriated funding were made available for this purpose. Our goal is to eventually increase the number of Command Sponsored positions to approximately 14,250.

The benefits of normalizing tours are many and include improved continuity, stability, readiness and retention of regional, institutional, and cultural knowledge. Full implementation of this policy change will provide our servicemembers a better quality of life, strengthen the Alliance, and send a strong message of U.S. commitment to the long-term security and stability of the ROK and Northeast Asia. I ask for your support of the infrastructure and services required to fully implement normalized tours in Korea, which will have a significant and lasting positive impact on servicemember qualify of life as well as the ROK-U.S. Alliance.

Realignment of U.S. Forces

Under the Yongsan Relocation Plan (YRP), signed by the U.S. and ROK in 2004, U.S. forces stationed at USAG Yongsan in Seoul will relocate to USAG Humphreys near Pyeongtaek, approximately 40 miles south of Seoul. The majority of costs associated with the implementation of YRP will be paid by the ROK. A separate U.S.—ROK realignment plan, the Land Partnership Plan (LPP), provides for the relocation of the 2nd Infantry Division south of the Han River. SMA burden sharing will fund a significant portion of the costs associated with this realignment. After the YRP is completed U.S. forces will no longer be located in the traditional military operational avenues between Seoul and the DMZ but they will still be optimally positioned to support ROK forces in defending the ROK against an attack from North Korea. This change moves U.S. forces to locations south of the Nation's capital where they will assume a less intrusive footprint and returns valuable land to the ROK Government and Korean people. Relocation of U.S. forces also offers the opportunity to significantly improve the quality of life for our servicemembers.

The realignment of U.S. forces on the Korean peninsula has frequently been contentious between the ROK and U.S. Governments. The central issue has been the application of the bilaterally negotiated Status of Forces Agreement (SOFA) procedures to return vacated U.S. base camps to the ROK. Nonetheless, we are making progress. In 2008, we returned two SOFA granted facilities and expect to return seven other SOFA granted facilities in 2009.[15] To date, we have closed 37 installations encompassing over 17,208 acres with a tax assessed value of over $500 million and returned 35 of those installations to the ROK. Our goal is to close a total of 63 facilities and areas, two-thirds of all land granted under the SOFA, totaling more than 38,000 acres. In exchange for the return of the majority of our dispersed

[14] As of 4 December 2008 there were 4,044 servicemember families in the ROK. Of this total, 2,135 were command sponsored while 1,909 were not.

[15] These seven facilities include four training ranges, Camp Hialeah, a transportation management office at Camp Carroll, and a mail facility at Kimpo.

camps, the ROK, per our agreements, has purchased about 2,800 acres of land required to expand USAG Humphreys and Osan AB.[16]

Military Construction

USFK construction priorities are focused on the transformation of USAG Humphreys into a modern installation capable of accommodating U.S. forces that will relocate under the YRP and the LPP. Appropriated military construction funding remains an important component of our overall funding strategy, which includes host nation construction funds, ROK in-kind construction, and commercial investment. I ask for your support of future appropriated military construction funding requests that will provide facilities essential to the success of the ongoing relocation of U.S. forces to USAG Humphreys. Continued military construction funding also sends a clear signal to the ROK of U.S. commitment to a long-term presence and willingness to fulfill our agreed LPP and YRP requirements. Relocation and consolidation of U.S. forces into enduring locations provides a unique opportunity to change the paradigm in Korea and start meeting the needs of our servicemembers and their families, and allows us to dramatically improve living and working conditions. Sustained access to several different funding programs, to include U.S. appropriated military construction, ROK burden sharing contributions, and commercial investment, will be essential for this endeavor to succeed.

Family Housing

Under the YRP, the ROK agreed to fund and construct the majority of the required facilities and infrastructure at USAG Humphreys. The ROK has already spent over $2 billion on these requirements that includes the purchase of 2,300 acres of land at USAG Humphreys and the development of 133 acres. The U.S. agreed to provide the majority of family housing. Fulfilling this obligation will display American determination to improve the quality of life for our servicemembers by providing adequate family housing, as well as meet our commitments under an international agreement with a longstanding ally.

In fiscal year 2009 the Army received $125 million to fund the construction of 216 family housing units at USAG Humphreys.[17] This represents a necessary start, and I appreciate the congressional support it received, as well as the powerful message it sends to the ROK. The Army has developed a commercial investment alternative, the Humphreys Housing Opportunity Program (HHOP), to fulfill the remaining U.S. YRP family housing requirement. The HHOP involves private sector development, financing, design, construction, operations and maintenance, and long-term property management of new family housing units at USAG Humphreys. The program requires no capital construction investment by the Army and housing units will be rented by soldiers through use of their overseas housing allowance. The HHOP will ultimately provide 2,427 new family housing units at USAG Humphreys. I fully support this Army initiative, as it provides a cost-effective alternative solution to our YRP housing requirement and affords the opportunity to meet our commitment to servicemembers and their families. Additional family housing will be required to support full tour normalization, and the HHOP represents a solid foundation for a phased approach to providing housing for the increase in U.S. servicemember families in Korea.

Sustaining, Restoring, and Modernizing Existing Infrastructure

While we continue to commit funding toward our ongoing relocation efforts, we must not lose sight of the urgent need to maintain our current infrastructure. Some of our facilities in Korea are the most dilapidated in the U.S. military, outside of active combat or peace enforcement zones. This regrettable situation is not in keeping with our commitment to the men and women who selflessly serve our Nation. We must commit appropriate resources to the recapitalization of our enduring facilities and infrastructure.

Over one-half of the buildings on Army facilities are between 25 and 50 years of age and another quarter are classified as "temporary" structures. Long-term annual sustainment, restoration, and modernization shortfalls have created a condition of continual deterioration, with many buildings accumulating substantial deferred maintenance requirements. Your commitment to our Sustainment, Restoration, and Modernization Program requirements, supplemented by ROK burden sharing contributions, will enhance our readiness and improve the quality of life for our servicemembers and their families.

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[16] This figure includes 2,328 acres at Camp Humphreys and 409 acres at Osan AB.

[17] Note that a total number of 2,974 units will be built at USAG Humphreys. This total is composed of: 331 ROK-funded units; 216 U.S.-funded units; and 2,427 units to be built under the HHOP program.

VI. CONCLUSION

The ROK-U.S. Alliance is one of the greatest bilateral success stories in modern history. In 1950, the UNC was created to defend the ROK when it was attacked by North Korea. In 1957, establishment of USFK provided a command structure to fully support the Alliance. In 1978, the Alliance further evolved with the creation of the CFC, a unified ROK and U.S. command structure. The Alliance evolved once again in 1994 when peacetime OPCON of ROK forces was transferred to the ROK. With the transition of wartime OPCON to the ROK in 2012, the U.S. and the ROK will enter a new era of cooperation, an era marked by a Republic of Korea with defense responsibilities commensurate with its capabilities and sovereign rights. After 2012, the ROK-U.S. Alliance needs to remain strong in order to preserve peace and stability on the Korean Peninsula as well as in the region as a whole.

Today the Alliance is more relevant to the national interests of the U.S. than it has ever been. It will remain essential to the protection and advancement of U.S. national interests in this strategically vital region of the world. We look forward to continuing this vital partnership, one that promotes freedom, democracy, and global free trade in Northeast Asia. Moving forward together, I am more confident than ever that this Alliance will continue to maintain peace and stability in a region for which Americans, side-by-side with our Korean partners, have shed blood.

I am extremely proud of the soldiers, sailors, airmen, marines, DOD civilians, and families serving in the ROK who selflessly support the Alliance, and through their selfless service, maintain stability in the region. Your continued support for our servicemembers and the Alliance is greatly appreciated. I know you will agree that our men and women in uniform deserve the very best working, living, and training environment, and we should do everything in our power to provide it. Thank you.

Chairman LEVIN. Thank you very much, General Sharp.

General, let me start with you and ask about the situation on the disablement of the nuclear facilities in North Korea.

We'll have a 7-minute first round and will try, again, to work through. We now expect these votes I made reference to, to be at around 11 a.m. or 11:15 a.m. rather than 10:50 a.m.

In October 2007, General, there was a so-called phase two actions agreement signed at the Six-Party Talks, including North Korea. In that agreement, North Korea pledged to disable certain facilities. I understand that 8 of the 11 disablement tasks have been completed and the ninth task is 80 percent completed. Is that accurate, first of all?

General SHARP. Yes, sir, it is.

Chairman LEVIN. All right. Now, there was a threat last year by North Korea to halt their disablement activities after the talks broke down. Are the phase two disablement activities ongoing?

General SHARP. Yes, sir. The halt was when we initially did not take them off the terrorism list. Once we did take them off the terrorism list, they started up again the disablement, meaning specifically they started disabling and taking some of the rods out of the reactor. They are continuing to do that today, however at a very slow pace.

Chairman LEVIN. Now, there's also commitments made to deliver I guess fuel oil to North Korea as part of this agreement. Have we lived up to our commitment in that regard?

General SHARP. Yes, sir, we have.

Chairman LEVIN. Has Russia?

General SHARP. Sir, I'll have to get back to you on Russia. I'm not sure.

[The information referred to follows:]

Yes, Russia completed its obligation of providing 200,000 metric tons of fuel oil to North Korea in January 2009.

Chairman LEVIN. Do you know whether Japan has lived up to their commitment?

General SHARP. Sir, again, I'll have to get back to you on that.

[The information referred to follows:]

No, Japan continues to refuse to provide its obligation of 200,000 metric tons of fuel oil to North Korea because of the abductee issue.

Admiral KEATING. Mr. Chairman, it's my understanding that Japan is withholding movement of fuel oil pending some resolution of the abductee issue.

Chairman LEVIN. Was there a condition to their commitment to deliver fuel oil in the agreement that was reached with North Korea?

Admiral KEATING. I am unaware of it. We'll find out, Mr. Chairman.

[The information referred to follows:]

The abductee issue was not a condition of their commitment to deliver fuel oil. Tokyo has insisted since Six-Party Agreements were concluded in 2007 that it would not deliver any energy assistance to North Korea unless the two countries resolved Japanese concerns regarding Pyongyang's abduction of Japanese citizens. It remains unlikely Japan will provide its share of 200,000 metric tons of heavy fuel oil to North Korea.

At the July 18, 2007, Six-Party Talks, Japan's chief negotiator Kenichiro Sasae, Director-General of the Asian and Oceanian Affairs Bureau of the Foreign Ministry, reiterated the government's previous policy of not taking part in the aid program for the north without any progress on the abductee issue.

Chairman LEVIN. Admiral, you made reference to military-to-military relations with China and the importance to try to improve those relations. Would one helpful improvement be if there was a direct phone line between you as commander and your Chinese counterpart?

Admiral KEATING. It would, sir.

Chairman LEVIN. Has that been proposed to the Chinese?

Admiral KEATING. It has.

Chairman LEVIN. What has been their response?

Admiral KEATING. There has been no response. Now, to be clear, there is a Washington-Beijing hotline which has been used recently by the Chief of Naval Operations. I have used it from Hawaii. But it is not a direct link from me to my counterpart.

Chairman LEVIN. It is not a what?

Admiral KEATING. It's not a direct link. We have to go through other switchboards.

Chairman LEVIN. So the most direct link and a dedicated link would be if you had a line directly to your counterpart in China?

Admiral KEATING. That's correct, sir, and we do not have that.

Chairman LEVIN. All right. But you'd like it and have proposed it?

Admiral KEATING. You bet.

Chairman LEVIN. Admiral, what is PACOM doing to assist with counterterrorism efforts in India?

Admiral KEATING. Several efforts, Mr. Chairman. We have sent our lead intelligence team, led by Rear Admiral Rogers, to India in the immediate aftermath of the Mumbai attacks, to begin the process of initiating intelligence and information sharing with India. That is underway.

We have had a previously scheduled exercise, that is to say scheduled before the attacks on Mumbai, which we elected to continue with the support of India, for counterterrorism training for some Special Operations Forces in India. We have increased dialogue with senior levels of the Indian leadership, during which we discuss aspects of counterterrorism and counterinsurgency.

Chairman LEVIN. Thank you.

General Chilton, the Director of Operational Test and Evaluation (DOT&E), has issued two recent reports that express concerns about the operational effectiveness, suitability, and survivability of the Ground-based Midcourse Defense (GMD) missile defense system. One of the reports says: "GMD flight testing to date will not support a high level of confidence in its limited capabilities."

You and I have talked about these reports. Would you agree that it's important to address the concerns that are raised by the DOT&E about the GMD system?

General CHILTON. I would, Senator, and I've met with General O'Reilly, the new Director of the Missile Defense Agency (MDA), and I've taken a review, a high-level review of his plans for addressing testing issues as we go forward there. I think he's on the right track to address some of these important points.

Chairman LEVIN. General, your predecessor at STRATCOM, General Cartwright, had constructive interaction with his Russian counterparts. Since you've become Commander of STRATCOM, I don't believe you have yet met with your Russian counterparts for strategic forces or for space, either one.

Do you believe it does make sense to pursue engagement and cooperation with Russia on security matters, including the possibility of cooperation on missile defense efforts?

General CHILTON. Sir, I've always been a great supporter of military-to-military dialogue with both friend and potential adversary, for the benefits that I think Admiral Keating has spoken about—transparency and understanding. But I think military-to-military has to be in line with our greater government policy.

You're correct, I have not had the opportunity to engage with either my Russian counterpart in space or in the nuclear area. The last time those engagements occurred were with General Cartwright back in 2006, and those positions have turned over as they've obviously turned over here in the United States.

As we look forward to this administration's policy adjustments with regard to Russia, I'm anticipating and hoping that there will be opportunities there to reestablish those military-to-military contacts.

Chairman LEVIN. Thank you.

Admiral, Senator McCain made reference to the relocation of the marines from Okinawa to Guam. In your estimation, are there any hard spots that could complicate or delay this move?

Admiral KEATING. Sure.

Chairman LEVIN. Could you identify what would be possible problems that could arise?

Admiral KEATING. There is an environmental impact statement (EIS) affecting the construction of the Futenma Replacement Facility in the northeast portion of Guam, initiation of which is essential to begin moving our marines out of Camp Schwab. So that EIS,

which is working its way through the system, that could possibly delay our initial move.

There are some infrastructure challenges in Guam that will have to be addressed as we move 8,000 marines and a number of their family members from Okinawa to Guam. So there are several aspects of the initiative that could be challenging.

Chairman LEVIN. Are you expecting, however, that this will move as scheduled and that those hurdles can be overcome? Or are you worried that they may not be overcome?

Admiral KEATING. I'm sure they'll be overcome, Mr. Chairman, and the goal remains implementation by 2014.

Chairman LEVIN. Thank you so much.

Senator McCain.

Senator MCCAIN. Thank you, Mr. Chairman.

Again, thank the witnesses for being here. Admiral Keating and General Sharp, today there's an article that states that "Japan's ambassador to the United States said Wednesday that North Korea should not escape punishment from the United Nations if it goes ahead with a planned missile launch." We all know that North Korea has announced it will launch a "communications satellite" between April 4 and April 8. But the U.S. and other countries think it will be a test of a long-range ballistic missile that could reach Alaska.

One, what is your assessment of that launch? Do you recommend any action taken of any kind if that launch takes place? What is the potential if that launch is successful? Is it a threat to the United States? Exactly what is this all about?

I don't care who goes first here. Maybe the oldest, Admiral. [Laughter.]

Admiral KEATING. Senator, we at PACOM are continuing our planning efforts to support various contingencies that would be coordinated with——

Senator MCCAIN. First of all, with all due respect, what does that mean? What does it mean that they announced that they're going to launch a satellite, which is interpreted as could be an intercontinental ballistic missile (ICBM) that could reach Alaska?

Admiral KEATING. I think it means nothing more or less than that, Senator. There is activity underway——

Senator MCCAIN. Is that a threat?

Admiral KEATING. No, sir. I would not think North Korea would have issued it as a threat. It is a normal notification process, which they didn't do in 2006 when they attempted a launch from the same facility.

But there is equipment moving and there are personnel, increased levels of personnel——

Senator MCCAIN. I guess I'm talking about, that capability along with a nuclear weapon, does it pose a long-term threat to America's security in your view?

Admiral KEATING. That would pose a long-term threat, yes, sir.

Senator MCCAIN. Or a short-term threat?

Admiral KEATING. It could be a threat as early as April 4.

Senator MCCAIN. Okay, please continue.

Admiral KEATING. We're continuing our planning efforts to support the lead element, Department of State diplomatic efforts, to

ensure that our Government is fully prepared to respond: We through the military channels, should it be so directed, should that response be so directed. We're watching Taepodong carefully. We're talking with General Sharp minute by minute. We're getting reasonable intelligence as to the activities around Taepodong and we'll be prepared to respond.

Senator MCCAIN. If the decision was made, do we have the capability to shoot that down?

Admiral KEATING. The United States has a capability to do so, yes, sir.

Senator MCCAIN. General?

General SHARP. Sir, first off, if North Korea launches any sort of ballistic missile, as they claim they will do somewhere between April 4, it is against the United Nations (U.N.) Security Council Resolution 1718, which specifically says, demands that North Korea not conduct any future nuclear test or launch of a ballistic missile. It goes on to say there's a moratorium on missile launching, and it is very clear that this will be against U.N. Security Council Resolution 1718.

Second, I think that the threat that Admiral Keating was talking about is real. It is felt in South Korea, the threat of having the capability to be able to deliver any sort of warhead anywhere in the world is indeed a threat, and we call on North Korea not to act in this provocation—do this provocation, but instead go back and focus on what they promised to do during the Six-Party Talks.

Senator MCCAIN. We're not the only country that has the capability of intercepting that launch; is that true?

General CHILTON. Senator, if I could try to address that.

Senator MCCAIN. Yes.

General CHILTON. For a launch from there that might threaten the continental United States or threaten the islands of Hawaii, I believe we are the nation that would have that capability, and rightly so, to defend ourselves.

Senator MCCAIN. Thank you.

General Sharp, I don't expect you to have a great answer to this, but what do you make of the increasingly erratic behavior on the part of the North Koreans? They've always been erratic, but there are rumors about the health of the "Dear Leader." There's threats of retaliation against South Korean naval exercises. You could chronicle them for the committee and for the record.

What do you make of all this behavior on the part of the North Koreans, and what's your view of whether the Chinese have been constructive or not in our efforts to rein in some of these activities in the most oppressive regime on Earth?

General SHARP. Sir, I think Kim Jong Il is doing everything in his power to try to ensure regime survival and his personal survival. I think the issue that he had, health issue that he had last summer, maybe woke him and his people up a little bit, and they saw that he is not immortal. You take a look at some of the actions as far as the balloons that have been going into North Korea that have been telling the truth about Kim Jong Il, the fact that Kim Jong Il has cut off, in the western industrial complex, the ability to be able for workers to bring simple things like CDs and newspapers into North Korea. You look at the number of open air mar-

kets that are continuing to stay open longer than they have in the past.

I think that Kim Jong Il realizes that some of the people, a small amount, within North Korea right now are starting to realize what an oppressive regime they have and what conditions they live under and how just south of the demilitarized zone (DMZ) they are living in totally different conditions.

I think that what he is trying to do is, number one, demonstrate he is in control, he has control of his military, and to be very, very forceful of that within North Korea, all going back towards two things: regime survival and getting the most he can out of the international community as far as concessions.

Senator MCCAIN. The role of China?

General SHARP. Sir, I believe that China through the Six-Party Talks has tried their best to be helpful. Their influence in North Korea I think is questionable now and into the future. But over the recent history of Six-Party Talks, especially after the nuclear test that North Korea did in 2006, I think that they have been helpful.

Admiral Keating probably has done much more talking to them, but I believe that they've been helpful on those lines.

Senator MCCAIN. Are the Chinese balancing the huge problem they would have, with the collapse of the North Korean Government and the subsequent refugee and economic problem, with the need to cooperate so that there isn't an escalation of profound consequences in the region?

General SHARP. Sure they are, yes, sir. They would be happy just to have the status quo and a non-nuclear North Korea if they could get to that point where they're not threatened in any case, I think.

Senator MCCAIN. Do you think the question of succession of leadership in North Korea is a very big factor in some of the behavior recently, particularly since the illness of the Dear Leader?

General SHARP. Yes, sir. I think that there is—Kim Jong Il was schooled by his father for many, many years before he actually took command, and not much of that, if any, has gone on at this time. I think that the illness, not only for Kim Jong Il himself but also within the leadership in North Korea, has them looking much more towards what their future will be.

At the same time, I can't underestimate that Kim Jong Il is in charge. I believe that every major decision is coming directly from him, and he's trying to shore up that ability right now.

Senator MCCAIN. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator McCain.

Senator Lieberman.

Senator LIEBERMAN. Thanks, Mr. Chairman.

As I said to the chairman while Senator McCain was asking his questions, on this committee we think of Senator Levin as the "Dear Leader." [Laughter.]

Chairman LEVIN. Listen to him.

Senator MCCAIN. A great leader.

Senator LIEBERMAN. A great leader, too.

Chairman LEVIN. I decline both, but thank you.

Senator LIEBERMAN. Thanks to all three of you for your service and leadership.

Admiral Keating, it's been a great honor to know you in your various commands and I thank you for everything you've done. I thank your wife for the way she has supported you. It strikes me, may I take the liberty to say, as I look out at the two of you, that you must occasionally be asked the question I am asked, which is: "How did you end up with such a good-looking wife?" [Laughter.] You don't have to answer that question, though.

I want to get serious, of course, because this is serious business. I want to focus in on missile defense, both because of the extraordinary progress I think we've made in developing missile defense, but also frankly because this program as well as others may be recommended for cuts in the budget we're going to get. So I want to explore this with you.

I want to go to the North Korean situation that we talked about. Admiral Keating, do you agree that there's good reason to believe that the North Korean launch will not be a communications satellite, but more likely a test of the Taepodong 2 ICBM of North Korea's?

Admiral KEATING. I don't think we can make that definitive of a statement, Senator.

Senator LIEBERMAN. General Chilton, General Sharp, do you have an opinion on it?

General CHILTON. I would agree with Admiral Keating, but I would say, just looking at our own history, we used similar rockets—the Atlas, the Titan—both on the ICBM mission and to launch payloads into orbit. So even if there is a satellite launch on this as the North Koreans have said it will be, it will help advance the technology of long-range missiles.

Senator LIEBERMAN. General Sharp?

General SHARP. Sir, I agree. They have said it's going to be a satellite launch and, just to reiterate what I said a moment ago, even if it is a satellite launch, it's still in violation of the U.N. resolution.

Senator LIEBERMAN. It's still a violation. That's a very important point, I'm glad you made it.

Assuming it is a Taepodong 2 ICBM, how close could it come to U.S. territory, including Hawaii and Alaska? General Chilton?

General CHILTON. First of all, Senator, these are all theoretical estimations, because they have not successfully flown this version of the missile. But we worry about defending its ability to reach the West Coast of the United States, as well as the Hawaiian Islands, and of course Alaska.

Senator LIEBERMAN. So it's that serious.

Admiral Keating, let me ask you this question. Based on the current state of our missile defense, if the North Koreans did fire a missile, an ICBM that was aimed at the United States, what's the probability that we could knock it down?

Admiral KEATING. We have a high probability, Senator.

Senator LIEBERMAN. In other words, that we have brought our missile defense, presumably what's in Alaska and in California, to a point that you're prepared to say that there's a high probability that we could knock down, hit an incoming missile?

Admiral KEATING. Yes, sir. We can provide you specific probability of intercept numbers through General Chilton and

NORTHCOM, sir. But in this forum we can say we have a high probability.

Senator LIEBERMAN. Good.

General Chilton, do you want to add anything to that?

General CHILTON. The only thing I would add, sir, and that's if given adequate warning, which I believe we obviously have, with the collection capability, because the system still does revert back and forth between test and on-line. That's one of the things that STRATCOM oversees and monitors and makes recommendations on.

Senator LIEBERMAN. So we've come a long way in the development of our missile defense.

General Maples from the Defense Intelligence Agency (DIA) was here testifying last week and cited what he described as, I believe the words were, a rising threat of ballistic missile capability, not just in North Korea and Iran, but a lot of other countries that might not wish us or our allies around the world well.

General Chilton, in your testimony you emphasize that the missile defense programs provide a critical deterrent against certain existing and potential threats, increase the cost to adversaries of already expensive technologies, and reduce the value of their investments. You also emphasize the importance of increasing the redundancy and depth of the ballistic missile system.

General Sharp, in your testimony you point to the importance of the development of airborne laser systems.

I want to ask the two of you—and Admiral, if you want to get into it—about how important you feel it is to fund the ongoing development of our missile defense, including the redundancy of it, the various systems that we're developing?

General SHARP. Senator, I'll start.

Senator LIEBERMAN. Good.

General SHARP. First, I think it's important that when we talk about missile defense we look at it in a couple of contexts. One is with regard to our strategic deterrent, because it was developed under a policy that included that in the calculus of how we position ourselves to deter against a potential adversary like North Korea, who may not be otherwise—who may not be looking for a one-on-one confrontation with the United States, but for an opportunity to perhaps blackmail the United States or perhaps dissuade United States engagement in the Pacific region or on the Korean Peninsula in a conventional conflict.

We have to take it in the total context, which is why the NPR this year, having the NPR this year, is important, I believe, to see if that still fits as part of our NPR and our calculus for deterrence.

Then we also need to look at it with regard to how the missile defense system writ large, which not only includes the defense of the United States, but also includes technological development to defend our troops deployed forward and all the regional combatant commanders. In my view, I think we have to make sure we strike the careful balance between those two and continue to look at missile defense in light of its strategic importance for the defense of the United States, but also for its operational and tactical importance for the defense of our regionally deployed forces.

Senator LIEBERMAN. Well said.

General Sharp, do you want to add anything to that?

General SHARP. Just that, with the number of missiles in North Korea and that threat, the ability to have a multi-layer defense, to be able to not only see them early, but to be able to knock them down at various stages after they launch, I think is critical.

Senator LIEBERMAN. Admiral Keating, let me ask you a final question. Obviously our Nation's focus, generally speaking in recent years, has been on the Middle East and now South Asia. But it strikes me that within the context—allowing for the exception of the threat that North Korea represents and the challenge we have, we're doing pretty well at peacefully, constructively managing our relations with China.

My impression is that our relations in the region that you're overseeing, the Asian Pacific region, are about as good as they've been in a long term, with growing alliances with Japan, India, South Korea, Australia, and a lot of smaller nations. Do you agree?

Admiral KEATING. Senator, I do and we do. Wanda Lee and I have been able to visit nearly 30 of the 36 countries in our AOR in 2 years and, to varying degrees, roger that. But each and every visit we have, not just military-to-military, but with ministries of foreign affairs, and with other international bodies, including commercial partners, all of them regard the United States as the indispensable partner throughout the Asia Pacific region. So I think your statement is correct, sir.

Senator LIEBERMAN. I thank you for the very important role that you've played in bringing us to that point.

General CHILTON. Senator, if I may make just one more comment on the Taepodong 2, just to remind the Senators. Last time they tried to launch a Taepodong 2, about the same time they also launched six other missiles. We are watching very closely to see what else they will do between April 4 and 8 and we're prepared for that.

Senator LIEBERMAN. I appreciate that. So we should be prepared for more than the one launch. Thank you.

Chairman LEVIN. Thank you, Senator Lieberman.

Senator Inhofe.

Senator INHOFE. Thank you, Mr. Chairman.

I am reminded that this week is the 26th anniversary of the initiation of the program that's dominating this hearing right now by Ronald Reagan. I think it would be appropriate to read two sentences into the record that were made 26 years ago this week:

"What if free people could live secure in the knowledge that their security did not rest upon the threat of instant U.S. retaliation to deter a Soviet attack, that we could intercept and destroy strategic ballistic missiles before they reached our own soil or that of our allies? Wouldn't it be better to save lives than to avenge them?"

I think that's a very appropriate statement to be reminded of today.

During Senator McCain's questioning of General Sharp and others, I think your response on Kim Jong Il was that he would do anything. He's at a point in life where he would try almost anything. Then the scary thing is, to me anyway, that they're going to be launching a missile. Is it correct or do you feel that there's any

way of determining, when something has been launched, whether it has a warhead or whether it's a satellite?

General SHARP. Sir, I'd like to defer to General Chilton. He's been studying that very hard.

General CHILTON. Senator, that's a really difficult problem. There are different trajectories that you would fly depending on whether you want to go to space or launch a ballistic missile. A ballistic missile typically goes on a very high trajectory. Space usually flattens out early and then tries to accelerate because the velocity is very important to stay in orbit.

But being able to make that determination in real time can be very difficult for us.

Senator INHOFE. Which is scary.

We were talking about where our weaknesses might be. I have a chart that I've been using for quite some time, and I know things change, but it's my understanding we have some level of comfort when you look about the boost phase, the midcourse phase, and the terminal phase. In terms of the midcourse phase, we actually do have some redundancy, and the terminal phase. It's the boost phase that concerns me.

Can you respond as to what our capabilities are and then what we're looking to do to try to improve that?

General CHILTON. Right, Senator. I think the approach for missile defense has been a layered defense, as you've described, that looks at opportunities to engage in the boost phase, in the midcourse, and then terminal. The boost phase is attractive because obviously the vehicle's moving slower, a lot of heat coming out of the back of the rocket. So it has some easier signatures to track.

The midcourse phase gets more difficult, relying heavily on radar today. Then the terminal phase, of course, the issue with that is it's hard to have a broad area defense in the terminal phase. You've really got to have your defensive capabilities pretty closely located to what could be an indeterminate target from the adversary.

So we look for capabilities and advocate for capabilities in all these areas, and I would say the area that's least mature is the boost phase.

Senator INHOFE. The reason I bring that up is because there is always resistance. They say "we have redundancy; you don't need both systems." I think that we're all on record saying, yes, we want redundancy in all three phases. Anyone disagree with that?

[No response.]

During our command hearings I have wanted to get a response from all commands that deal with some of my favorite programs, sections 1206, 1207, and 1208, train and equip, which, Admiral Keating, you and I talked about and you've already mentioned in your opening statement, as well as the Commander's Emergency Response Program (CERP), and then the globalization with the Combatant Commander Initiative Fund, I guess, program, and IMET.

Could you comment on those programs and the significance of those programs?

Admiral KEATING. Thank you, Senator. Each of those are very important to PACOM. We cited 1206. We hope to continue support

there. 1207, of similar importance. CERP, we did not enjoy funding in 2008. We would enjoy reinitiation of that support. It can be of critical importance to our allies who have lower, less capabilities than we do, and if our forces are not in the immediate area we can provide funding to an area, a country who has been adversely affected by natural disaster and they can use that money for immediate relief. Short-term relief is probably a better term.

Senator INHOFE. So the CERP should be continued to be globalized?

Admiral KEATING. We would appreciate that, yes, sir.

On the issue of IMET, it is one of the most important tools in our box. We have around 185 students attending various educational institutions, foreign students attending various educational institutions in the United States as we speak. There are some 70 foreign students at our military academies. These are short-term investments that will have significant long-term dividends.

Senator INHOFE. I think, General Sharp, you made some comments to the value of the IMET program in Korea.

General SHARP. Sir, of course Korea pays for their own way to come, to send students. But the philosophy of being able to have students from other countries attend all of our schools, which Korea has hundreds of them doing, just pays great value that we see over and over again.

Senator INHOFE. I bring that up because there was a time when people thought that when we had an IMET program we were somehow doing them a favor. I've always felt that—that's why we made the change in the Article 98 requirement—they're really doing us a favor, and that there are countries like China out there that have aggressive programs and they would be doing it if we didn't, which I think you probably would agree on that.

Admiral Keating, you mentioned this President Ma. You referenced him, the president, and the fact that he's reached out to China in an effort to improve the relations. How much success do you think he's having?

Admiral KEATING. We would regard his success as significant, Senator. The measures of effectiveness are not quite that startling, perhaps: exchange of rare animals, increased cross-channel commercial flights, the consideration of confidence-building measures; all of these steps relatively small in and of themselves, but they have led to an obvious decrease in tension across the Strait, and each day that goes by that there isn't kinetic military activity, we would view that as a day closer to an eventual solution. President Ma's efforts have been significant.

Senator INHOFE. You mentioned the military-to-military is always a good idea. But I think if I understood your testimony, it hasn't achieved the success that we'd like to have it achieve with Russia so far.

Admiral KEATING. Is that from PACOM's perspective, Senator?

Senator INHOFE. Actually I believe it was General Sharp that made that comment. Maybe it wasn't.

Okay, fine. My time has expired. Thank you very much, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Inhofe.

Senator Reed.

Senator REED. Thank you very much, Mr. Chairman.

Let me join my colleagues in thanking you all for your service to the Nation, particularly, Admiral, for your distinguished service, you and your family, to the Navy and to the Nation. Thank you very much.

Let me follow up on the line of questioning about the activities in North Korea. I'll address it to Admiral Keating first, but, General Sharp, General Chilton, please feel free to respond. Does the intelligence community have any indication that North Korea is planning to launch a ballistic missile, or does it assess that this is a launch of a satellite, which are two different systems? Admiral Keating?

Admiral KEATING. Senator, I don't believe the intelligence community has information that would specifically rule out either option. It is a missile body that could be used for either.

Senator REED. General Sharp?

General SHARP. I agree with that completely.

Senator REED. General Chilton?

General CHILTON. I would agree we just have the North Koreans' statement that the intent is to be a space launch at this point.

Senator REED. If it turns out to be a launch of a satellite, does that automatically assume that they have the capacity to launch a ballistic missile, ICBM? Or is there much more work that has to be done to design a reentry vehicle, to design a system that will deliver a missile?

General CHILTON. Yes, Senator, there's other elements that would have to be matured. As you point out rightly, a reentry vehicle, which is not a trivial thing—obviously, the difference between a reentry vehicle for a shorter, medium-range, and a long-range are different, because it's a much hotter environment for a long-range flight to survive. So working on the reentry vehicle. Then weaponization is an issue as well.

But we have no insights into their efforts in this area. But certainly they also require a booster with that performance capability.

Senator REED. So at this juncture we have their statement, which offers a range of possibilities, and in fact from your previous testimony this statement is a warning that they didn't give prior to the previous launch, and the statement would be, ironically I think more consistent with the practice of nations who are preparing to launch vehicles; is that correct?

General CHILTON. You're correct, they did not make a similar statement last time and today spacefaring nations around the world do make announcements of their plans for launching into space.

Senator REED. So again, this is hard to ascribe to North Korea, but they seem to be following, at least procedurally, what other nations do in terms of preparation for a launch of a satellite or any type of space vehicle, correct?

General CHILTON. I would say that there may be an attempt there, not probably a specific procedure that it has done. But I would also pile on to General Sharp's comment, that there's this U.N. resolution. That is really the big, big difference.

Senator REED. This might be completely inadvertently complying with the rules of the road, but it is something I think that you've noted and I think bears emphasis.

Let me shift gears. Admiral Keating, we have special operations forces that are stretched considerably—the situation in Iraq, build-up in Afghanistan. You have an area of operations running through Indonesia, through the Philippines, which requires and has extensive commitment of special operations forces. Do you think you have sufficient special operations forces in your theater of operations, and associated resources?

Admiral KEATING. We could use more, Senator. An earlier question as to the dialogue we have, the activity we have with India, is a case in point. If we had access to more special forces, it is likely we could conduct more small unit level training with countries who have terrorism challenges beyond those that we're conducting now.

Senator REED. A related question is the delivery platforms for special operations troops, the surveillance platforms. Again, you could use more?

Admiral KEATING. The same answer.

Senator REED. General Sharp, in your theater of operations do you feel pressure in terms of special operations forces and capacities?

General SHARP. Sir, of course we have a very small contingent that's actually assigned to the ROK, mainly to help bring in additional special operating forces during times of conflict. In fact, we have a number that are there right now during our Key Resolve-Foal Eagle annual exercise, doing training with the Korean Special Operations Forces, which are also very good.

They are key to our warfight because of the ability to be able to get into North Korea, to identify ballistic missile launches, to identify different locations. So their requirement is key to our war fight.

Senator REED. Let me pose a question to both General Chilton and Admiral Keating. That is, in January 2007 the Chinese demonstrated a capacity to knock down satellites in low Earth orbit, which would be a significant challenge to our infrastructure, telecommunications, global positioning system (GPS), et cetera. What do you make of that? You've had continuing dialogue with the Chinese. Was that part of a conscious strategy to suggest their ability, or was that an activity that now it's being reassessed and perhaps not being pursued?

Can you both comment on that?

Admiral KEATING. We visited China shortly after that anti-satellite test, Senator, and the military officials with whom we had conversations shrugged their shoulders and said it wasn't any big deal, the shot wasn't any big deal; what's all the commotion? When we mentioned the fact that it was unannounced, that it was in violation of the same U.N. resolutions that General Chilton and General Sharp have cited, that it introduced massive amounts of space debris which remain a challenge for us, those Chinese military officials said—they indicated something less than full knowledge of the event, shall I say.

So we encouraged them to be more forthcoming. This is a recurring mantra in our discussions with them.

As to their continuing pursuit of that technology, I think General Chilton is much better capable than I in addressing that part of it.

Senator REED. General?

General CHILTON. Senator, clearly in my view that was an irresponsible move on the part of the Chinese. We're very concerned about debris in space. They added over 2,000 pieces of trackable debris, we expect tens of thousands of other, that won't be up there for days or months or years, but decades, at an orbital altitude that impacts other nations' low Earth orbiting satellites.

A day does not go by at STRATCOM where I do not receive reports of potential conjunctions or collisions or close passes from debris from that test with other satellites that are of interest to the United States and other countries.

So contrast that to what the United States did a year later, with the great work and coordination with PACOM, to intercept an errant National Reconnaissance Office satellite for the sole purpose of protecting the populace of the Earth. We did that responsibly, at an altitude such that all of the debris, all of the trackable debris from that intercept, has reentered the Earth's atmosphere and no longer poses a threat to our orbiting assets. Clearly there's a difference between those two tests. Clearly the Chinese were developing an anti-satellite capability, and I think irresponsibly so.

Senator REED. Do you think that they have received that message that you've just made very clear to us?

General CHILTON. I would anticipate that they have, sir. I've spoken of this, we have all spoken of this, on many occasions.

Senator REED. Thank you.

General CHILTON. I'd turn to Admiral Keating——

Senator REED. If you have a final point—my time has expired, but if you have a final point, sir.

Admiral KEATING. It's been a subject of discussion and they've no doubt received it, Senator. Whether or not it has sufficient impact or not, I can't say.

Senator REED. Thank you very much.

Thank you, gentlemen.

Chairman LEVIN. Thank you, Senator Reed.

Senator Thune.

Senator THUNE. Thank you, Mr. Chairman.

Gentlemen, thank you to all of you for your outstanding service to our country, and to all those who serve under your command.

Admiral Keating, during last weeks' hearing on current and future worldwide threats, Lieutenant General Maples, the Director of the DIA, said: "China from an air defense standpoint has developed a very modern layered air defense capability in depth and is seeking additional air defense capabilities that will project even out to a range of 400 kilometers. This significantly affects potential U.S. operations in that region."

In an article published in the Foreign Affairs Journal in January 2009, Secretary Gates wrote that: "China's improved air defenses, coupled with investments in other asymmetric capability such as cyber warfare, anti-satellite warfare, and anti-ship weaponry, all threaten our ability to project power in the Pacific and will require

us to rely on long-range over-the-horizon systems, such as the Next Generation Bomber."

My question, Admiral, is do you agree with Secretary Gates and Lieutenant General Maples' assessment of China's anti-access capabilities?

Admiral KEATING. I do, sir.

Senator THUNE. As the combatant commander that's responsible for the Pacific Theater, how important is it to you that the Air Force field a new long-range bomber in the 2018 timeframe that's capable of penetrating these advanced defenses?

Admiral KEATING. Any capability that our country can provide to the men and women in uniform, should the necessity arise to engage in that sort of conflict, is a capability we would support, sir.

Senator THUNE. That would include the Next Generation Bomber?

Admiral KEATING. That would be true, sir.

Senator THUNE. General Chilton, as the combatant commander that's responsible for long-range strike missions, how important is it to you that the Air Force field a long-range bomber in the 2018 timeframe?

General CHILTON. Senator, thank you. As an advocate for the regional combatant commanders and the expressed need for the penetration capability for the conventional bomber capability, we would advocate in support of that, development of that weapon system. But also, when I look at our nuclear deterrent, our current nuclear deterrent posture and we look to the future, part of the credibility of that air-breathing leg is the ability to get to the target and to deliver its weapons. So from a nuclear posture, deterrent posture, we also support that that type of platform have a nuclear capability, in line with current policy where we are today. Of course, this will be an issue that we'll look at in the next NPR as well.

Senator THUNE. Right, and that was going to be my next question, is, from your responsibility of maintaining deterrence, the importance of making sure that that system has nuclear capabilities is a high priority?

General CHILTON. In our current strategy and policy today, that is an important—and one that we have advocated for in STRATCOM, and the Air Force has told us they will include as part of the requirement set for that weapons system.

Senator THUNE. Good.

I would, just as a follow-up to that, make the observation that the B–52s are old, the B–1s don't have that nuclear capability any more, the B–2s are becoming less survivable against modern defenses. Having stated the importance that you place, the priority that you place on developing that bomber, I guess my question is, is that something, as DOD and the White House, in their fiscal year 2010 defense budget, as they go through that process, that you are advocating for, that's on your priority list in terms of modernizing the Air Force and the weapons systems that it provides to your commands?

Admiral KEATING. Yes, sir, it is part of our integrated priority list for PACOM.

General CHILTON. Although I can't discuss any deliberations, out of ignorance, at some level certainly, as I've said, we have advocated for the nuclear requirement on the so-called Next Generation Bomber as a requirement that should be part of that, and supported the need for a penetrating bomber capability under our current policy.

Senator THUNE. I'm not asking you to divulge your internal discussions, but simply saying, as the people who are responsible for the commands, you are in the best position to determine what those requirements and needs are.

General CHILTON. Absolutely, Senator, and we have a seat at the table.

Senator THUNE. Terrific. Thank you.

Those are the only questions I had, Mr. Chairman. Thank you very much, gentlemen.

Chairman LEVIN. Thank you, Senator Thune.

Senator Akaka.

Senator AKAKA. Thank you. Thank you very much, Mr. Chairman.

Let me express my welcome and my aloha to our esteemed panel of military leaders; and also express my appreciation to all of the men and women of the military who serve under you and with you to secure our country; and also my personal and warmest mahalo to my close friend, Admiral Keating, and his lovely lady, Wanda Lee, for being here today and coming all the way from Camp Smith in Hawaii; and let me thank our panel for the dedicated service that you've given to our country over the years.

I want to commend Admiral Keating since we've learned that this is his last appearance here in Congress and thank him for his outstanding leadership and for maintaining the high level of capacity among our military; and second, for the good relationship that you've brought internationally with other countries in your Asia Pacific jurisdiction. Thank you so much for that.

Admiral Keating, I'm afraid this morning that, due to the importance of PACOM to my home State of Hawaii, all of my questions will be addressed to you. Admiral, only a few weeks ago—and this was mentioned by Senator McCain. He asked about the U.S. and China incident that occurred off Hainan with the vessel, USNS *Impeccable*. I've read some of the accounts that happened there.

My question to you, because of your relationships with China, what do you think this incident has shown to our country? Is it a sign of increased military aggressiveness from China?

Admiral KEATING. Senator, the short answer is I'm not sure. To elaborate a little bit upon that, at the same time the Chinese are behaving in such an irresponsible, one would say illegal, fashion in the South China Sea, they have three ships conducting anti-piracy operations in the Gulf of Aden, working in close concert with the commander of the task force there working for Vice Admiral Bill Gortney and General Dave Petraeus. While in the Gulf of Aden they're doing things the right way, if you will. Our commander has gone to have lunch with their commander, and vice versa. They exchange bridge-to-bridge communications. They email each other.

So at the same time they're playing by the rules in the same sandbox, they're clearly in violation of longstanding, centuries old

rules of the road and responsible maritime behavior. So it's conflicting to us and it is confusing. This goes to the root cause, we think, root issue of what are really their intentions, what is their strategic intent, where does China expect to be 10, 20, 50 years from now, and do we the United States have a prominent role in their military-to-military calculations.

I think the answer to that question is yes, we do have a prominent role, but for us to realize productivity and benefit we have to engage in discussions, and right now we are not able to do so because they have suspended military-to-military relations.

Senator AKAKA. Thank you, Admiral.

I am very pleased that PACOM has developed an approach to its mission of protecting our Nation and enhancing the stability of the Asian Pacific region through a strategy of partnership, presence, and military readiness. As I pointed out, I think you've done a tremendous job in this area. I feel that PACOM's emphasis on these three components will go a long way towards preserving the security of this region.

Do you feel that PACOM has the military personnel, equipment, and facilities to effectively implement this approach?

Admiral KEATING. Yes, sir, we do. We report our readiness on a monthly basis on a classified level to the Secretary of Defense, and in 2 years our readiness has remained steady. There are, of course, assets, as Senator Reed mentioned, as an example special operations forces, we would like more of them. It's not just a case of give us more, more, more. We think we can utilize a wide range of forces both in capabilities and services across a very broad spectrum throughout the Asia Pacific region, and the junior officers in the command have a bumper sticker now that says "Virtual Presence Equals Actual Absence." Nothing replaces boots on the ground, jets in the air, marines coming ashore, whatever the Service component you want to describe, and for us to continue to do so will require significant support from Congress, and we hope we can continue that.

Senator AKAKA. You have mentioned that China is looking towards the future and so I'd like to ask you, Admiral Keating, about China's continuing their efforts to become a viable blue water navy. For example, I recently saw a report that China was considering adding an aircraft carrier to its navy. Cooperation, collaboration, partnerships will be vital if China continues to build its blue water navy's capability.

What is your assessment of China's ability to extend its operation reach to the high seas in the near future?

Admiral KEATING. China's ability is growing in terms of power projection capacity and capability. It is not close to that that we enjoy in the United States at PACOM, but it is growing, Senator, and is a cause for concern for us at PACOM.

Senator AKAKA. Finally, Admiral, you recently completed the U.S.'s signature exercise in the Asia Pacific region, the exercise, Cobra Gold. This multinational exercise has long been an important mechanism in our commitment to fostering multilateral relationships to enhance stability in the region. What is your biggest takeaway from this year's exercise?

Admiral KEATING. This is about the 30th Cobra Gold exercise we've conducted, Senator, maybe 25 to 30, something like that, each of them more complex, each of them more demanding, each of them more sophisticated, each of them literally field training exercises. Thailand affords us a great opportunity to train in a multilateral, multinational joint way, coalition way.

Interestingly, the PRC Liberation Army forces observed this exercise at our invitation for 3½ days during this latest Cobra Gold. So you counter that, their desire to watch these exercises and we hope eventually participate to a degree, because an aspect of Cobra Gold included humanitarian assistance, disaster relief exercises, and U.N. peacekeeping operations. So Cobra Gold is, as you say, a signature event for us. It gets tougher, harder each year in terms of the level of engagement and the quality of play by all those involved, and it's a very important part of our theater cooperation plan.

Senator AKAKA. Thank you very much for your responses.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Akaka.

Senator Ben Nelson. Excuse me for interrupting, Senator Nelson.

Senator BEN NELSON. I was just checking on the votes.

Chairman LEVIN. The first roll call has just begun, so at least some of us hopefully can vote now or early in this roll call, and then maybe at the end of the second roll call—there's no certain way of figuring who will go next, but our staff will do the best to keep this in order.

Senator Nelson.

Senator BEN NELSON. Thank you, Mr. Chairman.

Thank you, gentlemen. Thank you, Admiral Keating. We all look forward to a very happy voyage into the sunset years, and we appreciate your service. We thank General Chilton and General Sharp for your service as well.

General Chilton, you've testified before and we know that within DOD and STRATCOM it's the global warfighter for cyberspace that's charged with operating and defending the global information grid, planning and acting when directed to maintain our freedom of action in this domain. Obviously, cyberspace is a key front and is itself a warfighting domain upon which all others depend to one degree or another.

So those who hack into the network vary from the unsophisticated to trained military hackers who can target industry, academia, government, and the air, land, maritime, and space domains.

We know that STRATCOM is protecting DOD, but I guess the question is who's protecting the networks of dot-gov sites, such as our networks here in Congress? My question truly is: Is this a mission that STRATCOM could or should undertake?

General CHILTON. Senator, the policy has been that that mission set beyond the defense of the military networks, defending the remainder of the critical networks of America is a mission set for the Department of Homeland Security (DHS), one that has not been given to DOD. That said, we are asked to support DHS and we have been sharing lessons learned with them, exchanging personnel between our command and control centers.

So we have learned a lot, I would say, in DOD and particularly at STRATCOM about what it takes to defend our DOD networks, and we're ensuring that we are sharing those lessons in support of DHS today.

Senator BEN NELSON. Are you comfortable that in sharing the lessons learned that DOD—or DHS is achieving some level of excellence in its ability to protect the dot-gov sites?

General CHILTON. Senator, this mission set was just given to DHS last year, and then funding is just beginning to flow into this area. So they are still standing up. We have been working on this problem in DOD since I believe the mission was first given to U.S. Space Command (SPACECOM) back in 1998–1999 time period, and of course that mission transitioned to STRATCOM when SPACECOM merged with us along with our space mission.

So we've had the advantage of working this problem for 11 years in DOD. So we not only just share—we do more than just share information with the DHS team. We also share knowledge we have of threats that are coming in and how we're addressing those specifically.

Senator BEN NELSON. So it's more than the technology. You're also sharing information and intelligence, right?

General CHILTON. Yes, sir.

Senator BEN NELSON. I think it was last week or the week before in the hearing on worldwide threats, I asked Admiral Blair if we have the capabilities to determine if an intrusion into our cyberspace is a criminal act or an act of war? In other words, can we determine the perpetrator by the intrusion? I guess I'll ask you, General Chilton.

General CHILTON. The question on how do we come to grips with activity in cyberspace and whether or not they are acts of war is one that is still open for debate and discussion, and needs to be looked at. There are some easy things to say. That is, if some activity in cyberspace caused death or destruction of American citizens or American resources then I think that would be an easy one to say.

But there are other issues as well, for example stealing of information or espionage, which is classically handled in this country by the Federal Bureau of Investigation (FBI). Then in the middle there's criminal activity, so espionage, criminal activity, and then threat to life and property of the United States of America. So how we think about that and lay that out for the future I think is an important discussion point.

Senator BEN NELSON. We wouldn't necessarily be stumbling over ourselves in trying to determine that. I suspect we would be talking to the appropriate entities to try to straighten out and assign responsibility at this point in time and into the future as well?

General CHILTON. Absolutely, Senator. Today we work very closely with the other agencies, to include the FBI, and other intelligence agencies and other authorities, because, as you can imagine, the cyber domain crosses multiple authorities here—Title 10, Title 50, and Title 18. So it's key for us to—and we have put in place in STRATCOM a group that allows us to make sure we're integrating and coordinating across those various bodies and authorities to make sure we follow the appropriate instructions.

Senator BEN NELSON. In another field, we've been reducing our nuclear warheads around the world for some period of time as an indication of reducing level of hostility potential and to try to develop deterrent factors or having them work as dissuasive efforts of others to not engage in nuclear development.

Given the fact that we are faced with North Korea and Iran moving toward their own nuclear capability, do you think that our efforts at reducing our own arsenal, with the former Soviet Union reducing its arsenal has achieved any deterrence or dissuasive effect in your opinion?

General CHILTON. Senator, a couple facts here. One, both the Soviets, the former Soviet Union, now Russia, and the United States have made dramatic reductions in our strategic stockpiles and inventories since the end of the Cold War.

Two, there have been new actors on the international scene that, in spite of that reduction, have launched or continued more likely nuclear weapons development programs. But also, we can count many, many friends and allies who have not started nuclear weapons programs because of their confidence in the U.S. strategic deterrence which they can still maintain today and should.

So there's linkages between friends and allies and their confidence in our ability to support them and proliferation, potential proliferation. But there's also a fair question to ask, have our reductions influenced certain countries, and the hard part is to prove the negative. Maybe there was another set of countries out there who have observed this reduction and have not started programs that they otherwise would have. I think this area bears further study.

Senator BEN NELSON. Thank you. Thank you, Mr. Chairman.

Chairman LEVIN. Have you voted, Senator Nelson?

Senator BILL NELSON. I have not.

Chairman LEVIN. Do you want to start, or should we just recess?

Senator BILL NELSON. May I just ask a couple of quick questions?

Chairman LEVIN. Sure. After you're done, if there's no one else here would you put us in recess until someone returns.

Senator BILL NELSON. Okay. How much time is there?

Chairman LEVIN. 6 minutes, plus 5, give or take.

Senator BILL NELSON [presiding]. General Chilton, what do you feel is our highest missile defense priority? Should it be to provide our regional combatant commanders with an effective missile defense against the many existing short- and medium-range missiles?

General CHILTON. Senator, we have to look at both support—in my view, to the regional combatant commanders, but certainly defense of the United States of America. So I think we need a balanced missile defense program that goes forward and addresses each of those critical needs, both for our citizens at home and for our deployed forces abroad.

Senator BILL NELSON. Let me ask Admiral Keating and General Sharp: Since you are commanders that are facing many of the short- and medium-range potential threats from North Korea, would you agree that you don't have sufficient missile defense capabilities to meet your operational needs to defend against those existing short- and medium-range missiles?

Admiral KEATING. Senator, we can provide for the defense of American citizens and America territory in the PACOM AOR with the assets that we have. We could obviously use more assets, in that we are not at a one-to-one ratio. They have more potential offensive weapons than we have extant defensive weapons.

General SHARP. Sir, North Korea has over 800 missiles. We have currently on the peninsula 64 Patriots from the United States and the ROK just purchased 24 and we're starting to incorporate those into the defense also. Could we use more? Yes. We are working hard to make sure that the ballistic missile defense of the Patriots are properly linked together, that we have the intelligence to properly queue, and that we have them positioned at the right places to be able to defend our most critical warfighting assets. But it does leave other areas uncovered and both we and the ROK could use more and we're working hard at that.

Senator BILL NELSON. So for the two of you, your highest missile defense priority is fielding effective capabilities to meet your operational needs?

Admiral KEATING. Yes, sir.

General SHARP. Yes, sir.

Senator BILL NELSON. Okay.

General Chilton, hackers are trying to invade our military computers and you recently had a statement which was very good: "Every day"—and I'm quoting you: "Every day there are attempts to penetrate our network."

Since I'm down to 3 minutes to go vote, let me say that we're working at a lot of different levels, classified, and I just came from a hearing with regard to nonclassified computers in the Commerce Committee, to try to get our arms around this problem, which we have to. I have had my office computers invaded three times in the last month, and one of them we think is very serious.

So we're going to have to continue this and I underscore that for you.

If you will excuse me so that I can record my vote, the committee will stand in recess subject to the call of the Chair. Thank you.

[Recessed at 11:20 a.m.; reconvened at 11:21 a.m.]

Senator UDALL [presiding]. Admiral and Generals, if that fits your pleasure, thank you for responding. We have a series of votes on, as I think everybody knows. But the committee is eager to take full advantage of your presence here. Thank you again, all three of you, for being here.

I thought I would, General Chilton, with no disrespect meant to your colleagues here, turn to STRATCOM and ask you a couple of questions in that area. Great to see you here. I know both you and Admiral Keating have Colorado ties and Colorado roots. You were a great leader at SPACECOM, as was Admiral Keating at NORTHCOM.

General, in your testimony you noted the strengths gained from our space-based and cyber-enabled capabilities, but you also warned that asymmetric advantages carry asymmetric challenges. We can't rule out the need for capabilities force-on-force conflict areas. But you also note: "In the near term, it's unlikely that any state would choose such a course with the United States." I think we probably all agree that that's the reality.

In your view, how do we best prepare for such an uncertain future at a time when our resources are so constrained? You talked in particular about cyber activities, cyber attacks. So if you would respond I'd appreciate it.

General CHILTON. Thank you, Senator. STRATCOM is DOD's cyber command and we take that mission of defending the DOD global information grid exceptionally seriously. What I believe we need to do in the cyber domain is to look at our culture, conduct, and capabilities, the three Cs, I say.

We have all grown up with computers on our desks and they have been looked at as a convenience. I think all of us in America have. First we ignored them, and then we got used to them. Now we're chained to them.

But we have to change the culture, and when we think about our military networks and computers, to clearly appreciate the fact that they are integral to the way we conduct military operations. So they are no longer a convenience; they are a necessity.

The conduct piece. We need to make sure that we approach our systems from a commander's perspective. Every commander needs to be concerned, not just about the readiness of their airplanes, the readiness of their ships, the readiness of their tanks, but the readiness also of their networks to support their operations.

In the capability area, there are technologies that we can field and field faster that will help us better understand what's going on on our networks, who's trying to get into them, what the configuration of the defenses of our networks are, et cetera. I think it's important to invest in those, in addition, I would say, in our people. We still, in my view, have not adequately resourced the people element of this to address the threats, the requirements to operate.

In the other what I would say asymmetric advantage domain that we have, and that would be in space operations, again space capabilities have become integral to not only our daily life as Americans, but also to military operations, whether it be missile warning from space, communications that we rely on to control Predators from the United States of America on the other side of the world, or to pass critical command and control information in support of nuclear forces, GPS, weather warning.

We have come to take these things for granted, I would say sometimes. But they are—they have become dependencies. So as we look to the future, we need to be thinking about these constellations as something that we could not ever afford to gap or have a degradation in capability. We need to take better care, in my view, as we look to the future to ensure that we never put ourselves in a position where we're counting on every single launch of a satellite capability 100 percent to be successful, because history tells us, we know, that that won't always happen.

Thank you, Senator.

Senator UDALL. Admiral, did you want to make a comment?

Admiral KEATING. No.

Senator UDALL. I think the General covered it quite well and certainly covers all the Services and the concerns that have been expressed.

I'd like you to talk a little bit about the space situational awareness concept and this collision we experienced recently. If you

might just explain how this happened briefly, and what can we do to take some steps to ensure that we reduce, if possible to zero, the probability that this happens in the future?

General CHILTON. I would be happy to, Senator. We took a real close look at this most recent collision between a U.S.-owned and operated communications satellite and a nonfunctioning Russian satellite. Our conclusion is, looking at it, that there really wasn't much—there was nothing in fact that could have been done, given the way that satellite operator operated their satellite, given the way we surveil space today and do our work today, that could have prevented that collision.

But as we look to the future, there are things that we can do to improve space situational awareness in three areas: One, increase the amount of surveillance capabilities that we have. We surveil space with radars and telescopes today. We need to have a more robust—sustain what we have, but also spread out that capability. There's opportunity here, I believe, to partner with other nations to increase this.

Believe it or not, geography matters in this case as you surveil the heavens. Most of our sensors are in the Northern Hemisphere, placed there because we were most interested in the Soviet Union of old. But we do need to increase the amount of energy we put up, if you will, to collect and refresh our databases more frequently on what's up there and its position.

Second, as you bring that data in—and, oh, by the way, there's opportunities to cooperate with other satellite operators that can give us the information we need, rather than us having to look for it. Once we bring that data in, we have the opportunity to improve our computer capabilities and our display capabilities at our Joint Space Operations Center, to improve the fusion of that information, which today we're still trying to do in the commander's head out there by looking at Powerpoint charts.

Improving the calculation capability to calculate and anticipate potential collisions in the future is another area that we could improve. Today we only do collision analysis on the top priorities for the United States of America, which are manned space flight vehicles, space shuttle, space station, and then our most valuable national security satellites. So we're not doing collision calculations for the 19,000-plus pieces of debris and the 1,300-some odd active satellites up there today. We don't have the capacity. We can get better at that, I believe, in the future.

Senator UDALL. Thank you for that analysis.

It's tempting for me, sitting here as the acting Chair, to continue to ask questions and prevent my colleague from Alaska from having the floor. But I did want to yield to him, with comment for the record. You and I have talked about continuing our work for a comprehensive space treaty and there are some in place, but there are certainly some analogues, and the way we treat the Antarctic is one that's been mentioned. It's not one-to-one, obviously. There are differences between space and how we treat, as a world, the Antarctic.

But there's still more work to be done there and I look forward to working with you and through the committee to find a way to use space as we all want to, for peaceful purposes, for economic de-

velopment, for all the marvelous advances that it's presented us with.

So thanks again to the panel, and it's an honor to yield to the Senator from Alaska, Mr. Begich.

Senator BEGICH. Thank you very much.

Thank you all for being here. When you're toward the end, most of the questions have been asked that I'm interested in, especially since I saw so many Senators interested in Alaska and in missile defense. So I was very pleased about that. I hope that continues as we get to the budget process.

Let me follow very quickly on what Senator Udall mentioned on cyber security, and I don't know who can answer this question. Within all the military—and I might have missed this because I came in toward the end of his commentary on this—is there a coordinating body that works together within the military operations on cyber security? Not by just agency, by Army or Air Force, but a coordinating body that actually looks at how to improve the technology and what you can do together?

General CHILTON. In the COCOM of STRATCOM, I have two component commanders that work together very closely for operating and defending the network every day. That requires sending out orders, sending out updates to antiviruses, checking on the status and configuration of the network, supporting degradations in the network.

It also includes a great and robust relationship with the National Security Agency, which provides us tremendous intelligence support in this area. When we think about, as directed, if we are directed to do offensive operations in cyber space, we need to have close ties with all of the potentially affected parties within our Government, and we have established a coordinating body to do that, whether it's with the FBI——

Senator BEGICH. Justice, whatever.

General CHILTON. Exactly right, Senator.

So we recognize the complexities in this area and have put pieces in place to address them. Again, I'd say our biggest challenge is properly manning those command and control elements, those centers, for the future.

Senator BEGICH. Let me if I can—again, any one of you three can answer this or all of you. But again, I appreciate your commentary and your discussion on the missile defense system, especially because in Alaska, not to be too parochial, but we think it's important where it is strategically and otherwise. I think you've laid out many reasons because of the issues with North Korea.

Can you—and if this puts you on the spot just let me know. But on a one to ten scale, if each one of you could give me a sense of how you see North Korea in the overall global picture of threats, and especially to our country, but around the world? If you don't feel like you want to put a number on it, because I'm sure the people over here at this table with the press will probably pin you to it, so I won't hold you to it.

I just want to get a feel of how you see it because, from Alaska, we are very concerned with the missile activity or their launching activity. I'll just say, their launching activity. It does concern me.

It concerns our community and their capabilities of what they will do or what they say they will do and what will really happen.

Admiral?

Admiral KEATING. Senator, from a theater perspective, as we talk with countries throughout our region, the 35 in addition to North Korea, I would think it would be fair to characterize North Korea as the largest day-to-day concern in the eyes of most of the countries in our region. It is not just because of potential Taepodong activity.

General Sharp is the best qualified amongst us, so I'll stop in just a second. Their leadership is perhap characterized as erratic. The succession, which General Sharp discussed earlier, is not clear. What happens next is not clear. Their day-to-day activities are unpredictable and can be very confrontational. They close certain international air space routes. They close their own border, to their own economic disadvantage.

So, writ large, North Korea is probably one of, if not the, most unsettling—their policies are the most unsettling of any in the region.

Senator BEGICH. Do most people agree with that?

General SHARP. Yes, sir. I'll just add, it's a regime that in order to survive depends almost solely on provocations and their ability to get what limited amount they can by selling technology, missile technology, and proliferation, and have publicly stated that they have a—we know that they've done a nuclear test and they're working hard to be able to show the world that they have the power to be able to deliver that anywhere in the world.

So it is definitely, I believe, a regime that we have to watch very closely and we have to be prepared for.

General CHILTON. Senator, just from a global perspective, at STRATCOM I look at their activities that give me greatest concern: nuclear development, of a nuclear weapon, and a long-range missile capability; they could hold the continental United States at risk; and their proliferation activity with regards to their missile technology, and it gives me concern with where they might go with proliferation of their nuclear technology that they've developed, given the characterization that the other commanders here have given of the motivations of this country in the past.

So I look at their behavior and they do give us pause.

Senator BEGICH. Very good. Thank you. I have maybe one or two more questions. Again, if these have been asked I apologize. But how do you see, with North Korea and China, the international impact of the economy around the globe and how that's impacting their ability or their capacity to move, to improve or add to their military capacity? In other words, is the economic conditions of the country, of the world, having an impact on them in a positive or a negative way, or are they taking some efforts because of the situation to take advantage of what's going on?

I just want a little discussion on that. Admiral?

Admiral KEATING. To the best of our ability to determine, Senator, there has been no short-term demonstration of a reduced capability, capacity, or intention on the part of the PRC in terms of military development. Counter that with the observation that containers are stacking up in Shanghai, so their export market is re-

duced. There have been numerous, hundreds and hundreds of factory closings in the past couple of months. Their economic growth, while a number that might be the envy of other countries, 6 to 8 percent if that's an accurate forecast, it's down by about 50 percent from what China had been advertising, 12 to 15 percent growth hoped for in fiscal year 2009.

So all of that combines to lead us to be a little skeptical of their professed percentage of gross domestic product applied to defense in the PRC. Those are suspect numbers to begin with. The Chinese tell us they are beginning to understand the costs attendant to an All-Volunteer Army. They don't have that yet, but they are realizing, because of the efforts of folks like Chief Master Sergeant Jim Roy, how important a senior NCO corps is, how expensive quality of life improvements are for their forces. They say a large percentage of their budget is going towards those human factors elements and less toward hardware and technical capabilities. We don't necessarily subscribe to that theory.

Long answer to a short question. We don't see any short-term impact because of economic downturn. We're watching it very carefully.

Senator BEGICH. North Korea?

General SHARP. The same. North Korea, because of the very few amount of exports, the amount of money they have come in has for years—and Kim Jong Il just recently said again in his, if you will, state of the union address several months ago that it's a military-first policy and that he will do everything to make sure that his military's as strong as possible, and even went as far as asking the common people to understand the shortages that they will have to endure in order to be able to maintain and continue to improve a strong military.

Senator BEGICH. Thank you very much. My time has expired and I do have to go, so I'm turning it back to the chairman, even though I would love to hold this away from him. But I will turn it back to Chairman Udall.

Thank you.

Senator UDALL. I think Senator Begich and I are thrilled to be able to have a chance to have a conversation with all three of you. I know the second vote was voiced and we're now in the process of debating the third vote, so I'd like to take advantage of your presence, and also alert you if there's something you didn't have a chance to mention in your earlier testimony you'd like to touch on, I'm happy to make sure that we hear it.

Admiral, I thought I'd turn just to an interesting question. I know you're well aware of this, but when you look at the interface between Central Command (CENTCOM) and PACOM, you have oversight of India, General Petraeus has oversight of Pakistan. So much of what we see in Pakistan we believe is the Northwest Territories and that interface with Afghanistan. But when you drill down into what's happening in Pakistan historically and politically, often it's about their relationship with India.

Would you talk to whatever extent you're comfortable about that relationship and how you interact with General Petraeus and his important responsibilities?

Admiral KEATING. Yes, sir. Thank you. It's a great question. It's an important question and it's topical. There are those who think a reexamination of the unified command plan, which as you describe affords CENTCOM authority and oversight of Pakistan and affords PACOM oversight and military-to-military relations with India. We at PACOM think the unified command plan is well written, it is sound, and we don't think that there is sufficient reason to change the border between CENTCOM and PACOM with respect to the India-Pakistan border itself.

The reasons are several. I had the privilege of going to India in the mid-1980s as a member of the PACOM staff and I have been there once. I'm going in a couple of weeks and, as I mentioned earlier, we have frequent dialogue at many levels of military-to-military and diplomatic agencies throughout India. The dialogue today is much healthier, it is more robust, it is more vigorous, it is more comprehensive, it is more forthcoming than that I observed in the mid-1980s.

In addition, India is a significant strategic partner for us, the United States writ large and us PACOM in particular. Their demographics are significant. Their economic engine continues to churn. They are the world's largest democracy, of course, and their national elections are coming up. All this combines for me to recommend to you that the unified command plan as written is sound and that I assure you that military-to-military relations and PACOM and India are solid and actually bearing direct productive fruit.

Senator UDALL. Thank you for that insight. Of course, India is already a strong economic powerhouse, as you point out, the world's largest democracy. I see nothing but a bright future for our relationship with the kind of leadership and the kind of connections we have. I too have spent time in India. They're wonderful people, a fascinating culture, a long history, a much older nation than the United States of America. They have the potential to teach us.

General Sharp, they're trying to hook me, but I thought I'd give you a chance to talk a little bit about the point you made, that one of the challenges you face is insufficient training range capacity and capability when it comes to our air forces in Korea. You have some ideas, I'm sure, about how those challenges could be mitigated. Could you take a minute or 2 and share those with the committee?

General SHARP. Yes, sir. I also have a connection with Colorado in that my son will graduate, get his master's degree, from the University of Colorado in climatology on May 8, and I look forward to visiting back to your State on that day.

Senator UDALL. Outstanding. Forgive me for not mentioning your connection as well.

General SHARP. You should get a better intel officer, sir. [Laughter.]

Senator UDALL. Maybe one of my fellows could be your intel officer.

General SHARP. Yes, sir. [Laughter.]

Sir, first let me comment upon the strength of this ROK-U.S. alliance and the capabilities that we have and what we need in the

future. First, I was stationed in Korea from 1996 to 1998 as a colonel and a one-star. The Korean military at that time was good. But the professionalism and the capability that has improved over those 10 to 11 years are absolutely phenomenal. They track and abide by and believe in our training, the way we train our soldiers, sailors, airmen, and marines. They completely work through the After Action Review (AAR) systems, and they really have a strong capability right now, especially on their ground forces, in order to be able to do what we're doing or be prepared for any sort of a contingency.

I am absolutely confident when they take command of the warfight and take control of that on April 17, 2012, they will be ready for that. We are going through many different exercises in training and establishing plans, processes, and organizations to make sure that we are ready for them to do that.

After operational control (OPCON) transfer the United States will be just as necessary, but we'll be in a supporting to supported role rather than the opposite. The 28,500 troopers that we have there now from all Services I believe to be about the right number for the future well past OPCON transfer to stay in this very, very important part of the world, in a country that has wanted us there for over 50 years and is key to security and stability in Northeast Asia.

We are working very closely with the ROK military in order to make sure that we do have all of the training ranges that we need in order to be able to properly train our servicemembers. The most difficult one is the one that you mentioned, is ranges for the new modern systems of our air forces to be able to have significant size and safety in order to be able to drop the ordnance, given the precision and the safety requirements that we have. They're committed to it. We're committed to working this very closely together to be able to do it.

The last thing I'll say is the agreement by our DOD and the direction to move to 3-year accompanied tours also will greatly increase the capabilities we have in Korea. Three years instead of 1 year at a time just gives me great capability. It reduces stress. Why have an unaccompanied tour anywhere in the world if you don't have to? It really does show our commitment, not just to Korea, but to all of Northeast Asia, which I think goes straight back to the security and stability for this important part of the world.

Senator UDALL. Your point is important, but Wanda Lee's really nodding behind you like that would really make a big difference.

I thank you for your indulgence and, on behalf of the ranking member and the chairman, thank you all. The committee's going to stand in recess until further notice. Thank you very much.

[Recessed at 11:44 a.m.; reconvened at 11:45 a.m.]

Chairman LEVIN [presiding]. You folks have been around here long enough to know how the Senate works. I won't apologize for it, it just goes with the territory.

We'll be back in order and Senator Webb is recognized.

Senator WEBB. Thank you, Mr. Chairman.

If any of you gentlemen can figure out how the Senate works and let me know, I would appreciate it. It's the one body in government

where they say you can keep things from getting done rather than doing things. We tend to be pretty good at that.

Gentlemen, I would apologize also for the delay here.

We have a couple hearings going. We had a hearing on Russia in the Foreign Relations Committee this morning and also these other delays. I would say, first of all, I appreciate the visits that a number of you have made personally to my office to talk with me and with my staff, and I hope we can continue to do that.

General Chilton, as you may know, my father served in the Strategic Air Command. We had a discussion about that. I'm very proud of his service. He was not only a bomber pilot, but was a pioneer in the missile program, put the first Atlas missile in for the United States Air Force. As I think I told you, I used to play baseball right across the street from where you live right now. So I have great memories of the Air Force and also of Offutt.

Admiral, I'd like to wish you and your wife the very best into the future, and thank you for your long years of service. Actually, as some of this testimony was going back and forth I was thinking about how long I've been doing this as well. I think I was in my last year at the Naval Academy your plebe year.

We were talking about the move to Guam. I actually wrote about this proposing this 37 years ago. it's kind of scary to say that. I wrote the first book that I wrote on our strategic positioning in the Pacific and how it would affect a Guam-Mariana Islands axis. I went out, I spent time as a consultant to the governor of Guam, walked or drove every square inch of that territory in Guam, Tinian, and Saipan. I'd like to reiterate my offer to your staff or your successor: If they want to come by and bounce any of these thoughts off of me, I'm happy to respond. I don't think Guam and Tinian have changed that much over the years. I've had a number of conversations with the Marine Corps in terms of what they are attempting to do.

Mr. Chairman, I would like to say something. I had a long conversation with Admiral Keating in my office the other day with respect to China. I'm not going to go into it in the same kind of detail during my time today, but I would like to say that I have concerns, I think, that are greater than any of those that have been expressed, at least in the parts of the hearing that I've been involved in today.

One of the things that Admiral Keating and I were discussing was what is this going to look like 10 years from now. It actually came back to me that I wrote fairly extensively on this 10 years ago. I wrote a piece 10 years ago last month in the New York Times about China's change in military policy from defense to power projection. I wrote a piece in the Wall Street Journal right after the EP–3 incident in April 2001 expressing my concern about how vulnerable we'd become strategically to the Chinese, not only in the military sense, but in an overall national strategic sense, with the way that we overinvested in their economy, to our potential detriment.

I just think we tend when we have these hearings and when we talk about these snapshots to confuse the ramifications of tactical confrontations with what we might be taking away with respect to China's larger strategic goals. I think we must keep those on the

table. I think that these tactical confrontations—it's rather interesting thinking about the EP–3 incident 8 years ago because it was very similar in terms of responding on a tactical level to what had gone on to the incidents that occurred early this month.

But these tactical confrontations are largely data points that, if we think about them, can illuminate the larger changes that are taking place in this region. They're not simply military issues, which makes them difficult to discuss in a military context or even in this committee. They are very largely with respect to the waters off of East Asia sovereignty issues.

They have taken place in concert with our unprecedented vulnerability in terms of our own economic situation and our trade policies and these sorts of things, and they aren't limited to us. You could do the data points on the Spratly Islands from 1996, when I was out there as a journalist, 1996 and 1997, compared to today in terms of China's presence and its military capabilities.

We've seen incidents in the Senkaku Islands, which are claimed by Taiwan, Japan, and China. I was in Vietnam in December and they were very concerned about, as I mentioned to you, Admiral, during our meeting, with the pressures that the Chinese Government have been putting on American companies doing business in Vietnam.

So this isn't something that can clearly be addressed in the context of an incident, but I think it's very important for the record, Mr. Chairman, that we attempt to examine these issues in a larger strategic framework if we're going to make judgments about what relation really look like between our two countries.

The piece that I wrote in the Wall Street Journal I started with a quote from Sun Tzu when he said: "Draw them in with the prospect of gain; take them by confusion; use anger to throw them into disarray." If you compare the tactical with the strategic, that's probably a fairly good summation of the way that these incidents have accumulated.

So I don't really even have a question about that, and wanted to say it for the record and I wanted to extend my appreciation to you, Admiral Keating, for all the service you've given to our country and all of you for what you've been doing to try to maintain the balance in that region as we sort this out, hopefully on a national perspective.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Webb.

General Sharp, let me go back to the issue of the Six-Party Talks with North Korea and who hasn't done what and who has done what according to the phase two agreement. My understanding is there was a commitment, in exchange for dismantlement, that there would be a delivery of some fuel oil, about apparently a million tons of fuel oil, to the North Koreans. I guess the right word is "disablement" instead of "dismantlement." Phase two is disablement.

My understanding is that we, South Korea, and Russia have completed our 200,000 tons, the ROK—I'm sorry. We, China, and Russia have completed the 200,000 tons. The ROK has gotten most of it, like 145,000 tons, but the missing piece of the million is that

Japan has not provided any energy aid because of the question of the abduction. Is that a fair summary of where we are?

General SHARP. Yes, sir, very close. I have 146,000 is what the ROK has donated, so 54,000 short.

Chairman LEVIN. All right.

General SHARP. I think I ought to point out also, though, that the agreement was step-by-step in order to be able to make sure that as much as possible North Korea lives up to its expectations. So of the 11 steps that need to be able to take place, as you noted, 8 are complete, so around 80 percent. About 80 percent of the rods have been pulled out of the fuel pond, so again about 80 percent. The amount of heavy fuel oil that has been given to the ROK is right at 75 percent.

So again, there's a balance there, I think, of them, North Korea, doing what they promised as this fuel oil gets delivered.

Chairman LEVIN. All right. My understanding is it's 8 of the 11 disablement tasks have been completed and the ninth is 80 percent complete; is that correct?

General SHARP. That is correct, the ninth being the taking of the fuel rods out.

Chairman LEVIN. Now, whether or not the Japanese work out with the North Koreans the issue that obviously is a major issue in Japan, that million ton commitment is not conditioned upon the Japanese and the North Koreans working out their difference, is it? In other words, the million ton commitment has to come from somewhere?

General SHARP. I would have to go back and look at the exact language, whether each of the five countries promised 200,000 or whether there was a million total promised, and I'll get back with you on that, sir.

[The information referred to follows:]

Part 1. No, provision of fuel aid to North Korea is contingent on disablement; however, Tokyo continues to tie the abductee issue to its provision of fuel aid.

Part 2. Yes, Japan's portion of the fuel oil can come from another source (the other four Six-Party members or another international donor).

Chairman LEVIN. If you would, that would be helpful.

Now, one other question. I think you were the one who testified about the interest of the North Korean regime being their own survival, essentially. That's it; that's their goal. They'll starve their own people in order to support their military, but their goal is the survival of that regime, number one; number two; and number three goal. Is that basically fair?

General SHARP. Yes, sir, that is fair, and he has proven that over the years, and will go to any measure in order to make sure that happens.

Chairman LEVIN. Is there any doubt, do you think, in their mind that if they attack the United States that that would be the end of their regime?

General SHARP. I think there's no doubt if they attack the alliance, the ROK alliance and the United States, which has been so strong over the last 50 years, that they would not be successful and that their regime would end. They would cause huge damage, though, on South Korea.

Chairman LEVIN. I understand that. The damage is clear. But could there be any doubt in their mind that if they attacked us or the South Koreans that that would be the end of their regime?

General SHARP. Sir, there should not be, because I believe it would be.

Chairman LEVIN. General Maples, who's Director of the DIA, at our hearing a few days ago said that the North Koreans announced that they are going to do a space launch, "and I believe," he said, "that's what they intend." That's our DIA Director. Do you have any reason to disagree with his assessment, any of you? Let me start with you, General. General Chilton?

General CHILTON. I wouldn't disagree with the DIA assessment on that. That's what their assessment is.

Chairman LEVIN. General Sharp, do you have any reason, or Admiral?

General SHARP. Sir, I know no reason to disagree. Again just to remind, as I said earlier, I believe he will do other things that day also, as he tried to do back in 2006.

Chairman LEVIN. General Chilton, I made reference before to the DOT&E's report, where he said that the "GMD flight testing to date will not support a high level of confidence in its limited capabilities." Your testimony is that there's a high degree of probability that we could knock down a North Korean attack or missile. There seems to be a pretty clear difference. Do you agree there's at least a difference between the two of you on that point? I'm just wondering, how do you explain that difference between our DOT&E saying that the testing to date won't support a high level of confidence in the limited capabilities of GMD and your statement earlier today?

General CHILTON. Senator, I have not had the conversation specifically with the individual, so I would presume as part of this now a contextual issue here on this particular point. One point that I'd make is the testing that was done in the deployment of this system, which really didn't begin until around the 2003 time period, is very different than what you would do in a classic development program. In fact, if we followed a classic development program—I'll just use an aircraft development for example—we would have nothing deployed today, because there is much more rigorous testing in that development area.

But a decision was made to take risk in the testing part and also to allow different authorities to the MDA to accelerate the development of this program because of the perceived need. I think as a result of that we're in a pretty good position today to be ahead of North Korean capabilities as they field them.

Not to say that this—so my position is that I believe that we have in the limited deployment capabilities that we have out today for the system, it is adequate to defend against what we believe the North Koreans could potentially put forward as a threat to the United States today. For the future, I would say no. So as we look to the future, we have an opportunity—and I think General O'Reilly is on the right path here—to improve the testing of the current system, to fill in, if you will, the dots on the matrix of a normal test plan for the purposes of increasing our confidence, but also to fill out the models, the points on the models. Realizing we

can never test this system, because of cost and expense, at the level that you would take an airplane to Edwards Air Force Base and fly hundreds of times, we will rely on sophisticated models for the future to anticipate its performance. Filling in those key elements of that model I think is the right path forward here to ensure that we stay ahead of threats as they develop in the Pacific.

Chairman LEVIN. Are you saying that we're going to rely on modeling; we're not going to have testing to show that it's operationally effective?

General CHILTON. No, sir. I think you need both. You need both. But I think there's a realization—if you look at a classic test regimen, for example, for an airplane, you have the opportunity, because of the affordability and the availability, to do a lot of testing.

Chairman LEVIN. A lot more testing.

General CHILTON. To fill in those test matrices. So here the key will be to continue testing, but pick the points on the graph that allow you to connect the dots, if you will, through modeling to increase your confidence in the system and validate the design of the system.

Chairman LEVIN. You used the word that North Korea has limited capability and that we're ahead of that current limited capability. It's your goal and our goal hopefully to stay ahead of their capability. One way to stay ahead of it would be if we can negotiate the end of their nuclear program. Now, that doesn't directly affect the missile program, but it affects the strength or the impact of their missile program. So the effort to get them off of their nuclear program I think you would agree would be also very, very important in terms of limiting their capability in the total world?

General CHILTON. Senator, when you combine what General Sharp has described I think very accurately, the Korean leadership, North Korean leadership and regime, and their motivations, and combine that with a long-range missile technology that can reach the United States and combine that with their nuclear weapons program, it gives us great concern.

Chairman LEVIN. I understand the concern.

General CHILTON. So I agree that eliminating that part of it would be very important to us.

Chairman LEVIN. I understand the concern, but I think it's also—what General Sharp said is also I think generally agreed upon, which is that the North Korean leadership has only their own survival in mind. That's their goal. If they believe—and General Sharp I think agrees with our intelligence that they do believe and must believe—that any attack on us or the South Koreans would lead to their own destruction, in other words defeat their number one goal, that that deterrence should work with North Korea.

It may not work with Iran. It's a different kind of regime. But it ought to work with a regime whose only goal in life is their own survival; should it not?

General CHILTON. You bring up a great point, that there's no one size deterrence that fits all. So your point about an Iranian, what would deter Iran versus North Korea versus another potential adversary, is I think an incredibly important point. We need to think

about our deterrence posture force and the way our Government approaches this and look at each individual country.

The only thing I would offer, as not even a counterpoint, but a consideration with respect to North Korea, is this: there is always the possibility that when put in a corner where one's survival is recognized to be very, very low probability of the use-or-lose capability that you might develop, and so being postured to defend against that low probability but high consequence condition I think is important to us.

Chairman LEVIN. Who would put them in the corner?

General CHILTON. If you could imagine a conflict, a conventional conflict that would break out on the peninsula, and our great South Korean-American alliance would be very effective, I believe, in defending that and then bringing that to resolution in our favor, that could be a case where the leadership there could feel cornered.

The other thing we have to ask ourselves, though, as we look at ourselves, what deters us and what might influence us, and does the risk of this capability alone, the thought of would you trade an attack on the United States versus our desire to engage on a particular problem on the Korean Peninsula, et cetera, et cetera, how we perceive that potential threat is something we have to consider as well when we consider the value of a missile defense system against this type of regime.

General SHARP. Sir, there's another element of this deterrence of North Korea. I agree that if he ever attacked us, or South Korea, the regime would come to an end. But his ability to be able to launch a ballistic missile and demonstrate he has that capability goes a long way on the road of helping him proliferate that to other countries around the world and to be able to get cash back in order to go again back into regime survival.

So this missile launch is not so much in my view about the ability to attack the United States. It's: I have the ability; countries that need this and would be willing to negotiate with North Korea, they'd now have a demonstrated capability. That's where I think the real threat is, is the proliferation side.

Chairman LEVIN. I agree with you.

I don't know if anyone else has asked this question. But Admiral, let me ask you this question. In terms of the current readiness of our forces, given the focus that's been on Iraq and Afghanistan, has that, if you haven't already been asked, in any way detracted from your ability to deal with the challenges you face?

Admiral KEATING. Mr. Chairman, it has, but not to a great degree. In the case of supporting General Sharp, should we be so tasked, we would not have at our immediate disposal as many ground forces as we would have absent commitments to CENTCOM. We work with General Sharp all the time and we could in some cases supplant or supplement the ground force requirement with naval and air power projection capability.

We report our readiness on a monthly basis to the Secretary, and in 2 years it has not worried. The actual valuation is classified, but it hasn't changed in 2 years, sir.

General SHARP. Sir, just to follow on to that, I agree that where we are in Iraq and Afghanistan affects the ground forces, the way that Admiral Keating—but there should be nobody that has any

concern those forces would get there and we would win the conflict. It would be a little longer than what we would like if forces are not committed in other places around the world. But they would get there and we would be successful in our war plan. There is no doubt in my mind about that.

Chairman LEVIN. That's reassuring news.

There just was one other question about the disablement issue, if I can just get the facts on this. It has to do with the parts that were disabled in the nuclear program, the disabling of the reactor and the reprocessing facility, those two facilities, began, as I understand it. There was a threat on the part of North Korea that they would reverse it.

General SHARP. Yes.

Chairman LEVIN. Has it been reversed, do you know?

General SHARP. There was a threat when we did not immediately take them off the terrorism list, that they were going to—in fact, they did—kick the International Atomic Energy Agency inspectors out. They said they were going to start taking the seals off the different parts.

We then took them off the list, and then now they have continued down the process of those 11 steps, to the point where the secondary cooling loop has been disabled, the drive mechanisms have been disabled, some of the overhead cranes have been disabled, the mechanism for fuel and deloading has been disabled.

So as you accurately said, 11 steps that are required for the disablement, 8 of them have been completed. The ninth one, of removing the rods, is about 80 percent. Then there is the last two that will need to happen after the rods are completed, of the rod control mechanism being disabled; and the final one is the disablement of the fresh fuel system, for all 11 of those steps to be completed.

Chairman LEVIN. But the threat to reverse the disablement was not carried out and the disablement has continued, as I understand it. The threat was made at the time they were not taken off the terrorism list; and when they were taken off some months later, I believe, then that threat was removed and the disablement has continued?

General SHARP. That's correct, although at a very, very slow rate. They could have been well done with this months ago if they had done it at a reasonable rate.

Chairman LEVIN. The rate that was continued, at the same rate as fuel has been delivered, approximately?

General SHARP. Approximately, yes, sir.

Chairman LEVIN. You're going to let us know for the record whether or not the commitment to deliver the fuel is going to be carried out by four countries if Japan does not participate?

[The information referred to follows:]

Previously, Australia and New Zealand agreed to provide fuel oil in lieu of Japan to move the Six-Party process forward. However, both countries later rescinded their offer because North Korea refused to agree to a verification protocol during the December 2008 Six-Party plenary session held in Beijing.

General SHARP. My great staff says that it was an agreement of 1 million tons; did not break it out, 200,000 for each one of the five other countries. I don't know whether there's been discussions

among the five countries in the Six-Party Talks of how to make that up or not.

Chairman LEVIN. We thank you all. Sorry for this chaotic way to approach this, but your service has been terrific and constant—a lot more constant than our hearing this morning. We will stand adjourned, again with our thanks to you and your families.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR JOSEPH I. LIEBERMAN

ASSETS NEEDED FOR AREA OF RESPONSIBILITY

1. Senator LIEBERMAN. Admiral Keating, there is a saying that "quantity has a quality of its own." What additional assets do you require in your area of responsibility? I am particularly interested in the deterrent role that our fast attack submarines and such advanced aircraft as the F–22 Raptor play in the region.

Admiral KEATING. [Deleted.]

U.S. MILITARY SALES TO TAIWAN

2. Senator LIEBERMAN. Admiral Keating, I would like you to discuss the role that our security partners play in maintaining the balance of forces in the Asia Pacific. Do you believe that the United States should resume normal military sales to Taiwan? I am perplexed, for example, that we have not met their request to buy utility helicopters.

Admiral KEATING. A sufficient Taiwan self defense capability, bolstered by U.S. arms sales to Taiwan, is a cornerstone for cross-Strait and regional stability. To that effect, there has been no change in U.S. policy or process regarding arms sales to Taiwan. The administration is guided by the Taiwan Relations Act (TRA), under which the United States makes available items necessary for Taiwan to maintain a sufficient self defense. This is supported by a "normal" decision process which includes an internal, interagency review, with input and recommendations from various U.S. military authorities, per the TRA. Our recommendations on the release of arms to Taiwan take into account Taiwan's self-defense requirements, as well as the long-term impact on the situation across the Strait and in the broader region. When the interagency process achieves a final decision for any specific arms sale, the administration will notify Congress.

We cannot comment publicly on the merits of Taiwan's acquisition of specific weapons systems that may be under consideration, but my understanding is that the utility helicopter request is still in staffing.

We will continue to closely monitor the shifting balance across the Strait and Taiwan's self defense needs, and inform the review process with recommendations supportive of maintaining stability in Northeast Asia.

U.S.-INDIA MILITARY RELATIONS

3. Senator LIEBERMAN. Admiral Keating, India has emerged in the past few years as one of our most important strategic partners in the world, and especially in the Asia-Pacific region. I am very encouraged by the progress we have achieved, in particular, in strengthening our military-to-military relationship with New Delhi, as well as in many other areas of strategic importance. At the same time, I think it is extremely important—as we turn our focus toward the challenges posed by Pakistan—that we do nothing to undermine our partnership with India. We made the wise decision several years ago to "de-hyphenate" our relations with India and Pakistan, and I think it would be a terrible mistake if we were to reverse that. I'm curious, therefore, what tangible actions do you believe we should take to build on the gains we have made in our military relationship with India, and what should be our top priorities in this area?

Admiral KEATING. United States Pacific Command (PACOM) concurs that the initiation and sustainment of a "de-hyphenated" relationship was essential to India's emergence as an important strategic partner. We further agree that it is imperative that we maintain this relationship as we seek to mature our partnership and address common security challenges globally as well as within the region. PACOM contends that our regional approach to greater South Asian security and stability is better facilitated through strengthening our bilateral relationship with India. Overall, we will seek to transform our cooperation with India from one dominated

by "training together" to one characterized as "operating together". To do this, we will pursue cooperation across the military-to-military spectrum with a special emphasis on counterterrorism, maritime security, humanitarian assistance/disaster relief, peacekeeping, and defense sales. Our methodology will be a multilateral, joint, interagency, and cross-combatant command (COCOM) effort. We will promote cooperation amongst the nations of South Asia and relevant stakeholders.

We will continue and expand existing operational cooperation in the conduct of anti-piracy operations in the Gulf of Aden and joint U.S. and Indian Missing in Action recovery missions in India. In the area of counterterrorism, we will seek to expand our engagement to include all security forces, not just forces in the Ministry of Defense. Most notably we will seek to engage India's premier counterterrorism force, the National Security Guards, which operate under the Indian Home Ministry. Maritime cooperation has proven to be the showcase of our bilateral relationship providing us with our most significant training and operational venues. We are undertaking a new initiative to share maritime domain awareness data by integrating India's Automated Information System (AIS) into a global AIS run by the United States. Similarly, we are increasing our cooperation in disaster relief planning and peacekeeping training.

Across the spectrum of our military-to-military cooperation, intelligence is a critical enabler. PACOM works to increase intelligence cooperation (training and sharing) with our Indian counterparts. We will accomplish this by establishing a more direct and routine relationship with intelligence organizations within the Indian military.

Increased defense sales to India provide the United States a unique opportunity to solidify our growing relationship while enhancing interoperability. Current and prospective sales and transfers of defense equipment totaling in the tens of billions of U.S. dollars would foster a long-term relationship and would go a long way to increase India's perception of the United States as a reliable defense partner. However, bilateral agreements such as End Use Monitoring and Communications Interoperability and Security Memorandum of Agreement must be resolved first.

In addition to pursuing PACOM objectives, we will illicit India's goals and objectives in an effort to increase regional cooperation. India's immediate security concerns routinely revolve around challenges presented by a growing Chinese influence in the region and growing instability in and emanating from Pakistan and Afghanistan. By allowing India to initiate a request for cooperation that addresses their security concerns, we should find it easier to facilitate their cooperation in Pakistan and Afghanistan.

NORTH KOREA'S BALLISTIC MISSILE TECHNOLOGY

4. Senator LIEBERMAN. General Sharp, given North Korea's record of proliferating ballistic missile technology, how concerned are you that Pyongyang will attempt to sell Taepodong technology to Iran or other rogue regimes?

General SHARP. We are very concerned about the North Korea/Iranian extensive ballistic missile partnership. This relationship highlights North Korea's reliance on missile/weapons of mass destruction proliferation to earn hard currency and Iran's desire for technological assistance from North Korea. Iran is turning to North Korea for assistance in developing a Space Launch Vehicle (SLV)/Intercontinental Ballistic Missile with a longer range and larger payload capacity than its current Safir SLV; the Safir's first stage may be based on North Korea's No Dong Medium Range Ballistic Missile. In addition, the Republic of Korea (ROK) and Japanese media reports indicate Iran may have provided North Korea with technical data from its February 3, 2009, successful satellite launch, which the North Koreans used for their most recent Taepodong-2 launch.

COMBINED FORCES COMMAND AND SOUTH KOREA

5. Senator LIEBERMAN. General Sharp, I have some reservations about the plan to disestablish Combined Forces Command (CFC) and transfer wartime operational control to South Korean forces. Are you concerned that this plan goes against the principle of "unity of command"?

General SHARP. I understand your reservations about transferring wartime operational control to the South Korean force. No, I am not concerned this transfer will be against the principle of "unity of command." The ROK-U.S. alliance is longstanding and the Korea military is very capable and professional. The alliance must have unity of effort. Unity of effort in the future ROK-U.S. command structure is achieved through maintenance of combined coordination elements, maintenance of

the alliance consultative process via the Security Consultative Meeting and Military Committee Meeting, and the execution of a robust exercise program to develop and refine a single bilateral war plan.

6. Senator LIEBERMAN. General Sharp, in your testimony you mention the recent "Ulchi Freedom Guardian" exercise to test the viability of post-CFC security cooperation. What specific gaps were you able to identify during this exercise, and how do you plan to meet them?

General SHARP. One of the key lessons learned from Ulchi Freedom Guardian 2008 was the absolute necessity of progress on an alliance collaboration system to be used for battle command and control after the dissolution of CFC in April 2012. This is a complex challenge and is a top priority for both CFC and the ROK Joint Chiefs of Staff (JCS). CFC and ROK JCS established a bilateral planning team of leaders and technical experts that have aggressively engaged to assess the full scope of the problem. Their efforts to date have produced a detailed definition of the operational requirements, identified necessary information exchanges, and formulated a common solution picture. This work has enabled the ROK JCS to draft a required operational capabilities document which is currently being staffed and is projected to be delivered to the Ministry of National Defense's Defense Acquisition and Program Administration by the end of May. Additionally, to ensure no battle command and control obstacles to the 2012 operational control transfer, CFC and ROK JCS have discussed and are formalizing a Memorandum of Agreement establishing the Combined Enterprise Regional Information Exchange System-Korea as a bridging capability until the new allied collaboration system is fully mission capable.

7. Senator LIEBERMAN. General Sharp, it seems that South Korea needs to develop a wide array of new capabilities before it is able to assume wartime command and control of its forces. Are you concerned that the economic crisis will affect South Korea's ability to fund these requirements?

General SHARP. Despite the current economic challenges, expenditures on national defense in South Korea's 2009 central government budget remain strong. Spending on national defense will constitute the fourth largest budget category for the central government this year, only exceeded in value by spending on welfare and health, general public administration, and education. Additionally, as part of an economic stimulus package, the South Korean Government plans on spending another $430 million for national defense on top of the $21.2 billion already budgeted in 2009. While the South Korean Government expects current economic challenges to delay full implementation of its Defense Reform 2020 initiative (particularly in the areas of personnel reform and some weapons procurement), none of these delays will hinder the ability—with complete confidence—to transition wartime operational control to South Korea in April 2012.

QUESTIONS SUBMITTED BY SENATOR JOHN MCCAIN

NAVY STRIKE FIGHTER SHORTFALL

8. Senator MCCAIN. Admiral Keating, the need for your command to maintain a continual presence of Navy aircraft carriers is unquestioned. But the Navy is facing an aircraft carrier aviation strike fighter shortfall. That shortfall could reach as much as over 200 aircraft over the intermediate- to long-term. As such, it will affect in future years how many carrier air-wings and strike fighter aircraft are available in the Pacific. Against the backdrop of the Navy's projected strike fighter shortfall, what do you see as PACOM's intermediate- to long-term requirements for this strike fighter capability?

Admiral KEATING. The requirement for carrier-based strike fighters in the Asia-Pacific region has been consistent over the past decades, and will continue in the long-term. Carrier-based strike fighters ensure freedom of movement and secure access to all domains in the PACOM area of responsibility which provides a credible deterrent to those that would threaten global supply chains and lines of communication. They also instill confidence in our partners in carrying out PACOM's multilateral approach to security. In the event that deterrence fails, carrier-based strike fighters provide the immediate, decisive response required to defeat the aggressor quickly.

9. Senator MCCAIN. Admiral Keating, how could, or will, PACOM be affected by the projected shortfall?

Admiral KEATING. The carrier-based strike fighter shortfall could reduce PACOM's ability to promote security cooperation, deter aggression, and respond to contingencies in the Asia-Pacific region. If Navy is unable to meet PACOM's presence requirements for carrier-based strike fighters, partner nations may lose confidence in the United States' commitment to multilateral security cooperation in the Asia-Pacific region. Further, a reduced carrier-based strike fighter presence will diminish PACOM's ability to ensure freedom of movement and access to all domains, which may embolden potential enemies and reduce stability in the Asia-Pacific region. In the event of major combat operations, a shortage of carrier-based strike fighters would reduce PACOM's capacity to provide rapid, flexible, and sustained combat power. A slower, less decisive response by PACOM forces could lead to a loss of initiative, and lengthen the duration and cost of combat operations.

JOINT STRIKE FIGHTER

10. Senator MCCAIN. Admiral Keating, the Services are planning on purchasing approximately 2,450 Joint Strike Fighters (JSF) at a cost of $300 billion, a sum that reflects a cost growth of over 40 percent beyond original 2002 baseline estimates.

Last week, the Government Accountability Office (GAO) issued a report on the JSF program that was critical of its past cost overruns and schedule slips, and predicted that development will cost more and take longer than what has been reported to Congress. In November, a Pentagon Joint Estimating Team reportedly said the JSF program would require an additional 2 years of testing and would need another $15 billion to cover new development costs.

A future PACOM combatant commander will have to live with the Pentagon's JSF acquisition decisions made today. Are you concerned about the cost and schedule challenges of this program and the likelihood that the date by which the JSF is expected to become initially operable will slip again?

Admiral KEATING. I am concerned about the JSF program. I fully support Secretary Gates' decision to restructure a number of major defense programs. His decision takes steps to shift spending away from weapon systems plagued by scheduling and cost overruns to ones that strike the correct balance between the needs of our deployed forces and the requirements for meeting emerging threats of tomorrow. Secretary Gates has analyzed the challenges of the F–35 program and concluded, as we at PACOM have, that the F–35 JSF family of next generation, multi-role strike fighter aircraft for the Air Force, Navy, Marine Corps, and our allies is necessary to sustain U.S. air superiority and is the right tool to provide combat air power to combatant commanders.

11. Senator MCCAIN. Admiral Keating, are you concerned about how meeting those cost and schedule challenges could drain resources from other priority programs that are needed in your command?

Admiral KEATING. While balancing multiple competing strategic priorities, Secretary Gates has chosen to continue the JSF program. We at PACOM support this decision and are confident the budgetary process has enough flexibility to absorb any changes in future priorities.

12. Senator MCCAIN. Admiral Keating, do you believe the JSF is the right aircraft to best meet a future PACOM commander's warfighter needs?

Admiral KEATING. The JSF is part of the dominant air combat synergy that our Nation's fifth generation fighter force will bring to the PACOM arsenal. Both the F–22 and F–35 deliver stealth, performance, lethality, and superior avionics and logistics that legacy platforms cannot. These aircraft complement each other and PACOM requires both platforms. The F–35 complements the F–22 with an increased air-to-ground payload and basing flexibility. It can carry the full complement of precision laser-guided and coordinate seeking weapons employed by Air Force, Navy, and Marine Corps aircrews (and international partners like Australia) and be based at conventional and short airfields and on aircraft carriers throughout the region. This "one-two knockout punch" provides future PACOM commanders the vital tools they require to deter, dissuade, and if need be, defeat decisively any potential adversary in Pacific.

ACQUISITION POLICY

13. Senator MCCAIN. Admiral Keating, General Sharp, and General Chilton, in a report titled, "Defense Acquisitions: Perspectives on Potential Changes to Department of Defense Acquisition Management Framework" (GAO–09–295), GAO found

that reform of the requirements process is necessary to create a truly joint military and lay the foundation for an acquisitions process that is responsive to operational needs. Based on its work and other major acquisition reform studies, GAO believes that enduring requirements reform will occur when the combatant commanders have more influence over the requirements process to meet their priorities. To your knowledge, has the Joint Staff been engaging the combatant commanders in the requirements process through participation in meetings of the Joint Requirements Oversight Council (JROC)?

Admiral KEATING. PACOM actively engages with the JROC, both directly and through decision forums leading up to the JROC. JROC event calendars and subject briefings are readily available and reviewed by PACOM staff for topics related to our requirements. The JROC welcomes our interface with them via video teleconference as well as in person. PACOM members work issues of importance with Joint Staff members continually and in mass during the two annual "hub trips." In addition to these many opportunities, COCOMs collectively voice their requirements to the JROC via the results of Senior Warfighter Forums (SWarF).

General SHARP. Each of the COCOMs has a standing invitation to attend JROC sessions in an advisory role to the JROC Chairman on joint issues that address present and/or future joint warfighting capabilities. To that end, PACOM is my conduit to the JROC where USFK's interests are very well-represented.

General CHILTON. We enjoy active and robust involvement with the JROC as well as with those decision forums leading up to the JROC. JROC event calendars and subject briefings are posted in an open forum. We review scheduled events daily for command equities and participate as required both in person and via video teleconference. The Joint Staff also conducts two "hub trips" per year for direct, personal COCOM engagements on issues of importance.

14. Senator MCCAIN. Admiral Keating, General Sharp, and General Chilton, do you think that combatant commanders need to have more formal influence than they do now over the requirements process to meet their priorities?

Admiral KEATING. The Integrated Priority List (IPL) serves as the primary vehicle for the combatant commanders to state their theater requirements. The Joint Staff adjudicates the inputs through the Functional Capability Boards (FCB), develops "purple slides" to consolidate the diverse inputs and recommends a way ahead to the JROC. Working through the FCBs and culminating in the JROC "Hub Trip," the combatant commanders have an opportunity to advocate for and shape the process to meet their requirements. The ability of the combatant commanders to influence this process has been on the rise. The inclusion of the combatant commanders as a member of the JROC would further expand their ability to formally influence the requirements process. This would give the combatant commanders a direct voice into the process to advocate for their requirements.

General SHARP. I am satisfied that the Joint Staff is the right organization to have a holistic view across all GCCs. Furthermore, my direct link to the Joint Staff utilizing my Integrated Response to the Chairman's Comprehensive Joint Assessment provides me the opportunity to add clarification and emphasize USFK specific requirements.

General CHILTON. I'm satisfied our role provides adequate safeguards to meet my priorities. Strategic Command (STRATCOM) actively participates at all levels of the requirements process. The processes in play provide COCOM Commanders a significant voice where nonconcurrence forces additional deliberation and adjudication before proceeding. In addition, the Vice Chairman of the Joint Chiefs recently expanded Joint Forces Command's (JFCOM) responsibility within the requirements determination process for command and control. We are closely monitoring the effectiveness of this effort for possible inclusion of mission areas for which STRATCOM advocates.

15. Senator MCCAIN. Admiral Keating, General Sharp, and General Chilton, what, if anything, do you think can be done to provide more authority to combatant commanders to ensure that their long-term needs are met or do you believe that the current IPL process embodied in the Joint Capabilities Integration and Development System (JCIDS) is sufficient?

Admiral KEATING. The relevance and importance of the IPL within the JCIDS process has increased over the last few years. The evolution of the IPL from a document that saw the same request unfulfilled year after year into something meaningful has transpired due to two events.

1. The partnering of the COCOMs and the Services. In the IPL development phase, PACOM coordinates with the Services via the Service components to determine potential gaps and establish common areas for solutions.

Support for both the Services' and PACOM's programs are found and strengthened through this partnership and the ability of the IPL to highlight and mitigate our requirements is enhanced.

2. The formation of the Capability Portfolio Managers (CPMs). The establishment of the CPMs provides the combatant commanders with an advocate who synchronizes the COCOM's needs, within a capability portfolio, and provides an increased level of influence from that found in the past. During Program Budget Review 10, the CPMs' ability to advocate for theater needs was quite evident, and resulting in increased funding to meet many PACOM requirements. Through continuing evolution of the process, the IPL is gaining the level of importance and influence required to adequately advocate for the combatant commanders' long-term needs.

General SHARP. I believe that JCIDS is sufficient. Currently, my close association with PACOM throughout the IPL development process ensures my requirements are properly articulated and carried forward in PACOM's consolidated IPL submission. I am also afforded direct access to the Joint Staff through my submission of USFK's Integrated Response to the Chairman's Comprehensive Joint Assessment. In this forum I am able to reinforce PACOM's submission and provide additional emphasis on requirements not captured or forwarded by PACOM. The formation of CPMs has also greatly improved the requirements and resourcing process.

General CHILTON. The development of the Capability Portfolio Management (CPM) process and formalization of the COCOM's role within the CPM have significantly increased our influence in the requirements and resourcing process. STRATCOM is designated as the co-lead of both the Net-Centric and Battlespace Awareness CPMs, charged with oversight of the Department's Communication and Intelligence, Surveillance, and Reconnaissance portfolios, respectively. In addition, all CPM charters include formal means to incorporate COCOM IPLs within their resourcing processes. COCOM leadership in the CPM process helps ensure enhanced synchronization of capability requirements to capability investments across multiple portfolios.

16. Senator MCCAIN. Admiral Keating, General Sharp, and General Chilton, what additional resources, if any, do you believe that combatant commanders need to establish robust analytical capabilities to identify and assess their long-term requirements?

Admiral KEATING. This is an often overlooked, but critical aspect to support U.S. influence throughout the world during peace, crisis, and war. PACOM is not resourced to provide a robust, analytic capability to identify and assess long-term requirements. Our focus is the traditional role of analyzing current requirements and conducting the PACOM Theater Campaign Plan, and should deterrence fail, executing our war plans.

Given the mission to establish robust analytical capability to identify and assess the combatant commander's long-term requirements, PACOM would form multidisciplinary, as well as interagency, teams to assess the situation. This would allow for the identification of long-term requirements and analysis of various solutions to those requirements to present to acquisition decision makers in a sound, cohesive manner.

Another critical aspect in identifying and assessing long-term requirements is the ability to conduct modeling and simulation at higher classification levels (e.g. SAP/SAR), to incorporate future weapons, concepts, and capabilities under development by the Services in support of the combatant commanders.

Finally, success of this long-range requirements cell is contingent upon access to national-level intelligence estimates of potential future belligerent force capabilities and intentions. This type information is often classified at the TS/SCI or SAP/SAR level and is, at times, difficult to access at the COCOM level. A culture change to increase information sharing across COCOMs and between agencies would greatly enhance long-term requirement identification.

General SHARP. I currently have a moderately robust analytical capability within USFK to address identifying and assessing long-term requirements for my warfighting mission. However, we do not have the capability to assess across the full spectrum of activities and operations within USFK and require additional nonkinetic modeling and simulation tools to assist us in effectively and efficiently identifying and assessing these requirements. Some of the areas requiring research include improving our understanding of the long-term operating environment, and how I can harmonize the elements of national power to achieve my mission.

Additionally, the Department needs to develop modeling and simulation tools for instability to assist us in improving our ability to identify developing unstable situa-

tions early-on which will provide us more time to properly plan and prepare an appropriate response to that situation.

General CHILTON. We are constantly looking for opportunities to leverage on-going analyses across DOD. Centralized access to DOD studies, analyses, and datasets would improve our analytical efficiency. This is an area of great potential for increasing the effect of our analytical resources.

17. Senator MCCAIN. Admiral Keating, General Sharp, and General Chilton, the "Beyond Goldwater-Nichols Phase II Report" (BGN Phase II Report) recommends that the Department of Defense (DOD) could utilize functional commands, such as JFCOM, to provide robust analytical support to the geographical COCOMs to identify and assess each command's long-term requirements. That recommendation appears to be reflected, at least in part, in a recent JROC memorandum, dated June 20, 2008, titled "Assignment of Joint Potential Designators and Coordination by Combatant Commands on Capabilities Documents." Do you believe that the BGN Phase II Report's recommendation has merit?

Admiral KEATING. Yes, the recommendations do have merit. The BGN Phase II report advocates "those charged with executing missions should set the requirements for the capabilities they need." PACOM regularly engages with the JROC both in person and via video teleconference, advocating for theater requirements. Between senior warfighter forums, "hub trips," and the JROC meetings, the combatant commanders' ability to influence this process has been on the rise. The inclusion of the combatant commanders as a member of the JROC would further expand their ability to formally influence the requirements process.

General SHARP. I believe there is merit in establishing Lead Functional COCOMs for the four portfolios listed in the JROC memorandum.

General CHILTON. Yes, the recommendations do have merit. The Unified Command Plan (UCP) dated December 17, 2008, directs STRATCOM to advocate for joint enabling functions within specified mission areas. As a functional combatant commander, I am satisfied with my staff's abilities to advocate for the needs of the regional COCOMs based on their validated requirements documentation. The JROC memorandum you refer to is one of the latest reforms that places increased authority for requirements validation with the joint warfighter. This authority will allow for a more direct link between those who need capabilities and the capabilities provided. There is a great deal of work to be done in this area and the BGN Phase II Report provides many recommendations that merit continued evaluation and consideration.

AIR FORCE TRAINING REQUIREMENTS IN KOREA

18. Senator MCCAIN. General Sharp, you mention in your written testimony that "USFK still faces challenges with insufficient training range capacity and capability needed to maintain the readiness of our air forces in Korea." You suggest a remedy that "Increased deployments of U.S. air forces to off-peninsula training events will mitigate current training shortfalls within Korea." At the same time the Air Force has increased the number of fighter aircraft assigned on the Peninsula and you are advocating for accompanied, 3-year tours for U.S. forces stationed in Korea. What specific mission tasks for Air Force pilots are not supported by existing training ranges?

General SHARP. The ROK has an overall shortage of range capacity (available time). The total time requirement for all ROK air-to-ground range users is approximately 11,000 hours per year. The total time available from all ROK ranges is approximately 10,000 hours before attrition. Even if we were able to achieve perfect scheduling and range utilization 100 percent of the time, 7th Air Force would still fall 1,000 hours short. Many mission tasks are precluded from being accomplished due to this shortage of range capacity. The list is quite lengthy but includes inertial aided munitions, laser guided bombs, and nearly every other air-to-ground event required to maintain pilot combat readiness.

ROK ranges also lack capabilities; maverick missiles cannot be employed and reactions against surface-to-air threats cannot be accomplished due to the complete lack of electronic warfare (EW) threat simulators in the ROK. Even if EW simulators were available, there are significant frequency management issues due to the limited radio frequency spectrum available in Korea that prohibits full use of these simulators.

Although 7th Air Force units use off-Peninsula deployment opportunities to make up the required training shortfalls, the long-term solution is to increase training range capacity on the peninsula by building a new range with the required capabili-

ties. USFK and 7th Air Force personnel are engaging the ROK Joint Chiefs of Staff and ROK Air Force personnel on all levels to find a workable solution.

19. Senator MCCAIN. General Sharp, for the ranges that the Air Force does currently use, are there any operational or scheduling constraints that affect training? If so, can you explain how training is being impacted?

General SHARP. Operational constraints include: boats in the vicinity of Jik-do range; frequent high fire danger at Pilsung range; and poor weather and range closures due to short/no notice maintenance. Scheduling is a challenge due to the overall shortage of range time on peninsula; extra time granted to the United States reduces ROK Air Force combat readiness—it is a zero sum game. To illustrate, in calendar year 2008 the 51st Fighter Wing received 48 percent of its requested range time required to meet annual training.

All training events that require range time—except for EW Range—require the pilot to release ordnance from the aircraft in order to ensure full training and system functionality. The operational impacts listed above preclude aircraft from dropping ordnance during scheduled range time, effectively blocking training. Pilot and unit readiness ratings reflect this shortfall. To illustrate, only 1 of 38 pilots from the 25th Fighter Squadron was combat mission ready at the completion of calendar year 2008.

ROK personnel at all levels have shown an interest in assisting us to find a workable solution to our training shortfalls, a problem for both the ROK Air Force and U.S. Air Force aircrews. With this commitment from both countries, we will continue to work to solve this issue.

20. Senator MCCAIN. General Sharp, how will the lack of adequate training ranges affect the long-term proficiency of Air Force pilots stationed in Korea for up to 3 years?

General SHARP. Longer tours will have a negative impact on the long-term proficiency of Air Force pilots stationed in Korea. The magnitude of the impact is difficult to accurately determine, but would generally become larger as the length of tour increases. When a pilot becomes non-combat mission ready, requalification rarely occurs due to the same range limitations that drove them non-combat ready in the first place. After (potentially) 3 years of non-combat readiness, pilots will have diminished skills in air-to-ground weapons delivery. This lack of training will affect the pilot's follow-on squadron who will have to carry the burden of requalification.

With regard to the 3-year assignment cycles, short duration off-peninsula training events—such as the two 3-week long Red Flag exercises—remain a way to help alleviate the impact. This mitigation is not optimal as increased deployments temporarily take combat assets off-peninsula and introduce significant costs for temporary duty and maintenance on the aircraft. The best solution will be to increase range capacity by constructing a new range with the necessary capabilities. Currently USFK and 7th Air Force personnel are engaging the ROK Joint Chiefs of Staff and ROK Air Force personnel on all levels to work a solution to the training range issue.

21. Senator MCCAIN. General Sharp, how will the proposed remedy of using off-peninsula training events for Air Force pilots affect your goal to have servicemembers and their families together for an accompanied tour in Korea?

General SHARP. While off-peninsula training events will cause relatively short-term separation between servicemembers and their families, these deployments are necessary for maintaining combat capability. Red Flag and other exercises typically last 2 to 3 weeks; this length of separation is similar to what is experienced by military families at other bases.

22. Senator MCCAIN. General Sharp, other than relying on off-peninsula training events, what other specific actions are you working on to address Air Force training range challenges?

General SHARP. We are negotiating to increase the capability of the ranges—specifically gaining the ability to drop JDAM and employ the maverick missile. We are supporting the ROK Air Force in their EW project slated for completion in late 2011 and coordinating to periodically bring in mobile EW systems from off-peninsula. In order to aid/fix the capacity shortage we are looking into several options to include extending the operating hours at existing ranges and construction of a new air-to-ground range. We are currently working with the ROK Joint Chiefs of Staff to study the feasibility of a new range on the peninsula that could fulfill all the training needs of the ROK Air Force and U.S. Air Force.

23. Senator MCCAIN. General Sharp, what support for funding and resources in DOD will be needed to provide adequate Air Force training ranges?

General SHARP. The amount of U.S. funding and resources is unknown at this time. The cost, if any, for a new air-to-ground range will depend on the outcome of negotiations, treaties, et cetera. Any course of action will require some level of additional funding. For example, the cost to send a squadron to Red Flag Alaska is approximately $1.2 million per F–16 squadron and $1.5 million per A–10 squadron. These deployment costs increase the strain on shrinking operations and maintenance dollars. Additionally, we will have to accept increased risk due to longer reaction times with forces deployed off-peninsula. We will continue to work with the ROK military for the construction of a new range, as this is the ultimate solution for both air forces.

U.S. MILITARY FORCE STRUCTURE IN KOREA

24. Senator MCCAIN. General Sharp, in your written testimony under the heading of U.S. Force capabilities, you state, "While maintaining the 28,500-force level in Korea, U.S. military capabilities in the region need to be more air and naval-centric." Can you provide details of your assessment? Specifically, what additional air and naval forces do you recommend and where should they be located?

General SHARP. The assessment on the need for a more air and naval centric U.S. force capability is based on the current operations plan (OPLAN) and the increased capabilities of the ROK ground forces. The increased capabilities of the ground forces enables the ROK to defend against an invasion without the assistance of U.S. ground forces and allows time for follow-on U.S. ground forces to arrive. However, these ROK ground forces require immediate U.S. air and naval support. Increasing the footprint of U.S. air and naval forces will ensure the highly capable ROK ground forces are able to swiftly defeat an invasion. Since we are developing a new bilateral OPLAN and waiting for the Quadrennial Defense Review (QDR) to be published, it is too early in the transformation process to accurately reflect the future requirements for Air and Navy component requirements. To address the second part, my staff has been working on a tour normalization plan that is based on two hubs, which I briefed to the Services, Office of the Secretary of Defense, and the Joint Staff last fall. One hub is centralized in the southeastern portion of the peninsula for naval forces and for army sustainment and augmentation flow. The second hub is the Osan Air Base—Camp Humphreys hub. This brings all forces and their dependents that currently are within range of long-range artillery positioned in North Korea to being outside of their range.

25. Senator MCCAIN. General Sharp, would you recommend a reduction in Army personnel stationed in Korea in order to increase the levels of Air Force or Navy personnel?

General SHARP. I would not recommend any significant force changes at this time. Here are the reasons why. First, the Joint Staff undertook a long-range study for force allocation on the peninsula. No decisions on that study have been made at this time as the Joint Staff is waiting for the QDR to be published. Additionally, my staff is working with the ROK Joint Staff to write the bilateral OPLAN that will replace the 'fight tonight' plan—OPLAN 5027. Any force allocation should be made in concert with that plan. As you can see, with the ongoing planning and guidance reviews still in progress, we are too early in the process to be making long-range decisions on force structure permanently assigned to the peninsula.

26. Senator MCCAIN. General Sharp, what actions are you taking to realign U.S. force capabilities on the Peninsula?

General SHARP. We are working closely with the Joint Staff and related Global Force Management issues as the Office of the Secretary of Defense (OSD) prepares to publish the QDR. Once a decision is made from OSD in the QDR on required U.S. force capabilities on the Peninsula, we will execute that plan.

HOST NATION BURDENSHARING

27. Senator MCCAIN. General Sharp, the U.S. Government and ROK recently concluded host nation burdensharing negotiations, resulting in a Special Measures Agreement (SMA) that will provide ROK funding support for USFK over the next 5 years. Can you provide a description how the results of the SMA as it relates to specific levels of host nation financial support for the operation, maintenance, and

upgrade of installations and facilities supporting U.S. forces, differ from previous SMAs in the past 10 years?

General SHARP. The results of the 5-year SMA negotiation is stable funding for host nation support of USFK's presence in the ROK—something that was lacking in the past with a succession of 1- or 2-year agreements. Over the past 10 years SMA funds used annually for construction of facilities supporting U.S. forces has increased over three fold with 264.2 billion won ($275.6 million) being used for construction in 2008. The stable funding provided by the recently concluded SMA allowed us to provide 292.2 billion won ($284.4 million) for construction in 2009 supporting U.S. relocation requirements. Appropriated funding still remains an important component of our overall funding strategy for relocation as well as supporting our priorities of being prepared to fight and win and improving quality of life.

28. Senator MCCAIN. General Sharp, you state in your testimony that "Some of our facilities in Korea are the most dilapidated in the U.S. military, outside of active combat or peace enforcement zones." Are the amounts provided by the host nation for installation support being used to address the most urgent requirements across all U.S. installations on the Peninsula? If not, how do you propose to address those requirements?

General SHARP. The amounts provided by the host nation for installation support are being used to address the most urgent requirements across all U.S. installations on the peninsula. While USFK construction priorities are focused on transformation we continue to evaluate all requirements and fund those that are most urgent. Appropriated funding remains an important component of our overall funding strategy, which includes host nation construction funds, ROK in-kind construction, and commercial investment.

29. Senator MCCAIN. General Sharp, I have concerns that amounts provided under the SMA by the host nation for installation support are being solely funneled to United States Army Garrison Humphreys to pay for requirements related to the Land Partnership Plan. This is resulting in a significant degradation of the conditions of other critical U.S. operational facilities and infrastructure on the Peninsula, which may require future U.S. investment to correct. Can you provide your assessment of the current cost estimates associated with implementation of the Land Partnership Plan, from which sources will funds be drawn from, and your plans to address other installation requirements affecting operations and readiness at all bases supporting U.S. forces on the Peninsula?

General SHARP. We have identified approximately $3 billion of Land Partnership Plan requirements that will be funded with ROK, SMA, and military construction (MILCON) fund sources. We have also identified over $2.8 billion of non-Land Partnership Plan requirements that will be resourced from the same fund sources plus public-private venture fund sources. In addition, approximately 28 percent of facility and infrastructure projects currently in design or construction are for Air Force, Navy, and Marine Corps installations on the peninsula.

TOUR NORMALIZATION COSTS

30. Senator MCCAIN. General Sharp, in your testimony, you strongly advocate for normalizing tours in Korea by increasing tour lengths to 3 years and increasing the number of command-sponsored tours from 2,135 families to 14,250 families. You also ask for our support for the infrastructure and services required to support tour normalization. Can you provide a description of the specific infrastructure and service requirements that you have identified to support tour normalization?

General SHARP. USFK is hard at work developing master plans and is in the process of shifting from a strategy of addressing each function to one of aggregate community planning. USFK is reviewing various options to build entire communities at each of the five enduring locations: United States Army Garrison (USAG) Humphreys, Osan Air Base, USAG Daegu, Chinhae Naval Station, and Kunsan Air Base as needed to determine U.S. Government use of the facilities. All communities will need family housing, medical and dental facilities and outfitting, hospital expansion and outfitting, childcare and youth facilities, fitness centers, base exchanges, commissaries, and the necessary utility and infrastructure capabilities. Infrastructure capabilities include services and facilities necessary for military communities to function, such as roads, water supply, sewers, power grids, and telecommunications.

31. Senator MCCAIN. General Sharp, do you have an estimate of these costs of a proposed investment plan?

General SHARP. JFTR changes and infrastructure availability are the driving forces that will allow an increase in population and the implementation of tour normalization. USFK is developing tour normalization master plans that include infrastructure requirements through fiscal year 2020. Although infrastructure for tour normalization is currently unfinanced, initial expectations are that Public Private Ventures (PPV) could provide approximately 90 percent of infrastructure requirements with the remaining 10 percent coming from burdensharing, military construction, or some combination of other funds.

The current tour normalization estimated requirement for infrastructure facilities is approximately $2.255 billion. Potentially, PPVs totaling approximately $1.519 billion could be used to resource the expansion of family homes identified as the Korean Housing Opportunity Program and the expansion and new construction of required schools. The balance of funding—$736 million—is needed to complete tour normalization investment and will resource facilities and infrastructure not covered by PPVs.

USFK is reviewing various options to build PPV communities for tour normalization. USFK is hard at work developing the necessary community plans and associated issues addressing each function (housing, schools, medical and dental, shopping centers, food stores, childcare, utilities, fitness centers, protective services) as an aggregate for community planning and sustainment.

32. Senator MCCAIN. General Sharp, does the recently negotiated SMA address any requirements or costs related to tour normalization? If so, can you provide details?

General SHARP. The recently concluded 5-year SMA does not specifically address the tour normalization issue per se. That being said, the majority of the 2009–2013 SMA funding will be used for implementation of the Land Partnership Plan, where many of the projects conducted under this plan will support my tour normalization goal.

33. Senator MCCAIN. General Sharp, given the unpredictability and volatility of North Korea, will you be able to provide for the safety of all these additional families should hostilities break out on the Peninsula?

General SHARP. Yes, under our tour normalization concept—which includes the two-hub stationing concept—forces and families that are currently within range of long range artillery positioned in North Korea will be moved far enough south so that they are no longer in range. Therefore, we increase the safety to families. Additionally, there is a certain level of increased safety by collapsing down from 120-plus bases, camps, and stations, as was the case in the 1990s, down to two hubs with only 47 bases, camps, and stations, as will be the case when the tour normalization plan is fully implemented. Finally, we have a well-planned and rehearsed non-combatant evacuation (NEO) plan that has been well-coordinated and supported by the ROK Government at all levels. We believe we will be able to expand this plan to accommodate the expected increase in DOD family members that would come as a result of tour normalization, particularly since most will be located further south in the United States Army Garrison Humphreys and Daegu areas.

QUESTION SUBMITTED BY SENATOR JAMES M. INHOFE

LAW OF THE SEA

34. Senator INHOFE. Admiral Keating, according to media reports, the USNS *Impeccable* was surveying the ocean floor and conducting surveillance approximately 75 miles south of Hainan Island—where China has built a new submarine base—when it was harassed by Chinese vessels. The United States considers the location where the incident took place, under international customary maritime law, to be international waters. However, China claims this to be within their 200-mile exclusive economic zone (EEZ).

Under international law, the type of activity the USNS *Impeccable* was engaged in was completely legal. However, the Chinese have acceded to the U.N. Convention to the Law of the Sea, or the Law of the Sea Treaty, which is where they get this idea of an EEZ. Under the Law of the Sea Treaty, economic activity within an EEZ is reserved for the use by the adjoining nation.

The United States is not a party to the treaty. If we were, the Chinese could claim before an international arbitral panel that we were within their 200-mile EEZ, and that we were engaging in economic activity, certainly activity that may have dual purposes—both intelligence gathering and sea mapping for the purpose of com-

merce. No one can say with any certainty how this international panel will rule. The panel could rule that the USNS *Impeccable*'s actions were indeed at least partially economic in nature, and they could tell us to cease and desist this type of activity. At that point, we have a very difficult choice to make—do we abandon our obligations under the Law of the Sea Treaty, or do we discontinue this important surveillance mission in the South China Sea.

Keeping in mind that the United States does not abandon its international obligations and that acceding to the Treaty could mean that we may no longer possess the capability to engage in this type of intelligence gathering; shouldn't this incident serve as a grave warning against U.S. ratification of the Law of the Sea Treaty?

Admiral KEATING. No, nothing in the U.N. Law of the Sea Convention (UNCLOS) prohibits the United States from engaging in military activities, including intelligence gathering and surveillance operations, in and over foreign EEZs. In fact, UNCLOS codifies the right of navies to conduct military activities in foreign EEZs, free from interference by coastal states. Articles 58 and 87, which the United States has accepted as reflecting customary international law, specifically provide that high seas freedoms apply in the EEZ. President Reagan confirmed this point in his March 10, 1983, proclamation establishing the U.S. EEZ and his accompanying Statement on U.S. Ocean Policy. With regard to the potential impact of UNCLOS on intelligence collection, this issue was fully reviewed at closed hearings before the Senate Select Committee on Intelligence and the Senate Armed Services Committee in 2004. Both committees concluded, after receiving testimony from DOD, CIA, and DOS, that UNCLOS does not affect U.S. intelligence collection activities. Those agencies recently confirmed that testimony in correspondence to the Senate Foreign Relations Committee.

The only restriction on intelligence gathering in UNCLOS is found in Article 19.2(c), which applies to ships engaged in innocent passage in the 12 nautical mile territorial sea, not the EEZ. Article 19 provides that passage of ships shall be considered to be prejudicial to the peace, good order, or security of the coastal state if "in the territorial sea" it engages in, inter alia, "any act aimed at collecting information to the prejudice of the defense or security of the coastal state." In other words, intelligence collection, per se, is not prohibited, but ships conducting such activities in the territorial sea will not be considered to be engaged in innocent passage, and may be asked by the coastal state to depart the territorial sea. A similar restriction is not contained in the EEZ provisions of UNCLOS. Therefore, nothing in UNCLOS or subsequent state practice changes the right of the U.S. armed forces to conduct military activities, including intelligence collection, in foreign EEZs without coastal state notice or consent.

The EEZ was not created to regulate military activities. Rather, UNCLOS clearly confirmed the continued exercise of high seas freedoms, including military activities, in the EEZ. Proposals to include residual coastal state security interests in the EEZ were considered and rejected during the negotiations of UNCLOS. UNCLOS Article 56 makes clear that coastal states have limited sovereign rights in the EEZ for the purpose of exploring, exploiting, managing, and conserving the natural resources of the zone, as well as for the production of energy from the water, currents, and winds. Coastal nations also have jurisdiction in the EEZ over the establishment and use of artificial islands, installations, and structures; over marine scientific research; and the protection and preservation of marine environment. With regard to this later point, it is important to note that Article 236 specifically provides that the environmental provisions of UNCLOS do not apply to warships, naval auxiliaries, and other vessels and aircraft owned or operated by a state and used, for the time being, only on government non-commercial service.

Pursuant to Article 58, all states enjoy the high seas freedoms of navigation and overflight referred to in Article 87 and other internationally lawful uses of the sea related to these freedoms, such as those associated with the operation of ships and aircraft, in the EEZ. State practice, before and after UNCLOS entered into force, clearly demonstrates that military operations, exercises, and activities (including intelligence collection) have always been regarded as internationally lawful uses of the sea. Nothing in UNCLOS changes that recognition. In short, the right to conduct such activities continues to be enjoyed by all states in the EEZ without prior notice to or consent of the coastal state.

With regard to any potential dispute regarding U.S. military activities in foreign EEZs, UNCLOS contains a military activities exemption from compulsory dispute resolution that is ironclad. Article 298 specifically provides in pertinent part that "1. When signing, ratifying, or acceding to this Convention or at any time thereafter, a State may . . . declare in writing that it does not accept any one or more of the procedures provided for in section 2 [i.e., the compulsory dispute settlement provisions] with respect to one or more of the following categories of disputes . . .:" mar-

itime boundary disputes, disputes involving military activities, and disputes involving matters before the U.N. Security Council. Therefore, when acceding to the Convention, the United States will exercise its option to exempt all three categories from compulsory dispute settlement. Moreover, the U.S. determination of what constitutes a military activity will not be subject to adjudication by an international panel. I would note that all permanent members of the U.N. Security Council that have ratified UNCLOS (including China) and numerous other countries have declared a military activities exemption.

QUESTIONS SUBMITTED BY SENATOR SAXBY CHAMBLISS

JOINT POW MIA ACCOUNTING COMMAND

35. Senator CHAMBLISS. Admiral Keating, I am pleased that you mention the Joint POW–MIA Accounting Command (JPAC) in your written statement. I am a member of the Joint U.S./Russia POW–MIA Commission which is active on POW–MIA and recovery issues, and I also have some constituents who care very much about this issue. In fact, JPAC successfully identified a blood chit from a crash site in Vietnam for a brother of one of my constituents who had been missing for over 35 years. This confirmed that it was indeed her brother that crashed in that F–4 in 1972 and brought a tremendous amount of closure to her and the rest of her family. This is a testimony to the good work you are doing and I commend you for it.

I understand that, due to budget cuts, JPAC has had to eliminate two excavation teams in PACOM, one in Laos and one in Vietnam, and that this is delaying the excavation of the crash site I just referred to as well as other potential crash sites. Am I correct that budget cuts have required you to cut back in this area, and if so, what kind of impact will these cuts have on JPAC's ability to carry out their mission?

Admiral KEATING. As a result of congressional marks levied on JPAC, our fiscal year 2009 budget was reduced by $2.349 million. This reduction resulted in two Recovery Teams being cut, one in Laos and one in Vietnam, and one Investigation Team in Europe. At the beginning of the third quarter, $907,000 of the congressional mark was restored, allowing JPAC to add back the Recovery Teams in Laos and Vietnam and the Investigation Team in Europe. The $907,000 added back to JPAC's budget enabled the command to conduct all the operations scheduled for fiscal year 2009.

NORTH KOREA

36. Senator CHAMBLISS. General Sharp, in your written testimony you state, "The potential for North Korean instability will remain a top concern for the foreseeable future." You go on to say, "The Democratic People's ROK's long-term viability and corresponding stability remains problematic, as the North Korean Government has shown little tolerance for market reform, resulting in deteriorating infrastructure and chronically depressed agricultural and industrial sectors. . . This raises questions about the long-term viability of an increasingly stressed North Korean regime. Absent a commitment to economic and other reforms, we expect the regime's goals and strategy to remain static, as it pursues regime survival at the expense of both the North Korean state and its people's future prosperity."

In your assessment, how long can North Korea sustain this trajectory and what happens when the status quo that currently exists in North Korea changes?

General SHARP. North Korea could sustain this trajectory for many more years, even decades. Although the regime is brittle after nearly two decades of economic decline, Kim Jong Il appears to remain in complete control, with no credible evidence of any significant challenges to his rule. The regime maintains absolute control through the most pervasive security system in the world—a system that controls every aspect of the average North Korean citizen's life—as well as a "Military First" policy that ensures military support of the regime's draconian policies. Although Kim's succession plan is unclear, we assess most likely the next leader will attempt to continue current regime policy. We remain concerned that, absent a clear succession plan, sudden death or permanent incapacitation of Kim Jong-il could result in leadership uncertainty, at least in the short term.

37. Senator CHAMBLISS. General Sharp, when talking about U.S. Force capabilities, you mention that: "While maintaining the 28,500-force level in Korea, U.S. military capabilities in the region need to be more air and naval-centric. U.S. air and naval platforms stationed in the region provide the alliance with strategic flexi-

bility, and a powerful response to augment the modern, highly capable, ROK ground forces."

How do you perceive the nature of the North Korean air and naval threat changing or adapting going into the future?

General SHARP. Although North Korean air and air defense assets are antiquated, they still pose a threat to CFC operations solely based on the number of aircraft (1,700), the Integrated Air Defense System, and the saturation of anti-aircraft artillery systems throughout the military and civil defense sectors. North Korea has shown interest in acquiring modern air defense artillery systems such as the SA–15 and 20; however, its declining economy limits its ability to make significant advances. In the North Korean navy, the threat to U.S. and allied forces is slowly evolving with the development of new naval platforms and technologies. Already equipped with an extensive inventory of naval mines, torpedoes, and cruise missiles, North Korea is improving its asymmetric and conventional threat capabilities through the development of low-signature delivery platforms and infiltration craft, as well as cruise missiles.

QUESTIONS SUBMITTED BY SENATOR DAVID VITTER

STRATEGIC COMMAND CHALLENGES

38. Senator VITTER. General Chilton, it looks like financial pressures paired with an increasingly more complex global threat environment will require the DOD to do more with less. How will STRATCOM respond to these challenges?

General CHILTON. STRATCOM works directly with Service and agency partners to ensure they better understand command requirements and we understand their constraints in order to make informed decisions on priority issues. The CPM structure provides a promising framework to address the resource challenges we face. CPMs are chartered to look across their respective portfolios, eliminate redundancies and poor performing programs, and optimize joint capabilities. Robust COCOM participation ensures CPMs remain focused on joint warfighter requirements.

39. Senator VITTER. General Chilton, will this involve taking more risk in certain areas? If so, how will this impact STRATCOM's mission?

General CHILTON. Certainly, "doing more with less" will incur additional risk. The challenge is to properly balance that risk and mitigate it to the greatest extent feasible. What that means for STRATCOM is balancing risk among the eight specific responsibilities assigned in the 2008 UCP. I believe I have somewhat preempted the need to balance risk by organizing STRATCOM's UCP-assigned responsibilities into three primary lines of operation and four joint enabling missions. Although risk will be shared among all mission areas, this construct facilitates risk management across all mission areas with a focus on minimizing risk in the three primary mission areas I consider most critical—Strategic Deterrence, Space, and Cyberspace Operations.

LONG-RANGE STRIKE FLEET

40. Senator VITTER. General Chilton, long-range strike is a fundamental capability that deters potential aggressors and yields critical effects in combat operations. Additionally, long-range strike reduces the Air Force's dependence on regional bases and combat theater support assets. That said, the long-range strike fleet is rapidly aging, with nearly 50 percent of the fleet predating the Cuban Missile Crisis. Only 12 percent of the long-range strike fleet is stealthy, an essential element for survival in defended airspace. The next generation bomber was supposed to help recapitalize this critical mission area, but recent stories in the press and statements by senior officials have indicated that this program may be cancelled. How will the mission of STRATCOM be affected if such a cut is enacted?

General CHILTON. The long range bomber force is indeed a fundamental capability of the United States that supports both nuclear and conventional strategic missions. For the nuclear mission, long range bombers are recallable and deliver weapons with a significantly lower yield than ballistic missiles. They also possess a fair level of survivability once dispersed. The generation of long range bombers as a show of force is the only visible nuclear deterrent available to the President. The B–52 continues to provide acceptable weapons system reliability, but is starting to degrade. The B–2 fleet remains stealthy for now. However, our adversaries are not static; they continue to develop advanced radar systems to see stealthy aircraft and cruise

missiles. As this trend continues, the B–2/Air Launched Cruise Missiles will be vulnerable to being shot down by the latest surface-to-air missile systems that are already in development. To meet the next generation threat, STRATCOM will need next generation stealth, both in missiles and in the bombers themselves. To maintain our guaranteed capability of reprisal that deters our adversaries against the first use of nuclear weapons, we need a next generation long-range bomber that has the capability to penetrate enemy air defenses and maintains an acceptable weapons system reliability.

RECAPITALIZATION

41. Senator VITTER. General Chilton, I am concerned with the Nation's ability to produce replacements for nuclear warheads that require recapitalization. What capabilities do we have in this regard?

General CHILTON. Due to the long lead-times associated with recapitalizing major components of the nuclear weapons infrastructure constructed in the 1940s, 1950s, and 1960s, we are 10+ years from having adequate capability to produce many replacement materials and components currently in the legacy stockpile. Although the National Nuclear Security Administration has demonstrated a limited capability to produce a single plutonium pit type in the low quantities, replacement of both uranium and plutonium research and manufacturing facilities is critical for long-term stockpile sustainment.

42. Senator VITTER. General Chilton, are we currently accepting a prudent amount of risk in this arena?

General CHILTON. No, the lack of a responsive infrastructure, testing moratorium, and our limited production capability leads us to maintain a significant stockpile hedge to mitigate risk against geopolitical and/or technological surprise. There are increasing risks in sustaining our aging stockpile, regardless of size, unless we recapitalize the scientific, experimental, production, and human capital required to maintain our deterrent.

43. Senator VITTER. General Chilton, are there steps we should take to mitigate such risk?

General CHILTON. It is critical that we act now to recapitalize both the infrastructure and human capital necessary to sustain the stockpile into the future and mitigate risk. Much of the weapons complex dates to the 1950s and nearly all of our experienced weapons scientists and engineers are eligible to retire within the next 5 years. We are the only nuclear weapons state party to the Nuclear Nonproliferation Treaty that does not actively exercise all aspects of the design and production processes needed to sustain the nuclear stockpile.

[Additional information provided after the hearing by General Sharp follows:]

Appearing immediately below is a chronicle of erratic and provocative behavior by North Korea since the year 1950. For purposes of this chronology, erratic behavior is understood to mean behavior that deviates from what is ordinary or standard and falls outside the norms of international relations. Information for the chronology below was obtained from Congressional Research Service Report RL30004 titled North Korea: Chronology of Provocations 1950–2003, the 2005 White Paper on Korean Unification published by South Korea's Unification Ministry, material published by the Arms Control Association, the Korea Institute for National Unification's KINU Insight, and weekly reports on North Korea published by South Korea's Unification Ministry.

- June 1950: North Korea launches a full-scale invasion of South Korea
- February 1958: North Korean agents hijacked a South Korean airliner to Pyongyang; the airliner had been on a flight from Pusan to Seoul
- April 1965: Two North Korean MiG fighters attacked and damaged a U.S. RB–47 reconnaissance plane over the East Sea
- January 1968: A 31-member North Korean commando team, disguised as South Korean soldiers and civilians, infiltrated within striking distance of South Korean President Park Chung-hee's office/residence in Seoul on a mission to kill President Park and other senior government officials—members of the commando team were killed, captured, or committed suicide, thus unsuccessful in their mission

• January 1968: North Korea seized the U.S. intelligence ship Pueblo off the coast of Wonsan in international waters
• October 1968: 130 North Korean commandos infiltrated the Ulchin and Samchok areas of South Korea's eastern coast—100 were ultimately killed, 7 were captured, and 13 fled
• March 1969: Six North Korean infiltrators killed a South Korean policeman near the eastern coastal area of Chumunjin, Kangown Province
• April 1969: North Korean MiG fighters shot down a U.S. EC–121 reconnaissance plane over the East Sea
• June 1969: North Korean agents infiltrate Huksan Island off South Korea's west coast
• July 1969: North Korea unveiled formal establishment of the United Revolutionary Party, an underground revolutionary organization whose aim was to overthrow the South Korean Government
• October 1969: Four U.S. soldiers were ambushed and killed by North Korean intruders near the southern boundary of the Demilitarized Zone (DMZ)
• December 1969: North Korean agents hijacked a South Korean airliner flying from Kangnung to Seoul with 51 persons aboard; the hijacked flight was redirected to Wonsan
• March 1970: North Korea provided sanctuary to 9 members of a Japanese radical left-wing "Red Army" group who had hijacked a Japanese airliner; the hijacked flight was redirected to Pyongyang
• April 1970: Three North Korean infiltrators were shot to death at Kumchon, Gyeonggi Province, south of the DMZ
• June 1970: North Korean patrol boats seized a South Korean broadcast vessel in the Yellow Sea near the military demarcation line (MDL)
• January 1971: A North Korean attempt to hijack a Korean Airline plane flying from Seoul to Sokcho was foiled
• February 1974: North Korean patrol vessels sunk two South Korean fishing boats and detained 30 fisherman
• November 1974: A North Korean infiltration tunnel dug under and across the DMZ was discovered
• August 1974: South Korean President Park Chung-hee's wife was killed during an assassination attempt against the President; the assassin came from a pro-North Korea group in Japan
• September 1975: Two North Korean infiltrators were intercepted at Kochang, in North Cholla Province
• June 1976: Three North Korean infiltrators were shot dead in the eastern sector south of the DMZ
• August 1976: A group of North Korean soldiers attacked a U.S.-South Korean tree-trimming work team in the Joint Security Area
• July 1977: A North Korean attempt to abduct a South Korean couple failed in Belgrade, Yugoslavia
• February 1978: North Korea abducted South Korean actress Choi Eun-hee and her film-director husband Shin Sang-ok in Hong Kong and took them to Pyongyang
• October 1978: A North Korean infiltration tunnel dug under the DMZ near Panmunjom is discovered
• November 1978: A team of three North Korean agents killed four South Korean citizens in South Chungcheong Province and Osan city (Gyeonggi Province)
• June 1979: A South Korean teacher was abducted by North Korea in the Netherlands
• October 1979: Three North Korean agents were intercepted while trying to infiltrate the eastern sector of the DMZ
• July 1979: A North Korean attempt to abduct a South Korean employee of the Korea Trade Promotion Agency in France failed
• March 1980: Three North Koreans trying to infiltrate South Korea through the Han River Estuary were killed
• November 1980: Three North Korean infiltrators were shot to death in South Cholla Province
• December 1980: Three North Korean agents were shot dead off the southern coast of South Gyeongsang Province
• March 1981: Three North Korean infiltrators confronted at Kumwha, Kangwon Province
• June 1981: A North Korean spy boat was sunk of the coast of Sosan, South Chungcheong Province

• July 1981: Three North Korean agents were shot to death in the upper stream of the Imjin River while trying to cross into South Korea
• May 1982: Two North Korean infiltrators spotted on South Korea's east coast
• August 1982: Police in Canada uncovered a North Korean plot to assassinate South Korean President Chun Doo-hwan during a visit by Chun to that country
• October 1983: North Korean agents explode a bomb several minutes before South Korean President Chun Doo-hwan was to arrive and lay a wreath at the Martyr's Mausoleum in Rangoon, Burma; 17 senior South Korean officials were killed and 14 people accompanying President Chun were injured
• December 1983: Two North Korean armed spies were captured at Tadaepo
• February 1984: Two Canadians testified in a Canadian court that North Korean agents hired them in 1981 to assassinate South Korean President Chun Doo-hwan—the assassination was to occur in the Philippines in July 1982
• September 1984: A North Korean agent killed 2 South Korean residents of Taegu and wounded another before committing suicide
• October 1985: A North Korean spy ship was sunk by the South Korean navy off the coast of Pusan
• September 1986: It was believed that North Korean agents detonated a bomb at Kimpo International Airport in Seoul, killing five and wounding over 30 people
• January 1987: A North Korean attempt to abduct a South Korean citizen in Hong Kong failed
• January 1987: North Korea abducted a South Korean fishing boat that had 12 crewmen
• August 1987: A South Korean student at MIT was kidnapped in Austria
• November 1987: A bomb planted by two North Korean agents on a Korean Airline Boeing 707 flying from Baghdad to Seoul exploded mid-air, killing 20 crew members and 95 passengers
• June 1988: The head of a North Korean trading company revealed after his defection to South Korea that North Korean embassies worldwide had been ordered to do everything possible to stop other countries from participating in the Seoul Olympics
• March 1990: A North Korean infiltration tunnel under the DMZ was discovered
• June 1991: The daily news organ of North Korea's Korean Worker's Party called upon South Korean youth, students, and people to eliminate the South Korean president's "fascist regime" and establish a genuine democratic regime in the south
• May 1992: Three North Korean infiltrators, in South Korean uniforms, were shot dead at Cholwon in Kangwon Province
• October 1992: A 400-member North Korean spy ring in the south was uncovered—the mission of the ring was to establish an underground center for subversive activity in South Korea
• March 1993: Amid demands for special inspections by the International Atomic Energy Agency, North Korea announced its intention to withdraw from the Nuclear Nonproliferation Treaty
• December 1993: North Korea's chief of the military general staff declared that the military had the heavy and honorable task of reunifying the fatherland with guns in the 1990s
• March 1994: During an inter-Korean meeting at Panmunjom North Korea's chief delegate declared that if war breaks out Seoul will be turned into a sea of fire in response to the possibility that United Nations sanctions might be imposed on Pyongyang because of its refusal to accept full international nuclear inspections
• June 1994: A North Korean attempt to abduct a South Korean professor in Addis Ababa, Ethiopia, was foiled
• June 1994: North Korea announced it would withdraw from the International Atomic Energy Agency
• May 1995: A North Korean patrol boat fired on a South Korean fishing vessel
• June 1995: North Korean soldiers threaten to harm the captain of a South Korean ship unless the latter hoists a North Korean flag on his ves-

sel; the South Korean ship was located in a North Korean port delivering humanitarian aid (rice) to the North

• July 1995: A team of three North Korean agents and their two Korean-Chinese collaborators abducted a South Korean pastor in Jilin

• August 1995: North Korea seized and arrested the crew of a South Korean ship delivering rice aid to Pyongyang after a South Korean crewman took photographs from the ship

• October 1995: Two armed North Koreans were intercepted at the Imjin River just south of the DMZ

• October 1995: Two North Korean agents were intercepted at Puyo, about 100 miles south of Seoul; agents were suppose to contact anti-government dissidents, politicians, and an organization of underground cells

• April 1996: On three occasions, a total of several hundred North Korean troops crossed the MDL after Pyongyang's unilateral announcement that it no longer would abide by the provisions in the Armistice Agreement concerning integrity of the DMZ

• May 1996: Seven North Korean soldiers crossed the MDL facing South Korean defensive positions but withdrew when South Korean troops fired warning shots

• May 1996: Five North Korean naval patrol craft crossed into South Korean-defended waters in the Yellow Sea and withdrew after a 4-hour standoff with South Korean naval vessels (a similar 3-hour incursion by three North Korean patrol craft in the same area occurred in June 1996)

• July 1996: A North Korean spy was captured in Seoul after posing as a Filipino professor for 12 years

• September 1996: A disabled North Korean submarine was spotted bobbing off the shore near the city of Kangnung, Kangwon Province; 26 North Korean personnel from the submarine infiltrated South Korea's east coast where only one ultimately escaped—the rest were killed or captured

• October 1996: A South Korean diplomat in the Russian city of Vladivostok was murdered after North Korea threatened to retaliate for the earlier submarine incident off the coast of South Korea

• February 1997: A North Korean defector who was the nephew of Kim Jong-il's former wife Song Hye-rim was shot and killed in Seoul

• February 1997: North Korea threatened unspecified retribution against the South Korean newspaper ChungAng Daily for publishing an account of Kim Il-sung's death

• March 1997: A Japanese newspaper reported information provided by a former North Korean agent that Megumi Yokota, a 13-year old Japanese school girl, was abducted by North Korea and taken there in order to be used as a teaching aid at a North Korean school for training spies

• April 1997: Five North Korean soldiers opened fire at South Korean positions after crossing the MDL in the Cholwon sector

• June 1997: Three North Korean patrol boats slip into South Korean-controlled waters in the Yellow Sea and opened fire at South Korean patrol boats

• June 1997: North Korea's Korean Worker's Party leading daily newspaper continued to encourage "pro-democratic" South Koreans to overthrow their government in a patriotic, anti-fascist, struggle for independence, democracy, and reunification

• June 1997: North Korea issued a threat to deliver a "merciless retaliatory blow" to South Korea's Chosun Daily newspaper for its 24 June editorial urging Kim Jong-il to relinquish power in favor of a new reform-oriented group; North Korea claimed it had the right to retaliate until the Chosun Daily ceased to exist

• July 1997: 14 North Korean soldiers intruded south of the MDL resulting in a 23-minute exchange of gunfire with South Korean forces

• November 1997: North Korea threatened to demolish South Korea's state-run Korean Broadcasting System for producing a mini-series depicting the life of repression and corruption in North Korean society

• November 1997: A North Korean ring of six spies was uncovered in Seoul; one of the spies was a noted professor at Seoul National University

• April 1998: A member of the North Korean delegation to an inter-Korean conference in Beijing reportedly said that Pyongyang would rather have a liberation war than capitulate to a South Korean attempt to "politicize" Seoul's food and fertilizer aid to the North

• June 1998: North Korea declared its intention to continue developing, testing, and deploying missiles as a means of countering an alleged military

threat from the U.S.; Pyongyang added that the U.S. should lift economic sanctions against the North and compensate Pyongyang for losses incurred if it terminated foreign missile sales

• June 1998: A North Korean midget submarine was seized after it was spotted entangled in South Korean fishing nets off the South Korean town of Sokcho, south of the DMZ—North Korea ultimately blamed South Korea for the incident and demanded return of the submarine

• July 1998: The body of a North Korean frogman was found on a beach south of the DMZ along with paraphernalia suggesting an infiltration operation

• August 1998: North Korea test fired a new 3-stage Taepodong–1 missile in arc over Japan without prior notification to the international community—Pyongyang claimed that the multistage rocket was used to launch a satellite into orbit for the peaceful exploration of space

• November 1998: A North Korean high-speed spy boat escaped from pursuers in South Korean waters near the island of Kangwha—it was believed the speed boat was trying to infiltrate agents into or out of South Korea

• December 1998: During a rally in Pyongyang North Korean youth and students vowed to turn Washington into a sea of fire and to crush Seoul and Tokyo

• December 1998: During a firefight the South Korean navy sunk a North Korean semi-submersible high-speed boat 150 kilometers southwest of Pusan

• March 1999: Two suspected North Korean spy ships entered Japanese territorial waters off Noto Peninsula facing the East Sea

• June 1999: Several North Korean ships provoked a nine-day confrontation off South Korea's western coast in the Yellow Sea—the confrontation ended with gunfire on 15 June where one North Korean ship was sunk and five others were heavily damaged; two South Korean ships were damaged during the exchange

• September 1999: A South Korean businessman was abducted by the North Koreans in Dandong, China

• January/February 2000: South Korean pastor Kim Dong-shik is reportedly abducted by North Korean agents while assisting North Korean defectors in Northeastern China

• March 2000: North Korea rejected a U.S. request that Pyongyang stop providing shelter to members of the Japanese Communist League Red Army Faction that had hijacked a Japanese airliner to Pyongyang in 1970

• March 2000: North Korea unilaterally declared new navigation zones and waterways in the Yellow Sea near the Northern Limit Line (NLL)

• July 2000: Radio Pyongyang broadcasted a threat to South Korea to "blow up" the conservative Chosun Daily newspaper—the threat emanated from the newspaper's report that the Korean War was started by a southward invasion by North Korea

• July 2000: North Korea characterized a major South Korean opposition political leader as an "anti-unification element," "traitor," and a "fool" because the leader called for reciprocity in inter-Korean cooperation

• March 2001: North Korea threatens to "take thousand-fold revenge" on the U.S. and its "black-hearted intention to torpedo" dialogue between the two Koreas in response to new policy Pyongyang characterized as "hostile"—North Korea further said it remained fully prepared for both "dialogue and war"

• April 2001: North Korean patrol boats briefly moved to locations south of the NLL supposedly to escort North Korean fishing boats—the patrol boats retreated after being challenged by South Korean naval ships

• June 2001: Three North Korean ships enter the Jeju Straits without permission

• July 2001: A North Korean patrol boat crossed the NLL in the Yellow Sea and maneuvered for 40 minutes before returning to North Korean waters

• November 2001: A North Korean patrol boat crossed the NLL in the Yellow Sea west of Baekryong Island and maneuvered for 36 minutes before returning back across the NLL

• November 2001: North Korean soldiers near the DMZ fired three rounds at a South Korean guard post

• December 2001: A North Korean spy ship was sunk after infiltrating within Japan's 200 nautical mile exclusive economic zone

• January 2002: A North Korean patrol boat briefly infiltrated South Korean waters off Yonpyong Island in the Yellow Sea

• June 2002: Gunfire erupted between South and North Korean naval ships after the latter crossed the NLL and fired upon the South Korean ships
• October 2002: The U.S. State Department revealed that during a meeting between senior American and North Korean officials Pyongyang admitted to pursuing a highly-enriched uranium nuclear program
• November 2002: North Korea threatened to end its moratorium on ballistic missile tests if North Korea-Japan normalization talks do not make progress
• 22–24 December 2002: North Korea cuts all seals and disrupts International Atomic energy Agency (IAEA) surveillance equipment on its nuclear facilities and materials; it also moved approximately 1,000 nuclear fuel rods from storage into the Yongbyon nuclear power plant
• 27 December 2002: North Korea orders IAEA inspectors out of the country
• 10 January 2003: North Korea announced it would withdraw from the Nuclear Nonproliferation Treaty immediately because it was seriously threatened by the U.S.
• 11 January 2003: The North Korean Ambassador to China said Pyongyang no longer felt bound by the 1999 missile test moratorium
• 20 January 2003: A North Korean diplomat was quoted by a Hong Kong newspaper as saying that if the North was attacked by the U.S. it would retaliate against the U.S. but would not attack South Korea
• 5 February 2003: North Korea announced that it had reactivated its 5-megawatt nuclear reactor at Yongbyon that had been frozen by the Agreed Framework
• 18 February 2003: North Korea threatened to abandon the Armistice Agreement if the U.S. imposed trade sanctions on Pyongyang claiming that a blockage against it would violate Article 15 of the armistice—North Korea accused the U.S. of plotting an attack against it
• 19 February 2003: A North Korean fighter jet briefly crossed 7 miles into South Korean airspace over the Yellow Sea
• 24 February 2003: North Korea test-fired a short-range anti-ship missile into the East Sea just a few hours before a ceremony inaugurating South Korea's new President Roh Moo-hyun
• 2 March 2003: Four North Korean fighter jets intercepted a U.S. Air Force reconnaissance plane in international air space over the East Sea
• 10 March 2003: North Korea fired a Silkworm ground-to-ship non-ballistic missile into the East Sea
• April 2003: During talks with the U.S. and China in Beijing, North Korea tells U.S. representatives that it possesses nuclear weapons—first time that Pyongyang made such an admission
• May 2003: North Korea accuses the U.S. of violating the spirit of the 1992 Joint North-South Declaration on Denuclearization of the Korean Peninsula, calling the agreement a "dead document"
• July 2003: North Korean officials at their United Nations mission in New York reportedly told U.S. officials that North Korea has completed reprocessing 8,000 spent fuel rods from its Yongbyon reactor
• August 2003: During the first round of Six-Party Talks North Korea threatens to test nuclear weapons or demonstrate they have the means to deliver them according to a senior State Department official
• 2 October 2003: North Korea announced it made a switchover in the use of spent fuel in the direction of increasing its nuclear deterrent force
• 16 October 2003: A North Korean Foreign Ministry statement suggests that Pyongyang may test nuclear weapons
• November 2003: The North Korean ambassador to the United Kingdom said that North Korea possesses a workable nuclear device
• January 2004: North Korea allowed an unofficial U.S. delegation to visit its nuclear facilities at Yongbyon and displayed what it called its "nuclear deterrent"
• February 2005: North Korea's Foreign Ministry announced that Pyongyang produced nuclear weapons
• March 2005: North Korea's Foreign Ministry stated that Pyongyang was no longer bound by its more than 5-year old moratorium on flight-testing longer-range missiles
• April 2005: North Korea told a visiting American scientist that it might give nuclear weapons to terrorists if the U.S. drives it into a corner
• July 2005: North Korean leader Kim Jong-il reportedly reiterated his father's (Kim Il-sung) wish for denuclearization of the Korean Peninsula

• December 2005: North Korea announced that it would pursue the construction of graphite-moderated nuclear reactors
• October 2006: Five North Korean soldiers crossed the MDL and were met by warning shots fired by South Korean guards
• 5 July 2006: North Korea test fired seven ballistic missiles including its longest range missile the Taepo Dong–2
• 15 July 2006: North Korea's Foreign Ministry stated that Pyongyang would not be bound by United Nations Security Council Resolution 1695
• October 2006: North Korea conducted an underground nuclear test—several days later North Korea said the test was attributable to the U.S. nuclear threat, sanctions, and pressure while also stating that Pyongyang remained committed to denuclearizing the Korean Peninsula through dialogue and negotiations
• March 2008: North Korea evicts 11 South Korean officials from the Kaesong Industrial complex's Office for Economic Cooperation and Consultations because the South Korean Unification Minister said earlier that the industrial complex would not be expended until resolution of the North Korea nuclear issue
• April 2008: North Korea denounced South Korea's "Denuclearization and Openness 3000" policy toward the North as a declaration of confrontation and war against Pyongyang
• July 2008: A South Korean tourist is shot and killed by a North Korean soldier at the Mount Kumgang Tourism Resort; in a statement Pyongyang demanded that South Korea take responsibility for the incident
• 12 November 2008: The North Korean military notified South Korea that it would strictly restrict and cut off all overland passage through the inter-Korean border on 1 December because Seoul failed to provide the North communication equipment it requested
• 24 November 2008: North Korea notified South Korea that it would limit the number of people who could stay at the Kaesong Industrial Complex, suspend tourism to the city of Kaesong, and restrict inter-Korean railway service
• January 2009: North Korea announced that it would scrap all agreed points concerning the issue of putting an end to political and military confrontation with South Korea, the South-North Basic Agreement, and the "points on the military boundary line" in the Yellow Sea as stipulated in an appendix of the Basic Agreement; Pyongyang said it did this because the administration of South Korean President Lee Myung-bak challenged the North and pushed inter-Korean relations to a point where they cannot be improved and were on the brink of war
• March 2009: North Korea's Committee for the Peaceful Reunification of the Fatherland threatened that South Korea's full participation in the Proliferation Security Initiative would be regarded as a declaration of war generating a strong response from the North
• 9 March 2009: North Korea shuts down all land borders with South Korea in order to protest the Korea-U.S. Key Resolve/Foal Eagle military exercise
• March 2009: North Korea detained a South Korean worker at the Kaesong Industrial Complex under charges that the worker denounced the North Korean system and encouraged a North Korean worker at the complex to defect to the South
• 3 April 2009: North Korea accused South Korea of poisoning the food of North Korean soccer players before the conduct of a South-North World Cup qualifying match in Seoul—Pyongyang claimed that the alleged poisoning was part of President Lee Myung-bak's plans to confront the North
• 5 April 2009: North Korea launched a long-range Taepodong-2 missile; Pyongyang subsequently said that it could export its missile technology or use it for military purposes

[Whereupon, at 12:12 p.m., the committee adjourned.]

DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 2010

TUESDAY, MARCH 24, 2009

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

UNITED STATES EUROPEAN COMMAND AND UNITED STATES JOINT FORCES COMMAND

The committee met, pursuant to notice, at 9:34 a.m. in room SH–216, Hart Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Lieberman, Bill Nelson, E. Benjamin Nelson, Webb, Udall, Hagan, Begich, Burris, McCain, Inhofe, Thune, and Martinez.

Committee staff members present: Richard D. DeBobes, staff director; and Leah C. Brewer, nominations and hearings clerk.

Majority staff members present: Richard W. Fieldhouse, professional staff member; William G.P. Monahan, counsel; John H. Quirk V, professional staff member; Arun A. Seraphin, professional staff member; and William K. Sutey, professional staff member.

Minority staff members present: Joseph W. Bowab, Republican staff director; William M. Caniano, professional staff member; Richard H. Fontaine, Jr., deputy Republican staff director; Daniel A. Lerner, professional staff member; David M. Morriss, minority counsel; Lucian L. Niemeyer, professional staff member; and Dana W. White, professional staff member.

Staff assistants present: Kevin A. Cronin, Jessica L. Kingston, Christine G. Lang, and Breon N. Wells.

Committee members' assistants present: James Tuite, assistant to Senator Byrd; Christopher Griffin, assistant to Senator Lieberman; Christopher Caple, assistant to Senator Bill Nelson; Ann Premer, assistant to Senator Ben Nelson; Jon Davey, assistant to Senator Bayh; Gordon I. Peterson, assistant to Senator Webb; Jennifer Barrett, assistant to Senator Udall; Julie Holzhueter, assistant to Senator Hagan: Anthony J. Lazarski, assistant to Senator Inhofe; Sandra Luff, assistant to Senator Sessions; Jason Van Beek, assistant to Senator Thune; Brian W. Walsh, assistant to Senator Martinez; Rob Epplin and Chip Kennett, assistants to Senator Collins.

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good morning, everybody, and welcome to our witnesses. Today the committee meets to receive testimony from General John Craddock, Commander, U.S. European Command (EUCOM) and the North Atlantic Treaty Organization (NATO) Supreme Allied Commander Europe; and General James Mattis, Commander, U.S. Joint Forces Command (JFCOM), and NATO Supreme Allied Commander Transformation.

This will probably be General Craddock's final appearance before this committee as he will be retiring in June. Let me take this opportunity, on behalf of all the members of our committee, to thank you, General, for your dedicated service to our Nation, and please pass along our congratulations and our thanks to your family.

Also, to both of you, please express our gratitude to the men and women in your command and their families for their commitment and sacrifice in carrying out the missions of the U.S. EUCOM and the JFCOM. We're very proud of their achievements and ask that you pass along that appreciation.

The trans-Atlantic relationship with Europe remains central to U.S. national and collective security. Our commitment to this relationship is demonstrated daily by the more than 40,000 U.S. troops forward deployed in Europe. Pursuant to the last administration's global force posture review, these forces are scheduled to be cut to a level of 32,000 by no later than 2013.

It has been reported that General Craddock is reviewing a proposal from General Carter Ham, Commander, U.S. Army Europe, to halt the drawdown plan and retain four Army brigade combat teams in Germany and Italy, rather than deploying two of those teams to the United States. I'd be interested in hearing General Craddock's assessment of the impact of the currently planned drawdown of forces in Europe, that that impact would have on EUCOM's ability to engage with our European allies and on their capacity to operate in coalition with U.S. forces.

One of the notable activities of EUCOM is its engagement with our European allies through coalition operations like the NATO-led International Security Assistance Force aimed at bringing security and stability to Afghanistan. The vast majority of the 42 countries participating in International Security Assistance Force (ISAF) are in the EUCOM area of responsibility (AOR), contributing most of the 30,000 troops fighting alongside an equal number of U.S. forces under ISAF command.

By all account, a critical component of our Afghanistan strategy must be building the Afghan security forces so that they can take responsibility for providing security for the Afghan people. Yet, to date the growth of the Afghan Army and Afghan National Police has been painfully and unnecessarily slow, not because of a shortage of Afghan recruits, but mainly because of a lack of trainers, including in particular U.S. and NATO training teams to embed with Afghan units, and the lack of equipment.

General Craddock in my office cited a current shortfall of 13 NATO embedded training teams, or Operational Mentoring and Liaison Teams (OMLTs), as they are called, which could grow to 29 teams by next year. Given the security situation in Afghanistan, it's mystifying to me why we and our allies aren't doing all we can

to fill this shortfall and accelerate the growth of the Afghan Army and other Afghan security forces.

While our NATO and other allies need to contribute more to the mission in Afghanistan, whether in terms of troops, equipment, training, or the financing of the buildup of the Afghan national security forces, and to lift national restrictions on the use of their forces, we also need to recognize the sacrifices that our ISAF partners have and are making, particularly in the volatile southern region of Afghanistan.

The EUCOM faces a number of security challenges within its AOR. In recent years Russia has grown increasingly assertive. Russia's invasion of Georgia last August led to a suspension of business as usual in the NATO-Russia Council. This past winter energy security became a major issue, as nations throughout continental Europe suffered energy shortages as a result of the Russian-Ukraine natural gas dispute.

The Balkans remain a potential source of instability, particularly as the 15,000-strong NATO Kosovo Force gradually steps back to let the newly established European Union (EU) Rule of Law Mission take increased responsibility for security in Kosovo.

There also appears to be new opportunities for improved security in the EUCOM area. The committee is interested in hearing from General Craddock regarding the implications of France's decision to fully re-integrate into NATO's military structure at the NATO 60th anniversary summit next month. The Obama administration has called for resetting relations with Russia and NATO ministers have decided to resume discussions within the NATO-Russia Council following that summit.

As Commander of U.S. JFCOM, General Mattis is responsible for the training, certification, and mission readiness of our Armed Forces. U.S. JFCOM is also entrusted with the important role of NATO's Allied Command Transformation. JFCOM was established in 1999 with significant impetus coming from this committee. One of the committee's goals was to promote more effective coordination with respect to joint operations in Department of Defense (DOD) organizations, policies, programs, and culture. Another goal was to help drive the transformation of the military to meet the anticipated threats of the future.

Significant time, personnel, and resources have been invested by JFCOM in its activities and programs. I hope that General Mattis will discuss what the return on those investments has been, and specifically how JFCOM has changed DOD practices, policies, and culture in support of achieving those original goals.

Persistent conflicts in Iraq and Afghanistan continue to stress the readiness and resources of our Armed Forces. U.S. JFCOM's leadership as the joint force provider for present and future operational needs for the Department of Defense remains essential. U.S. JFCOM faces the challenge to integrate all the various methods, authorities, and military cultures to provide a truly joint force.

We're particularly interested to hear General Mattis's views on U.S. JFCOM's contribution to the generation of forces and the development of capabilities to meet the requirements of the combatant commanders. We're also interested in hearing your assessment,

General, of the readiness of both deploying ground forces and non-deploying forces.

Again, we thank you both for your dedicated and continual service to our country. We look forward to your testimony.

[The prepared statement of Senator Levin follows:]

PREPARED STATEMENT BY SENATOR CARL LEVIN

Welcome to our witnesses this morning.

Today the committee meets to receive testimony from General John Craddock, Commander, U.S. European Command and NATO's Supreme Allied Commander Europe, and General James Mattis, Commander, U.S. Joint Forces Command and NATO's Supreme Allied Commander Transformation. This will probably be General Craddock's final appearance before this committee, as he will be retiring in June. Let me take this opportunity on behalf of all the members of the committee to thank you for your dedicated service to our Nation. Pass along please our congratulations and thanks to your family.

Please also express our gratitude to the men and women in your command, and their families, for their commitment and sacrifice in carrying out the missions of the U.S. European Command and the Joint Forces Command. We are proud of their achievements and ask that you pass along our appreciation.

The transatlantic relationship with Europe remains central to U.S. national and collective security. Our commitment to this relationship is demonstrated daily by the more than 40,000 U.S. troops forward deployed in Europe. Pursuant to the last administration's Global Force Posture Review, these forces are scheduled to be cut to a level of 32,000 by no later than 2013. It has been reported that General Craddock is reviewing a proposal from General Carter Ham, Commander, U.S. Army Europe, to halt the drawdown plan and retain four Army brigade combat teams in Germany and Italy, rather than redeploying two of those teams to the United States. I would be interested in hearing General Craddock's assessment of the impact the currently-planned drawdown of forces in Europe would have on EUCOM's ability to engage with our European allies and on their capacity to operate in coalition with U.S. forces.

One of the notable activities of EUCOM is its engagement with our European allies through coalition operations like the NATO-led International Security Assistance Force (ISAF), aimed at bringing security and stability to Afghanistan. The vast majority of the 42 countries participating in ISAF are in the EUCOM area of responsibility, contributing most of the 30,000 troops fighting alongside an equal number of U.S. forces under ISAF command.

By all accounts, a critical component of our Afghanistan strategy must be building the Afghan security forces so they can take responsibility for providing security for the Afghan people. Yet to date the growth of the Afghan National Army and Afghan National Police has been painfully and unnecessarily slow, not because of a shortage of Afghan recruits but because of a lack of trainers, including in particular U.S. and NATO training teams to embed with Afghan units, and a lack of equipment. General Craddock in my office yesterday you cited a current shortfall of 13 NATO embedded training teams, or OMLTs as they are called, which could grow to 29 teams by next year. Given the security situation in Afghanistan, it's mystifying to me why we and our allies are't doing all we can to fill this shortfall and accelerate the growth of the Afghan Army and other Afghan security forces.

While our NATO and other allies need to contribute more to the mission in Afghanistan—whether in terms of troops, equipment, training, or the financing of the buildup of the Afghan National Security Forces—and to lift national restrictions on the use of their forces, we also need to recognize the sacrifices our ISAF partners have and are making, particularly in the volatile southern region of Afghanistan.

The European Command faces a number of security challenges within its area of responsibility. In recent years, Russia has grown increasingly assertive. Russia's invasion of Georgia last August led to a suspension of "business as usual" in the NATO-Russia Council. This past winter, energy security became a major issue as nations throughout continental Europe suffered energy shortages as a result of the Russia-Ukraine natural gas dispute.

The Balkans remain a potential source of instability, particularly as the 15,000-strong NATO Kosovo Force gradually steps back to let the newly-established European Union Rule of Law Mission take increasing responsibility for security in Kosovo.

There also appear to be new opportunities for improved security in the EUCOM area. The Committee is interested in hearing from General Craddock regarding the

implications of France's decision to fully reintegrate into NATO's military structure at the NATO 60th Anniversary Summit next month. The Obama administration has called for resetting relations with Russia, and NATO ministers have decided to resume discussions within the NATO-Russia Council following that summit.

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Persistent conflicts in Iraq and Afghanistan continue to stress the readiness and resources of our Armed Forces. U.S. Joint Forces Command's leadership as the joint force provider for present and future operational needs for the Department of Defense remains essential.

U.S. Joint Forces Command faces the challenge to integrate all the various methods, authorities, and military cultures to provide a truly joint force. We are particularly interested to hear General Mattis' views on U.S. Joint Forces Command's contribution to the generation of forces and the development of capabilities to meet the requirements of the combatant commanders. We are also interested in hearing your assessment of the readiness of both deploying ground forces and nondeploying forces.

Again, we thank both of you for your dedicated and continual service, and we look forward to your testimony.

Chairman LEVIN. I now call on Senator McCain.

STATEMENT OF SENATOR JOHN MCCAIN

Senator MCCAIN. Thank you, Mr. Chairman.

Thank you to the witnesses for your testimony here today. General Craddock, I know this will be your last time before this committee and I thank you and your family for your long and distinguished service to our country.

General, as Commander of U.S. EUCOM you're charged with fortifying some of America's deepest and oldest alliances, and often much is made of the influence Europe has had on America's past, but I believe that Europe will play a vital role also in our future. The U.S.-European relationship was built on our common dedication to freedom, democracy, prosperity, and security, and it is our shared values and our commitment to trans-Atlantic security that has provided the stability and the prosperity that in the aftermath of the second World War transformed the world.

I believe that in order to ensure that NATO remains relevant today and in the future we must win in Afghanistan. Defeat there would risk the return of Afghanistan to its former status as a terrorist sanctuary, strike an historic blow in favor of the jihadist movement, and would spell disaster for NATO.

As the administration finalizes the elements of the new Afghanistan strategy, it should keep the end success firmly in mind. I also believe that leaders here and in Europe must do much more to prepare their publics for the expense, sacrifice, and patience that will be necessary to win. I think you and I agree this will be a long, hard struggle, and we'll do ourselves no favors by evading this truth.

As we recommit to Afghanistan, we should take great care to ensure that the trans-Atlantic allies don't let their occasional differences cloud our collective will to prevail. In recent years, our alliance diplomacy has led to frustration on both sides of the Atlantic. As the U.S. has increased the number of troops it contributes to the fight and asks the allies to match our efforts, it has grown frustrated with some allies' refusal to do so. On the other side, our allies have expressed that their contributions have gone unappreciated and that haranguing from Washington only makes the war less popular at home.

I believe the United States should continue to invite European contributions and press to reduce restrictions on their use. I also believe we should move away from stressing what Washington wants Europe to give and make greater use of what Europe itself is prepared to contribute. In many areas, non-combat-related contributions, from police training to a trust fund for the Afghan National Army, will be as necessary to success as more European troops are.

General Craddock, I look forward to your thoughts on this. I'd also invite your thoughts on our relations with Russia. While I don't believe we risk a reversion to Cold War tensions, there are a number of disturbing trends in Russian domestic and foreign behavior, including its suspension over the winter of natural gas deliveries to neighboring countries.

As you address these matters, I hope you will also comment on the future of U.S. missile defense systems in Europe. In light of signals that the administration may back away from the commitments that the United States entered into with Poland and the Czech Republic last year, the Polish foreign minister said over the weekend: "We hope we don't regret our trust in the United States." The administration must have firmly in mind the possible effect a dramatically shifting course on this issue would have on some of our closest allies in Europe and what signal it would send to other countries in the region.

General Mattis, as Commander of JFCOM you have a diverse mission that includes providing trained and ready forces requested by our geographic combatant commanders and transforming our Nation's joint military capabilities. I'd like to hear your views on the current state of readiness of our nondeployed forces in the continental United States. I'm also interested in the progress we're making in the development and integration of interagency and multi-national military capabilities.

Because of your role in joint concept development and experimentation, the committee would benefit from your perspective on future trends and challenges that will face our operational commanders.

You also wear a second hat, serving as NATO's Supreme Allied Commander Transformation. In that capacity, you're responsible for promoting and overseeing the continued transformation of NATO's forces and capabilities. We don't hear much about that effort. I'd like you to describe the progress you're making in transforming NATO's military structures, forces, capabilities, and doctrines to meet changes in the political landscape, changes in the nature of war, and lessons learned in Afghanistan.

I thank the witnesses.

I thank you, Mr. Chairman.

[The prepared statement of Senator McCain follows:]

PREPARED STATEMENT BY SENATOR JOHN MCCAIN

Thank you, Mr. Chairman. Thank you to the witnesses for your testimony here today. General Craddock, I know this will be your last time before this committee and I thank you and your family for your long and distinguished service to our country.

General Craddock, as Commander of U.S. European Command, you are charged with fortifying some of America's deepest and oldest alliances. Often, much is made of the influence Europe has had on America's past, but I believe that Europe will play a vital role also in our future. The U.S.-European relationship is built on our common dedication to freedom, democracy, prosperity, and security. It is our shared values and our commitment to transatlantic security that has provided the stability and the prosperity that—in the aftermath of the second World War—transformed the world.

I believe that in order to ensure that the North Atlantic Treaty Organization (NATO) remains relevant today and in the future, we must win in Afghanistan. Defeat there would risk the return of Afghanistan to its former status as a terrorist sanctuary, strike a historic blow in favor of the jihadist movement, and would spell disaster for NATO. As the administration finalizes the elements of a new Afghanistan strategy, it should keep the end—success—firmly in mind. I also believe that leaders here and in Europe must do much more to prepare their publics for the expense, sacrifice, and patience that will be necessary to win. This will be a long, hard struggle, and we will do ourselves no favors by evading this truth.

As we recommit to Afghanistan, we should take great care to ensure that the transatlantic allies do not let their occasional differences cloud our collective will to prevail. In recent years, our alliance diplomacy has led to frustration on both sides of the Atlantic. As the U.S. has increased the number of troops it contributes to the fight and asked the allies to match our efforts, it has grown frustrated with some allies' refusal to do so. On the other side, our allies have expressed that their contributions have gone unappreciated, and that haranguing from Washington only makes the war less popular at home. While I believe the United States should continue to invite European troop contributions and press to reduce restrictions on their use, I also believe we should move away from stressing what Washington wants Europe to give, and make greater use of what Europe itself is prepared to contribute. In many areas, non-combat related contributions—from police training to a trust fund for the Afghan National Army—will be as necessary to success there as are more European troops. General Craddock, I look forward to your thoughts on this.

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You also wear a second hat in serving as NATO's Supreme Allied Commander Transformation. In that capacity, you are responsible for promoting and overseeing the continuing transformation of NATO's forces and capabilities. We don't hear much about this effort. I would like you to describe the progress you are making in transforming NATO's military structures, forces, capabilities, and doctrines to

meet changes in the political landscape, changes in the nature of war, and lessons learned in Afghanistan.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator McCain.

General Craddock.

STATEMENT OF GEN BANTZ J. CRADDOCK, USA, COMMANDER, UNITED STATES EUROPEAN COMMAND/NORTH ATLANTIC TREATY ORGANIZATION SUPREME ALLIED COMMANDER EUROPE

General CRADDOCK. Mr. Chairman, may I ask that my written statement to this committee be submitted for the record.

Chairman LEVIN. It will be. Is your mike on?

General CRADDOCK. Yes, sir.

Chairman LEVIN. Thank you.

General CRADDOCK. Chairman Levin, Senator McCain, distinguished members of this committee: Thank you for the opportunity once again to appear before you to represent the dedicated men and women of the United States EUCOM.

Here with me today, if I may, are my EUCOM policy adviser, Ambassador Kate Canavan, sitting behind me; and my battle buddy, Command Sergeant Major Mark Farley.

I would like to also comment that I am indeed honored to appear here today with Jim Mattis, who, as Senator McCain said, along with me comprise NATO's Supreme Allied Command. I could not ask for a better wing man here today or everyday for that fact. Thank you, Jim.

I'm very proud of the day-to-day work and the superb achievements of the members of the U.S. EUCOM. Their endeavors range from planned partnership capacity-building events, such as members of the 86th Airlift Wing training with their Polish counterparts on C–130 aircraft, to crisis response actions, such as the Army's 21st Theater Sustainment Command facilitating humanitarian support relief to the people of Georgia last August.

In today's world, Nations are repeatedly called on to do more. It is in this call that EUCOM's effort in building partner capacity is so important. The multinational operations of today and tomorrow succeed only if allies can work together effectively. Their interoperability and partnership capacity are essential, and our force presence is indispensable towards that end.

Since 1952, the dedicated men and women of the United States EUCOM have remained committed to the security and defense of our great Nation. Your continued support allows us to sustain this proud tradition and I thank you for that.

Mr. Chairman, I look forward to answering your questions. Thank you.

[The prepared statement of General Craddock follows:]

PREPARED STATEMENT BY GEN BANTZ J. CRADDOCK, USA

INTRODUCTION

The United States European Command (EUCOM) defends the United States from forward positions in Europe; protects U.S. citizens; and creates and maintains an environment that advances U.S. strategic interests. EUCOM's strategic environment has evolved significantly over the past year, particularly because of Russia's newly assertive posture towards our friends and allies, both those on its borders and those

who depend on it for energy. This evolution represents an additional element of the global security spectrum which confronts EUCOM. Enduring challenges remain: potential regional conflicts, unstable nations with poor governance, separatist movements, continued challenges from transnational terrorism, violent extremism, and the proliferation of weapons of mass destruction (WMD). Other new challenges confront us in the realm of cyber security and disputes over territorial and economic claims in the Arctic.

Because these challenges are not limited to the traditional geographic confines of Europe, the Black Sea, and Eurasia, EUCOM is transforming to meet them. Our efforts in Building Partner Capacity (BPC) promise to be the strongest and most flexible response to this broad spectrum of threats. EUCOM BPC efforts are the most visible signal of the shift that the command has made to focus on enhancing the peace and stability of our area of responsibility (AOR), while at the same time providing our allies and partners with the tools required to more effectively operate outside of the traditional AOR. In times of fiscal constraint, cooperative efforts such as our BPC programs also make more than just strategic sense.

Permanently stationed forces have proven to be an indispensable tool for conducting effective BPC activities and building trust, confidence, and interoperability with our partner nations. They are able to solidify the long-term, stable relationships that cannot be built with rotational forces. Permanently assigned forces can conduct BPC activities more frequently and less expensively than rotational forces, are more responsive and flexible in a crisis, and are essential to our ability to export security from Europe. Permanently assigned air, land, and naval forces are also those that stand ready to defend U.S. and allied national sovereignty and vital national interests and deter any potential adversaries anywhere in the world.

Investment in maintaining EUCOM's present strength will be repaid many times over in stronger partners, a more stable environment, and effective action should it become necessary. These security dividends are outlined in our eight long-term Theater Objectives, which also provide focus and purpose for all EUCOM activities. These Theater Objectives are:

- EUCOM forces are transformed and expeditionary, trained and ready for global deployment and prepared to execute joint/multinational operations and training
- North Atlantic Treaty Organization (NATO) is capable and willing to conduct out-of-area operations
- European partner nations and organizations work with EUCOM to actively solve common problems
- Partner nations have the capacity to provide for their own security and to sustain regional stability
- Protection of allies, partners, and U.S. interests is assured
- Basing and access support strategic freedom of action and security cooperation activities
- Russia acts as a responsible partner with the U.S., our allies, and our partners
- Local crises are prevented from becoming regional conflicts.

Of course, no strategy can stand alone. It stands on the daily efforts of all of the Active Duty and Reserve component servicemembers assigned to the command. Ensuring an appropriate quality of life for the servicemembers who implement this demanding effort is an essential parallel investment.

This posture statement will outline the strategic environment, describe the key elements of EUCOM's Strategy of Active Security, detail the activities of our Service component commands, specify our theater investment needs, and describe EUCOM's support to NATO.

STRATEGIC ENVIRONMENT

The EUCOM AOR includes Europe, Russia, the Caucasus, Greenland, and the waters within these borders (see Enclosure 1). Composed of 51 independent states, the AOR is home to approximately 825 million people, 12 percent of the world's population. Over 200 ethnic groups speak more than 80 languages, profess over 50 religious affiliations, experience the full range of human conditions, and live under a variety of systems of government.

Regional Approach

The extent of U.S. interests and relationships within the theater requires a regional approach focused on engagement in Europe and that part of the EUCOM AOR that lies within Eurasia. Interregional linkages and secondary effects require theater-level coordination against transnational challenges that consistently cross

traditional geographic, political, and organizational lines. Often the events in one region are directly associated with effects in another.

Europe and NATO

The protection from state-based threats the United States has enjoyed for over 60 years is a product not only of its ocean buffers. Our security in that time has been tied ever more closely to that of our allies and partners in Europe. The last six decades have been an unprecedented period of security, stability, and prosperity. NATO has successfully promoted stability and security throughout its history and it remains the world's premier security organization. For over a decade NATO has also undertaken major missions outside of its members' territories, most recently leading the International Security Assistance Force (ISAF) in Afghanistan. NATO and ISAF are central to improving both the security and governance of Afghanistan. They protect Afghanistan's citizens from Taliban and other insurgents and seek to improve the ability of Afghanistan to protect and govern itself in the future. If ISAF, and hence NATO, fails, it will have a direct and dire impact on our own future national security.

Over the last 20 years, EUCOM has taken the opportunity offered by the emergence of new democracies in Central and Eastern Europe to shape defense reform, emphasize the rule of law, and assist in training deployable units to support operations in Afghanistan and Iraq. Extending NATO membership to a number of Central and Eastern European nations has not only helped facilitate the spread of democratic values and institutions, it has also provided a promise of security and protection. This is key in areas like the Baltic states, who identify themselves politically and economically as part of Western Europe and as members of NATO enjoy the additional security of the Alliance's Article 5 protection. Defense reforms through targeted security cooperation activities also bring about significant military interoperability between U.S. and NATO forces. Direct interaction with U.S. forces has succeeded both in developing useful military capabilities and in establishing reliable allies whose political and material support has proven invaluable. In addition, the basing and facilities the United States maintains on allied soil enables U.S. global presence, access, and crisis response capability.

Not all trends, however, are positive. The defense budgets of many NATO nations have fallen to levels that jeopardize their ability to sustain operational commitments to both coalition and NATO-led forces and make long-term strategic military capability commitments to meet the alliance's 21st century missions. The current global economic slowdown may exacerbate this situation. The demand for the security that NATO and its institutions provide, however, sees no concurrent slowdown. Indeed, there has never been a greater need for the security NATO and our European allies can provide, even beyond NATO's borders.

Kosovo continues to be a source of instability in the greater Balkan region. After over 8 years as a U.N.-administered Serbian province, Kosovo declared independence on 17 February 2008. The U.S. recognized the fledgling government and is encouraging the 27 members of the European Union (EU) to unite in recognizing Kosovo, 22 of which have done so thus far. Political and diplomatic efforts are expected to continue throughout 2009 as Kosovo prepares to generally implement the tenets of the Ahtisaari recommendations, although second-order effects of the 17 February declaration may impede progress.

The NATO-led Kosovo Force (KFOR) is the most respected security organization in Kosovo. It is well positioned, well trained, well prepared, and committed to providing a safe and secure environment. KFOR has close to 15,000 troops from 32 nations. EUCOM will remain committed to Kosovo for security cooperation, security assistance, and defense reform for the long term through the International Military Education and Training (IMET) and Foreign Military Financing (FMF) programs. EUCOM will assist NATO in training an NCO corps within the Kosovo Security Force (KSF) and support NATO in the stand up of a Ministry for the KSF. Additionally, EUCOM will purchase uniforms for the nascent 2,500-man KSF.

Significant overall progress has been made in defense reform in the Balkans despite difficult political, economic, and social challenges. EUCOM is focusing its security cooperation and BPC programs to help integrate the Balkan nations into the Euro-Atlantic community. EUCOM activities supported the Adriatic Charter nations (Croatia, Macedonia, and Albania) for NATO accession at the Bucharest Summit in April 2008, facilitates Intensified Dialogue for Bosnia-Herzegovina and Montenegro, and is encouraging Serbia to move closer toward NATO cooperation.

We will work aggressively to accelerate defense reform in the Balkans and address their toughest issues. These include: training/equipping deployable forces to contribute to stability operations in Iraq or Afghanistan; establishing human resource management, multi-year budgeting, organic logistics capability, and building

the capacity of defense institutions. A robust military-to-military relationship, including exercises, high-level visits, State Partnership Program events, and EUCOM component activities will increase regional stability. We believe our security cooperation activities will contribute to combating the transnational threat of terrorism that might be resourced by the abundant stockpiles of small arms, light weapons, ammo, and manportable air defense systems endemic to the Balkan region. EUCOM will work with other agencies and NATO to assist and advocate the destruction of excess stockpiles and to better secure and manage retained stockpiles. EUCOM will encourage Balkan nations to become contributing members of the trans-Atlantic family and foster security and stability throughout the region. NATO presence is a critical enabler toward that goal in this potentially volatile area.

Black Sea/Eurasia

Eurasian nations in EUCOM's theater face a wide spectrum of threats to their security and stability. This region is the most conflict-plagued area along the Euro-Atlantic perimeter. Terrorism, illegal arms and drugs trafficking, transnational crime, secessionist pressures, frozen conflicts, economic crisis, ethnic and religious tensions, and demographic trends challenge regional cooperation and sustained strategic partnerships. U.S. interests and Western interests generally in this region require stable, reform-oriented states in control of their own borders, safe from external military or economic pressures, secure as energy transit routes, and capable of supporting alliance/coalition operations. This region is important for a number of significant reasons some of which include: WMD proliferation, counterterrorism, strategic access to bases and theaters of operation in Central Asia, coalition support, and westbound transit routes for Caspian energy supplies. Security and stability of this region are necessary to sustain U.S. interests, operations, and initiatives.

The greatest challenge which affects the entire region is how we engage with Russia. We are in a time of uncertainty in the U.S.-Russian relationship brought about by disagreements over European security, Russia's role in what it regards as its neighborhood, and Russia's decision to send forces into Georgia and to recognize the breakaway regions of South Ossetia and Abkhazia. The refusal of any neighboring country to endorse Russia's recognition of South Ossetia and Abkhazia reflects regional unease over a revanchist Russia. Russian-European energy interdependence is a key factor in their broader relationship and calculations. The relationship with Russia is likely to be more difficult to manage in coming years than any time since the end of the Cold War. That said, national and NATO efforts are underway to explore areas where security could be strengthened through arms control regimes, consultations, and military cooperation.

Despite previous progress in our military-to-military cooperation with Russia, events in Georgia clearly set back expectations for at least the near term. Bilateral military-to-military cooperation activities were suspended in the aftermath of the conflict in August 2008. Prior to suspension, Russia took a number of steps that signaled their desire to engage with U.S. forces. They began fully funding their own participation in activities with U.S. forces—a significant change from previous years—and ratified the NATO Partnership for Peace (PfP) Status of Forces Agreement which is now in effect. Russian leaders, political and military, have signaled that the door remains open to closer cooperation. Nevertheless their actions in Georgia in August 2008, and with European natural gas supplies in January 2009, suggest that their overall intent may be to weaken European solidarity and systematically reduce U.S. influence.

EUCOM seeks a pragmatic military-to-military relationship with a Russia that is a responsible partner in security affairs. How we and our European allies and partners engage Russia will affect what role Russia plays. While taking steps to assure allies and partners, EUCOM stands ready to use the important tool of security cooperation in concert with interagency partners to rebuild a structure for our bilateral relationship with Russia that allows wide-ranging and candid engagement on all issues of concern.

The Mediterranean Sea and its environs have long been noted as a strategic opening, for good or ill, into the European heartland. This opening is also now vulnerable to use by violent extremists, transnational criminal activities, and ballistic missiles. Continued engagement with, and presence in, the area are also key to our shared security.

A secular democracy with a Muslim population, Turkey is an example of the successful integration of these two elements. It is also geographically, economically, politically, and militarily critical. Turkey's geostrategic location, European orientation, NATO membership, and enduring relationship with the U.S. make it a bridge of stability between the Euro-Atlantic community and the Nations of Central Asia and the Arabian Gulf. Its international lines of communication are an important factor

in energy security. Its proximity to Iran, Iraq, Syria, and Russia ensure Turkey will continue to play a vital role in international efforts to combat terrorism.

At the same time, Kurdistan Workers' Party (PKK/KGK) terrorist attacks that emanate from northern Iraq strain the relations between Iraq and Turkey and threaten regional stability. Earnest dialogue can continue to facilitate the resolution of this problem. While there is no solely military solution to the PKK/KGK terrorist issue, improving Turkey's ability to limit the organization's ability to cross the border between Iraq and Turkey is an essential step. This will improve the stability of northern Iraq, contribute to the overall stability of the region, and increase Turkey's chances of acceptance into the EU.

In the Levant, persistent conflict between Israel and Palestinian groups perpetuates regional instability. While significant, neither the 2006 Israeli war against Hezbollah forces in Lebanon nor the recent military action against Hamas in Gaza proved decisive in eliminating immediate threats to Israel's security. February elections for the Israeli Knesset failed to provide a clear and unequivocal policy mandate for a new government, while infighting between the Hamas and Fatah factions prevents adoption of a coherent Palestinian position toward Israel. Thus, in the near term, these enduring challenges to the Middle East peace process ensure that the outlook for achieving a lasting resolution of these intractable issues remains unsettled. In order to build prospects for peace and security in the Levant and, by implication, the rest of the broader Middle East, EUCOM must remain engaged in this vital and volatile region.

The Caucasus is an important area for the U.S. and its partners. Caucasus nations actively support Operation Iraqi Freedom (OIF) and ISAF by providing both with troops and over-flight access for critical supply lines from EUCOM to the Central Command (CENTCOM) AOR. They provide alternative energy sources from the Caspian Sea basin and alternative routes of access to Central Asian energy Reserves. It is an important region for European energy diversification.

Georgia actively seeks NATO membership and, prior to its withdrawal during the conflict with Russia, was the number one OIF coalition contributor per capita and second only to the United Kingdom in terms of total troops. Georgia has also recently approved a resumption of troop contributions to ISAF. Along with Ukraine, Georgia has requested favorable consideration of a NATO Membership Action Plan. Following the cessation of hostilities with Russia, EUCOM dispatched assessment teams to Georgia to ascertain the precise status of the Georgian defense establishment. EUCOM remains committed to helping Georgia become a strong and capable regional partner in accordance with U.S. Government (USG) policy.

Azerbaijan has taken deliberate steps towards Euro-Atlantic integration, to include realigning its staff structures to NATO standards, training a company to NATO standards under the Operational Capabilities Concept, and it recently began a Strategic Defense Review which the U.S. is leading with support from Latvia, Lithuania, and possibly Turkey. Its close proximity to Iran, Russia, and Caspian Sea energy resources makes it important to U.S. strategic interests. Azerbaijan provides an alternative energy source for our European allies. An example of the region's growing importance to the global market is the Baku-Tbilisi-Ceyhan pipeline, bringing oil from the Caspian Sea to the Mediterranean.

Furthermore, Azerbaijan's support to the U.S. in global security has been substantial, including being a troop contributor to KFOR, ISAF and OIF. Until recently, Azerbaijan had 151 troops deployed to Iraq, and recently doubled its ISAF commitment to 90 soldiers. In January 2007, Azerbaijan extended blanket diplomatic overflight clearance for U.S. Government and contract flights in support of Operation Enduring Freedom (OEF) and OIF—extremely important from both political and operational points of view.

Some nations of the Caucasus are exporting security by actively supporting efforts to fight terrorism, but continued corruption and a lack of transparency limit progress with defense reform efforts in this region. Internecine conflicts also continue to challenge security and long-term stability in the region. Armenia and Azerbaijan are stalemated over Nagorno-Karabakh; the status of Transdnistra has not been officially defined; South Ossetia and Abkhazia recently declared independence from Georgia, declarations which were immediately recognized by their de facto patron state, Russia. These conflicts will remain significant obstacles to long-term regional stability.

Early optimism as a result of the Ukrainian Orange Revolution has faded as crisis and uncertainty undermined the functioning of domestic institutions and increased tensions with Russia. Ukraine, nevertheless, remains an important bridge between East and West. Its strategic location, contributions to international operations, and its government's policy of Euro-Atlantic integration make it an increasingly important regional partner. The Ukrainian Government's desire to achieve western stand-

ards of political, economic, and defense reform represents a sharp break with its Cold War past. Like Georgia, it has recently requested favorable consideration of a NATO Membership Action Plan. It is the only non-NATO nation providing or offering forces to all four major NATO operations: ISAF, NATO Training Mission in Iraq (NTM–I), KFOR, and Active Endeavor.

Transnational Terrorism

There is a growing awareness among many nations in the EUCOM AOR of violent extremist threats to their populations. Attacks in Europe during recent years demonstrate intent to extend the battlefield beyond Iraq and Afghanistan. While attacks during 2008 were fewer than previous years, partner nation law enforcement officials continued to uncover terror plots and arrest terrorism suspects with alarming regularity. EUCOM continues to deal with the threat of terrorism in all its forms.

Many violent extremist groups are integrally tied to criminal and smuggling networks. Illegal activities such as narcotics trafficking, document forgery, and credit card fraud help fund extremist operations while Europe's open borders facilitate travel across the region. Terrorists clearly wish to use Europe and Eurasia as sanctuaries and logistics centers. Additionally, there is a growing trend of extremist organizations recruiting and training Western European citizens and returning them to Europe to launch attacks targeting U.S. and allied installations and personnel.

Weapons of Mass Destruction

The acquisition and potential employment of WMD by state and non-state actors pose a security threat to the United States and our partners and allies. The majority of the world's nuclear weapons are located within the EUCOM AOR. In Europe and Eurasia, stockpiles of nuclear materiel may become vulnerable by varying degrees to access, damage, illicit diversion, or removal by international and internal threats via corruption, criminal activity, insider threats, and inadequate border monitoring. Coordination with the Department of State and strengthening our nonproliferation and counterproliferation efforts is increasingly important.

U.S. EUROPEAN COMMAND STRATEGY

The EUCOM Strategy of Active Security (SAS) is EUCOM's plan for performing the tasks assigned by the Secretary of Defense. The SAS looks out 5 years and aims at two overarching strategic objectives: "Defend the Homeland" and "Create and Maintain an Environment that Advances U.S. Strategic and Economic Interests." The diversity of the security environments, regional political relations, culture, geography, and our partners' needs make it useful to divide our AOR into two regions, Europe and Black Sea-Eurasia.

European nations, particularly those that are NATO members, are for political, security, economic, and cultural reasons our historical and enduring allies. They contribute to stability both within and beyond the region; they are net exporters of security. Their granting basing rights on their territory contributes directly to U.S. global strategic reach.

The majority of the Nations in the Black Sea-Eurasia region are at strategic crossroads in terms of security, political, and economic reform. Their desire to move closer to Euro-Atlantic security institutions can lead ultimately to greater security and prosperity, but they also face challenges. "Frozen conflicts" have the potential to break out into conventional war with devastating economic and political consequences; terrorism and the possible proliferation of WMD threaten populations on an unprecedented scale and undermine government authority. In both regions, Russia seems determined see Euro-Atlantic security institutions weakened and has shown a readiness to use economic leverage and military force to achieve its aims.

Strategic Approach

The SAS focuses on maintaining a high state of military readiness and using these forces to conduct a wide range of security cooperation activities. Because the capabilities and high readiness of EUCOM forces strengthen the desire of other nations to train with them, these are mutually reinforcing lines of activity. Our strategic approach promotes stable environments, protects U.S. interests, and reduces the likelihood of crises erupting into larger conflicts by maintaining and strengthening alliances, partnerships, influence, and access where we have longstanding relationships and creating and expanding influence into new areas of the theater.

Theater Objectives and Priorities

Our strategy identifies eight previously-identified long-term Theater Objectives (written in the form of effects we want to achieve) that provide focus and purpose for EUCOM's activities:

- EUCOM forces are transformed and expeditionary, trained and ready for global deployment and prepared to execute joint/multinational operations and training
- NATO is capable and willing to conduct out-of-area operations
- European partner nations and organizations work with EUCOM to actively solve common problems
- Partner nations have the capacity to provide for their own security and to sustain regional stability
- Protection of allies, partners, and U.S. interests is assured
- Basing and access support strategic freedom of action and security cooperation activities
- Russia acts as a responsible partner with the U.S., our allies, and our partners
- Local crises are prevented from becoming regional conflicts.

Additionally, in the near term these objectives lead to the following strategic priorities:

- Support for the International Security and Assistance Force (ISAF) in Afghanistan and OIF.
- Maintain relevance of, and U.S. leadership within, NATO.
- Increase integration of EUCOM activities with the rest of the U.S. Government, especially in combating terrorism and WMD proliferation.
- Engage Russia or mitigate any potentially negative influence.
- Support improved energy security for Europe, Eurasia, and the Black Sea region, to include NATO and USEUCOM.
- Support NATO Transformation for out-of-area operations.
- Ensure EUCOM's end-state transformation and basing ensures EUCOM has the capabilities to accomplish all assigned missions and tasks.

Moving rapidly toward the SAS's objectives requires that EUCOM transform both its basing and its forces.

THEATER POSTURE AND TRANSFORMATION

Forward deployed forces are the primary tool for executing this strategy, maintaining U.S. influence in the AOR, and projecting influence beyond it. Forward-stationed units, rotational forces, and installations are visible manifestations of the U.S. commitment. They enable us to apply influence, assure access when and where needed, and preserve our leadership role in NATO. Precisely because it is challenging for the U.S and the host nation, the decision to station U.S. units in a nation sends a clear message of our support to the host, to other partners, and to would-be aggressors. The response time of such units for crises or Article 5 situations is far shorter than that of similar units in the continental United States (CONUS); their ability to build partner capacity on an enduring, habitual basis is many times greater.

The trans-Atlantic security relationship has evolved an important new dimension over the last two decades. Initially, it provided primarily collective security to the western parts of Europe. Our commitment to fellow NATO members embodied in Article 5 of the North Atlantic Treaty remains undiminished. But the trans-Atlantic relationship has evolved increasingly to export security from Europe. As forward presence provides more frequent engagement at all levels, builds habitual relationships and trust, provides critical continuity, and serves as a role model and catalyst for transformation efforts among European militaries, it also simultaneously strengthens partner confidence and willingness to contribute to alliance and coalition operations.

As EUCOM continues its Strategic Theater Transformation, the contributions of the Reserve component are increasingly important. On any given day, approximately 3,600 members of the Reserve component are deployed across the theater. Without this support, EUCOM would be unable to fulfill many of its staffing and force protection requirements. The contributions of our Guard and Reserve Forces have enabled us to mitigate risk, while programs such as the National Guard's State Partnership Program (SPP) have helped us achieve our theater goals.

Strategic Theater Transformation

In this context, EUCOM's Strategic Theater Transformation (STT) plan implements a basing strategy that sustains and leverages commitments to our longstanding allies and partners and U.S. operations in other theaters, such as ISAF, OEF, and OIF.

EUCOM's STT plan includes retaining eight fighter aircraft squadrons in the U.K., Germany, and Italy. For ground forces, it includes two permanently stationed

infantry brigade combat teams—a Stryker Brigade Combat Team in Germany and an Airborne Brigade Combat Team (ABCT) in Italy—along with two heavy Brigade Combat Teams in Germany. Although these two brigades are scheduled to return to CONUS in 2012 and 2013, I have recommended and continue to recommend that we retain them in EUCOM. As I discuss in the USAREUR section, these forces contribute directly to our dissuasion and deterrence efforts. They increase our flexibility in dealing with crises and over time progressively increase the capability of friendly forces because of their ability to build partner capacity. Retention of this force level must be planned carefully, since EUCOM's STT plan is closely synchronized with OSD, the Joint Staff, individual Services, and NATO to ensure that global efforts of other Combatant Commands (COCOMs), NATO, and the results of the Base Realignment and Closure (BRAC) Commission process are mutually supportive. STT aims at improving our effectiveness and operational flexibility, but it has at the same time significantly reduced costs. The fact remains, however, that forward stationed units meet the same deployment schedules to Afghanistan and Iraq as CONUS units but, when at home station, are able to establish the long term relationships with partner countries that are essential to BPC. In addition, studies show that rotating multiple units from the CONUS to Europe is more expensive than forward stationing a single unit.

Since this process began in 2003, EUCOM has closed 43 bases and installations and returned approximately 11,000 servicemembers and 16,000 family members to the United States. Present EUCOM force strength is approximately 84,000 military members. Retention of EUCOM's forces at the current level will enable the accomplishment of assigned missions and tasks.

SECURITY COOPERATION

For any given level of U.S. military presence, an increase in our partners' capacity disproportionately strengthens our ability to maintain security—not only because of its direct effects but because of its synergistic effects as well.

Security Cooperation (SC) programs remain the foundation of EUCOM's BPC efforts. The direct impact of the combat power of overseas-stationed U.S. forces is amplified when their presence, example, and their ability to conduct combined exercises are employed in EUCOM BPC efforts. These programs contribute to building the vital relationships that bolster U.S. strategic interests, enhance partner security capabilities, provide essential access (particularly to en-route infrastructure), and improve information exchange and intelligence sharing.

Our security cooperation BPC efforts are the central aspect of our strategy because they offer the most intense form of foreign partner interaction in peacetime. Through BPC activities such as those executed through the FMF Program, Joint Contact Team Program, Section 1206, the IMET Program, Warsaw Initiative Funding (WIF), the Cooperative Threat Reduction (CTR) program, and the Global Peace Operations Initiative (GPOI) we anticipate not only the strengthening of our relationships with existing allies, but also the development of new relationships with additional partner countries.

Our SC programs identify low-cost, high-impact engagement initiatives to build relationships that will shape the security environment in which we engage. A major focus of our efforts is BPC with strategically important nations seeking to enhance their own security. EUCOM's assigned units provide frequent engagement at all levels. These engagements build habitual relationships and trust and provide critical continuity. EUCOM facilities and programs, ranging from airborne exercises to nonlethal weapons instruction, provide practical and state-of-the-art training that strengthens relationships and increases the capacity of our allies and partners. For example, during fiscal year 2008, HQ EUCOM and United States Army Europe (USAREUR) programmed and coordinated the execution of the Unit Level Event Adriatic Aurora. This combined arms familiarization exercise brought together Croatian, Albanian, and Macedonian forces with their respective State Partners (Minnesota, New Jersey, and Vermont National Guard) to emphasize coalition operations in an effort to improve regional security.

EUCOM's BPC efforts to help partners develop the capacity to conduct effective peacekeeping and contingency operations help mitigate the conditions that lead to conflict. These efforts will ensure that we can work effectively with our allies and partners should conflict arise. EUCOM BPC efforts require consistent and predictable investment in order to have an impact on the multitude of strategic, security, economic, and political challenges we face.

EUCOM is working with OSD, the Joint Staff, and other COCOMs to address these issues and increase the Department's capabilities to build partner capacity to contribute to coalition operations. Such programs would address critical capability

gaps in coalition partners that we have been unable to satisfy due to declining FMF levels in Europe and, as with DOD's other train and equip authorities, would be implemented with the concurrence of the Secretary of State. Our desired end state is increased partner nation participation in current operations so we can alleviate pressure on U.S. troops as the sole source for deployments.

Security Cooperation Programs

EUCOM also builds partner capacity by executing security assistance programs using our 44 Offices of Defense Cooperation who work with the host nation in close partnership with U.S. Embassy Country Teams and under the direction of the U.S. Ambassador. The Title 22 IMET and FMS programs are central to our BPC Efforts.

IMET and Expanded IMET (E–IMET) provide education and training opportunities for foreign military and civilian personnel. During fiscal year 2008, the IMET program sent 1,514 students to 2,510 schools/courses on U.S. military installations and learning centers. The final fiscal year 2008 EUCOM IMET allocation of $24.7 million was a decrease of about 7 percent from the final fiscal year 2007 IMET allocation of $26.9 million. IMET remains our most powerful SC tool and proves its long-term value every day. For a relatively small investment, it provides foreign military and civilian leaders access to U.S. military training, builds relationships, and expands influence. Indeed, today's IMET graduates are tomorrow's Chiefs of Defense, Ministers of Defense, and Heads of State.

We continue to see the value of this program in the professional development and transformation of militaries in such established partners as Poland, Romania, and many other countries. The importance of IMET to our BPC efforts cannot be overstated, and we appreciate Congress' continued support in sustaining and increasing this valuable title 22 resource.

FMF provides critical resources to assist strategically important nations without the financial means to acquire U.S. military equipment and training. EUCOM's FMF increases over the past years are due solely to increases in the directed funding for Israel. When the mandated amounts for Israel are removed, the remainder of EUCOM's FMF has steadily decreased (fiscal year 2007, $170 million; fiscal year 2008, $160 million; fiscal year 2009, $140 million). Additional directed spending further restricts what can be undertaken with the available funds, and have resulted in delayed or cancelled programs meant to improve allied and partner abilities and create significant impediments to the implementation of our BPC efforts.

FMF is an essential instrument of influence, building allied and coalition military capabilities and improving interoperability with U.S. and other allied forces. When countries buy U.S. military equipment through the FMF program, they also buy into a long-term commitment for spare parts and training. Failing to fully fund vital FMF programs in any of these nations can unintentionally send negative messages.

Foreign Military Sales (FMS) and Direct Commercial Sales (DCS) demonstrate our Nation's continued commitment to the security of our allies and partners by allowing them to acquire U.S. military equipment and training. FMS and DCS are vital to improving interoperability with U.S. and NATO forces, closing capability gaps, and modernizing the military forces of our allies and partners.

Section 1206 of the National Defense Authorization Act for Fiscal Year 2006 coupled State Department authorities with DOD resources to build and enhance the military capacity of our key partners. In fiscal year 2008, EUCOM received $18.7 million to conduct innovative train and equip programs for partners interested in assisting the U.S. in current operations and providing security and stability throughout the AOR. A prime example is the improved national capacity of Azerbaijan and Albania to conduct counterterrorist operations in seaborne interdiction operations and coastal patrols. Section 1206 authority and corresponding appropriations are key tools that EUCOM will continue to utilize to build partner capacity.

The National Guard State Partnership Program (SPP), (See Enclosure 2) continues to be one of our most effective BPC programs, with 20 states currently participating. By linking American states with designated partner countries, we promote access, enhance military capabilities, improve interoperability, and advance the principles of responsible governance. The unique civil-military nature of the National Guard allows it to participate actively in a wide range of security cooperation activities and help bridge the gap between DOD and DoS responsibilities.

In 2008 alone, the National Guard conducted over 90 SPP events and, along with members of the Army and Air Force Reserve, participated in over 150 of 527 Joint Contact Team Program (JCTP) activities. For example, the Oklahoma Army National Guard and its SPP partner Azerbaijan executed an extremely successful SPP medical outreach exercise that administered medical examinations and care to thousands of Azeris—an immediate impact with long-term implications.

Also in 2008, Traditional Commanders Activity (TCA) funding supported roughly 400 bilateral military-to-military engagement events. These important events strengthened military ties with our partners and forged new relationships at the senior enlisted to mid-grade officer levels. These relationships translate into long-term linkages that pay future dividends at the Chief of Defense level. Fiscal year 2009 TCA funding level is $10.3 million with a reduction from the fiscal year 2008 appropriation of $12.3 million.

Combating WMD Proliferation is among our highest priorities as the majority of the world's nuclear weapons are located in the EUCOM AOR. The Defense Threat Reduction Agency (DTRA) is a Combat Support Agency in support of EUCOM to cover the entire spectrum of this unique mission. Cooperative Threat Reduction programs seek to stem the proliferation of known WMD; detection programs address counterproliferation, particularly interdiction of unknown items; and DTRA's exercise programs address our consequence management responsibilities, reassuring our partners and allies about EUCOM capabilities.

State Department-led programs such as the Global Initiative to Combat Nuclear Terrorism and the Proliferation Security Initiative focus on denial of access at the source, build capacity for interdiction in transit, and form the most effective framework to prevent the use of WMD. In this regard, the Nunn-Lugar program has been very successful in mitigating the risk posed by WMD through non-proliferation projects that reduce and secure WMD materials and weapons. In recent years, the Nunn-Lugar program has expanded into BPC to interdict WMD in transit, making it a significant aspect of the counter-WMD effort.

Additionally, for the past 3 years USAREUR has provided Tactical Human Intelligence (HUMINT) Collection and Management Training to our NATO allies, including Estonia, Latvia, and Lithuania. Recently, the initiative led to the training of the HUMINT force in the Romanian Army. As a result, Romanian HUMINT teams have been embedded within U.S. forces during the last two Balkans rotations. We look forward to expanding this program to other countries in the AOR eager to build needed military capabilities.

EUCOM conducts multiple Humanitarian Assistance (HA) Programs to assist populations in need and to shape perceptions and the security environment while also showing the U.S. and the Department of Defense in a positive light. This is especially necessary in areas susceptible to the adoption of extremist ideologies or where general discontent and lack of hope are potential breeding grounds for instability. EUCOM continues to focus these important humanitarian initiatives in the most vulnerable locations and emphasize the importance of this strategic tool.

EUCOM's HA programs consist of the Humanitarian and Civic Assistance (HCA) Program, the Humanitarian Assistance-Other (HA) Program, and Humanitarian Assistance Program-Excess Property.

Projects funded through these resources complement USAID efforts, enhance regional security cooperation, and advance U.S. interests throughout the region. These valuable efforts also train U.S. troops while generating a positive public image of the command and the Nation. They also bolster a country's capability to respond to disasters, thereby diminishing the need for future U.S. involvement, and provide an example of the value of a professional military beyond wartime events. While the EUCOM HA budget is small compared to other BPC activities, it has a disproportionately high impact as a very visible and positive engagement activity.

For fiscal year 2008, EUCOM executed $5.2 million in HA Project funding for 135 security assistance related projects in 17 countries. In addition to this outreach through security assistance-type HA projects, the command also provided $15.4 million in HA Disaster Relief funding in fiscal year 2008 for airlift and relief supplies as part of Operation Assured Delivery in support of the Republic of Georgia following the Russian incursion. HA Project funding for fiscal year 2009 is $6.35 million and will once again encompass approximately 17 countries in the eastern portion of the EUCOM AOR.

EUCOM is also an active participant in DOD's U.S. Humanitarian Mine Action (HMA) Program. HMA's goal is to relieve the plight of civilian populations experiencing adverse effects from landmines and other explosive remnants of war. In this capacity, it promotes economic stability and growth by reclaiming farmland critical to a nation's survival. The EUCOM HMA Program is currently engaging 22 countries on two continents with a focus on "training the trainer" to assist mine victims, develop demining capabilities, and enhance mine-risk educational programs.

EUCOM's Caspian Regional Maritime Security Cooperation efforts aim to coordinate and complement U.S. Government maritime security cooperation activities in Azerbaijan, Kazakhstan, and more recently, Turkmenistan. Maritime security cooperation efforts seek to build and enhance our partners' capacity to prevent or respond to terrorism, proliferation, drug trafficking, and additional transnational

threats in the littorals. EUCOM and United States Naval Forces Europe (NAVEUR) continue to promote Maritime Safety and Security and Maritime Domain Awareness in the Caspian Sea through routine engagement with our partners in the region.

The Caspian Sea's location on the EUCOM–CENTCOM seam, and the critical support Caspian nations provide for OIF and OEF, make coordination between EUCOM/NAVEUR and CENTCOM/Naval Forces Central Command (NAVCENT) critical to promoting security efforts in the region. EUCOM's biennial Caspian Regional Security Working Group meetings, as well as NAVEUR's and NAVCENT's shared flag-level visits, provide formally coordinated interaction and unity of message.

The George C. Marshall European Center for Security Studies is the original of five such centers supported by the Department of Defense. Cosponsored by the U.S. and German Governments, it provides professional development to emerging civilian and military leaders, reinforces ideals of democratic governance and stable apolitical militaries, and facilitates long-term dialogue with and among current and future international leaders. As significant, it has built an active network of Euro-Atlantic minded security experts. Its strong reputation in the region has made it an essential asset in the execution of EUCOM's regional strategy. Marshall Center alumni represent a community of more than 6,000 security sector leaders from over 100 nations, including nearly 200 distinguished alumni who have risen to parliamentary and ministerial leadership levels of government, have become senior defense officials, or advanced to their nation's highest military ranks. This network has proven invaluable for harmonizing views on common security challenges in the region. The Marshall Center has played a significant role in building the capacity of new and aspiring NATO members. Since 1994, NATO has admitted 10 new countries and almost 2,000 participants from these 10 countries have attended Marshall Center resident programs; almost 28 percent of total participants over this time period.

The Marshall Center provides a range of resident and non-resident security educational programs that are essential to EUCOM's effort to enhance the security sector capacity of our allies and partners. The Marshal Center's focus is on developing partner capabilities for democratic governance, combating terrorism, conducting stability operations and homeland defense. Marshall Center programs and activities serve as vital strategic communications platforms, greatly enhancing our ability to explain and elicit partner nation support for combating a host of shared security challenges.

The Defense Environmental International Cooperation (DEIC) program is another low-cost, high-impact program that is reaping dividends beyond its focus area. Established in fiscal year 2001, the annual worldwide DOD budget for the DEIC program is less than $2 million with the fiscal year 2009 DEIC funding level for the EUCOM AOR set at $200,000. The cost of a typical project or event ranges from $10,000 to $80,000. As an example, the Baltic Sea Spill Response Exercise focused on host nations' capabilities, plans, and procedures. Representatives from Azerbaijan, Denmark, Estonia, Finland, Georgia, Germany, Latvia, Lithuania, Poland, Sweden, and Ukraine participated in this successful exercise. A second significant DEIC engagement activity was the Sustainability Workshop, held in October 2007 in Bucharest, Romania, with a focus on the new Romanian military strategy and its effect on the environment. Discussions in the workshop centered on sustainable training ranges, land rehabilitation, and Geographic Information Systems. Planned engagement activities for fiscal year 2009 include projects in Integrated Training Area Management, encroachment, field drinking water supply, and marine spill response.

PfP exercises support efforts to deepen defense and military cooperation between the U.S., NATO, and PfP partners. Application of DOD Warsaw Initiative Funds (WIF) to PfP activities has proven successful in building partner nation participation and cooperation in theater. Fiscal year 2009 WIF funding for the EUCOM Theater is $16 million, an increase of 8 percent over fiscal year 2008 funding. DOD WIF provides an important source of funding for a number of partner countries that would otherwise be unable to participate in these important activities. DOD WIF pays for partner participation in NATO/PfP and "In the Spirit of PfP" exercises and conferences, defense institution building, the Civil Military Emergency Preparedness Program (CMEP) and OSD interoperability events that include U.S. participation.

Regional cooperation through PfP greatly facilitates U.S. access to bases and overflight rights in the prosecution of current and future operations. Several PfP nations have provided basing, force protection at bases, and personnel to operations in Afghanistan and Iraq. Through PfP-sponsored exercises, Eastern European and Central Asian states have gained familiarity with U.S. forces, methodologies, and lead-

ership. Without this pre-established relationship, support to U.S. operations would be harder to secure and incorporate.

WIF-supported PfP activities have also been remarkably successful in preparing nations for full NATO membership. Ten PfP states (Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, and Slovenia) have become NATO members since the program's inception. These new NATO members and twelve other PfP states (Albania, Armenia, Austria, Azerbaijan, Croatia, Finland, Georgia, Ireland, Macedonia, Sweden, Switzerland, and Ukraine) provide forces to ISAF/OEF/OIF and Kosovo.

EUCOM's Clearinghouse Initiatives ensure that BPC actions are coordinated with other nations involved in the same region or issue. Clearinghouse Initiatives help deconflict programs, avoid duplication, and find ways to collaborate on matters of mutual interest. They exist in the South Caucasus and Southeast Europe and enable interested countries to share information about security assistance programs. The goal is to capitalize on limited resources by merging various BPC programs into a comprehensive, synchronized regional effort.

BALLISTIC MISSILE DEFENSE (BMD)

Taken together, the programs detailed above provide the initial preparation of the U.S., our allies, and partners for the full range of military and full-spectrum threats in the 21st century.

Some threats have developed to the point where a more direct response is required. At the upper end of the technological spectrum is the spread of nuclear, chemical, and biological weapons and ballistic missiles that can be used to deliver them. Iran already possesses ballistic missiles that can reach parts of Europe and is developing missiles that can reach most of Europe. Iran also continues to threaten one of our key regional allies with its advancing missile technology. In response, the U.S. deployed an X-Band Radar to provide advanced early warning indications. Entirely defensive in nature, the radar provides additional warning time to execute defensive countermeasures. By 2015 Iran may also deploy an Intercontinental Ballistic Missile (ICBM) capable of reaching all of Europe and parts of the United States.

The proposed U.S. Missile Defense (MD) European component includes the mid-course tracking radar in the Czech Republic, 10 long-range interceptor missiles in Poland (similar to the interceptor missiles based in Alaska and California), and command and control systems. The European locations allow the defense of both Europe and the U.S. against longer-range threats launched from the Middle East. While the U.S. system will provide initial long-range protection to much of Europe, areas of southeastern Europe would still be threatened by shorter-range ballistic missiles. NATO is pursuing a program that integrates national short- to medium-range MD systems. In essence, the U.S. is primarily focusing on long-range defense while NATO systems are oriented to handle shorter-range threats. Our combined efforts keep the U.S. and NATO collective security closely linked by providing all members of the alliance with defense against the full range of missile threats.

Russia has expressed opposition to this initiative, claiming it would threaten Russian national security. In fact, the system is purely defensive in nature—it does not carry explosives. The planned 10 defensive interceptors do not pose a threat to Russia's strategic deterrent force. The Russians are aware of this fact and the U.S. has gone to great lengths to discuss our plans at very senior levels.

OVERSEAS CONTINGENCY OPERATIONS

Technologically sophisticated threats, however, are by no means the only, or even the most dangerous, in the EUCOM AOR.

EUCOM's number one theater-wide goal remains the defeat of transnational extremist organizations that threaten the United States, its allies and partners, and its interests. Our multi-layered approach integrates the U.S. Government activities of BPC to combat terrorism, working with partners to promote regional stability in order to diminish the conditions that foster violent extremism, and denying extremists freedom of action and access to resources.

We will continue our work to deter, interdict, or defeat violent extremism wherever it appears. These efforts involve close cooperation with other Geographic Combatant Commands, the United States Special Operations Command, U.S. Government agencies and departments, and perhaps most importantly, a growing list of foreign partners with the same desire to protect their societies from the threat of terrorism. While much of this collaboration remains outside the public arena, it is vitally important to sustaining a shared view of the enemy threat and enhancing mutual support for counter-terrorism efforts.

As detailed in the Component Activities sections below, EUCOM-stationed forces continue to be heavily engaged in ongoing combat operations in Iraq and Afghanistan, as well as in building partner nation and coalition capacity supporting these operations. 87 percent of all ISAF/NATO contributors to Afghanistan and 75 percent of all coalition partners in Iraq came from the EUCOM AOR.

Outside of direct support to combat operations, EUCOM-based forces are in the forefront of promoting the transformation of European militaries. The engagement with, and support to, our allies and partners underlines the importance of persistent presence of U.S. forces for building effective expeditionary capacity for multilateral theater and global operations.

COMPONENT COMMAND ACTIVITIES

EUCOM's four theater Service components—U.S. Army Europe, (USAREUR), U.S. Air Forces in Europe (USAFE), U.S. Naval Forces Europe (NAVEUR), U.S. Marine Corps Forces Europe (MARFOREUR), and its functional subordinate unified command for special operations, Special Operations Command Europe (SOCEUR), are responsible for supporting our Theater Campaign Plan (TCP) and implementation of our Theater Security Cooperation (TSC) program across the AOR. Headquartered in Heidelberg, Ramstein, Naples, and Stuttgart respectively, the Components provide critical capabilities necessary to build military capacity among our partners and allies, support military requirements, and promote vital national security interests through the use of military power.

United States Army Europe (USAREUR)

EUCOM-assigned U.S. Army forces continue to provide extensive support to ongoing combat operations in Afghanistan, Iraq, and throughout the CENTCOM AOR. These forces are heavily engaged in EUCOM's efforts to build partner military capacity while providing an intrinsic expeditionary posture through strategic positioning and power projection of forward-stationed combat formations from sanctuaries in Europe.

Full Spectrum Operations

USAREUR remains decisively engaged in the effort to combat global terrorism and extremism. During the past year, all USAREUR combat brigades returned from, or deployed to, ISAF/OEF/OIF. The 172nd Brigade Combat Team (BCT) and 2nd Brigade, 1st Armored Division are currently deployed to Iraq. The 1st Armored Division headquarters and 2nd Stryker Cavalry Regiment (2SCR) returned from Iraq and are replacing their battle losses and repairing their critical equipment (RESET program). The 173rd Airborne Brigade Combat Team (173ABCT) returned from Afghanistan, completed their RESET, and is in what is called their dwell window. This is time spent at home station after combat and operational deployments of 12 months or longer and is currently at least 12 months. Additionally, USAREUR has been an essential force provider by deploying the 12th Combat Aviation Brigade; the 18th Military Police Brigade; the 18th Engineer Brigade; and separate Military Police, Engineer, and Signal battalions plus numerous companies/detachments in support of ISAF, OEF, and OIF.

USAREUR was the centerpiece of the United States humanitarian assistance mission in Georgia as its conflict with Russia unfolded. The 21st Theater Sustainment Command provided the core of the EUCOM Military Assessment Team (EMAT). Correspondingly, USAREUR provided expertise to the EUCOM Joint Assessment Team (EJAT) as they evaluated Georgia's military capacity and capabilities.

USAREUR continues to provide key logistical support to forces in Kosovo, Iraq, Afghanistan, Africa, and throughout the EUCOM AOR. Likewise, USAREUR is the Army Force headquarters for EUCOM's numerous named contingency operations.

It is imperative that USAREUR, as the Army Service Component Command of EUCOM, have the capabilities, capacity, enablers, and resident core competencies to perform as a Combined Joint Task Force (CJTF) or Combined Joint Force Land Component Commander (CJFLCC) in full spectrum operations across the AOR. A review of EUCOM force capability requirements has shown that USAREUR must retain the current four BCTs and Division HQ structure to deter aggression; promote security and stability; bolster relations with allies and partners, and project U.S. combat power.

Building Partner Capacity and Coalition Capabilities

The protracted nature of conflict in this dynamic 21st century security environment highlights the increased importance of multinational partnerships and joint/combined interoperability in meeting common security objectives. The persistent presence of U.S. Army forces in Europe is critical to assisting our allies and part-

ners as they build such capabilities. In addition to the deployment of its own formations, USAREUR plays a leading role in promoting and enabling the transformation of armies across the EUCOM AOR into effective expeditionary partners for current and future multinational operations.

Since 2005, USAREUR's Joint Multinational Training Command (JMTC) in Germany has trained numerous battalion equivalents from more than 20 allied and partner nations for deployment to ISAF, OIF, and the KFOR mission. JMTC training focuses on building expeditionary competencies and increasing interoperability between and among partner nations' militaries through collective multinational training. JMTC has the ability to engage in even greater BPC events if the proper authorities can be granted. Existing funding to train and equip General Purpose Forces of coalition partners are limited. To overcome this obstacle, we are working within the DOD and with the DoS to develop a proposal for seeking adequate funding.

Recognizing the importance of its contribution to EUCOM's SAS, USAREUR continues to execute a robust schedule of bilateral and multilateral exercises across the AOR. While deploying its organic units to the current conflicts, USAREUR is sustaining, redeploying, and resetting those forces upon return from combat. USAREUR employs its remaining forces to execute a wide range of mil-to-mil events and exercises. In fiscal year 2008, USAREUR conducted 15 such exercises in Albania, Croatia, Georgia, Israel, Morocco, Poland, and Ukraine, as well as a host of others throughout the EUCOM and AFRICOM AORs. These exercises enhanced joint and combined interoperability to lay the foundation for potential future multinational operations. USAREUR has become well-versed in integrating Reserve component organizations while performing its ASCC mission. The breadth and scope of USAREUR's ASCC, executive agent, and title 10 requirements in support of EUCOM, and a COCOM supporting headquarters to AFRICOM are substantial and continue to evolve. Current and future mission requirements in support of Theater Ballistic Missile Defense may well direct the USAREUR Air Missile Defense Detachment to increase capability. These requirements are a moving target and will demand considerable flexibility to identify and resource them in the near- to mid-term.

Setting an Expeditionary Posture

USAREUR is executing its plan to consolidate its footprint across Europe on a timeline synchronized with BRAC requirements and the modular transformation of enduring Army forces. By the end of 2009, USAREUR will have transformed into the new Theater Army functional staff configuration. This process is well underway with the merger of V Corps and USAREUR staffs to form a consolidated ASCC headquarters. When all transformation actions are complete in 2015, USAREUR's brigades and separate battalions will be fully restructured and efficiently garrisoned across six Main Operating Bases (MOB): Wiesbaden, Grafenwoehr-Vilseck/Hohenfels, Ansbach, Baumholder, and Kaiserslautern, Germany and Vicenza, Italy.

Although USAREUR is reducing its footprint across the AOR, its forward presence affords unique advantages across the entire range of EUCOM missions. Habitual relationships are foundational to effective BPC initiatives. The relationships between USAREUR's formations and host nation, allied, and partner nation armies across the AOR pay significant dividends every day for this command. Instilling trust and confidence in our allies and partners to effectively and efficiently work together in multinational operations is an investment that we are making in regional and global security. It is part of an expeditionary model that catalyzes transformational efforts through more frequent engagement and continuity, builds habitual relationships and trust, and provides opportunities for partners to train alongside formations—increasing interoperability and expanding confidence and willingness of our allies and partners to participate in multinational operations.

USAREUR's largest AOR expeditionary mission in terms of fiscal resources and troops-to-task commitments is JTF–E. This DOD-directed initiative is designed to support a full time training effort in Romania and Bulgaria. In addition, JTF–E provides the logistical base for United States Air Forces in Europe and Special Operations Command Europe exercises in Eastern Europe and Eurasia. This past winter, USAREUR had commitments from the U.S. Air Force to plan, coordinate, and execute a significant multinational exercise. Likewise, we expect both the Dutch forces and U.S. Marines to hold short rotations in conjunction with JTF–E rotations. USAREUR provides surge staff to support these requirements. USAREUR engineers, in coordination with the U.S. Navy and Army Corps of Engineers, are constructing facilities to support one task force plus trainers and sustainers at both Mihail Kogalniceanu (M–K) Air Base, Romania and Novo Selo Training Area, Bulgaria. Permanent Forward Operating Sites and other training facilities in Romania

and Bulgaria have projected completion dates of 2009 and 2011, respectively. In the interim, USAREUR is conducting summer rotations with Army National Guard, select USAREUR formations, and host nation forces at temporary FOS locations. In summation, USAREUR is an invaluable asset to EUCOM as we advance our SAS across Europe and Eurasia in an uncertain future.

United States Naval Forces Europe (NAVEUR)

NAVEUR continues to build and maintain naval leadership and combat readiness to counter any adversary. NAVEUR's assigned fleet, U.S. SIXTH Fleet, demonstrated their operational capabilities through actual Joint Task Force (JTF) and Joint Force Maritime Component Commander (JFMCC) operations during fiscal year 2008 in support of maritime interdiction operations, JTF Lebanon planning, and Operation Assured Delivery humanitarian assistance support to Georgia. In fiscal year 2009 Sixth Fleet will re-certify as a JFMCC Head Quarters for full-spectrum operations during exercise Austere Challenge 09.

NAVEUR's forward presence not only strengthens relationships with enduring allies and emerging partners, it also develops maritime capabilities throughout the region, contributing to regional stability and enabling them to support operations out of their local areas. One of NAVEUR's primary objectives is building maritime partnerships. Over the past year, NAVEUR has focused increasingly on international efforts primarily in the Black Sea-Eurasia region. NAVEUR is using its maritime expertise to support and encourage prosperity and development ashore by improving regional Maritime Safety and Security (MSS). NAVEUR addresses Maritime Safety and Security within partner nations by assisting partner nations in developing an organic capacity to observe, evaluate, and respond in their maritime domain. At the same time these improvements contribute to a global maritime awareness picture focused on improving MSS around the world.

Maritime Domain Awareness provides participating nations the capability to network maritime detection and identification information with appropriate national defense and law enforcement agencies. Transparency and partnership are vital to its success. The first step to achieve Maritime Domain Awareness is the Automatic Identification System (AIS). AIS is a transponder system that reports ship position and other information similar to the system in use globally for air traffic control. Through NAVEUR initiatives, 23 nations in Europe now share unclassified AIS data through the Maritime Safety and Security Information System (MSSIS).

Nations differ in how they organize and assign responsibility for maritime issues to governmental agencies and organizations. NAVEUR continues to expand engagement of maritime professionals from beyond the host nation's traditional navy to include Coast Guard, Gendarmerie, Customs, Harbor and Ports Authorities, Hospitals, Police, Fire, and Fisheries departments. These engagements have served to focus efforts on those responsible and most capable to improve Maritime Safety and Security. Additionally, NAVEUR uses the U.S. Navy's Total Force Concept employing its Reserve component throughout the NAVEUR staff and to supplement manpower and expertise in embassy country teams. Reservists are deployed as Maritime Assistance Officers to assist in planning and executing maritime activities, enabling and enhancing execution of security cooperation.

NAVEUR played a significant role in enhancing maritime safety, security, and cooperation in the EUCOM AOR in fiscal year 2008. Some examples of our engagement activities during fiscal year 2008 include:

The Black Sea Partnership Cruise 2008 (BSPC08), the second installment of a U.S.-led initiative to improve NATO interoperability, build Maritime Domain Awareness, and enhance theater security cooperation among Black Sea nations, was conducted onboard USS *Mount Whitney* at sea with maritime professionals from five Black Sea area nations (Azerbaijan, Bulgaria, Georgia, Romania, and Ukraine) and NATO observers from four Nations (Estonia, Greece, Lithuania, and Poland). Major topics taught or demonstrated during the cruise include NCO development, Shipboard Helicopter Operations, Law of the Sea, Oil Spill Response and Consequence Management exercises, and a robust Visit Board Search and Seizure (VBSS)/Customs Enforcement workshop. Aside from the academic benefits, the BSPC serves to foster an open and collaborative environment among Black Sea nations and to build long term relationships between junior officers that would not otherwise develop.

NAVEUR and Sixth Fleet commands and units along with several European and North African navies (France, Italy, Malta, Mauritania, Morocco, Portugal, Spain, Tunisia, and Turkey), conducted a multilateral naval exercise called Phoenix Express 2008. This exercise has grown in size and complexity over the last 3 years and it continues to be a great success in BPC and developing relations, focusing on maritime interdiction, communications, and information sharing. The desire is to ex-

pand Phoenix Express 2009 to include navies from Algeria, France, Greece, Italy, Malta, Morocco, Portugal, Spain, Tunisia, Turkey, Senegal, and possibly others.

The 36th annual Baltic Operations Exercise 2008 (BALTOPS 08) with 13 participating nations, (Denmark, Estonia, Finland, France, Germany, Latvia, Lithuania, Netherlands, Poland, Sweden, Russia, United Kingdom, and the United States) was a EUCOM-directed, NAVEUR-sponsored, and U.S. Sixth Fleet-executed multinational exercise conducted in the spirit of PfP. This exercise tested U.S. and our key maritime partners' abilities to operate and protect Europe's sea lines of communication against highly capable submarine threats.

In response to the increasing ballistic missile threat to this AOR, NAVEUR is leading an urgent effort to develop the requirement for ballistic missile defense (BMD) command and control capability both ashore and afloat. NAVEUR, in collaboration with NAVCENT, war gamed scenarios to develop a command and control architecture for a BMD capable Aegis ship operating in defense of Eastern Mediterranean nations.

Naval Mobile Construction Battalion Four (NMCB–4) deployed a 25 person detachment to Romania (Mihail Kogalniceanu Air Base, Constanta) and Bulgaria (Novo Seio Training Area, Silven) in fiscal year 2008. The CB Detachment conducted HCA in Romania and exercise related construction (ERC) in Bulgaria in support of the JTF–E Commander's forward basing initiative.

Explosive Ordnance Disposal Mobile Unit Eight (EODMU–8), a forward deployed NAVEUR EOD command consisting of 170 personnel, supported a total of seven combat deployments in 2008 to OIF and OEF.

NAVEUR and Navy Region Europe continue to exercise and refine the Task Force Consequence Management (CM) structure to respond to "all-hazard" CM events in the EUCOM AOR. In fiscal year 2008, NAVEUR and Navy Region Europe conducted a Pandemic Influenza Table Top Exercise with the Italian Government. Over 100 participants met at the Lazzaro Spallanzani National Institute for Infectious Disease in Rome in order to clarify the authorities, responsibilities, and roles of participating agencies in an integrated, comprehensive response to pandemic influenza.

The infrastructure at NAVEUR bases sustains the combat readiness of permanent, rotational and surge naval forces, as well as that of other Service component forces. NAVEUR transformation, in support of the Integrated Global Presence and Basing Strategy, has reshaped the U.S. Navy's footprint in Europe to support operations south and east into Africa and Eastern Europe. NAVEUR's transformation efforts over the past 5 years have closed NAS Keflavik, Iceland, U.S. Naval Activities, United Kingdom, and Naval Support Activity La Maddalena, Italy. Joint Maritime Facility St. Mawgan, United Kingdom is proposed to close in fiscal year 2009 while the port of Gaeta, Italy will realign under NSA Naples. This will leave Naval Forces Europe with four enduring bases. The enduring bases at Rota, Spain; Sigonella, Italy; and Souda Bay, Greece are strategically located across the Mediterranean to provide flexible and highly capable inter- and intra-theater logistic support. The base at NSA Naples, Italy provides a consolidated command and control location for Headquarters, NAVEUR and Sixth Fleet in close proximity to the NATO operational Headquarters of Allied Joint Forces Command Naples and Striking and Support Forces NATO.

From a basing and infrastructure perspective, the base closure phase of NAVEUR transformation is substantially complete. NAVEUR is shifting the focus of its transformation efforts ashore to developing a joint framework that enables alignment between Navy infrastructure and validated combatant commander requirements. Navy installations are increasingly critical to supporting current and proposed future operations of the Geographic and Functional Combatant Commanders. Existing processes and procedures do not provide adequate and timely visibility of COCOM, NATO, and other U.S. Agency requirements. In order to integrate COCOM/NATO/USG Agency requirements into the Service resourcing processes, NAVEUR is participating in the development of Theater Asset Management for application at key Navy Installations with joint value such as NAVSTA Rota, NAS Sigonella and NSA Souda Bay. The three key components of Theater Asset Management (joint manning, joint processes and governance, joint standards and criteria) are critical to NAVEUR's effort to advance the art and science of transformation beyond its Service-specific origins and realize a cross-Service, cross-COCOM, cross-agency linkage between capability, capacity, infrastructure and requirements.

United States Air Forces Europe (USAFE)

USAFE is a key force provider in the form of tactical combat air forces, tanker, and airlift assets for EUCOM, OIF, ISAF, and OEF. In 2008, USAFE units flew over 26,000 combat-fighter hours, nearly 4,000 tanker/transport hours, and trained 18 NATO Joint Terminal Air Controllers (JTAC) from 7 countries supporting peace-

keeping operations in Kosovo, OIF, ISAF, and OEF. USAFE has deployed six of its eight fighter squadrons, 100 percent of its heavy airlift and tanker squadrons, and a large percentage of its Airmen in support of global operations. To plan and execute EUCOM's quick-strike capability, USAFE operates a fully functional Falconer Air Operations Center (AOC). In addition, USAFE's deployed Control and Reporting Centers support OEF, ISAF, and OIF with persistent round-the-clock wide-area surveillance, common tactical picture fusion and distribution, and tactical air battle management and control capability from Kandahar AB, Afghanistan, and Al Udeid AB, Qatar.

Direct support of current multinational operations is provided by nearly all USAFE bases and units. USAFE main bases and Geographically Separated Units (GSUs) throughout the EUCOM AOR enable Global Attack, Global Mobility, Coronet (movement of air assets, primarily fighter aircraft), Air Bridge, Force Extension and Theater Support air refueling missions. USAFE air mobility hubs at Incirlik AB in Turkey, Ramstein and Spangdahlem Air Bases in Germany, Moron AB in Spain, and RAF Mildenhall in the U.K. enable crucial logistical support of U.S., allied, and coalition forces fighting in the CENTCOM AOR. Meanwhile, Lajes AB in the Azores (Portugal) provides vital throughput for combat and mobility air forces alike. USAFE also directly supports our wounded Airmen and brothers and sisters in arms. USAFE's 435th Contingency Aeromedical Staging Facility at Ramstein processed 12,787 patient movements—as many as 94 in a single day—during the past year. USAFE's 86th Aeromedical Evacuation Squadron is directly involved in providing airborne medical support for many of these patients from Iraq to Ramstein AB and on to CONUS-based medical facilities. Sick and wounded patients received at Ramstein AB are treated at Landstuhl Regional Medical Center (LRMC). LRMC, a jointly staffed Medical Treatment Facility (MTF) with permanently assigned Army and Air Force medical staffs and considerable deployed augmentation from the Navy and Air Force, is the largest MTF in the world for contingency support medicine and the only Secretary of Defense designated Level 3 MTF in support of OEF and OIF. Once stabilized, LRMC patients are sent on to the U.S. for additional care.

In addition to fully supporting ongoing combat operations, USAFE, as the air component to EUCOM, provides full-spectrum air, space, and cyberspace capabilities and options. USAFE promotes regional stability through focused theater engagement and supports combat operations, humanitarian assistance, and Ballistic Missile Defense (BMD). USAFE is also EUCOM's lead agent for personnel recovery, theater air mobility and aeromedical evacuation. As the designated Area Air Defense Commander (AADC) for EUCOM, USAFE took an initial step to deliver integrated ballistic missile defense by installing a Command, Control, Battle Management, & Communication (C2BMC) suite in its 3rd AF Air Operations Center. C2BMC provides the commander with BMD situational awareness and the capability to rapidly identify and track ballistic missile threats for early warning and possible defensive counter-measures. In an effort to ensure overall mission success as EUCOM's Air Component, USAFE annually revalidates its full spectrum capability during Joint Exercises like Austere Challenge.

USAFE also plays a vital role in EUCOM's SAS and Theater Campaign Plan. In support of the SAS and theater engagement, USAFE participated in over 450 TSC events in 44 countries. This includes USAFE support to events such as MEDCEUR 2008, a multinational medical training exercise in Croatia. This "In the spirit of" PfP JCS-sponsored regional, multinational exercise in Central and Eastern Europe, integrated the Air National Guard (ANG), Air Force Reserve Command (AFRC) and 320 participants from 14 different countries in crisis response, humanitarian assistance, disaster relief, and foreign consequence management operations. MEDCEUR 2008 culminated in a 1 week mass casualty training exercise to challenge and test first responders, triage and stabilization procedures, and medical evacuation.

USAFE's operational theater engagement highlights include support to NATO and Mobility Operations. USAFE provided continuous Combat Air Patrols in the skies over Bucharest, Romania, during the NATO Summit. This effort included fighter, mobility, and support forces from five separate USAFE Wings. In support of the NATO Baltic Air Policing mission, USAFE deployed four F–15Cs to Lithuania for 3 months. These fighters maintained a constant 24-hour alert, ever-ready to intercept aircraft which might violate the air sovereignty of Estonia, Latvia or Lithuania. Additionally, USAFE executed the largest air exercise since the fall of communism in the Baltic region. American fighter and tanker aircraft, joined by Polish and Danish air forces and guided by Baltic weapons controllers, participated in an exercise that clearly demonstrated NATO alert force capability as well as a commitment to the defense of allies. Finally, at the first call for Georgian Humanitarian Assistance, USAFE airlifters flew over 220 tons of cargo and 164 passengers in 115 sorties logging over 460 flight hours.

A vital component of USAFE's presence in theater is cooperation and interaction with our NATO allies. USAFE conducted 19 JCS exercises in 16 different countries. NORTHERN VIKING 08, conducted in Keflavik, Iceland, provided training and experience in joint and combined air defense, sea surveillance, public relations, and counter-terrorism for U.S. and NATO forces and successfully demonstrated continued support to U.S. treaty commitments to Iceland.

USAFE is collaborating with 12 other nations to achieve a Strategic Airlift Capability (SAC) based in the European Theater. The SAC will provide dedicated and timely access to global C–17 airlift to each of 12 participating nations: 10 NATO allies, including the U.S., plus Sweden and Finland. This consortium is implementing a multinational military Heavy Airlift Wing (HAW) at Papa Air Base, Hungary. The HAW will be comprised of military members from each of the 12 participating nations and will operate 3 C–17 aircraft. The C–17s will support NATO, EU, UN, and sovereign operations. Of the approximate 151 HAW personnel, 41 will be U.S. Air Force members. The HAW Commander is expected to declare Initial Operational Capability (IOC) later in 2009 when the unit is ready to assume its full range of missions with its first C–17 aircraft.

To further interoperability and extend capacity of limited U.S. Intelligence, Surveillance, and Reconnaissance (ISR) assets, USAFE continues to explore expansion of its traditional intelligence exchanges, while investigating new opportunities with partner nations. USAFE aggressively pursues the opportunity to work with partner nations which now possess, or are developing, airborne ISR capabilities. Robust coalition operations can be realized by building on these relationships and standardizing tactics, techniques, and procedures (TTPs).

In addition, USAFE and partner nations are simultaneously pursuing methods to integrate ISR architectures and leverage coalition assets to satisfy mutual requirements. For example, USAFE is engaged in an intelligence initiative with the U.K. to develop a shared/integrated net-centric ISR capability to support coalition partners. These actions have provided much-needed manpower relief and additional insight into complex problem sets for both USAFE and CENTCOM. Moreover, USAFE's Distributed Ground Station (DGS–4) began SIGINT Mission Management last fall and obtained a multiple-intelligence methods collection capability, improving accuracy and timeliness of actionable intelligence for theater warfighters. This was a combined operations engagement entailing 24-hour operations in support of the NATO Summit in Bucharest.

USAFE, as a service Major Command, provides Administrative Control (ADCON) of 17th Air Force (17 AF), the Air Force component assigned to AFRICOM. 17 AF (AFAFRICA) was stood up with IOC on 1 Oct 08 and plans to meet FOC by 1 Oct 09. During this build-up period, USAFE's 3 AF Air Operations Center (AOC) has supported 17 AF with air, space, and cyberspace capability as necessary to carry out AFRICOM mission requirements.

Looking toward the future, USAFE will recapitalize the vast majority of its aircraft with next generation variants. Starting in March 2009, 16 Vietnam-era C–130E models will be replaced by C–130J models that provide both increased range and payload capability. Next will be the replacement of the U–2 with the RQ–4 Global Hawk at NAS Sigonella, as approved by the Italian Government last April. Beddown of the Global Hawk support assets will be complete by December of this year with the first aircraft scheduled to arrive in the second quarter of 2010. Five F–35 squadrons will be replacing our air-to-ground fighters over the next 13 years. USAFE is working aggressively to accelerate delivery of the F–35 to the EUCOM theater to be concurrent with our F–35 NATO program participants Denmark, Italy, the Netherlands, Norway, Turkey, and the U.K.. This earlier delivery will allow USAFE to lead NATO, encourage transformation, deter future threats, and leverage coalition basing, tactics and training. In addition, starting in 2015, the current Combat Search and Rescue (CSAR) squadron is planned to begin to grow into a full CSAR Group to include a robust CSAR–X squadron, HC–130s, and Guardian Angel Weapon System (GAWS). This forward deployed Group will provide expeditionary CSAR support, to meet EUCOM and other COCOM demands. These assets will also be used to continue to develop an internal NATO capacity for out-of-area CSAR operations.

United States Marine Forces, Europe (MARFOREUR)

MARFOREUR continues to conduct operations, exercises, training, and security cooperation activities in the region through the employment of a small staff of both Active Duty and Reserve component marines. MARFOREUR optimizes the smallest commitment of forces or senior level visits by focusing them in priority areas. MARFOREUR also assisted in Marine Forces Africa's (MARFORAF) standup as a

Service Component of AFRICOM and continues to provide consolidated administrative headquarters functions.

The majority of MARFOREUR's activities were focused on the Black Sea-Caucasus and West Africa-Gulf of Guinea regions. MARFOREUR participated in 11 exercises and 45 separate mililtary-to-mililtary events throughout Europe and Africa. Eleven DoS-sponsored African Contingency Operations Training Assistance (ACOTA) events were conducted prior to the standup of AFRICOM that resulted in the training of six separate African nations in preparation for United Nations or African Union peacekeeping missions.

U.S. Marine Corps prepositioned equipment plays an important role in supporting EUCOM's contingency plans and its SAS. MARFOREUR seeks to enhance its ability to rapidly deploy forces into the AOR by conducting maritime prepositioning force (MPF) exercises and utilizing equipment stored in Marine Corps Prepositioning Program-Norway (MCPP–N) in support of exercises and operations whenever possible. During the conduct of humanitarian assistance operations in Georgia, equipment supplied from MCPP–N contributed to the overall relief effort.

The High Speed Vessel (HSV) is an asset that enables more frequent, focused engagement activities with coalition and emerging partners across the EUCOM AOR. The vessel provides persistent "soft presence," and enhances our strategic lift capability by bridging the gap between low speed sea lift and high speed air lift, and enabling a broad spectrum of missions. The Joint High Speed Vessel (JHSV) is a key piece of the Seabasing architecture. It will enable rapid closure of Marines to the sea base from forward-deployed advanced land bases, logistics movement from MPF ships to amphibious ships, ship-to-ship replenishment, and, in appropriate threat environments, maneuver of assault forces to in-theater austere ports.

In 2008, MARFOREUR and NAVEUR conducted the inaugural Africa Partnership Station (APS) deployment aboard the USS *Fort McHenry*, thus initiating a new era of naval BPC operations in the AOR. In March, the West Africa Training Cruise (WATC) 08 demonstrated current Seabasing capabilities utilizing existing platforms and equipment. CTF–365 had four ships under tactical control, the USS *Fort McHenry,* the High Speed Vessel (HSV–2) *Swift,* and two maritime prepositioning squadron ships, the USNS *Bobo* and USNS *Wheat*. The naval force aggregated the sea base off the coast of Liberia from different origins and assembled maritime prepositioned equipment via tactical connectors. Once assembled, the task force was employed ashore via HSV to support a humanitarian effort, delivering supplies to clinics, hospitals, and schools. Upon conclusion, the task force reconstituted aboard the sea base and all vessels redeployed to conduct their separate follow-on missions.

In Europe, prior to the recent conflict in Georgia, MARFOREUR coordinated a HMMWV driver training program that contributed to the sustained rotation of a Georgian brigade through OIF. MARFOREUR will continue to seek similar engagement opportunities in this strategically important region and will capitalize on ODC initiatives and partner nation interest in the full range of Marine Corps capabilities such as NCO development, maintenance management, intelligence capacity building, and communications support.

MARFOREUR support to the Joint Exercise Program relies largely on the Marine Corps Reserve, offering unique annual training opportunities to U.S.-based forces while mitigating the impact of limited Active-Duty Force availability. Additionally, MARFOREUR conducts exercises in the region involving Marine units up to the battalion/squadron-size level, again utilizing the Reserve component as the primary force provider. These exercises will increasingly integrate MPF and prepositioned equipment in support of the developing joint Seabasing concept as well as enhancing Marine Corps expeditionary warfare capabilities.

As the executive agent within DOD for nonlethal weapons (NLW), the Marine Corps, through MARFOREUR, conducted NLW education and training programs involving both existing and emerging partners. This year, by integrating NLW weapons training into JTF–E rotations, MARFOREUR conducted NLW training with over 500 military personnel from Romania and Bulgaria. Current equipment sets facilitate a basic NLW capability, however the next generation of NLW will utilize cutting-edge directed energy technologies to provide Marine units as well as joint and combined forces the option of selectively escalating levels of force with reversible effects, thus giving commanders more time to make decisions in uncertain environments and avoid undesirable effects.

United States Special Operations Command, Europe (SOCEUR)

SOCEUR efforts at countering terrorism in 2008 focused on expanding European SOF partnerships and capacity through the Partner Development Plan and by improving the counterterrorism capability of North African partner nations through OEF–TS. In his role as director of the NATO Special Operations Coordination Cen-

ter (NSCC), COMSOCEUR directed the development of common Terms of Reference as well as standardized doctrine and training for NATO Special Operations to enhance SOF integration and interoperability within the alliance. Finally, following the standup of AFRICOM in October 2008, SOCEUR implemented a transition team to support the establishment of SOCAFRICA as a sub-unified command. SOCEUR then undertook a comprehensive evaluation that redefined its roles and missions to focus on the dynamic European security environment, upon completion of transfer of responsibilities of OEF–TS to AFRICOM.

SOCEUR's operations in the trans-Sahara region gained momentum and made increased progress towards building a capable counter-terrorism capacity to enable governments to conduct operations against violent extremists operating within their borders. Partner enthusiasm and support for this capacity building was evident during JCS Exercise Silent Warrior in May 2008, when nine African and three European partner nations executed a combined counterterrorism exercise across an area larger than the entire CONUS. In September 2008, 15 partner nations contributed a total of 567 personnel to JCS Exercise Flintlock 2008 in a combined counterterrorism exercise in 4 African and 1 European nation. These highly successful exercises forged relationships and developed a common understanding among participants about how to proceed against an insidious and mutual threat to regional security.

SOCEUR conducted 29 Joint Combined Exchange Training (JCET) events and 13 Bilateral Training Events in 27 countries during 2008. These events have continued to develop our European and OEF–TS partner nations into more capable, professional Special Operations Forces, with the added benefit of increased political support and commitment from their political leadership.

When OEF–TS transfers to SOCAFRICA, SOCEUR will increasingly shift its focus towards building partner SOF capacity in Europe along three lines of development: continuing support for the NATO SOF Transformation Initiative; expanding SOCEUR-led, bilateral Partner Development Plan activities; and sustaining 1–10 SFG component deployments to ISAF. These initiatives directly support EUCOM's objective to enhance partner and allied SOF capability and generate increased SOF capacity for deployment to NATO missions and other expeditionary operations.

Beginning with just a handful of loaned U.S. personnel, the NSCC became a true coalition organization by the end of 2007, reaching IOC with voluntary national contributions of 81 personnel from France, Germany, Italy, Spain, the U.K., and the U.S. There are currently 23 nations represented in the NSCC, the largest standing coalition of SOF in the world. The NSCC, as the NATO SOF proponent, continues to generate increased desire and willingness on the part of alliance and partner nations to contribute additional SOF to NATO operations in Afghanistan.

SOCEUR conducted JCS Exercise Jackal Stone 08 to continue partner development in support of EUCOM SAS, to conduct CJSOTF training for forces deploying to Afghanistan, to enhance partner special operations training, and to exercise in the unique training environment offered by participating nations. Approximately 1,420 personnel from 8 European nations participated in this month-long exercise.

The SOCEUR Partner Development Plan (PDP) remains the catalyst to allow our European partners to take a more proactive role in global defense efforts where our national interests intersect, and in the future this may lead to strategic relief for deployed U.S. SOF. PDP has recently been designated a Program of Record. As a direct result of the SOCEUR Partner Development Plan and NSCC initiatives, NATO SOF contributions to ISAF increased the number of deployed NATO Special Operations Task Groups to ISAF from two in 2007 to eight by the end of 2008—representing a 400 percent increase in NATO SOF combat power.

In 2007, SOCEUR expanded its efforts in Afghanistan by deploying a Special Operations Task Group (one U.S. Special Forces company and associated staff officers) to support ISAF. This deployment was a tangible example of U.S. commitment to NATO success and demonstrated the ability to further increase NATO SOF capacity in Afghanistan. SOCEUR will continue to sustain this rotational deployment of component forces to ISAF which serves to demonstrate best practices to our SOF partners, reinforces U.S. commitment to ISAF/NATO and allows more capable SOF to mentor others.

In fiscal year 2009, SOCEUR plans to conduct 42 different engagement events with 21 countries within the EUCOM AOR and 40 JSOTF-TS engagements in 11 African nations. In addition to JCETs and bilateral training, SOCEUR supplements its tactical efforts by bringing senior officers and civil authorities from partner nations together to attend seminars and courses to promote exchanges about military aspects of good governance and interagency coordination. Furthering these themes, the command's information operations and civil military support actions have fo-

cused on humanitarian activities, with messages designed to erode popular support for violent extremist organizations.

SOCEUR continues to deploy component forces and staff members to OEF/OIF and contributes to EUCOM's initial crisis response force. During 2008, the command deployed crisis response teams to Chad and the Republic of Georgia as well as an assessment team to the Democratic Republic of the Congo. In the fourth quarter of 2009, SOCEUR will conduct a major SOF exercise in Central and Southeastern Europe, involving up to seven nations and multiple U.S. agencies and military commands in order to further develop European partner SOF capacity and validate the command's crisis response capabilities.

THEATER INVESTMENT NEEDS

Both EUCOM and component activities require infrastructure for fixed facilities, mobility, prepositioning of equipment, and interoperability. EUCOM's ability to continue its transformation and recapitalization in Europe will depend in large measure on the investment provided for military construction (MILCON), Strategic Mobility and Maneuver programs, Quality of Life programs, Theater Command, Control and Communications Systems, ISR, and Prepositioned Equipment.

Theater Infrastructure

EUCOM advocates MILCON investment in enduring installations that support EUCOM transformation. While we resist investing MILCON in non-enduring installations, we must continue to use sustainment, restoration and modernization (SRM) funds and other resources to maintain these installations until all the Soldiers, Airmen, Sailors, civilian employees and their families depart and the installations are removed from the inventory.

Previous annual MILCON authorizations and appropriations have enabled EUCOM to modernize infrastructure, basing and housing facilities. These authorizations and appropriations have supported our theater strategy by providing enduring infrastructure from which to operate. As these were discussed in detail in the 2008 EUCOM posture hearings, they will not be recapitulated here.

We must anticipate infrastructure requests beyond fiscal year 2009 for our future force structure. These investments will enable us to eliminate substandard housing and includes projects that will pay dividends as we divest non-enduring bases and consolidate our forces into more efficient communities.

EUCOM's future requirements will form the basis for our Strategic Theater Transformation and Military Construction requests. For fiscal year 2010, these will be available after the administration finalizes the fiscal year 2010 budget submission.

NATO Security Investment Program

The NATO Security Investment Program (NSIP) reduces the need for MILCON and SRM money to fund many of EUCOM's operational infrastructure requirements. Through EUCOM's continuous and collaborative dialogue with NATO and host nation military staffs, the command has successfully planned, programmed and benefitted from over $640 million in NSIP investment since 2004. This investment has increased operational capabilities at nearly all of EUCOM's Main Operating Bases and Forward Operating Sites on projects ranging from harbor dredging and hydrant fuel systems, to aircraft parking and maintenance facilities. NATO identifies infrastructure requirements through capability packages, which are statements of military capabilities required to meet NATO military requirements. Our involvement in emerging capability packages will likely include funding for projects to enhance operational capabilities for strategic air transport, air-to-air refueling and theater-wide fuel distribution and storage.

STRATEGIC MOBILITY AND MANEUVER

Because facilities and forces must be effectively linked, sea lift, strategic and tactical airlift, and ground transportation systems are essential elements of EUCOM's SAS. Meeting the objectives of this strategy, particularly robust BPC activities, requires dependable and available transport. Further, we envision increased lift requirements to support the increased engagement in Africa facilitated by AFRICOM, whose organic lift capability is severely limited. Equally important, our ability to respond rapidly to crises depends on readily available strategic lift platforms capable of covering the vast expanse of our AOR—the distance between Central Europe and Sub-Saharan Africa is equivalent to that between Europe and California. EUCOM's current fleet of C–130s, which cannot carry out-sized cargo, lack the range or capacity to support the rapid movement of forces or humanitarian assistance throughout the theater. To this end, EUCOM will continue to pursue increased organic tactical

and strategic lift capability to enable the full range of engagement and contingency activities. We appreciate the support in the National Defense Authorization Act for Fiscal Year 2008 for the Strategic Airlift Capability and look forward to the successful implementation of the SAC program and its associated Memorandum of Understanding.

The mobility infrastructure within Europe and Africa continues to be an integral part of the national strategic mobility effort. In recent years, EUCOM has inherited significantly increased responsibilities in, and through, our theater directly supporting current global operations. EUCOM is meeting that challenge, and simultaneously fulfilling our existing mission requirements of training and engagement with allies and partners, through key programs of support.

In the near term, EUCOM is actively addressing emerging requirements to the south and east, including enroute expansion possibilities and locations, new air and sea port uses, and continued support to AFRICOM and CENTCOM AORs. From fiscal year 2006 to fiscal year 2009 EUCOM successfully planned and executed $81 million in MILCON for four EUCOM en-route infrastructure projects. During this same timeframe, EUCOM's enroute locations benefited from over $65 million in NSIP funding, offsetting additional MILCON costs.

Future EUCOM enroute infrastructure requirements will continue to be shaped by emerging global access demands from changes in the long-term EUCOM force posture, seam regions such as the Caucasus and Central Asia, transregional mobility support to CENTCOM, continued support to AFRICOM, and NATO/ISAF operations.

Prepositioned Equipment

Prepositioned equipment reduces demands on the transportation system and appreciably shortens its response time. Continued support of the Services' Prepositioned War Reserve Materiel (PWRM) programs also demonstrates commitment through presence and preserves a broad spectrum of traditional crisis response and irregular warfare options globally. As we transform and transition to a more expeditionary posture, there is a heightened need for PWRM equipment sets configured to support both kinetic and nonkinetic operations, positioned in strategically flexible locations. Transformation of prepositioning to support has taken on new urgency in light of the U.S. actions in Operation Assured Delivery.

All four Services maintain PWRM in EUCOM's AOR, either on land or afloat. USAFE continues to maintain PWRM at main operating bases within the theater, with centrally managed storage sites in Norway and Luxembourg. Equipment includes Basic Expeditionary Airfield Resources (BEAR) kits postured for global use, as well as multiple classes of flight line support equipment for exercises, maneuvers, and operations in the EUCOM AOR. USAFE also maintains a stock of prepositioned equipment in the U.K. for support of Global Strike Command bomber beddown.

Many stocks have been drawn down to support ISAF, OEF, and OIF and will not be reset until at least 2015. Over two-thirds of the MCPP–N stocks were withdrawn in direct support of OIF and OEF. Equipment was also drawn out of the EUCOM MPF program to outfit additional combat units in support of the Marine Corps expansion. The Department of the Army's Heavy Brigade Combat Team prepositioned set from Camp Darby near Livorno, Italy is being used to support operations in Iraq and Afghanistan as well.

Continued Service investment in this capability is necessary to ensure that a fully flexible range of military operations remains available to combatant commanders. EUCOM is actively involved in DOD-led studies examining the global disposition of PWRM and is working to ensure our strategic direction and operational requirements are incorporated in these studies and ultimately in an overarching DOD prepositioning strategy, beyond traditional "war reserve."

INTEROPERABILITY AND LOGISTICS

Partner and Coalition Interoperability

Interoperability enables us to build effective coalitions and improves the logistics of even single-nation operations.

Combined Endeavor (CE) is the largest and most powerful Security Cooperation, Communications, and Information Systems exercise in the world. It is sponsored by EUCOM and brings NATO, PfP members, and other nations together to plan and execute interoperability scenarios with national systems in preparation for future combined humanitarian, peacekeeping, and disaster relief operations. Further, results are published in the CE Interoperability Guide, enabling multinational communicators to rapidly establish command and control systems for the force commander. The rapid integration of past participants into the U.N. Mission in Leb-

anon, tsunami relief, ISAF deployments and multinational divisions in OIF were salient examples of Combined Endeavor's effectiveness. CE 2008 emphasized network security, multinational common operational picture, friendly force tracking, as well as information sharing and collaboration with NGOs. CE 2008 provided communications support to Exercise Medceur, affording CE participants a venue to address TTPs in an operational environment.

The Coalition Warrior Interoperability Demonstration (CWID) is an annual event that enables the COCOMs and the international community to investigate command, control, communications, computer, intelligence, surveillance, and reconnaissance (C^4ISR) solutions that focus on relevant and timely objectives for enhancing coalition interoperability. CWID investigates information technologies that will integrate into an operational environment within the near term. CWID is also a venue for information technology development or validation of fielded or near-fielded commercial, DOD, and partner systems to reduce fielding costs or programmed transition timelines.

As has been described above, EUCOM has significant competencies, relationships, and resources to draw upon in order to promote security and stability throughout the region. One of the primary ways that we mitigate the risk to our own security is through building strong relationships with our partner nations. Our Security Cooperation programs form a foundation for shared and interoperable capabilities to respond to contingencies.

Reform of the Security Cooperation Framework is crucial to the achievement of national strategic objectives in the EUCOM AOR, including those related to supporting coalition operations in Iraq and Afghanistan, dealing with Russia and its actions in Georgia, maintaining U.S. leadership in NATO, and strengthening the alliance.

As the Secretary of Defense has stated, the "U.S. strategy is to employ indirect approaches—primarily through building the capacity of partner governments—to prevent festering problems from turning into crises that require costly and controversial direct military intervention." In Europe, this strategy not only helps nations provide for their own security and maintain stability within the region, but also enables many allies and partners to export security to other regions, most notably as contributors to coalition operations in Iraq and Afghanistan. Both directly and indirectly, our BPC efforts reduce the burden on U.S. military forces and advance U.S. strategic interests.

Our BPC efforts encompass a wide range of activities, including training individual units, modernizing and transforming military forces, educating current and future military leaders, and developing the defense institutions of allies and partners. They require a Security Cooperation Framework that enables strategic planning and application of resources to achieve national objectives. They also require a whole-of-government approach supported by robust military and civilian capacity. However, existing Security Cooperation authorities, procedures, resources, and interagency coordination mechanisms do not adequately support a strategy based on BPC. Limited resources and the proliferation of multiple, complex, restrictive authorities and processes, each with their own set of rules and management procedures, significantly constrain our ability to plan, make commitments to allies and partners, respond to strategic events, and execute operations and activities to achieve U.S. strategic objectives in Europe. Furthermore, the lack of interagency unity of effort undermines our ability to capitalize on opportunities to achieve national security objectives in the EUCOM AOR.

Recent initiatives, such as section 1206 of the 2006 National Defense Authorization Act, Building Capacity of Foreign Military Forces, have partially mitigated some of these shortcomings. These and other measures are important first steps toward the more comprehensive reform of the Security Assistance Framework that is required to execute the strategy outlined by Secretary Gates. Such reform should streamline existing Title 10 and 22 authorities, facilitate strategic planning and application of resources, increase responsiveness and effectiveness in meeting emerging requirements, enhance interagency coordination to permit whole-of-government approaches, and—as the Secretary of Defense has proposed elsewhere—increase the capacity of the State Department and other civilian agencies to support BPC. These reforms are essential to executing our strategy to achieve national objectives.

THEATER COMMAND, CONTROL, AND COMMUNICATIONS SYSTEMS, AND ISR

Communicating and sharing information across an expansive theater are critical capabilities and essential enablers of our Nation's strategic mission. Whether conducting activities within the EUCOM AOR or supporting other COCOMS, the ability to command and control forces is provided by EUCOM and its partners' Com-

mand, Control, and Communications (C3) network infrastructures. In order to continue our warfighting dominance, we must continue to evolve how we use this valuable asset, and at the same time, maintain and protect it.

The U.S. increasingly relies on its network of coalition partners to carry out missions abroad. Participating nations bring unique hardware, software, data structures, information, and capabilities for command and control purposes. Investments in international communications standards enable interoperable solutions for sharing of operational information. Continued development of information sharing policies enables commanders to make better decisions using timely and reliable knowledge. Together, interoperable standards and policies that facilitate information sharing will help to bridge the gap between differing systems effectively enabling command and control during coalition and combined operations.

Our SAS places forces in regions not currently supported on a day-to-day basis by the Global Information Grid. Establishing network capabilities to support operations in remote areas can only be accomplished with reliable and responsive satellite resources. Military Satellite Communications (MILSATCOM) can provide this capability, enabling the joint force secure access to critical C^3ISR and logistics information. In order to achieve a high level of agility and effectiveness in a dispersed, decentralized, dynamic, and uncertain operational environment, we must maintain our MILSATCOM infrastructure, ensuring it is ready, robust, and available on demand.

Today, current MILSATCOM systems are fragile and over-utilized. The proposed replacement architecture is plagued with delays and unacceptable disconnects between space and ground segments.

Cyber attack activity is on the rise. Our increased reliance on network capabilities and the value of information riding on those networks becomes ever more critical. While a network-centric, web-enabled force offers a tremendous advantage in carrying out nearly every dimension of our national strategy, it will be our greatest vulnerability if left inadequately protected. The "cyber riot" in Estonia, coupled with the cyber attacks associated with the Russian incursion into Georgia, are demonstrations of potential havoc that can be created by a well-resourced and technically advanced opponent. Essentially, the network is our most vital nonkinetic weapon system. We must continue to support initiatives for defending our networks and building our cyber operations force.

Without continued improvements to information sharing and interoperable solutions, we limit our coalition capabilities. Without a well-maintained and protected communications infrastructure, our ability to command and control military forces becomes severely degraded. We must continue efforts to safeguard, resource, and exploit the tools enabling the most powerful weapon in our arsenal: information and the knowledge it can engender.

QUALITY OF LIFE PROGRAMS

Quality of Life (QoL) programs and services are vital contributors to our warfighting effectiveness within the European theater. Our warfighters and their families continue to endure real and perceived hardships in an operational overseas environment impacted by transformation and extended deployments. As we transform to meet emerging mission requirements, we owe it to our service and civilian members and their families to provide a safe, productive, and enriching environment. I am committed to helping improve this environment and sustain appropriate entitlements that compensate our servicemembers for their sacrifices. Our collective efforts should match their commitment to duty and country with a pledge that we will strive to provide them with a standard of living comparable to that of the society they have committed to defend.

EUCOM's top QoL issues are: deployment and counseling support for servicemembers and families; support for child, youth, and teen programs; predictable access to healthcare; and servicemember benefits and entitlements especially adequate housing and support for dependent education programs provided by the DOD Dependent Schools—Europe (DODDS–E). The importance of these programs is magnified in an overseas environment where members and families cannot rely on off-base options as they do in the U.S.

Deployment and Counseling Support

Protracted combat operations and associated tempo and casualties have critically increased the immediate and future mental health requirements of our servicemembers and their families. Multiple studies identify the requirement for increased mental health support to military and family members including the DOD Mental Health Task Force recommendations which recommended that Congress provide adequate assessment and appropriate mental and behavioral health care.

Because supplementing overseas counseling through off-base providers is extremely challenging due to differences in language and standards of care, component commanders have identified the need for additional mental health providers and technicians to provide evaluation, counseling, and when required, physiological treatment referral for EUCOM military and family members.

Child, Youth, and Teen Programs

EUCOM and our Service component commands consistently receive requests for increased support of child development centers, school age programs, and youth and teen programs and services. Forty-four percent of EUCOM's civilian and military personnel have children. EUCOM is dedicated to supporting child, youth, and teen programs such as the child care subsidy, after school programs, summer camps, summer enrichment and summer school programs, gang prevention and awareness programs, and Drug Abuse Resistance Education.

Off-base options for child, youth and teen programs are limited by culture, language barriers, lack of U.S. standards of care and quality, availability, and above-average costs compared with those at U.S.-based military communities. A recent EUCOM-wide analysis identified a staff shortage, due to difficult hiring processes and staff turn over, as the primary reason for a gap between our members' and families' child care requirements and the level of care available to provide programs that meet their needs. Our ongoing efforts to address this gap will improve EUCOM's ability to conduct and sustain our diverse missions, especially in this era of continuously high operational tempo.

Access to Healthcare

Family member access to both medical and dental care is challenging overseas. EUCOM's military MTFs must prioritize their limited resources to ensure a ready military force. As a result, the already limited, space-available care may not cover the population and our families are frequently referred off-base to receive host nation medical and dental care. EUCOM family members must often use local community medical and dental services characterized by providers who speak a different language, manage care according to the standards of their culture, and are difficult to access and understand when compared to on-post care in a MTF.

Additionally, during periods when the dollar is weak, families required to use off-base care are further stressed, as upfront costs then are higher and insurance limits (expressed in dollars), especially in dental care, would be reached much sooner than in the U.S. This presents a challenge to EUCOM's ability to sustain an adequate QoL. Our success in strengthening programs, obtaining resources and deploying beneficiary awareness campaigns will lead to healthier communities.

Servicemember Benefits and Entitlements

Family Housing

EUCOM QoL construction investments affirm our commitment to servicemembers and their families as we strive to fulfill Defense Planning Guidance requirements to eliminate inadequate housing.

USAFE, NAVEUR, and USAREUR continue to improve their housing inventory through the Build-to-Lease (BTL) program. Through this program, USAREUR continues the process of improving Grafenwoehr, with 1,300 units acquired and 300 more new units to be acquired, to complete the project. Also, USAREUR plans to acquire 215 more BTL units in Vicenza. Each component continues to explore additional BTL housing opportunities throughout Europe to meet housing requirements.

EUCOM's request for funding for family housing and barracks construction, renovation, and replacement as Quality of Life projects will follow the submission of the President's fiscal year 2010 budget.

Commissaries and Exchanges

Investment in commissaries and exchanges ensures our servicemembers and their families have access to the supplies and services they need and we strongly encourage continued support for these key activities. The importance of these programs is magnified in an overseas environment where personnel and families cannot rely on off-base options as readily as they do in the United States.

Department of Defense Education Activity (DODEA) Schools

EUCOM works with DODEA and Department of Defense Dependent Schools-Europe (DODDS–E) to provide our children with quality educational opportunities. Ensuring DODDS–E delivers a first class education is essential to families serving in Europe, where there are no affordable off-base schooling options like those available in the U.S. DODDS–E has 90 schools serving EUCOM's 36,500 students. These

schools represent almost half of DODEA's inventory of 199 schools. Operating and maintaining them requires constant attention.

Delivery of a quality education depends on quality facilities. DODDS–E has aging schools, many of which were built prior to World War II. With 43 percent of DODEA's students in the EUCOM theater, the health of DODEA's facility sustainment and recapitalization budgets is essential to the effectiveness of our education programs. Unfortunately, DODEA has had a growing backlog of facility recapitalization requirements, although beginning in fiscal year 2009, DODEA has put a renewed emphasis on facilities, increasing funding for facilities sustainment, restoration and modernization. Worldwide, nearly 70 percent of DODEA's permanent-built infrastructure is assessed by DOD facility standards as poorly maintained or in need of replacement. Within Europe, this ratio has reached 72 percent. Based on data in DODEA's recently submitted Report on Condition of Schools, 6 of DODEA's top 10 recapitalization needs are in Europe. Some of these needs address children attending classes in longstanding temporary buildings, unable to clean up after physical education, or rushing through lunch in cramped cafeterias to accommodate multi-stage dining schedules. We strongly support DODEA MILCON funding to meet the requirements of EUCOM families.

EUCOM appreciates continued congressional support to make school construction a top quality of life priority for overseas families. Giving students and their families an education comparable to what they would receive stateside improves retention and enhances readiness.

NATO/SHAPE

The Washington Treaty marks its 60th anniversary in 2009. For over 60 years, it has been the cornerstone of security and stability, and NATO is the world's most successful alliance. The alliance's current and future role in international security is set by the principles and provisions of the Washington Treaty. As the past 6 decades have demonstrated, NATO has protected, and will protect its members' sovereignty. Trans-Atlantic security today is not threatened by one strategic threat, but is challenged by regional and global networks of instability, which contain risks and threats to our Nations individually and collectively. Consequently, 21st century trans-Atlantic security is by necessity part of a global network of security—interconnected with other regional and global networks. NATO will play an even more critical role in the years to come in anchoring global security as NATO nations work in a comprehensive approach with members, partners, and international organizations. The alliance is determined to enhance security and stability and to cooperate in building a stable, peaceful Europe. The benefits of trans-Atlantic stability that we enjoy today can be extended to the insecure and unstable beyond Europe, as has been demonstrated in Afghanistan and Africa. Risks are omni-directional, and crises can develop rapidly, transforming political disputes into military conflicts. Crises must be identified, managed, and resolved. The alliance is uniquely capable, uniquely structured, and will play a major role in the management of crises. I believe our alliance's core mission is to be prepared to address the myriad risks that jeopardize stability in the modern era. It is my hope that the 60th Anniversary Summit will produce a renewed impetus to adapt the alliance further to meet the demands of the security challenges of the 21st century.

The threats to our security in a globalized world do not stop at national borders and cannot be successfully addressed by any nation alone. NATO is essential, as is our steadfast commitment to NATO and trans-Atlantic security. The challenges of the 21st century require greater cooperation than ever in areas such as energy security, terrorism, piracy, and arms control, all supported by an integrated, robust, visible U.S. presence. To the extent possible, U.S. security policies must be sufficiently aligned with our allies to provide mutually beneficial effects. Significant contributions of forces supporting NATO are absolutely critical, particularly to the current out-of-area operations. However, we must be mindful that EUCOM presence is our most visible form of the U.S. commitment to the alliance. Operationally, we must maintain the appropriate EUCOM force structure to implement our strategy. Active security cooperation and habitual training relationships improve operational readiness and enhance our position of influence in European security.

In addition to the honor of serving as Commander of EUCOM, I am privileged to command Allied Command Operations as the Supreme Allied Commander, Europe. During this past year, the men and women of NATO have worked tirelessly on behalf of the alliance and served their nations with distinction. Our allies and partners have answered the call to duty, fought valiantly, and paid in blood and treasure. There are now over 70,000 deployed military forces from 43 NATO and

non-NATO nations conducting operations under my command on 3 continents. They demonstrate NATO's relevance in today's dynamic security environment.

Operations

In Afghanistan, over 55,000 men and women from 41 NATO and non-NATO partner nations assigned to ISAF are assisting the Government of the Islamic Republic of Afghanistan (GIRoA) in the establishment and maintenance of a safe and secure environment, facilitating reconstruction and development, and extending GIRoA control. In my time as SACEUR, ISAF has increased from approximately 30,000 to the current force strength. Allies have increased their contributions to this operation since 2006. We still have shortcomings in both forces and enablers, which I address with the Nations. The nations of the alliance understand the significance of this operation for the security of their people, the security of the region, and the future of the alliance.

While 2008 saw a marked increase in violence by insurgents, the activity is concentrated in generally the same districts as the previous year. We attribute this increase in violence to three factors. First, ISAF and the Afghan National Army (ANA) have increased operational tempo and extended their reach into areas that were once safe havens for the insurgency. Second, the Federally Administered Tribal Areas in Pakistan remain a sanctuary for the arming, training, and planning of operations against ISAF in Afghanistan. Third, insurgents have taken to attacking reconstruction and development in an effort to convince Afghans that their government cannot provide for their individual security, or the security of the International Community efforts to rebuild and reconstruct Afghanistan.

Development of the Afghan National Security Forces (ANSF) is crucial to combating this trend and key to long-term success in Afghanistan. In the last year, the ANA has fielded five infantry battalions, four commando battalions, four support battalions, and three brigade headquarters. The ANA participates in more than 90 percent of all ISAF operations and has led planning and execution of 58 percent of the more than 200 planned operations this year. The Afghan National Army Air Corps (ANAAC) continues to grow in both size and capability due to contributions of aircraft and training teams. In the past year the ANAAC has provided 90 percent of the airlift required by the ANSF. Critical to the development of the ANA is the coordination between EUCOM, CENTCOM, and SHAPE in developing training and deployment programs that have resulted in 48 fielded Operational Mentor and Liaison Teams (OMLTs) Another 12 teams are training to deploy this year. Additionally, SHAPE is assisting with non-U.S. sponsorship in 11 of 19 ANA schools.

Security must be accompanied by good governance and lasting reconstruction and development. The GIRoA struggles to deliver substantive and sustainable service to the Afghan people. Efforts are ongoing, but markedly improved conditions are still unrealized today. More than 60,000 projects are currently underway and signs of progress are evident.

Security in Pakistan and Afghanistan is undoubtedly linked. We must engage with Pakistan at all levels, and Pakistan must work to be part of the solution. We work with Pakistan militarily in the framework of the Tripartite Commission, which is a cooperative effort comprising military representatives from ISAF, Afghanistan, and Pakistan. I believe a similar diplomatic cooperative effort is also needed.

The narcotics trade is a major obstacle on the road to a secure and stable Afghanistan. In October, NATO's political leaders approved enhanced counternarcotic actions by ISAF forces against drug facilities and facilitators that support the insurgency. The nexus between the illegal drug trade and the insurgency is real, and narco-profits represent a significant funding stream to arm and train the insurgents. The objective of the ISAF action is to impact the resources made available to the insurgency through illegal drug activities. ISAF will work in support of the Afghan Government. ISAF will not conduct operations to eradicate the poppy crops.

Whatever discussion we have about strategy, no strategy will work if it is not matched by the right resources. I have written separately to Ministers of Defense to articulate the importance of filling the Combined Joint Statement of Requirements (CJSOR). In late 2008 we saw an increase in national troop commitments and a reduction in national force caveats, though more is needed.

Increases in U.S. troop levels are not enough. NATO forces in Afghanistan have shown their ability to clear opposing forces from any terrain, but to hold terrain and build the Nation of Afghanistan will take a much larger commitment. International organizations as well as the Afghan Government need to make greater progress thru a collective, comprehensive effort. Ambassador Kai Eide, the Special Representative of the U.N. Secretary General for Afghanistan, is charged to bring coherency to the international effort. He must have our steadfast support, all of it, all of the

time. Euro-Atlantic and wider international security is closely tied to Afghanistan's future as a peaceful, democratic state.

While ISAF is our top priority, we have more than 14,000 troops from 33 NATO and partner nations in Kosovo continuing to ensure a safe and secure environment. The future roles of the U.N. and the European Union Rule of Law Mission are still being clarified, but NATO's mandate to ensure a safe and secure environment remains the backdrop of discussions.

NATO is overseeing the standdown of the Kosovo Protection Corps, supervising and supporting the standup of the civilian-controlled KSF. This important mission requires increased resources. I have called on NATO nations to sustain their commitment to achieve success in Kosovo.

Our commitment to regional security and stability throughout the Balkans remains steadfast. We continue to assist in defense reform, including PfP and NATO membership activities, through our NATO headquarters in Sarajevo, Skopje, and Tirana and the Military Liaison Office in Belgrade.

NATO ships participating in Operation Active Endeavor (OAE) continue to patrol the Mediterranean Sea in a counterterrorism mission. Through advances in surveillance technology and contributions of non-NATO nations, OAE now maintains a continuous watch and deterrent presence of a vital strategic waterway used by more than 6,000 merchant vessels at any given time.

NATO provides an essential trans-Atlantic dimension to the response against terrorism. We need to strengthen the ability to share information and intelligence on terrorism, especially in support of NATO operations.

We train Iraqi Security Forces with just under 200 personnel assigned to the NTM–I. NTM–I assisted with the establishment of the Iraqi Training and Doctrine Command and National Defense University, and operates the Iraqi Military Academy Ar Rustamiyah (IMAR), where two-thirds of Iraq's Second Lieutenants are trained.

NATO has agreed to assist the African Union (AU) mission in Somalia by providing airlift support to deploying AU member states. The first request was in June and NATO transported a battalion of Burundian peacekeepers to Mogadishu. We are also assisting making the African Standby Force operational.

Operation Allied Provider (OAP) was NATO's response to a request by the UN to conduct maritime operations off the coast of Somalia to deter, defend, and disrupt piracy activities and allow the World Food Program to deliver humanitarian aid to the region. We should not underestimate the importance of this decision, nor the precedent it sets for our alliance. NATO's political leaders approved a mission for which there was no detailed contingency or operational plan, demonstrating that we can react quickly in times of crisis. NATO is considering a possible long-term role in counterpiracy that could complement U.N. Security Council Resolutions and actions by others, including the EU.

A strong collective defense of our populations, territory, and forces is the core purpose of our alliance and remains our most important security task. The member nations don't always see the threats in the same way nor do they always agree on the ways and means to confront them. However, difference of views is nothing new—with 26 perspectives and a system of consensus, we can be certain decisions taken by the alliance will be well-reasoned, serve a common purpose, and be underwritten by our professional military forces.

There are substantial issues confronting us; issues that could challenge the success of our operations or the military credibility of the alliance. I would like to note four of them. First, shortcomings that directly impact on our collective ability to react to crisis—forces in ongoing operations, command structure, operational and strategic Reserves, and the NATO Response Force (NRF). Strategic success hinges on adequate resourcing—deployed forces deserve to be fully resourced. Resourcing is the single most important means to demonstrate political will and symbolize our collective accountability to the servicemembers put in harm's way. In its current construct, the NRF has been plagued by force shortfalls and insufficient national contributions. The Peacetime Establishment Review has been an exercise in compromise and, in the end, does not meet all of our expectations. We are successfully transforming the command structure to better support and enable the operations of today and improve our ability to manage and react to crises, but we must have a properly manned HQ for the future.

Second, NATO's role as a security provider will be determined by how the alliance performs in its military operations in meeting new security challenges. Piracy may be the immediate challenge, but others must be addressed: energy security, proliferation, and cyber attacks to name a few. At a time of financial crisis, discussion of increased capabilities and new missions is very unpopular. We need nations committed to equitable burden-sharing to achieve our stated ambition.

Third, our operations highlight the need to develop and field modern, interoperable, flexible and sustainable forces. These forces must be able to conduct collective defense and crisis response on and beyond alliance territory, on its periphery, and at strategic distance. We can further information superiority through networked capabilities, including an integrated air command and control system, increased maritime situational awareness and the Alliance Ground Surveillance (AGS) capability. AGS is a mix of manned and unmanned airborne radar platforms and is an essential capability for decisionmakers and planners. We can improve strategic lift and intra-theater airlift, especially mission-capable helicopters. A major milestone in meeting alliance strategic airlift needs was realized when 10 NATO countries plus 2 partner countries (Finland and Sweden) signed the Memorandum of Understanding confirming their participation in the acquisition and sustainment of 3 C–17 strategic transport aircraft. The alliance also clearly recognizes the importance of protecting the territory and citizens of NATO member nations and is developing options for a possible integrated NATO-wide missile defense architecture.

The fourth challenge is Strategic Communications. Strategically communicating the implications of NATO's policy and actions is essential. With new challenges and NATO increasingly acting in concert with other countries and institutions, it has been much more difficult for our publics to understand what NATO is all about. We need public understanding and public support. Additionally, the need for appropriate, timely, accurate, and responsive communication with local and international audiences in relation to NATO's policies and operations is vital.

NATO's relationship with key partner nations is critically important to the overall security environment. NATO's diverse relationships with the Mediterranean nations of Africa, the Middle East, troop contributing nations from the Pacific and South America, PfP nations from the Caucasus and Central Asia, and special relationships with Russia, Georgia, and Ukraine all demonstrate the vast potential for security cooperation, consultation, and joint action together. In particular, Albania and Croatia accession protocols have been signed, and ratification by the member nations is ongoing. I am satisfied with the progress of Albania and Croatia militarily and am confident in both national and NATO plans in place. Both nations are already valuable participants in the NATO mission in Afghanistan. We continue work with prospective members. The Former Yugoslav Republic of Macedonia has had a membership action plan since 1999 and Georgia and Ukraine began intensified dialogue in 2006. All of these nations will contribute to alliance security. We stand ready to further develop a substantive relationship with Serbia making full use of its PfP membership.

The NATO-Russia Council (NRC) has been a valuable mechanism for consultation, cooperation, joint decision and joint action since 2003. Russia's disproportionate use of force in the conflict with Georgia led the alliance to suspend formal discussions and cooperation with Russia in the NATO-Russia Council. The alliance did agree at the recent Foreign Ministers Meeting to restart the NRC some time this summer as a mechanism for dialog on issues of disagreement and on those where we have common interests. These common interests should be the focus for future engagement. We welcome Russia's approval of the Land Transit Agreement, allowing transit of NATO non-military goods through Russia to Afghanistan via Central Asia. In 2009, 60 years after the signing of the Washington Treaty, 18 years after the end of the Cold War, the alliance is engaged with the broadest set of challenges, risks, and threats in its history, reflecting the increasingly complex and multi-layered nature of the 21st century security environment. U.S. leadership in NATO is critical to our national security, as well as being critical to the success of NATO. As we look to the future with the goal of building a stable, secure, and united Europe, NATO should be an anchor in the framework of a turbulent global environment, a source of political solidarity to confront these challenges with a comprehensive and strategic approach, and have capabilities and capacities sufficient to respond rapidly. EUCOM's role is vital to sustaining U.S. leadership within the alliance, shaping the comprehensive and strategic approach necessary, and providing the capabilities and capacities to respond rapidly to NATO's call. U.S. military contributions are only possible with the staunch and steady support of Congress and we greatly appreciate your leadership and assistance.

CONCLUSION

EUCOM works with other U.S. Government agencies using a whole-of-government approach to strengthen U.S. leadership in its AOR even as we support operations in other theaters. EUCOM's overall mission to defend the homeland and create an environment that advances U.S. strategic and economic interests is accomplished in many ways, the most effective of which are our BPC efforts. BPC has also

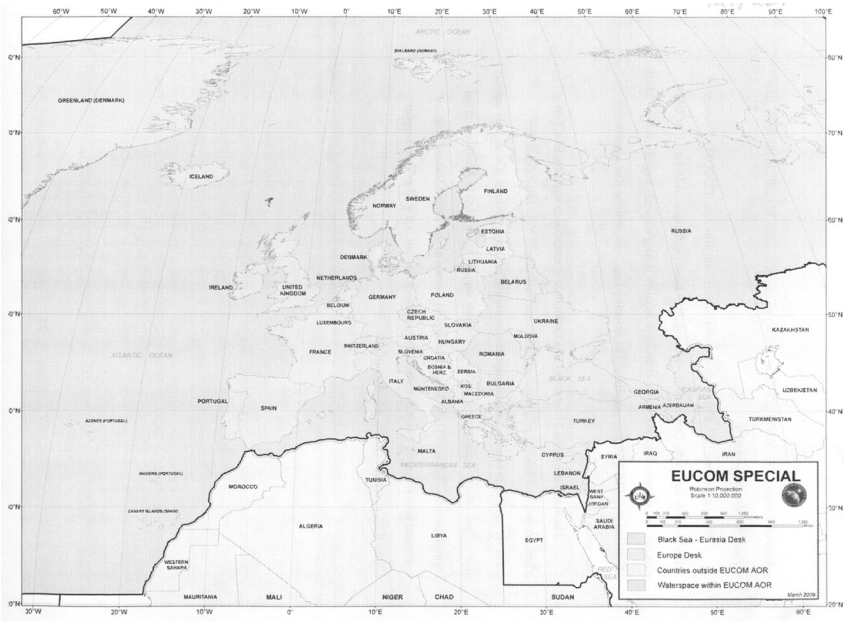
been a key function of NATO throughout its existence. In the last two decades it has taken on an additional dimension as NATO as an organization and its members as individual nations export security to other nations in Europe, Eurasia, and Africa. NATO, as an alliance of shared values, remains the essential forum for trans-Atlantic security consultations and cooperation, helping us and our partners confront common threats in a unified manner.

Challenges in the region are both numerous and dynamic. In Europe, threats to the independence of nations in the Baltics, conflict over missile defense, Kosovo's disputed status, the numerous other reduced but not eliminated conflicts in the Balkans, enormous stockpiles of legacy ammunition, and terrorist attacks by the Kurdistan Worker's Party threaten the establishment of a secure environment in Europe. In the Black Sea/Eurasia region, the impact of a more assertive Russia, in particular the challenges produced by its conflict with Georgia, frozen conflicts between Armenia and Azerbaijan, between Georgia and its separatist regions, between Transdniestra and Moldova, and the potential repercussions of the status of the Crimea present similar challenges. The Israel-Palestinian conflict produces tensions not only in the immediate vicinity but also far beyond it.

Using eight long-term objectives and seven immediate priorities, EUCOM's SAS guides the command in reducing all of these challenges. Adapting EUCOM's structure and infrastructure to the new challenges requires strategic theater transformation, which affects not only EUCOM headquarters and its associated agencies, but the five subordinate commands as well.

The assistance of the members of this committee is essential in ensuring EUCOM's effectiveness in its ongoing programs, operations and initiatives. Your efforts underpin EUCOM's ability to operate across the entire spectrum of military missions. Committee support also sustains effective engagement with, and credible support to, the NATO alliance and our regional partners. Since 1952 the dedicated men and women of the United States European Command have remained committed and able to achieve our national goals. Your support allows them to continue in this proud tradition.

ENCLOSURE 1



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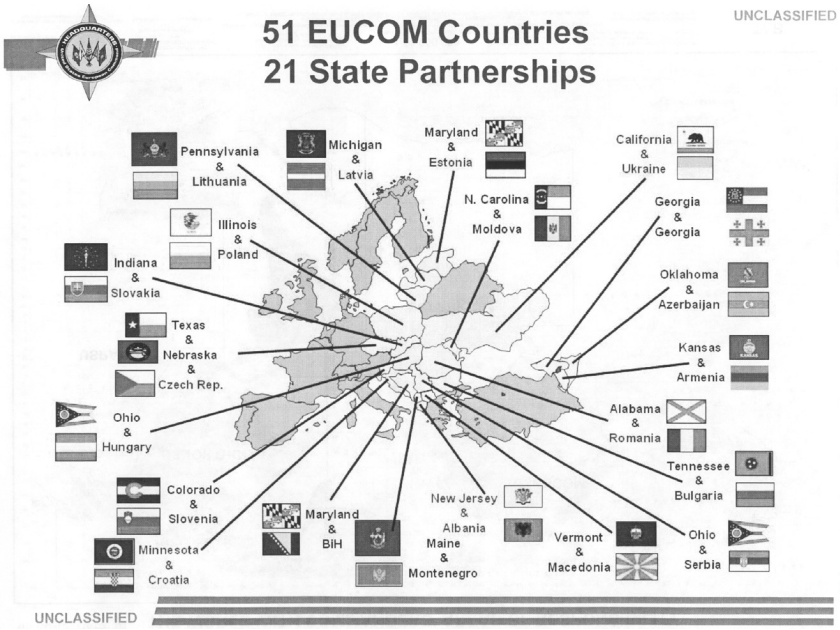
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Michigan & Latvia
Maryland & Estonia
California & Ukraine
N. Carolina & Moldova
Georgia & Georgia
Illinois & Poland
Indiana & Slovakia
Oklahoma & Azerbaijan
Texas & Nebraska & Czech Rep.
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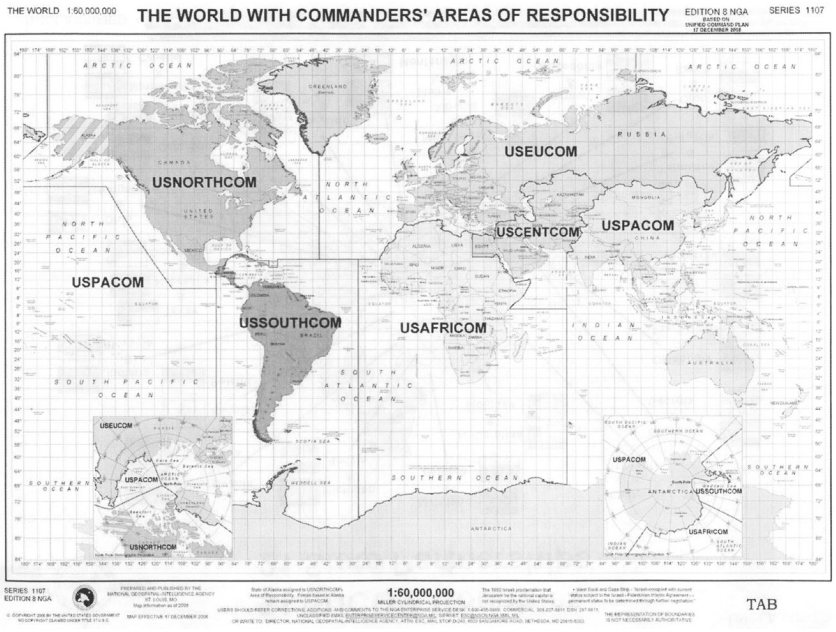
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MILLER CYLINDRICAL PROJECTION
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Chairman LEVIN. Thank you very much, General Craddock.

General Mattis.

STATEMENT OF GEN. JAMES N. MATTIS, USMC, COMMANDER, UNITED STATES JOINT FORCES COMMAND/NORTH ATLANTIC TREATY ORGANIZATION SUPREME ALLIED COMMANDER TRANSFORMATION

General MATTIS. Chairman Levin, Senator McCain, members of the committee: Thank you for the opportunity to testify and provide an update on JFCOM and Allied Command Transformation, alongside my shipmate, who's carrying a very heavy leadership load right now, John Craddock. I request my written statement be accepted for the record, sir.

Chairman LEVIN. It will be.

General MATTIS. I'll speak for just a couple of minutes, leaving as much time as possible for questions.

My command's primary missions have strong joint and coalition current and future aspects. We support current military operations by providing those combat-ready forces to the combatant commanders and we see the reduction of force levels in Iraq and the increase in Afghanistan well underway. The units deploying overseas are highly ready.

We also prepare for future conflicts, thinking ahead so that we're not caught flat-footed in the future. We are co-located with NATO's Allied Command Transformation, which I also command, and that brings an essential coalition focus to JFCOM.

We recognize that we can never predict the future precisely and we must expect to be surprised, but must plan so that surprise is minimized and not lethal. We purposely set out to create a shock absorber in our force to withstand the shocks that we know will come.

Changing DOD culture is one of our responsibilities, Mr. Chairman, as you have noted. Militaries throughout history have changed based on one thing. It's a very clear understanding of a specific military problem that they needed to solve. To this end, we have provided you and the members of the committee with our Joint Operating Environment (JOE) document and its companion document, the Capstone Concept for Joint Operations.

JOE is our analysis and identifies the problem as we can best discern it in a future of persistent conflict, hybrid enemy threats, global instability, increasing access to weapons of mass destruction, the rise of regional state and non-state actors, and the unpredictability of security threats.

The Capstone Concept, the companion document, is Admiral Mullen's vision for how the joint force will operate in the future. If the JOE is our problem statement, the Capstone Concept is our proposed solution to future security challenges, and we will experiment with it to determine if we have it right.

As far as change in NATO, we also have underway a plan right now to deliver to the Secretary General within 30 days an 8-month effort to define the problem that NATO faces. In this regard, sir, when I got there it was clear that there was not a clear understanding of the threat to the populations of Europe, and the Mul-

tiple Futures Project is our effort to try to come to some agreement on what those future threats will be.

One thing is clear: We must make irregular warfare for the U.S. forces and NATO a core competency. For the U.S. command, it is JFCOM's top priority. By institutionalizing the lessons learned from Iraq and Afghanistan and our study of second Lebanon War, Chechnya, and other fights, we want to apply those lessons to our efforts. At the same time, we must have balance, as Secretary Gates has clearly articulated, institutionalizing our irregular warfare capability while maintaining our nuclear and conventional superiority, behind which the international community derives great benefit, and at the same time bringing together the whole-of-government approach that is vital to maintaining our Nation's security in the future.

I'd like to end here and leave the time for questions, sir.

[The prepared statement of General Mattis follows:]

PREPARED STATEMENT BY GEN. JAMES N. MATTIS, USMC

Thank you for the opportunity to report on United States Joint Forces Command (USJFCOM). As 1 of 10 combatant commands in the Department of Defense (DOD), USJFCOM oversees a force of 1.16 million Active Duty, National Guard, and Reserve soldiers, sailors, airmen, and marines. The command is uniquely structured to provide agile forces to geographic combatant commanders as directed by the Secretary of Defense to prevail in current operations and to ensure we are not caught flat-footed in future battles. The command works closely with other government agencies, nongovernmental organizations, and allied and coalition partners. We are as focused on coalition issues as we are on joint issues, and we provide a critical link to the North Atlantic Treaty Organization (NATO) through our colocation in Norfolk, VA, with NATO's Allied Command Transformation, the only NATO Headquarters on U.S. soil.

My testimony will focus primarily on the future following a short update on accomplishments over this past year. I will do so with a dose of realism and a sense of urgency. I will present the way forward for Joint Forces Command as it supports the current fight and prepares the Nation's military for future operations. The forward-looking emphasis of my remarks reflects the command's mission statement:

> To provide mission-ready, joint-capable forces and support the development and integration of joint, interagency, and multinational capabilities to meet the present and future operational needs of the joint force.

Today, our Nation is involved in major conflicts in Iraq and Afghanistan, and it faces a number of threats and opportunities around the globe. For Joint Forces Command, we are focused on the current threat environment for two reasons. First, we are the Joint Force Provider for the Department of Defense. We must do as much as possible to support current military operations. The second reason addresses the focus of this statement: "the future of the joint force." Simply put, much of what we see in the cities of Iraq, the mountains of Afghanistan, and the foothills of southern Lebanon, I believe we will see again in the future. I say this knowing there is much we do not know about the future, and there is much more that will surprise us no matter how well we prepare. How many people expected a conflict in Georgia would keep cartographers busy in 2008? That said, the conflict in Afghanistan, and other conflicts will sharpen USJFCOM's activities as we give traction to Secretary Gates' principle of balancing our force to fight conventional, irregular, and hybrid threats of the future.

We know the nature of future wars will not differ from current wars. History teaches us that the character of each individual war is always different and most certainly will change, but the enduring nature of war as a human endeavor will remain largely unchanged. Just like today, future enemies will force us to adapt as they adapt—and they will attack our vulnerabilities when and where they can. Just like today, they will attack our values and misrepresent our intentions in the "battle of competing narratives," theirs versus ours. Thus, in many respects, today's warfare is the future of warfare as demonstrated over the past 25 years since militant extremists first attacked our embassy and Marine barracks in Lebanon. The "irregular" methods our enemies use today will be employed against us tomorrow. We are

already facing many of the threats prognosticators once labeled as "future" threats—cyber war and economic terrorism being just two examples.

In the near term we have few direct threats in the realm of conventional warfare, but we must ensure that we maintain our current conventional superiority—and address our vulnerabilities to indirect attacks. Right now, no one can match the United States Air Force in aerial combat, the United States Navy on the open seas, or the United States Army and Marine Corps in conventional land warfare. Our forces remain dominant in conventional and nuclear warfare. Enemies in the future, however, need not destroy our aircraft, ships, or tanks to reduce our conventional and even nuclear effectiveness. A well-timed and executed cyber attack may prove just as severe and destructive as a conventional attack. As technology becomes less expensive and more available, enemies have the ability to easily acquire increasingly lethal types of conventional and unconventional weapons. Overall, our future enemies are likely to confront us much as we are challenged by today's enemies—through indirect methods in wars of a "hybrid" nature that combine any available irregular or conventional mode of attack, using a blend of primitive, traditional and high-tech weapons and tactics.

As Secretary Gates emphasized, the defining principle for defeating both current and future threats is balance. At Joint Forces Command, we must balance doing what is required to prevail in the current fight while simultaneously preparing for an uncertain future. We must have balanced and versatile joint forces ready to accomplish missions across the full spectrum of military operations—from large-scale, conventional warfare to humanitarian assistance and other forms of "soft" power. Without balance, we risk being dominant but irrelevant—that is, superior in nuclear and conventional warfare, but poorly equipped to prevail in irregular contests.

So the question becomes how will joint forces achieve and maintain balance in the coming decades? What capabilities are required? During the last year, Joint Forces Command examined some of these questions in The Joint Operating Environment (JOE) 2008. The JOE is the command's "historically informed, forward looking" effort to assess trends, discern security threats, and determine implications. While the JOE is not meant to reflect or be a statement of U.S. Government policy and is fundamentally speculative in nature, it provides a starting point for discussions about the future security environment. It concludes that we can expect a future of persistent conflict and global instability, greater adversary access to weapons of mass destruction, and the eventual rise of regional state and non-state competitors. It serves as the "problem statement" for the future joint force. Its companion document, the Capstone Concept for Joint Operations (CCJO), articulates the Chairman of the Joint Chiefs of Staff's vision for how the joint force will operate and prevail in the future threat environment. Thus, the CCJO is a proposed "solution" to the JOE's "problem statement." The Chairman participated extensively with the writing team, emphasizing that the military's mission is to win wars, but also noting the requirement for a whole-of-government approach in our campaigns.

USJFCOM has already embarked on a fast-track series of limited objective experiments to test the validity of, and refine the methods outlined in the CCJO. The effort culminates this June in time to inform the Quadrennial Defense Review and subsequent budget decisions designed to carry forward Secretary Gates' direction for balance in our forces.

Historically, every military that has transformed successfully has done so by clearly identifying a specific military problem as we have done in the JOE, and then set out to solve the problem, as we have presented in the CCJO. Joint Forces Command recognizes that it cannot predict the future with certainty but it must do a better job than potential adversaries. We don't think we can forecast the future precisely, but we cannot afford to get it completely wrong either.

Based on current needs of the joint force, the findings of the JOE, and the guidance provided by the CCJO, Joint Forces Command will focus on six key areas during the next year: making irregular warfare a core competency of the Joint Force; enhancing joint command and control; improving as a joint force provider; accelerating efforts toward a whole-of-government approach; building and improving partnership capacity; and joint training and education.

MAKING IRREGULAR WARFARE A CORE COMPETENCY

USJFCOM will move swiftly to make irregular warfare (IW) a core competency of our military without losing conventional or nuclear superiority. Joint forces must develop a mastery of the irregular fight on par with our conventional and nuclear capabilities. Our forces must be flexible and adaptable enough to operate across the spectrum of conflict—this is not an "either/or" proposition. While we will maintain cadres of specialized forces (i.e. special operations and nuclear forces), we will ag-

gressively and deliberately work to build IW expertise across our general purpose forces, making them adaptable to however the enemy chooses to fight. Many efforts are underway, yet much remains to be done.

As mentioned earlier, the changing character of warfare puts our Nation's joint forces at risk of being dominant, but irrelevant to the threats we will most likely face. While we are superior in conventional and nuclear warfare, we are not yet superior in irregular warfare. Throughout history, the "paradox of war" reveals that thinking adversaries avoid strengths and gravitate towards areas of perceived weakness. In this tradition, our current enemies clearly voted "No" to conventional military operations in which they are unprepared to confront us. Instead they attack in ways we consider irregular or asymmetric, but are anything but asymmetric to them. If we do not develop a culture where leaders and capabilities are well suited for irregular or hybrid warfare, while simultaneously maintaining our conventional and nuclear prowess, then we embolden our enemies and our forces must improvise on the battlefield to make up for any failure to anticipate changing challenges.

To that end, we are working closely with U.S. Special Operations Command and the Services to export traditional Special Operations Forces (SOF) expertise to our general purpose forces. Specifically, Security Force Assistance (SFA) is a role well-suited to general purpose forces and transitioning significant portions of the mission their way will help relieve pressure on our over-extended SOF.

These SFA capabilities are required to deal with the emerging security challenges and the growing number of weak or failing states. By increasing SFA activities and capabilities, we may be able to preclude or minimize conflict, or increase our own security, by providing weak or failing states with the tools, capabilities, and knowledge to protect themselves. The old adage, "give a man a fish—he eats for a day, but teach him how to fish—he eats for a lifetime" applies here. By strengthening indigenous security forces of like-minded partners and allies, we improve our collective security against future threats and security challenges. The ethical challenges inherent to this mission are understood and considered as we dispatch well-trained teams on these missions.

There is a clear need for general purposes forces to operate in a disaggregated fashion to checkmate and destroy our Nation's irregular enemies. Flexible, adaptive organizational structures and training environments are required to unleash the power of these high-performing small units. In IW, our military units need freedom of action to take advantage of fleeting opportunities under stressful conditions. This requires agile, configurable C2 systems that push decisionmaking to the lowest appropriate level. These forces must retain the capability to rapidly aggregate for conventional operations when needed, and then disaggregate into small teams with the tactical cunning to confound small groups of enemy. To prepare our forces for these new realities, we must replicate the fast-paced, chaotic conditions of future battlefields in our training environments.

To meet this need, USJFCOM is developing the Future Immersive Training Environment (FITE) to provide ground units from all services the same level of realistic training we provide in our aviation and maritime simulators in those domains. Today, our ground combat forces suffer more than 80 percent of our casualties and we can provide them with high quality live, virtual, and constructive simulation capabilities to reduce this risk. Mixing brick and mortar surroundings with live actors and interactive virtual tools will provide unprecedented realism for our ground troops and better replicate the chaos of the "first fights" so our youngest warriors are prepared for the tactical and ethical demands of combat among noncombatants. Because FITE is also an approved Joint Capability Technology Demonstration, the outputs from this initiative will be highly visible to the services and positioned for rapid transition to their programs of record. While the FITE initiative has a broad focus, it is just the first step in a larger small unit decisionmaking initiative.

The irregular threats of today and tomorrow require a different approach to how we recruit, educate, and train leaders. The Small Unit Decisionmaking (SUDM) initiative will bring national-level attention to the problem and enlist the help of social scientists, psychologists, leader development experts, small unit leaders, and first responders. A series of forums hosted in 2009 will address performance under stress in small unit scenarios and culminate in a long-range plan to improve small unit performance.

Established in October 2008, the Joint Irregular Warfare Center (JIWC) is the command's catalyst and driving force behind establishing IW as a core competency for the joint force. The JIWC will work relentlessly across the DOD, interagency, and our multinational partners to increase interoperability and integration between our special operations and general purpose forces. The center is spearheading the FITE and SUDM initiatives and also is tasked with developing an IW professional

development program for next generation military leaders and identify IW shortfalls across the joint force.

As we create a stronger competency in IW, we must capture enduring battlefield innovation and lessons learned to apply them after swift and rigorous evaluation. The Joint Center for Operational Analysis (JCOA) leads the command's efforts in this area, and its observations are improving the quality of the mission rehearsal exercises that prepare joint force headquarters for duties in the Horn of Africa, Iraq and Afghanistan. USJFCOM also maintains deployed teams in Iraq and Afghanistan to harvest lessons learned and best practices from the front lines, and then shares them with our allies and coalition partners. USJFCOM also has a close working relationship with the service lesson learned centers and constantly works to strengthen and improve its relationship and information sharing with NATO's Joint Analysis Lessons Learned Centre under my command as NATO's Supreme Allied Commander for Transformation.

Above all, we must continuously assess the threat environment and work to maintain a proper balance between conventional and irregular competency and avoid overcorrecting to match the crisis of the day. We cannot afford a lack of vision or misinterpret our enemies' capabilities in an era where advanced technologies and weapons of mass destruction are increasingly available to an array of state and nonstate actors. The recent Georgia-Russia conflict is a reminder of how quickly conventional war can come out of hibernation.

ENHANCING JOINT COMMAND AND CONTROL

Command and Control (C2) is foremost a human endeavor. U.S. military C2 must be leader-centric and network-enabled to facilitate initiative and decisionmaking at the lowest level possible. While materiel solutions, processes, and engineering can enable decisionmaking, command and control is not synonymous with network operations or the employment of advanced technology. Rather, it maintains the flexibility to exploit both. Consequently, our commanders must be skillful at crafting their commander's intent, enabling junior leaders to exercise initiative and take advantage of fleeting opportunities in the heat of battle, vice centralizing decisionmaking at high levels. This is particularly important in fast-paced conventional force-on-force warfare and during highly dynamic and decentralized operations that characterize irregular warfare.

As Admiral Mullen stated in the CCJO, the United States must be capable of projecting power globally in an environment where access to forward operating bases will become increasingly limited and our uncontested superiority in space will be challenged. Therefore, success of future operations will become more dependent on increasingly vulnerable space-based capabilities and sophisticated global networks. To compensate for these increased risks, it is imperative that the joint force develop and promote integrated, interoperable, defendable, robust, and properly structured command and control systems enabling joint forces to fight effectively in an increasingly hostile operating environment, including when our technical systems are degraded.

The United States currently enjoys unmatched technological advantage over our adversaries in the area of C2, but we also must recognize that our space, aerial, surface and subsurface communication, computer, and ISR networks represent tremendous vulnerabilities as they most certainly will be subject to attack in the future by an adaptive and technically adept enemy. As such, we must ensure our C2 systems, and their associated networks, are resistant to attack and are robust enough to reconstitute quickly in the event of a successful attack. Additionally, we must ensure our disparate C2 systems can interface seamlessly across the network to continue moving information during periods of degraded communications. We must guard against over-reliance on increasingly vulnerable space-based systems in favor of a "triad" blend of space, air, and surface capabilities that provide redundant and survivable C2 systems. Likewise, despite access to sophisticated and ubiquitous C2 systems, our leaders must still be able to execute missions using decentralized decisionmaking consistent with their commander's intent in degraded information environments, so we are not paralyzed when network degradation occurs.

In May 2008, in our role as the Command and Control Capabilities Portfolio Manager (C2 CPM), USJFCOM promulgated a Joint C2 Vision outlining elements that make up an effective C2 network and describing the execution of responsibilities for joint command and control integration assigned to USJFCOM in the Unified Command Plan. This vision guides and directs our actions both within the command and on behalf of the Department of Defense as we promote an integrated portfolio of joint command and control capabilities. Many of the ideas and guiding principles contained in this vision are incorporated in the Defense Department's recently re-

leased Command and Control Strategic Plan that guides C2 transformation for the services and DOD agencies. In the coming year, USJFCOM will work with the Department to ensure these tenets of effective joint command and control are carried forward and expanded in the C2 Implementation Plan to be published later in the year. The command also is partnering with the Department's Chief Information Office to find and replace outdated and redundant C2 policies with unambiguous and coherent documentation. These new policies will foster enhanced information sharing among joint/coalition partners and better align existing policies with advances in technologies, tactics, techniques, and procedures.

The USJFCOM C2 Vision emphasizes and promotes further investment in the professional military education and training of all leaders to improve their ability to operate effectively in complex, chaotic, and hostile combat environments. USJFCOM will act as the central coordinator for creating and delivering effective training and education to support "leader-centric" C2. We will emphasize the fundamental interdependency between commander's intent and subordinate initiative; we will ensure the tenets of effective joint C2 are embedded in Joint Professional Military Education (JPME) courses and reinforced at the Capstone, Pinnacle, and Keystone Courses for Flag/General Officers and senior enlisted personnel. We teamed with the U.S. Strategic Command to develop new doctrine for cyberspace operations, and are continuing to evaluate and accredit standards for the Joint Terminal Attack Controller training courses.

Under our C2 Capability Portfolio Manager responsibilities, USJFCOM will continue its operational sponsorship during the planned migration of the current joint and service Global C2 System family of systems into a service-oriented architecture through the evolving Net-Enabled Command Capability (NECC) program. Our overarching objective is to "do no harm" to warfighters by ensuring required C2 capabilities are not lost or reduced during this migration. However, delays in the fielding of NECC and cuts in funding are producing capability gaps placing the modernization of our C2 systems at risk.

To solve this problem, USJFCOM is working collaboratively with the services to address these shortfalls through the PR–11 and POM–12 budget process. Concurrently, USJFCOM is working with the services to accelerate the migration to a service-oriented architecture underpinned by a comprehensive data strategy that makes all data visible and accessible to all users. Lastly, we will continue to leverage capability enhancements by integrating our efforts across the entire doctrine, organization, training, materiel, leadership and education, personnel, facilities, and policy (DOTMLPF–P) spectrum. By taking this holistic approach to C2, we will avoid focusing solely on technological solutions. In the end, war is a human endeavor that requires we emphasize that human dimension over technology and ensure C2 capabilities are leader-centric and network-enabled.

IMPROVING AS A JOINT FORCE PROVIDER

As the joint force provider, USJFCOM is responsible for providing trained and ready forces to combatant commanders in support of current operations and global contingencies. This critical mission area is the most relevant and has the most immediate and visible impact on joint force operations. During the past year, USJFCOM responded to more than 200 requests for forces from combatant commanders resulting in the sourcing of more than 437,000 personnel supporting several global missions. Likewise, in the coming year, USJFCOM is prepared to provide forces to support the recently announced troop increases in Afghanistan and continue to satisfy requirements in Iraq and elsewhere. To mitigate unpredictable events like those outlined in the JOE, USJFCOM, working with the Joint Staff and Services, established a Global Response Force designed to respond to unforeseen crises either at home or abroad. This capable force provides the Commander in Chief with flexible options to respond to a variety of crises while simultaneously fulfilling our commitments in Iraq, Afghanistan, the Horn of Africa, and elsewhere around the world.

Despite its successes and demonstrated responsiveness, the dynamic nature of Global Force Management (GFM) creates an enduring need for continuous process improvement. For example, we must improve our ability to respond quickly and efficiently to requests for joint forces and enabling capabilities by improving our information technology tools and data bases. We also need to establish common training and readiness reporting tools and data bases that are transparent, accurate, and accessible to all involved in the Global Force Management process. To accomplish this, USJFCOM teamed with OSD, the Joint Staff, service headquarters, and DOD to establish the Force Management Improvement Project (FMIP) providing process improvement across the GFM enterprise. Efforts to date have yielded the development

and fielding of the highly successful web-based Joint Capabilities Requirements Manager (JCRM) tool that provides senior DOD decisionmakers with the first consolidated database of all force requirements (Rotational, Emergent, Exercise, Individual Augmentation and Contingency Planning) generated by geographic combatant commanders. Improvements during the next 12 to 18 months include the seamless interface of this requirements tool with the adaptive planning tool (Collaborative Force-Building Analysis, Sustainment and Transportation) and the deployment execution tool (Joint Operations Planning and Execution System) to achieve a significant improvement in deployment process efficiency. The end result of this FMIP-driven accomplishment, and others like it, will be to provide combatant commanders, the Chairman of the Joint Chiefs, and the Secretary of Defense with accurate and timely information to facilitate risk-informed force allocation decisions.

A companion effort to the FMIP is development of the Adaptive Planning and Execution (APEX) process that focuses on closing the gap between planning and execution processes, creating valid operational plans that can transition rapidly to execution with little or no modification. The APEX system, when coupled with the FMIP, will assist commanders in developing operationally and logistically feasible plans and execution decisions across the spectrum of conflict.

The cunning and adaptive enemy we face today is forcing us to change the way we do business and is placing unusual stress on "high demand, low density" assets which often requires unplanned or accelerated force structure changes, and in some cases new capabilities to be developed. You are aware that the demand for certain types of forces or capabilities outpaces supply. Persistent shortfalls exist in electronic warfare, civil affairs, engineering, military intelligence, military police, and intelligence, surveillance, and reconnaissance capabilities. The demand signal for these capabilities is expected to continue growing as we build a balanced force to confront conventional and irregular threats. In the short term, these shortfalls are mitigated by prioritizing requirements, assuming acceptable risk in certain areas, reaching deep into the National Guard and Reserve, use of ad hoc and in-lieu-of force options, and use of USJFCOM Joint Enabling Capability Command enablers. Concurrently, new capabilities are being developed by the Services to reduce reliance on ad hoc and in-lieu-of forces and to increase the physical numbers of existing capabilities that are in high demand. It is envisioned that these actions combined with the improved Global Force Management processes outlined above will help ease the stress on the force and improve the overall efficiency and effectiveness of the process.

ACCELERATING EFFORTS TOWARD A WHOLE-OF-GOVERNMENT APPROACH

As armed conflicts rarely require purely military solutions, security concerns continue to demand the attention of multiple facets of our national power. It is critical that our military leaders connect with civilian counterparts to leverage the diverse powers of our government before, during, and after times of crisis. We must employ to our advantage the power of both inspiration and intimidation, each in the appropriate measure, to confound our enemies.

Essential to a whole-of-government approach for applying all aspects of national and international power is the ability to share information and situational awareness among all partners. Interagency shared situational awareness is a fiscal year 2009 USJFCOM experimentation project to create an interagency common operational picture. The effort is addressing technologies, processes, organizational structures, and policy change recommendations necessary for creating, visualizing, and sharing information across the military and civilian branches of the United States Government.

USJFCOM is prepared to support the recent DOD establishment of an expeditionary civilian workforce. Working with military forces when needed, expeditionary civilians will provide new perspectives and expertise to complex challenges our military leaders are tasked to solve. This visionary effort is the most direct application of the whole-of-government approach to date, and it hopefully will spread to other departments. Sourcing of expeditionary civilians over extended periods through multiple rotations requires the attention and support of our civilian government counterparts.

To encourage interagency participation in military efforts, USJFCOM publishes the "Partnership Opportunity Catalog," a listing of DOD exercises and training events that provide our government and nongovernment partners with opportunities to integrate and train. The fiscal year 2009–2010 catalog contains summaries and contact information for more than 300 Service and combatant command exercises, training events, and demonstrations supporting interagency integration.

BUILDING AND IMPROVING PARTNERSHIP CAPACITY

In this emerging threat environment, it is clear America's endurance will be reinforced with support from nations that share our vision and our values. No nation can go it alone and our friends can provide critical support. Mitigating risk will require building and maintaining relationships with capable partners—including our North American neighbors, fellow NATO members, and other nations. USJFCOM is working to strengthen partnerships through engagement with DOD and NATO, via Allied Command Transformation, and representatives from 24 other nations assigned to the command. USJFCOM directly supports DOD's Building Partner Capacity Portfolio Manager by leading the Building Partner Senior Warfighter Forum. As intended, this forum helps partner nations counterterrorism, promote stability, and prevent conflict. This effort has also increased information sharing capability among respective U.S. combatant commands—an unintended but positive outcome.

The USJFCOM-led Multi-National Experiment (MNE) 6 is a 2-year, multinational and interagency effort to improve coalition capabilities against irregular threats through a whole-of-government, or comprehensive approach. Participants include: military and civilian sectors of 16 NATO and non-NATO nations; NATO's Allied Command Transformation; and U.S. Special Operations Command. MNE 6 builds upon the whole-of-government work in MNE 5, completed late last year, and seeks to further integrate civil and military engagement in areas of information strategy, strategic communications, assessment, and coalition logistics.

In addition, whole-of-government approaches, military level cooperation, and shared education and training develop bonds in peace that become invaluable in time of war. For example, USJFCOM is working to add a Foreign Liaison Officer from Pakistan with the intent that this relationship will improve our Nation's ability to conduct operations in southwest Asia. At present, the command has permanently-assigned liaison officers from 22 different nations. In addition, through Allied Command Transformation, the command has access to the 31 National Liaison Representatives from NATO nations and Alliance partners.

The sustained efforts of a balanced, cohesive coalition force have historically proven more effective than a single nation's efforts to erode an enemy's support base among local populations. USJFCOM remains committed to gaining increased representation from coalition and partner militaries to grow balanced relationships founded on mutual understanding, trust, and common operating concepts. This will assist us in better integrating international partner capability and capacity in our fights against common enemies.

TRAINING AND EDUCATION

A military is only as capable as its professionally-trained and educated officers and senior noncommissioned officers allow it to be. A trained warrior may perform acceptably in a conventional operation, but irregular and hybrid wars demand highly-educated warriors to prevail. We must continually educate our leaders to think, and not just to do. Special emphasis must be placed on human, cultural, language, and cognitive skills. A "cognitive" warrior knows how to acquire knowledge, process information from multiple sources, and make timely, accurate decisions in complex, ethically challenging and ever-changing environments.

We must place greater emphasis on the study of history, culture, and language. These three elements are being more broadly incorporated into training and exercise scenarios, including those employing the latest modeling and simulation technology. It is not enough to know your enemy or the culture of a region in which you are engaged. One also must inculcate understanding and respect for our partner nations as well.

Ongoing operations in Iraq and Afghanistan have demonstrated that joint education must be incorporated at the tactical level among junior officers and our senior NCOs. These extended campaigns also revealed the need to translate "lessons learned" more quickly from the battlefield to the classroom. To accomplish this, USJFCOM routinely incorporates battlefield lessons learned into Mission Rehearsal Exercises (MRX) and senior leader education programs like the Pinnacle, Capstone, and Keystone Courses. However, more must be done to institutionalize this example into the broader education and training process. Right now, it takes almost 3 years to bring lessons learned from exercises and operations through the doctrinal process and curriculum certification period. This delay is unacceptable and we are taking specific steps to translate battlefield adaptations into institutional change more rapidly. Outdated Professional Military Education does not prepare our forces and hurts the credibility of our schools.

To improve JPME and ensure it is aligned properly with current realities and future challenges, USJFCOM is partnering with the Defense Science Board, National

Defense University, and service schools to conduct a thorough evaluation of the entire JPME program. From this analysis, we will generate recommendations to transform JPME, making it more efficient and relevant to meet the demands of both the present and future operating environments. The JOE and CCJO will help frame our way ahead in this area.

USJFCOM also continues to improve its Joint Knowledge Development and Delivery Capability (JKDDC) that provides distance and distributed education programs for joint and coalition forces. The Joint Knowledge Online (JKO) Portal hosts more than 170 courses, including 80 developed by coalition partner nations to build partner capacity through sharing information and security related training. The portal also offers basic language training and tailored pre-deployment training for Individual Augmentees (IAs) and coalition partners participating in operations in Iraq and Afghanistan. The resources found on the JKO Portal also are available to interagency, international and nongovernmental organizations.

In our role as Joint Force Trainer for the U.S. military's joint force headquarters, MRXs continue to improve and stress the decisionmaking skills and cultural awareness of our deploying command elements. The recent MRX for the 82d Airborne Division, for example, incorporated 12 partner nations and a record level of interagency participation. The exercises remain tightly linked to our joint and NATO lessons learned processes, and feedback from the field continues to shape the scenarios and operational problems that train and evaluate deploying commanders and their staffs.

USJFCOM has a unique responsibility in managing the Joint National Training Capability (JNTC) which provides a nationally interconnected training environment, through the U.S. Joint Training and Experimentation Network (JTEN), linking together 42 combatant command and Service training programs. This capability enables Joint Forces Command, in coordination with the Services and COCOMS, to establish joint context at the tactical level so we train exactly like we fight today in theater. We have also established a national Information Operations (IO) Range connecting over 40 sites. The IO Range provides a dynamic new capability to fully test and train on computer network and influence operations. Additionally, USJFCOM is managing the establishment of the Virtual Integrated Support for the IO Environment (visIOn), which provides a planning and assessment capability that brings people, processes, and technology together to continually enhance warfighter IO capability.

As part of a larger initiative to increase collaboration with Allied Command Transformation, USJFCOM is working closely with our NATO partners, specifically the Joint Warfare Center, Joint Forces Training Center, and the NATO School, to prepare forces enroute to the International Security Assistance Force in Afghanistan. USJFCOM also is working with NATO to connect the JTEN with the NATO Training Federation. This link will improve the quality, efficiency, and effectiveness of training by providing a common core of realistic training capabilities to all Alliance nations.

CONCLUSION

On behalf of the military and civilian men and women of USJFCOM, I thank you for the opportunity to report. I look forward to working with you to ensure the continued security of this experiment in democracy we call America.

As we move forward, we will face tough choices. Our resources are not unlimited and there are inherent risks and tradeoffs in everything we do. As we expect persistent conflict in the coming decades and complex threat environment, we also can expect our enemies to continue challenging us where they believe we are vulnerable. So, we must be prepared to think the "unthinkable," using our study and imagination to help us defeat the enemy. In times of economic stress, there is a temptation to step back from world affairs, to focus on the pressing issues at home. History shows that this is a mistake—isolation did not work in the 20th century and it is unlikely to work today or in the future. We must remain active and engaged with the world, and our military must be prepared to do so effectively and efficiently.

As Secretary Gates made clear, the guiding principle behind our efforts to prepare for an uncertain future will be balance. Balance will enhance the agility and capabilities of our joint forces as we work to make irregular warfare a core competency. War remains fundamentally a human endeavor that will require human solutions. Technology is a key enabler, but it is not the solution. We will embrace a whole-of-government approach to bring all of our Nation's resources to bear, while continuing to build alliances and enhancing our international partnerships. Finally, we must remain focused on the long-term security of our Nation, and avoid being cap-

tivated by short-term distractions. As General Omar Bradley said, "We need to learn to set our course by the stars, not by the lights of every passing ship."

Chairman LEVIN. Thank you, General.

Why don't we have an 8-minute first round for questions.

General Craddock, according to a recent DOD report the current plan is to grow the Afghan National Army (ANA) from its current level of 82,000 to 134,000 by the end of 2013, but this could be accelerated with additional resources. Senator McCain and I wrote Secretary Gates recently to ask him to look into what needs to be done to expedite the training and equipping of the Afghan security forces.

When we spoke yesterday in my office, General, you indicated that the long pole in the tent for expanding the Afghan National Army was the lack of U.S. and NATO training teams to embed with and to mentor Afghan security units. You indicated that NATO is currently short 13 OMLTs and that that shortfall is expected to increase to 29 teams by 2010; and these are the teams that are embedded with an Afghan battalion of around 500 soldiers to build their capacity over a course of 1½ to 2 years. Having these additional training teams on the ground would help expand the Afghan National Army by thousands of soldiers, accelerate the date when we can turn over responsibility for Afghanistan's security much more to the Afghan security forces.

First in terms of the numbers, am I correct that NATO currently has a shortfall of 13 embedded training teams and that that's expected to grow to 29 teams by 2010?

General CRADDOCK. That's correct, Mr. Chairman.

Chairman LEVIN. What assumption are those numbers based on in terms of the growth of the Afghan army?

General CRADDOCK. That's based on the 134,000 number that the Afghan army has as their target right now. They originally planned by 2013 to reach that. The Minister of Defense, General Wardak, has said he will reach that by 2011. He's going to accelerate the growth by 2 years.

We have, working with the training organization U.S. CSTC-Alpha, received our allocation. That 13 today and 29 by December 2010 is the current best number.

I would like to clarify. There is no shortage of U.S., United States, embedded training teams. The U.S. provides teams when NATO doesn't. NATO needs to step up, fulfill their responsibility, so they can displace the U.S. teams to go do police training. So NATO has a shortfall there and we must step up to what we committed to do.

Chairman LEVIN. "We" being here NATO.

General CRADDOCK. As the Supreme Allied Commander Operations, "we" is NATO, yes.

Chairman LEVIN. Even though we're not the source of the shortfall of the embedded teams, is it expected that the additional 17,000 troops when they go to Afghanistan or deploy there this spring and summer will carry with them some additional training teams?

General CRADDOCK. It is my understanding they will, and additionally some of those will have a dual purpose, to not only be com-

bat forces, but also to train and mentor at the same time when they're partnered with the Afghan forces.

Chairman LEVIN. Is it correct that it takes approximately 6 months for the United States to generate a U.S. embedded training team?

General CRADDOCK. I believe that's correct. I'm not an expert on their timelines, but from identification, to do preparatory training and deploy forward, about 6 months, I believe. I'd have to maybe pass that to General Mattis.

Chairman LEVIN. Do you know the number?

General MATTIS. Yes, sir. That's approximately correct, sir. If the teams are already in place, we could probably do it a little bit faster, if they're already constituted. But generally 6 months from start to finish is necessary.

Chairman LEVIN. All right. It takes our NATO allies, I believe, somewhat longer; is that right, General Craddock?

General CRADDOCK. Recently when we've had nations forming OMLTs—I'm checking on this—it's about a 1-year period from the time they commit until we can get them in Afghanistan on the ground.

Chairman LEVIN. At our committee hearing on Afghanistan and Pakistan last month we heard from General Barno that another long pole in accelerating the expansion of the Afghan army is a lack of equipment, due to the lengthy U.S. process for acquiring basic equipment for Afghan forces. We will await that answer from the Secretary of Defense to the letter that Senator McCain and I wrote in order to learn what we can do to expedite that process for providing equipment.

General Craddock, first you: Do you have any ideas as to how we can speed that up?

General CRADDOCK. Mr. Chairman, I don't have any specifics. I do know, based on my experience in previous assignments, through working through foreign military sales, it does take time. The same gear that the Afghan army needs is the same equipment that we need to replenish and replace for our own forces in Iraq and Afghanistan. So I wouldn't know exactly the timelines on that.

Chairman LEVIN. All right; now, the cost of equipping the Afghan security forces could be picked up by NATO's Afghan National Army trust fund, as Senator McCain said. Is that correct, General?

General CRADDOCK. Sir, NATO has established a trust fund, at the request of the United States, for contributions from nations to provide for equipping and transporting the equipment then that's donated to Afghanistan.

Chairman LEVIN. That trust fund I understand has a target of a billion Euros, is that correct?

General CRADDOCK. Yes, sir, a billion Euros.

Chairman LEVIN. But it's a pretty sad state of affairs to learn that there's only 18 million Euros in that trust fund. Is that accurate?

General CRADDOCK. Mr. Chairman, I believe total contributions to date have been somewhere around 18 to 20 million, because it's difficult to track pledges versus actual cash in the bank. Of that, our balance today is about a half a million Euros.

Chairman LEVIN. So there's a target of a billion, but all that's been deposited in that trust fund is 18 million Euros?

General CRADDOCK. That's correct.

Chairman LEVIN. When was that target supposed to be reached?

General CRADDOCK. I don't know that a timeline was set.

Chairman LEVIN. When was the target announced? Was that months ago, a year ago?

General CRADDOCK. I think it was about 9 months ago when the trust fund concept was first announced.

Chairman LEVIN. Well, I agree with Senator McCain's comment that we have to focus on the elements that the Europeans and our NATO allies are willing to provide. But when they make commitments, we have to also, it seems to me, put some maximum pressure on them to carry out those commitments.

Secretary Gates has done that rhetorically. Others who have gone over to Europe, including both my colleagues Senator McCain and Senator Lieberman, and others who've gone to Europe have reminded our NATO allies of their responsibilities. I think we have to continue to do everything we can to remind them that this is a joint effort and that they've made commitments and that we expect them to keep their commitments.

There's also a troop shortage, not just a euro shortage. The Dutch general who's in charge of providing security in southern Afghanistan was quoted recently in the Washington Post as saying that "We are not stopped by the insurgency; we've just run out of troops." Is that a fair assessment from your perspective?

General CRADDOCK. Mr. Chairman, I think from a perspective of Regional Command (RC) South that's indeed the case. The strategy is to shape, clear, hold, and build. We don't have enough forces right now between the Afghan security forces trained and in place and ISAF to be able to clear out the insurgents and then hold that so that development and reconstruction can occur. That's why the additional United States contributions will move into the south.

Chairman LEVIN. Thank you.

Senator McCain.

Senator MCCAIN. Thank you, Mr. Chairman.

General Craddock, I understand that in an interview in February you said that NATO wouldn't oppose individual member nations making deals with Iran to supply their forces in Afghanistan. You said: "Those would be national decisions. NATO should act in a manner that's consistent with their national interests and with their ability to resupply their forces. I think it's purely up to them."

Have any NATO partners concluded bilateral arrangements to use routes through Iran?

General CRADDOCK. Senator McCain, I'm not aware of any. At that point I was asked, is NATO going to use an arrangement, an agreement with Iran. I said not to my knowledge. But I don't make those decisions. That'll be a political judgment. Nations will do as they please. I know of no NATO nations now with a bilateral arrangement to do that.

Senator MCCAIN. Last week the NATO Secretary General said that ISAF needed another four battalions, each about 800 to 1,000 strong, in time for the August elections. Do you think that's any possibility of that happening?

General CRADDOCK. Senator, I was in Afghanistan last week and I talked to COM–ISAF. His judgment is that in the north the Nations will contribute what's required. That's one more battalion. He sees it as coming. In the west, one more battalion; he sees that as coming, from the Italians. What we do not have sourced are two battalions in the south. I'm hoping for a contribution by the United Kingdom, but that's problematic right now.

Senator MCCAIN. By who?

General CRADDOCK. United Kingdom, U.K. We're still working on that. We are short two battalions, I can confirm, in the south that we need to generate between now and August.

Senator MCCAIN. Unfortunately, the south is where we have the least amount of control.

Can you talk to us about counter-drug operations in the last few months? Have we got some kind of unanimity on policy as far as counter-drug efforts are concerned, and operations?

General CRADDOCK. Yes, sir. COM–ISAF, as indicated publicly and again in conversations last week to the North Atlantic Council, who I took to Afghanistan, he has all the authorities he needs now, both from a NATO perspective and in his role as the commander of U.S. Forces Afghanistan, to pursue the facilities and the facilitators in the drug trafficking. That's the laboratories and the traffickers.

He indicated there's been an 8- to 10-fold increase in the operations and activities against the narcotraffickers. We have seen actions in the east in Nangahar Province that has taken out several labs, and actions in the south and west also.

They are continuing to partner closely with the Afghan counternarcotics force in targeting these labs and these traffickers. Indications are that it is causing turbulence in the trafficking network, which impacts the insurgency. So we think that what we've done to date is favorable. It's not enough. We need to continue and increase the effort.

Senator MCCAIN. Have you seen any examples where an EU NATO country chose to divert resources and troops to an EU mission, such as countering the piracy problem, rather than to ISAF?

General CRADDOCK. The diversion from counter-piracy rather than ISAF, no, because it's a maritime program. So we haven't seen that. What I would say—and this is probably a harsh judgment, but it's my judgment—that I think that some nations, partner nations and member nations, will commit forces to the Kosovo Force in the Balkans or commit forces to the NATO Response Force, as opposed to committing forces to Afghanistan.

What that does is short our requirements on the ground and leave forces unfilled. So I think that there is a risk aversion in NATO that we must continue to address and push nations. I talk to the chiefs of defense routinely. These are the Chairman of the Joint Chiefs' counterparts. Generally they want to contribute. They feel they have the ability and capability. But politically they are constrained.

Senator MCCAIN. That's because of the public opinion within these countries?

General CRADDOCK. Yes, sir. I think that's the case.

Senator MCCAIN. General Mattis, last year Secretary Gates expressed concern about NATO and told this committee he feared a "two-tiered alliance, in which you have some allies willing to fight and die to protect people's security and others who are not." That's a quote from Secretary Gates.

Do you agree with that assessment, General?

General MATTIS. Sir, there are many indicators of that. However, there is also a certain amount of intellectual disarray about what are the threats they confront. I think if we can come to some agreement on that we can then actually get at the problem, not the symptoms of the problem.

Senator MCCAIN. General Craddock, do you think we're making progress in resolving this kind of dual command structure that exists in Afghanistan?

General CRADDOCK. Yes, Senator, I do. I think with the designation of COM–ISAF dual-hatted as commander of U.S. Forces and then Central Command giving him operational control of the training mission and others, he is able now to leverage that in a very competent and capable way. We have seen better effectiveness. That's the first thing, and efficiencies in doing that. So I think that those decisions were well founded and it appears to be working better than it was a year ago.

Senator MCCAIN. It's still very bothersome, though, that the restraints on operations and combat operations is still extremely bothersome. Could you give the committee one or two examples of how that really hampers our ability?

General CRADDOCK. Yes, Senator. In terms of NATO nation and partner nation caveats, restrictions, constrains on the employment and use of their forces, at the Bucharest summit last year the heads of state affirmed that they would reduce caveats. We at that time had 83. Today we have 70, so we've reduced 13, not near enough.

We went last year from 13 caveat-free nations participating to today 18 of 42 are caveat-free. But what happens is these caveats constrain the actions of a force. For example, if COM–ISAF provides a frag order for a force——

Senator MCCAIN. A frag order is?

General CRADDOCK. Fragmentary order, an order to conduct an operation. He first has to ensure that what he is telling the force to do of nations—let's say it's a regional command's forces—he'll have to check to see if they're constrained by caveats from doing that, either the function—we want you to do counternarcotics here, and maybe they're caveated for that—or the location geographically: I need your forces to go here. So that's an everyday typical constraint that he faces.

Senator MCCAIN. Sometimes when there's an area that needs reinforcement or resupply they are unable to do that because of these restraints imposed by the government.

General CRADDOCK. Indeed. We've had cases where we needed to move Afghan National Army forces from one region to another and the OMLTs, the mentoring teams with them, were restricted from moving with the battalion. So we had to have U.S. embedded training teams pick up the responsibility then when the Afghan battalion moved to a new area.

Senator MCCAIN. I don't mean to pick on any of our allies, but that's true with the troops of the Federal Republic of Germany.

General CRADDOCK. That's correct.

Senator MCCAIN. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator McCain.

Senator Lieberman.

Senator LIEBERMAN. Thanks, Mr. Chairman.

General Craddock, thanks for your distinguished service and good luck in the next chapter of your life, and congratulations on being one of the few husbands to keep a promise to his spouse that he would retire by the age that he actually said he would retire. We hope our wives and husbands are not watching today to hear that you did that. [Laughter.]

You, in your statement today, as you leave service, I think gave us some real straight talk about Russia from the point of view of your position at the EUCOM. You warn that "The relationship with Russia is likely to be more difficult in coming years than at any time since the end of the Cold War." You cite the Russia-Georgian War of August 2008 and the Russians' restrictions on natural gas supplies to Europe this past winter and caution "Russia's overall intent may be to weaken European solidarity and systematically reduce U.S. influence in Europe."

I appreciate the directness and I wanted to give you an opportunity to say some more now about why, at this moment when you're about to leave this command, you give us these warnings?

General CRADDOCK. Thank you, Senator. My judgment in that is that the events of last August in Georgia essentially changed the assumption that we made 15 years ago or more. The assumption after the Cold War and the dissolution of the Soviet Union and the Warsaw Pact was that there were no borders that were under threat of invasion in Europe and Eurasia, that that would not be the case. So we moved ahead on that assumption; and I think that that assumption's been now proven false, and it has caused and raised a concern, an angst, if you will, among many of the Nations in the European area of operations.

The concern basically is Article 4, the threat to violation of borders, or Article 5, violation or invasion, is that still a NATO guarantee and is it extant? Is NATO ready to respond accordingly? So I think from that perspective we've changed the geopolitical situation.

Also, I think we see here in this period of rapid dynamic change the rise of oil prices, the fall of oil prices. We see significant political turmoil. Now the economic downturn is causing also considerable problems for many of the Nations, both those who are new into NATO and others. So we're seeing this constant churn and turmoil.

I think that there has been, quite frankly, a strategy, if you will, by the Russian Federation as to how they want to approach NATO. We've seen that.

After Georgia we broke contact and essentially then I'm in a situation at EUCOM where we're waiting for the authority to resume military to military engagement, and also NATO and, as was discussed, that will probably occur after the NATO summit.

So I think that we had engagement, we had the opportunity to communicate, dialogue, discuss, and that was helpful. We lost that for a while. Sometimes, in my experience as an armor officer, when you break contact and you lose contact on the flanks of friends or break contact with a foe, then everything gets a little bit more confusing and ambiguous in our business. That's not what we like.

So I'm concerned. I think we need to have a whole-of-government strategy as to how we approach NATO and NATO's approach to Russia. We need to include, I think, a broad spectrum of issues, not just military to military, but economic, social, informational—energy is a big one—so that we understand where we are and where we want to go. I don't think we have that right now.

Senator LIEBERMAN. I appreciate that answer very much. I hope we take it to heart in both regards, both about the Russian government is not exactly behaving the way we hoped it would at the end of the Cold War and we have to keep our eyes open to that. It's unpleasant for both our European allies and us. We'd much rather see a calm horizon without any challenges. But we have to be realistic.

The second point I think you're right about is that we ought to be talking, but that—and I know you believe this—talking itself is a means to an end. It's not the end.

I want to ask you a specific question about something you said, because last August Senator Lindsey Graham and I went to Eastern Europe after the Russian move into Georgia and we visited Georgia. But we also visited Poland and Ukraine. I must tell you, I was really struck by the extent to which people high up in those two allied governments of ours expressed doubt about whether NATO would exercise its Article 5 responsibilities to come to their defense from either conventional or, now quite realistically, unconventional, particularly cyber, attack from Russia.

I'm sure you've heard those same doubts. What do you say to them when they express those concerns?

General CRADDOCK. Senator, I have heard those. The argument is we have asked NATO to transform their militaries from large, static, territorial forces to agile expeditionary, deployable. The fear is in being agile and expeditionary and deployable they don't have the capability to defend their borders.

I think General Mattis would agree, we think that's the wrong perspective. If the transformation is done from a perspective that deployable away also means defendable at home, this still works. So that's the first thing.

The second is we are always looking in the military. What we do is plan. So I've told those defense ministers, chiefs of defense, foreign ministers that I discussed: My headquarters will always be doing what we call prudent planning, so that we can think through scenarios and be arranged and postured as best we can to accommodate whatever may arise.

The last point is the NATO response force that was ordained, if you will, conceived at Prague in 2002 and reached full operational capability in 2006. In mid-summer 2007, I told the Secretary General we are not fully capable. We have struggled to keep the NATO response force working. We are still trying to find the solution.

I will take to the defense ministers in June a proposal for a NATO response force that will have the capability for an Article 5 guarantee. We have to craft it to be not only a response force, but a rapid response force, so that the NATO nations know that there is indeed capability behind the promise.

Senator LIEBERMAN. I thank you for that answer, that's within the full range of what anyone could ask of you. The other question I think on their minds is a question that's up to the political leadership of the NATO members, which is whether we will have the will to defend them—we hope and pray none of this ever happens, obviously—we will have the will to defend them as we've promised to do. But I thank you for all you've done to bring us to that point.

General Mattis, first, I can't end my opportunity here but to thank you for naming your important document the JOE. I take this personally and I thank you very much for it. Other combatant commanders might want to think about documents that have acronyms that spell "CARL" or "JOHN," just a suggestion that I would make. [Laughter.]

Let me ask this question briefly and then maybe you can give the beginning of an answer. These are very important documents, this and the Capstone Concept you've put out. But critics would say that ultimately your JFCOM does not have the statutory authority you need to direct the military Services' doctrine or modernization plans. Although the organization is chartered, yours, to develop concepts that apply across the Services, too often in the end you're a bystander to the actual decisions that each service makes about what concepts to pursue.

I wanted to give you a chance to respond to that.

General MATTIS. Yes, sir. Most of my authority right now is persuasive. But I would point out that there's nothing like the absence of alternatives to clear people's minds. The active operations over the last 7 years have put us in a position of no longer needing to sell the reasons for interoperability at lowest tactical levels or having the ability to fight irregular as well as conventional war. I don't go into any arguments about that. Having come in here today, I walk in with an assumption we're going to do it. I don't get any pushback. We get into the how we do it, and in that regard I am convinced that where we have come up with good, sound ideas we can gain the support that we need.

We will experiment with the Capstone Concept for Joint Operations, which is our solutions statement to the problem defined in the JOE. We will experiment against a peer competitor and a failed state and a globally networked terrorist organization, in order to make certain that we're not picking an enemy that we'd like to pick because it's easier then to go against them. I have some red team people, including Andy Krepinevich, to look at it, and I think when you put together teams like this you create the groundswell of support that you need if we're going to carry big change like this forward in the military.

I don't think I need more authority, sir. I could use a few more hours in the day as we try to define the problem and solve it. But we're on the right track right now with the authority I have.

Senator LIEBERMAN. Thanks. I'd like to continue that discussion, but thank you.

Chairman LEVIN. Thank you, Senator Lieberman.

Senator Inhofe.

Senator INHOFE. Thank you, Mr. Chairman.

I had to leave for a few minutes and came back. I think you've already talked about the NATO situation and how to encourage them to fulfil their manpower obligations that they're clearly not doing now.

General Craddock, look at the EU. They have resources, they have money. How can we get more involvement out of them?

General CRADDOCK. Thank you, Senator. Indeed, I think that the ability or the opportunity for the EU and NATO to partner, to cooperate, as opposed to compete, is long overdue. I think that we have to find opportunities here to bring the EU on board.

In Afghanistan there is a police training mission, EUFOR, that is very small. But that's only the first step. I think we have to look at what else, what core competencies does the EU have. I think that when we talk about the comprehensive approach, it's not only military contributions, but we need civilian contributions. The EU could help with that.

We need civil servants, mid-level bureaucrats, technocrats, to go in and partner not only at the central government, but out in provinces and districts, with government leaders, to be able to mentor and teach them how to manage. So that's one thing.

Second is financial contributions monetarily. It's my understanding that there's large, enormous coffers in the EU and there's resources there for development and construction, generally in Europe, but it could be—again, the EU and NATO could partner. It could be, I think, used for Afghanistan also, which would be quite helpful.

But I think militarily we have to find opportunities, training, exercises. The counter-piracy here might be a good one because the EU's there. NATO's going to be there. We need to create a template that allows us to step by step integrate our efforts over time.

Senator INHOFE. That's good.

We talked in my office about the concern that we all have with Poland and the Czech Republic. Senator McCain quoted one of the statements that prime minister—Foreign Minister Sikorsky stated. Let me give you the whole quote: "When we started discussing this with the United States, the United States assured us that they would persuade the Russians that it was purely defensive, it could be a noncontroversial decision. We signed with the old administration. We patiently wait for the new administration. We hope we don't regret our trust in the United States."

At the same time, when the Czechs were now looking at not bringing it up in their parliament, and the real reason, if you dig down into their discussion is that they're not sure where this new administration's going to be, and so why should they take the political risk until they find out. It makes sense.

But if you would just for a minute talk about the seriousness of this if something should happen and we did not have this, the intercept and the radar sites in those two locations. Do you want to elaborate a little bit on the risk that we might be facing?

General CRADDOCK. Thank you, Senator. What's known as the European third site, essentially the construct was as additional

protection against a rogue attack on the United States from the Middle East. So there would be a risk there because it would be the absence of a first shot against a long-range ballistic missile.

I think secondarily, for example, the NATO foreign ministers over 18 months ago, accepted the fact that there was a risk of a ballistic missile attack. As recently as 3 December 2008, this last December, the foreign ministers said that the planned U.S. defenses, the planned defenses in Poland and the Czech Republic would make a substantial contribution to protecting the allies from the threat of long-range ballistic missiles.

Now, that initiative, the U.S. third site initiative, is the catalyst, if you will, for an integrated approach for NATO for short and mid-range. So right now I think that we have only national short-range and mid-range protection, but there is no integrated, if you will, anti-ballistic missile protection. That will come underneath the umbrella of the U.S. third site.

Senator INHOFE. General Mattis, General Craddock, I always at these hearings want to bring up some issues that I think are very significant and get your response to them. That is the programs of train and equip—1206, 1207, and 1208, the Commanders Emergency Response Program, the Combatant Commander Initiative Fund, and International Military Education and Training (IMET). Any comments you want to make? Then, General Craddock, I want to move on to the funding flow problem that we're having with IMET.

General MATTIS. Senator, these funds are absolutely critical. As we look toward this future as best we can define it, it shows increasing irregular warfare going on. The best way for us to address this is using indigenous forces that we assist. The only way we can do this is to have the funding authority and the operational authority to move out and work with countries on foreign internal defense so they defend themselves.

Now, that's not to say we'll never have to deploy U.S. forces, but certainly we can start using this authority and using it well to create whole-of-government efforts inside those countries, integrating their military, security forces, their own economic people, their educational people, to try and reduce this sense of failed state and hopelessness that feeds our enemies' opportunities, Senator. So this is absolutely critical to us not having to always use U.S. troops to address these kinds of situations.

Senator INHOFE. General Craddock, I know you agree with his comments there, but would you elaborate a little bit on the problem that I was not really aware of, that in the IMET program that the funding levels might not be all that bad, but the problem is the flow situation? In other words, how much more good we can get from that program if we are able to change the funding flow for the same amount of money. Do you want to kind of get that into the record here?

General CRADDOCK. Thank you, Senator. Over the past several years it's been my experience both as Commander, U.S. Southern Command, and now U.S. EUCOM that in the IMET program the key here is that we have to work closely with partner nations to determine their needs and then we have to match their needs to the U.S. military school system.

The services all run their schools and they do it over a fiscal year approach and they have so many classes per quarter, per year. The problem we're facing with IMET is that our funding stream is not always, I guess, graduated through the year. We don't get a quarter of it every quarter. So we get a little at the start of the year, and we plan then to be able to put students in courses.

But without the commitment of funds, we can't commit to the course. If the course doesn't get all the seats filled or a majority, sometimes the service cancels the class because of efficiencies. Then by and large, generally speaking, we get the remainder of the money at the start of the fourth quarter of the year. Under the IMET rules we have to use it by the beginning of the first quarter of the next year. So by the end of the year many classes are not available or are already filled up, and then we have to try to plug these students in where we can into the first quarter of the next year.

It's inefficient and oftentimes ineffective. We need a continual stream throughout the year, so if we get a certain amount we know that every quarter we can plan on having that amount of money to buy that many courses and put that many students in them.

Senator INHOFE. Mr. Chairman, I think this is something that we could as a committee look into and address, because it's one of these rare times where you're not talking about more money into a system, but making it much more productive with the same amount of money that we had.

My time has expired. I'd just like to ask you for the record, so you can submit something, your sense of your concern over our aging fleet of everything. I'm talking about tankers, the Paladins, all of the problems that we have, that everything we have is between 25 and 44 years old, and what negative impacts that come with that.

Thank you, Mr. Chairman.

[The information referred to follows:]

These issues are not under the purview of European Command (EUCOM) and it is not appropriate for me to address them. The Secretary of Defense and the Services are working very hard to address the many conflicting requirements of force modernization. As a EUCOM Commander, I identify and request capabilities to accomplish EUCOM missions. I do not identify or advocate specific systems that will provide that capability.

Chairman LEVIN. Senator Inhofe, I was just trying to figure out the best way to follow up on your suggestions relative to the IMET funds. Foreign Relations will also have some jurisdiction here. What we would do is take this testimony, this question and answers of yours and General Craddock's, and refer this also to Foreign Relations and see if we can't together with them work out a better flow.

Senator INHOFE. Mr. Chairman, that would be very helpful, because I think now it's not like it used to be, when we had the IMET program and we thought we were doing a great favor to other nations. In reality now, they're doing a favor to us, because there's competition. We know what the Chinese are doing and others. So that would be a good idea, for our committee to do that working with Foreign Relations. I appreciate it.

Chairman LEVIN. Thank you.

Senator Ben Nelson.

Senator BEN NELSON. Thank you, Mr. Chairman.

Thank you, General Craddock, and good luck in your future. I know you'll be productive, and keeping your commitment is always a wise thing to do. I'm glad that you were able to do it, but we're sorry to see you leave the military.

Sunday the President stated that a comprehensive strategy in Afghanistan, including an exit plan, is the key to America's priority mission of preventing an attack on the U.S., its interests, or its allies. Apparently the plan will most likely cover the next 3 to 5 years and include such items as building economic capacity in Afghanistan and improving diplomatic efforts in Pakistan and coordinating more effectively with allies.

Inevitably, as we begin to embark on this endeavor with more troops, there is always the possibility that we'll run into what's called the fog of war. To ensure that this fog doesn't get us off our end state goal, I've suggested that we need to have metrics to evaluate and measure progress toward meeting the goals in Afghanistan. I've written letters to both Secretary Clinton and Secretary Gates urging the administration to develop a series of benchmarks, as we did in the case of Iraq, to objectively assess the military and political progress in Afghanistan so we don't get into the position where we were in Iraq of having one person saying we're winning, another person saying we're losing, looking at the same set of facts, and they can't both be right, but they can both be wrong in trying to assess it in that context, as opposed to are we making 25 percent of the progress we need to make in certain areas or are we falling short.

What would be your top three priorities, metrics, if you will, that we could use to track the progress in Afghanistan over the next 3 to 5 years? One of them could be in the development of useable intelligence. There are others as well. Do you have any ideas that you might be able to share with us?

General CRADDOCK. Thank you, Senator. I could not agree more that we must have objective metrics. Right now our assessments of progress are anecdotal and they vary daily, weekly, with whoever makes the observation and where they are making it.

In my headquarters I have for the last 18 months—we tried to do this internally, to develop a set of metrics that we could measure and judge our progress in ISAF in Afghanistan. The task was overwhelming. We could not do it. I'm not structured to do that. I have since brought in a NATO organization who has systems research analysts, and I'm supposed to get my first report in April. But we have to do that.

What metrics should we track? I think in NATO I would submit to you there are three lines of operation. One is security, one is governance, and the other is development. We have to find the metric that tells us whether or not more or less of the country is secure. Right now it's based upon incidents in a district, and I don't know if that's right. One incident—gunfire in the bazaar, counts the same as a suicide bomber killing 30 people. That's not correct. So we have to get more refined in that.

Second, governance. I think there we have to look at the opinion of the people as to whether or not the government—district, provin-

cial, or central—is a positive factor in their life. We have to measure that.

Development may be the easiest, but the fact of the matter is there are more databases on developmental issues that are not integrated or coordinated than you can shake a stick at. We have to bring that together, and I think we can get a feel for, is our development coherent and does it reach the needs of the people.

So those would be the three areas. Now, we have to refine that, but I certainly, certainly would welcome that effort.

Senator BEN NELSON. In connection with the NATO trust fund, that $18 to $20 million that's in there, that's about 8 percent of the AIG bonuses. So if you put it in the context of how small it is, we understand how much more progress needs to be made there.

Is there something that Congress can do or the administration can do to shake loose the money so that it goes into the trust fund? I think the American people are concerned about not only our carrying a disproportionate share of the war in terms of military personnel, but also in terms of the cost of the operation. So sooner is better in terms of getting the money in there so that it's not all U.S. dollars or not disproportionately U.S. dollars that go toward funding the operation.

So I used to laugh when I was governor about calling something a trust fund, it was because you probably couldn't trust people to keep their hands off it. In this case, are we just trusting that they're going to give their money to the trust fund? Or is there something that we can do to see that they do step to the line and write the checks?

General CRADDOCK. Thank you, Senator. I'm on record as saying in NATO a "trust fund" is an oxymoron. I think right now there are seven trust funds that have been established as a means to pay for things, budget things, in lieu of common funding or national requirements, and we've only got one of the seven that's met or even close to meeting what's needed.

So what is the forcing function? I think first of all it takes continual engagement. Second, I think that the NATO parliamentarians could be a forcing function. We have representation there. It needs to get into that forum so our representatives to that body can push on their counterparts, can go back to their parliaments in the NATO countries. We have to continually remind that the sooner we can build a competent, capable Afghan national security force, the sooner they will take over and the sooner the cost will be reduced to us to be there.

Senator BEN NELSON. General Mattis, in connection with JFCOM, I know that you say that you're working effectively with others who are jointly working with you to coordinate the development and procurement of joint equipment that can be used so that we don't stovepipe procurement or development of equipment. What can you show us that's at least anecdotal, if not percentage of success, that the various branches of the military, for example, are coordinating their procurement, or at least the kind of acquisition process and compatible equipment in the area, let's say, of aircraft? In other words, so that there's some compatibility between what the Navy is seeking in aircraft and what the Air Force is seeking in the aircraft and what the Army is seeking in aircraft,

so that there's compatibility, and that will save us money, plus be more effective in the use of such equipment if there's compatibility.

General MATTIS. Thank you, Senator. When you look at the varied domains within which our services operate and then the effort jointly to integrate them, what you're really looking at is command and control. We understand why certain airplanes are built with certain types of landing carriages on them, to land in aircraft carriers, for example. We understand that mission-oriented.

Command and control is what gives us the opportunity to tie it all together. In that area, the Secretary of Defense has given me capability portfolio management, just some fancy words that say on anything to do with command and control I will be the capability portfolio manager. In that regard, I make certain that those Navy airplanes can talk to Army troops on the ground, that Air Force airplanes can talk to Marine airplanes and Army helicopters. That's where I think we actually get this synergy, this joint interoperability.

In that regard, I have the authority to move forward on this. On a couple of occasions I've had to exercise it. Generally, we simply go to the Service that has a problem, we lay it out, and they correct it. Once in a while we've had to go beyond that, frankly, and in those regards—for example, on the position location, the Army and the Marines had a disconnect. They were pursuing two things, two lines of approach that were not compatible. The Joint Requirements Oversight Council (JROC) came to me and said: "Figure it out." We got the Army and the Marines together; in 10 weeks we had a policy that was archived, put into effect, and the two Services moved out smartly.

I also on occasion can go directly to the Deputy Secretary of Defense if I see that it's breaking down. Frankly, it's very infrequent that I even have to engage. You'll find that on various boards in the Pentagon there are communities of interest where they're already putting these programs together, so when I review them they're actually working.

Senator BEN NELSON. Are you making progress as it relates to whether or not, apart from landing craft on a carrier, where there are differences in requirements between the various branches for helicopters that could be combined, so that every branch doesn't have to have its own species, if you will, of helicopter, versus something that's across the board for compatibility, in addition to interoperability?

General MATTIS. Senator, this goes to the heart of the complexities of war and the inability to have a crystal ball. History is full of examples, but I'll just tell you that we see the services' varied capabilities as a strength right now in a world as unpredictable as ours is. We never anticipated, for example, going into Afghanistan, and yet we've been able to deploy in there using cargo helicopters that were air-refuelable to bring assault troops in. Was it the way we expected to use them? No. But because we had these varied capabilities and we had not come up with one size fits all, we were able to adapt.

My point is that I think this is actually a strength as long as it's not allowed to go willy-nilly without sense of purpose guiding it. If there's a purpose behind it and the purpose is strong enough that

they can justify that program in front of you, I would suggest that I've already looked at it and I buy into their point.

The reason I say this is we are confronting an era of increased unpredictability and I am not confident that any one Service has the market on the right way to go. So if we were to do what the British air force did in the inter-war period and say only the Royal Air Force will determine what kind of airplane will be flown by the Royal Navy and the Royal Air Force—they had biplanes taking off of aircraft carriers to go out to the Bismarck.

There's an advantage for having this competition, this diversity, so long as it's disciplined and it's not self-serving. I have the authority to look at any program, as does several other outfits like the Office of the Secretary of Defense, Program Analysis and Evaluation, and Program Analysis folks. We can bring our authority to bear if someone is doing something that doesn't make sense from a joint point of view.

Senator BEN NELSON. Thank you, General.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Nelson.

Senator Martinez.

Senator MARTINEZ. Mr. Chairman, thank you very much.

General Craddock, I wanted to tell you first of all that we appreciate your long service and wish you the best in your future, and perhaps look forward to having you back in Florida, where we still miss you and appreciate the service you gave to the Southern Command for many years.

I wanted to go back to the issue of missile defense if I could briefly and ask, in light of the recent events in North Korea, the continued threat that they present and pose, as well as obviously the situation that's still unresolved in Iran. It seems to me that the missile defense system still makes a great deal of sense for Europe's defense as well as for our own defense.

I wondered whether you felt like Russia's position, which seems to me to be not only to try to impose its will on not having this system deployed, but in addition to that to also perhaps even dictate where it should be deployed—I believe Foreign Minister Lavrov, I heard him say recently that he thought it was not so bad if it was in certain places, but not in others, which perhaps may really get to the root of their concern, which may have to do with the very reasons Poland and the Czech Republic are happy to be a part of NATO.

Can you comment on that situation and whether you see that as still an ongoing concern and a real necessary defensive system that we should have?

General CRADDOCK. Thank you, Senator. With regard to the threat, I think, as I said, 18 months ago, almost 2 years now, the foreign ministers accepted the statement of the threat of potential ballistic missile attack from Iran.

They affirmed that in December. So I think that if we assume that is the case, then there has to be a countermeasure. We know—I think it's documented over and over again—that the Missile Defense Agency had many meetings with the Russian Federation military about this, about the concept, the location, the geom-

etry, the physics, and why those locations worked as a countermeasure for that specific threat.

Then, unfortunately, it got into a political, rhetorical issue, and that's kind of where we are today. I would hope that there would be a way to find agreement between the Russian objections and the U.S. and NATO intent here. I think that there has to be continued dialogue and discussion. While there is a threat, my judgment, we must protect U.S. forces and U.S. facilities in Europe, and obviously then the third site is a protection for long-range for the continental United States.

So, given that circumstance, if you will, I still think that we need to find a way, and if we have to continue to engage and seek opportunities—and it may well be that there's a little wiggle room back and forth to be able to do that. But it has to be addressed at some point, given the fact that we've accepted there is a threat of ballistic missile attack.

Senator MARTINEZ. I realize this may be more of a political question than a military one, but I know that the Czech Republic and Poland have taken pretty forward-looking steps in accepting the system. I realize all the final votes are not in and that sort of thing. But it appears to me that they've been fairly forward-leaning in saying, we will do this. Now all of a sudden for us to not fulfil our part of that deal and to simply back off of that system, would that leave them in a bit of a political vulnerable situation. Do you see a problem with our retreating on our commitment to missile defense?

General CRADDOCK. Well, indeed, sir, it is a political question. Let me approach it this way. In discussions with my military counterparts in those nations—and I was just in Prague 2 weeks ago—they are concerned that—and this is the language the military leaders gave me—that their political leaders have spent significant capital in gaining approval or at least pushing the effort to gain approval for these installations. They're concerned that they need to continue to do that, but they need U.S. support to stay the course.

Senator MARTINEZ. It makes sense to me.

General Mattis, I wanted to ask you about the NATO situation as it relates to Afghanistan. I know that the President has indicated an additional 17,000 troops. I was looking at some of the earlier estimates of troops that might be needed for deployment. General McKiernan last year had asked for 30,000 more to add to the U.S. current 38,000 and NATO's combined 50.

I realize that the Afghanistan situation is under review. Can you share anything with us as to your views of the number of troops that might be necessary, given the deteriorating situation in Afghanistan?

General MATTIS. Senator, the situation in Afghanistan is deteriorating or, at best, a stalemate in the south. But I cannot tell you what number that would be. I'd defer to the operational commanders for that. However, I can tell you that we have looked very closely at what we anticipate could be the high end as we look at do we have the ability to meet that number coming out of U.S. JFCOM. The answer is yes and we could do so with properly trained forces, not just numbers, but they would be trained and ready to go.

So we are prepared to meet that requirement. But I need to wait and see what the requirement is as defined by the operational commander and determined by the Commander in Chief.

Senator MARTINEZ. You can meet that need without 15-month tours?

General MATTIS. Yes, sir.

Senator MARTINEZ. How about the logistical situation if the troop number was to be substantially increased? I know this situation has been made more difficult by recent events.

General MATTIS. It has. Again, I don't want to go outside my authority here, but obviously I take a keen interest in this for supportability reasons and I am absolutely confident that we can logistically support the increased number of troops. I have no doubt whatsoever.

Senator MARTINEZ. General Craddock, going back to this issue of the caveats and the Afghanistan situation. It seems to me, listening to Europeans talk, that they view their contribution and ours as being complementary, meaning the Canadians, the Americans, perhaps the British and a few others will engage in the fight and secure, while they will complement that with the building of bridges if it's safe, the building of a school if it's safe, and creating other civil sort of society issues, which are important and I don't mean to minimize them by any means.

But do you anticipate that over the long term our alliance can continue to be a strong alliance if we have this kind of a two-tiered alliance where some fight and others are there to be complementary?

General CRADDOCK. Well, Senator, I think that we have to use the Afghanistan experience to build solidarity in the alliance. I think that there will be continuing discussions, continuing dialogue. The fact is that all nations will protect their forces. They all have the inherent right to self-defense and they all practice it.

The difference lies beyond that, in the rules of engagement, as to whether or not they're offensive in nature or default back to force protection. So we have to continue to work this.

But I will say that if we devolve or get to a two-tier it will weaken the alliance and we will have much work to do, and we have to get ourselves arranged for the next mission, the next operation that we send our forces to. We should not do another one arranged like this one in NATO.

Senator MARTINEZ. I would agree. Thank you, sir.

Thank you, gentlemen. My time is up, but I appreciate your service and being here with us today.

Chairman LEVIN. Thank you, Senator Martinez.

Senator Udall.

Senator UDALL. Good morning, gentlemen. Thank you for being here today with us.

General Craddock, I'd like to discuss the situation in Europe dealing with energy. There were many analysts for a while who talked about the EUCOM being a quiet command, all quiet on the western front. But it's certainly not quiet on the eastern front. You've had a series of important challenges.

Russia is in a position and has used that position to threaten critical energy supplies to Europe at large. I know this is in the do-

main of the energy ministers as well as the foreign ministers, but could you elaborate on what EUCOM is doing in that regard to encourage options so that Russia doesn't have the dominant role when it comes to energy supplies?

General CRADDOCK. Thank you, Senator. Indeed we are, in EUCOM, very interested in energy security and access, because it is right now becoming, if not already, a significant instrument of national power. I think that there was a discussion that's been ongoing for some time, not only in the EUCOM bilateral relations with nations, but also in NATO, with regards to whether or not the threat of lack of energy access or security becomes a threat to the alliance and how might we deal with that.

Does NATO need an energy policy? Absolutely. Do we have one? No. What could NATO do in terms of assurance of the flow of gas and oil, assurance of the flow of liquid fuels or on the high seas, in terms of the large supertankers or tankers? How might we arrange ourselves to do that?

So from two perspectives, one EUCOM bilaterally, we talk with, work with nations, to find out what their dependency is and where the flow is and where the vulnerabilities are. We inform then the other agencies and the interagency about that. We get quite a bit of information from the Department of Energy actually, because they're very good about that.

A NATO perspective, I think it's time and I'm hopeful that the tasking from this summit, which will be to generate a new strategic concept, will include energy security in it, so that NATO takes an active role. With the melting of the ice cap, we have new routes over the Arctic that are going to change the dynamics, and we need to understand that. I think the offshore deposits north of Scandinavia are going to be issues that we're going to be dealing with in the long term, if not the short term. Also then the flow of energy, whether it's the northern pipeline, Nabuco, whatever, from Central Asia both west into Europe, but also east into China and other locations.

So we have to first see what's happening, and that's the hard part, is to assess what's going on; second, to determine the impacts of what's happening; and lastly, look at the vulnerabilities. So we're working now closely with State Department so that I can get specialists on my staff, both from an economist perspective and also some energy specialists, so we can better understand the dynamics, because it is critical to many of the Nations. Quite frankly, many of the political decisions are influenced by the energy perspective.

Senator UDALL. Thank you.

General Mattis, if I might turn to the recent report that Senator Lieberman mentioned, the JOE. In that report there was the following passage: "For the past 20 years, Americans have largely ignored issues of deterrence and nuclear warfare. In effect, there's a growing arc of nuclear powers running from Israel in the west through an emerging Iran to Pakistan, India, and on to China, North Korea, and Russia in the east."

Could you talk about the role that you're playing, either through the JFCOM or through your NATO Transformation position, to help combat the proliferation, and what steps would you rec-

ommend to this committee as being most key to addressing these issues?

General MATTIS. Thank you, Senator. I don't think there's any more pressing issue today than nonproliferation. I have advisers who have given me from seven deadly scenarios to other explanations of what we face in the future. I think one point is we have to start thinking the unthinkable again, because if we don't we will not come to grips intellectually with this issue.

I think once we understand it beyond just that we don't want proliferation, but how are we going to actually do something about it, what it will do is drive a whole-of-government effort. There are enormous powers from the United States, United Nations, working in league with NATO, that we can bring to bear. They're not all military. I would even suggest some of the most compelling are not military powers. If we employ them correctly, the penalty will at least slow down proliferation, if not stopping it in certain areas.

We have seen some nations give up nuclear programs. No need to go into those here. You know them very well. But I think this is a critical aspect of the joint force and what it must be contributing to, and it's why as we move toward a more irregular warfare capable force we do not want to surrender our nuclear superiority or our conventional, because under the paradox of war if an enemy thinks we are weak in one area and they perceive that, they will move to that area. So it's absolutely critical that we maintain a very safe and capable nuclear deterrent, and that is where I work with U.S. Strategic Command (STRATCOM) and the Chairman of the Joint Chiefs as we try to craft the military part of what is a much more complex issue.

Senator UDALL. Thank you for that answer and for the focus on what I agree is one of the most existential challenges that we face and one that we can't ignore at our peril, at the world's peril.

Mr. Chairman, I thank you for the time. I did, as I conclude, want to note that the picture behind both you Generals is one of jointness, with an Air Force colonel and a Navy captain and somebody from the civilian world. But I can tell these two sergeant majors have the look that, I'd love to travel with them anywhere in the world, and we're very fortunate to have their service. Thank you for your service.

Chairman LEVIN. My spouse wishes I looked like one of you two guys, too, by the way. She won't admit it. I just know it, deep down in her heart.

Senator Thune.

Senator THUNE. Thank you, Mr. Chairman.

I too want to add my appreciation to you gentlemen for your service, and thank you for the sacrifices that your families make and those who serve under your command. We appreciate everything that you do and hope that you'll convey that to those folks as well.

General Mattis, there are a couple observations with regard to the JOE publication that went out last year under your leadership. One of the implications discussed on page 44 of the JOE is that the United States may not have uncontested access to bases in the immediate area from which it can project military power. It goes on, on page 44 of that document, to state that: "Given the proliferation

of sophisticated weapons in the world's arms markets, potential enemies, even relatively small powers, will be able to possess and deploy an array of longer-range and more precise weapons."

The document concludes that: "With such weapons, these small powers could hold hostage our ability to project military power and make the battle for theater access not only the most important, but also the most difficult."

I guess my question has to do with the proliferation of asymmetric anti-access weaponry, will our ability to perform long-range strike missions into high-tech air defenses be important to future operations?

General MATTIS. Senator, those operations will be critical, the ability to carry out those long-range strikes, in conjunction with the rest of the missions. In other words, you would not want to separate it out and expect that you'll come up with a political conclusion that you're happy with. We're going to have to use that to enable other military and non-military efforts. But absolutely, they're critical.

Senator THUNE. Given that, the future environment we're going to be dealing with, how important would you say that the Air Force continues its plans to field a Next Generation Bomber by 2018?

General MATTIS. Sir, to maintain that capability—and there's a number of them that we are going to need—is going to be critical. We have to be able to reassure our friends and checkmate our enemies, and this is one of the ways in which we do so.

Senator THUNE. Assuming again with our bomber inventory, much of which predates the Cuban missile crisis, and we've only got 16 combat-ready B–2s that are currently available with the kind of stealth technology to hold targets deep in heavily defended airspace at risk, what is your assessment of the JOE over the next 25 years if we don't have a next generation bomber developed by that 2018 timeframe, which was directed by the 2006 QDR?

General MATTIS. Sir, the ability to penetrate and hold at risk what the enemy treasures is fundamentally critical in an imperfect world, where we don't always achieve with diplomacy what we try. So I would just tell you, sir, that whether it be the manned bomber, new UAVs—there are a number of ways to address this issue. You want to be very careful of having only one arrow in your quiver. I would consider this to be important.

Senator THUNE. One other observation in the JOE also, General, had to do with the future of global energy requirements. In it, the JFCOM predicts that to meet even the conservative growth rates global energy production would need to rise by 1.3 percent per year by the 2030s. Demand would be nearly 50 percent greater than today. It goes on to predict that unless there's a massive expansion of oil production and refining capabilities, a severe energy crunch is inevitable and could have dire consequences. Then it talks about how a recession caused by a global energy crisis could cause deep cuts in defense spending.

I guess I'm concerned about the addiction to foreign oil and what it means and the fact that we spend up to sometimes I think even in excess of half a trillion dollars on foreign oil, transferring huge sums of money to foreign nations, many of which are not friendly toward the United States. The Department of Energy has also pre-

dicted that oil imports from the Gulf alone are going to double by the year 2025. So this heavy reliance on oil is certainly not going to lessen, at least based on our forecast today, and I would argue undermines our national security.

But I want to get your take on how that U.S. dependence on foreign oil and whether you believe that it does in fact weaken our national security now and into the future.

General MATTIS. Senator, I don't think energy independence is achievable. I think we can certainly lower our dependence on foreign oil. This is something that's going to require a very broad effort by the country. From my perspective as a military man, I will just tell you that when you are putting this much of your national treasure overseas, including to countries that are not necessarily friendly, you are creating the potential for increased friction and obviously a sense of vulnerability by those who want to intercept those oil supplies and bend us to their will.

Senator THUNE. DOD is one of the largest consumers of oil. The Air Force alone last year, or at least in 2007, I should say, spent $5.6 billion for aviation fuel. Since last summer, oil prices have moderated and a lot of people say that the issue has significantly decreased and it's not as pressing as it once was.

I think oil prices, it's fair to say, most of us would agree, I would think, are going to go up again in the future. There's no better time than the present to address what is a national problem and one which I think has national security implications.

So one of the things that the Air Force is doing is moving in a direction that will reduce its dependence on foreign oil. Last year Secretary Donley signed an Air Force energy program policy memorandum establishing the goals of certifying the entire Air Force fleet to use a synthetic fuel blend by 2011 and to acquire 50 percent of the Air Force's domestic aviation fuel requirement via an alternative fuel blend by 2016.

Given the fact, General, that the military has often led the way in adopting innovative solutions to these problems, in many cases that have ultimately benefited society as a whole, in your view can the military best confront the significant challenge of reducing the military's reliance on foreign oil by adopting some of these solutions like those I just mentioned? Are there other things perhaps that are innovative that the military ought to be pursuing?

I guess I'm getting at just the broader question of what you think the posture ought to be in terms of the military's use of energy and maybe if there isn't a way where the other services could adopt some of the things, these proposals that are being implemented by the Air Force regarding synthetic, alternative type fuels?

General MATTIS. Sir, I don't think there would be any argument, the Air Force's leadership in this I think has been exemplary. All the services have energy conservation programs. I don't know that they're quite as far-reaching as the Air Force, frankly. But I don't think you'd get any pushback out of the Department. This isn't really in my lane as a joint warfighter, but ultimately the less fuel consumption we have, for example, in ground vehicles means the more operational flexibility we have.

We do have with Dr. Tony Tether in the Defense Advanced Research Projects Agency several efforts underway looking at how do

we cut ourselves free from this leash of fossil fuels. Some of those are pretty far-reaching efforts, experiments by Dr. Tether. But there's a number of efforts going on. I can get back to you for the record and do sort of a review of what those are and work with the Under Secretary of Defense for Acquisition, Technology, and Logistics to get you a better answer than I'm prepared to give you today, sir. But you'll get no argument, I think, from anyone in DOD with what you just proposed.

[The information referred to follows:]

Senator Thune, the energy demands of our current force shape our operational actions, so I believe any energy posture should be focused on improving combat capabilities, with specific efforts to lessen the limitations imposed by fuel transport.

In the past 2 years, the Department has established and operated a Defense Energy Security Task Force to begin to address some of these issues. The Task Force has coordinated the growing energy programs and raised awareness of energy issues across the Department of Defense (DOD). In total, the Department's investment in Energy Security and energy related projects has grown from requests of $440 million in fiscal year 2006 to $1.3 billion in fiscal year 2009, not including funding in the recently passed American Recovery and Reinvestment Act which provided $300 million to the Department for energy-related research and development.

I am also aware that the Secretary intends to fill the position of the Director for Operational Energy Plans and Programs, consistent with section 902 of the National Defense Authorization Act of 2009, to coordinate all aspects of DOD energy policy section. Currently, the responsibility for the full spectrum of energy issues is spread across the Department, so this senior position was created in the legislation to bring strategy, innovation and centralized oversight in our energy work. This person will develop a DOD-wide energy strategy, in conjunction with the Office of the Secretary of Defense, Joint Staff, Services and Defense Agencies that have a stake in how we demand, supply and pay for energy. This person will have alternatives fuel policy as one of the many subjects, including increased efficiency and innovation, in their portfolio. This position will assume the work for the Task Force, but in a full time role.

While we are taking positive organizational steps, there are activities ongoing to "unleash the tether." The DOD has initiated a broad range of demonstrations and other projects to increase energy efficiency and develop assured alternatives: (1) The Army's Rapid Equipping Force demonstrated a technique for insulating temporary structures in Iraq, Afghanistan, Djibouti, and at the National Training Center in California. The insulation resulted in fewer generators required, and the reduced temperature and noise enabled better sleeping conditions; (2) The Net-Zero Joint Capability Technology Demonstration (JCTD) will prototype, measure, and assess a variety of technologies that could, collectively, use less energy than they create (using both demand reduction and renewable technologies) and determine which, if any, should be recommended for inclusion in sustainable design efforts in DOD installations and tactical bases. This Net-Zero JCTD has a 3-year plan, but promising technologies could be spun out as early as this year; (3) The Navy is leading an effort to evaluate material coatings on maritime propellers which have the potential to maintain clean blade surfaces for sustainable powering and cavitation performance. Improved coatings not only offer reduced cleaning requirements and greater resistance to cavitation erosion damage, but also the potential to increase energy efficiency by 3 to 5 percent; (4) The Air Force is developing technologies to increase jet engine efficiency. The Highly Efficient Embedded Turbine Engine initiative, part of the Versatile Affordable Advanced Turbine Engine program, is developing high-pressure ratio, high temperature core turbine technology, with the potential to reduce specific fuel consumption up to 25 percent over today's turbine engines; (5) Finally, in the past few months, DARPA has also initiated a major project to develop and test various feed stocks for synthetic jet fuel that would have the same energy density as current petroleum-based fuels. DARPA initiated $100 million program to further development of affordable algae-based synthetic fuels (synfuels), with the goal of driving the cost to $2 per gallon in 18 months.

In addition, several efforts are underway by the Services to test and certify synthetic fuels on aircraft, ground vehicles, and support equipment. The Air Force is certifying its aircraft, applicable vehicles and support equipment, and associated storage and distribution infrastructure for unrestricted operational use of a 50/50 synthetic fuel blend by early 2011.

DOD has initiated numerous demonstrations and other projects to reduce consumption and increase assured alternatives for installations, both fixed and tactical, and weapons systems, with anticipated savings from 5 to 25 percent. These efforts should improve the Department's energy posture by reducing costs and enabling sustained, uninterrupted operations while extending our operational reach.

Senator THUNE. I appreciate that, General. Again, I think it is a major issue that confronts not only our economy, but also our national security interests abroad.

So thank you both again for your testimony and for your service to our country.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Thune.

Senator Burris.

Senator BURRIS. Thank you, Mr. Chairman.

Welcome, Generals and commanders. I wanted to say that Senator Udall stole my comments in reference to the support staff that you have. I've been sitting here admiring the support staff and the rank and, as we say in my old age, the spit and polish that these service people are displaying for us. So congratulations to the staff. You guys look wonderful.

To the commanders, especially on the European side, I notice that recently French President Nicolas Sarkozy has announced France will rejoin NATO. He responded to critics of his decision to return France to NATO by telling critics that there was little significance in the plan to formally rejoin NATO. President Sarkozy has argued that France's full re-integration into the NATO structure of the 26-member alliance will have no impact on the alliance. However, the plan to rejoin NATO is seen by some as the most significant change in French foreign policy in nearly 50 years.

So, General Craddock, what will this change mean to the United States and the trans-Atlantic relationship, with France? Should they come back into NATO?

General CRADDOCK. Well, thank you, Senator. I believe that the full participation of France in the military structure of NATO will strengthen the NATO structure. So I do believe there's an impact.

Now, the perspective of the French population as to what it means I cannot attest to. I don't know that. I can only share with you what the French chief of defense told me when we discussed this issue. He said that by and large the general perspective of the rank and file of the French people is that if France fully participates, they believe that all French military is under the command of NATO at all times. That is not the case.

What it means is they will rejoin the command structure. In that command structure, they will have generals and admirals who will fill staff positions and command positions, and they then will have officers and noncommissioned officers who will also down the ranks fill out those positions. I think, because of the capabilities of the French military—they're very talented, they're capable—it will strengthen the alliance and it will bring them from the outside to the inside, and that's a good thing.

Senator BURRIS. So are they looking for some of their generals to be in the line of command and succession? I would assume that they would be looking for several positions as well, right?

General CRADDOCK. I think that's the case. The NATO military committee, the chairman works that with all the chiefs of defense,

and he has a process, which is called flags-to-post, and that takes all of the flag officer positions and it assigns a country to fill them. That is ongoing now to accommodate the French full participation, yes, sir.

Senator BURRIS. Now, General Craddock, are there other countries that we're looking at? Are there other countries that may be joining NATO in the next 24 months? What does the future look like for other countries who are on the brink of wanting to come in?

General CRADDOCK. Yes, sir. Right now we expect at the NATO summit that there will be an enlargement of two more countries, Croatia and Albania. They have been invited by NATO to join. We expect that will be consummated at the summit and we'll be up to 28. Macedonia was invited. There is an issue of the naming of the country with Greece. They're working through that now, but they haven't reached accommodation. But we would expect when that agreement is reached number those nations as to the naming convention, then they would also become members, and that would put us to 29.

Then there are several nations in a membership action program, which takes time, requirements to be met, security sector reform. So right now there's several different levels: intensified dialogue, membership action plan, at the very low level partnership for peace.

So we have several nations who in the coming years I think will want to continue to increase their capabilities, their security sector reform and modernization and transformation, to then apply for membership.

Senator BURRIS. Are there any countries that are thinking about leaving NATO?

General CRADDOCK. None that I know of.

Senator BURRIS. Thank you.

General CRADDOCK. Many want in. I don't know of anyone who wants to leave.

Senator BURRIS. Good, I'm glad to hear that.

Could I shift to Africa just a little bit in terms of what role, General Craddock, do you see NATO playing on the continent and all of these various wars, really, that are going on on the continent in the various countries? There are some NATO forces I think that are deployed in some of these countries, which is very limited. Do you have any comment on that?

General CRADDOCK. NATO has what's known as a Mediterranean Dialogue that we have with the North African countries, all the countries of Africa that border the Mediterranean Sea. That's been ongoing for several years, where we bring them in, we have discussions, we try to get them to participate in our operations and exercises. They do to a certain extent.

We right now may soon have Morocco in our Operation Active Endeavor, which is a maritime operation in the Mediterranean. So we're hopeful that that will come to pass.

Additionally, we provide staff trainers, a small number, in Addis Ababa to the African Union to help grow and enhance their staff capabilities to the African Union element there, and upon request

NATO will provide air transport to move battalions to African Union missions on the continent.

Senator BURRIS. Specifically, is there any NATO assistance in Darfur in terms of that conflict in the Sudan?

General CRADDOCK. Not at this time. It's my understanding that is more in the EU area. NATO has not participated or agreed to do that.

Senator BURRIS. They have not done that.

Mr. Chairman, that was my questions. Thank you very much.

Thank you, gentlemen.

Chairman LEVIN. Thank you, Senator Burris.

Senator Bill Nelson.

Senator BILL NELSON. Thank you, Mr. Chairman.

General Craddock, you're getting ready to retire, a very long and distinguished career. Is there something happening that the United States Southern Command becomes a conduit to the Supreme Allied Commander in Europe?

General CRADDOCK. One could make that argument, Senator. Indeed, I think if you look back you can see that there has been some precedent to do that. So we'll have another. This will be the third time that I've been relieved by Admiral Jim Stavridis. I can't think of anybody better to do that, so I welcome that.

Senator BILL NELSON. Well, congratulations on a career and thank you for your service. The same to you, General Mattis.

General Craddock, I want to ask you about the possibilities of us dealing with Russia on missile defense. If Russia cooperated with us on missile defense in Europe, what do you think would be the effect upon Iran?

General CRADDOCK. Well, dealing with theoreticals here, and this is difficult, my personal judgment is cooperation between the United States and the Russian Federation in dealing with the ballistic missile threat from Iran would be a positive factor in either minimizing, reducing, or eliminating that threat. I think it would be positive.

In other words, if we cooperate it has to be to a common goal, and the common goal has to be increased security for both countries and all the countries contiguous to those locations.

Senator BILL NELSON. The cooperation could be something like that we share in the radar, as opposed to them actually being a part of launching the missiles?

General CRADDOCK. Senator, I would presume that's possible. I'd have to defer to the Missile Defense Agency.

Senator BILL NELSON. It's my understanding that that's really the cooperation that we're talking about. I'm getting this from—the chairman has me as his subcommittee chairman on Strategic Forces. You think about cooperation with the Russians and you think about them sitting there with you in the launching of whatever you're going to launch as the shield for Europe, when in fact it could be a cooperative arrangement on utilizing their radars with ours and tieing them in together so that you get a better resolution of the potential incoming threat.

Now, part of a missile defense shield—they are looking at it in layers, and the first layer would be utilizing a sea-based Aegis or a ground-based Theatre High Altitude Area Defense (THAAD) kind

of layer. You want to expand on that about the protection of Europe against a threat from Iran that we're speaking of?

General CRADDOCK. Right now the NATO construct is an alternate layered theater ballistic missile defense that would be comprised of: short range, right now Patriot—there is no THAAD, but Patriot—intermediate range, that could be the Aegis, if you will; and then long range, which would have been—will be if it's fielded, the third site and interceptors in Poland and the radar in the Czech Republic.

The catalyst for that would be the third site, and that would move NATO into what has to happen, which is a command and control structure and shared sensors. I think the Vice Chairman talked yesterday at a conference about we have to look at how to integrate the command and control and the sensors, so that we all have situational awareness, a common picture; and if we integrate the short, intermediate, and long range, then it's a shared picture and understanding.

Now, beyond that other things have to happen. But I think that's the first step, and that's where NATO is looking right now to be able to integrate from the southern shoulder then through the continent to the north.

Senator BILL NELSON. Now, are you referring to this most recently installed missile defense command and control, battle management and communications system that the Air Force has installed?

General CRADDOCK. That's the U.S. system that would have to be integrated with NATO systems. In NATO we are fielding an air command and control system through our air operations center. So we'd have to net those two.

Senator BILL NELSON. So I take it that the installation of our command and control definitely facilitates helping the NATO alliance's command and control?

General CRADDOCK. I'm told that it is possible to integrate the two and we could black box the two systems together for a common operating picture.

Senator BILL NELSON. With regard to Poland and Czechoslovakia, if the threat from Iran were not to be an intercontinental ballistic missile (ICBM) with a nuclear payload, would THAAD and Aegis be a sufficient defense?

General CRADDOCK. Senator, I'm not familiar with the technical specificity. If it's not an ICBM, it could be an intermediate range or short range, and then THAAD or Aegis indeed would be a defensive system. But I don't know the dynamics right now.

Senator BILL NELSON. Sure.

Let me shift to cyber security. You had said in your testimony that the network is our most vital nonkinetic weapons system. You go on to say: "We must continue to support initiatives for defending our networks and building our cyber operations force."

What resources, General, do you need to be more effective in this cyber domain?

General CRADDOCK. Senator, right now we get significant support and assistance from STRATCOM and General Chilton's folks. Also, because the Services have proponency for the equip side and for their component commands and EUCOM, they have service re-

sponsibility then for those networks, and we depend on the Services for the defensive measures for the management of those systems.

Now, on the NATO side I have an organization, a command and control organization, that performs the same function, and we also have supported Estonia in the establishment of a cyber center of excellence, so it can inform our NATO networks, and also then we share that to the extent we can back and forth with the U.S. systems.

But we depend on STRATCOM, the Services, and then on the NATO side we have some in-house, but also the capabilities of our Nations.

Senator BILL NELSON. Thank you.

General Mattis, there was a JOE report that was done with regard to calling Mexico and Pakistan a possible future failed state. With regard to Mexico—and I've heard this said not in the defense context, in the military context. I've heard this said from people, respected journalists like Tom Friedman, worried that Mexico is going to become a failed state.

Tell us what your thinking with regard to this report that came out of the JFCOM?

General MATTIS. Thank you, Senator. The JOE does not predict the future. You'll notice in my introduction to it that's what I say. We completed it last summer. I assigned the last editing and all and I did not want to bring it out prior to the new administration being elected. In other words, I wanted to not make a political issue, so I waited to sign it.

But it highlights the challenges that we could face. If there are two nations completely different facing very different situations that would cause us express duress if something went wrong in them, or further wrong, it would be Mexico and Pakistan. There was no effort to link them in terms of similar situations.

I think that in terms of Mexico in particular, what we see is the illegal narcotics dollars from the United States making a significant impact on the stability of that country. It starts there and then all the problems accrue from that point. So if there was a message there, it's that we are going to have to face the challenges that I tried to highlight if we want to basically write our own headlines, we don't want someone else writing them, like drug cartels and this sort of thing.

President Calderon's I think certainly heroic leadership, courageous leadership, is getting full support from our Nation right now, as much as we can support them.

But I think until we get this drug situation, the drug demand, down, we are going to continue to see billions of dollars pouring in in illicit ways, with exactly the kind of result we can anticipate right now.

Senator BILL NELSON. Thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Nelson.

Let's start round two. I want to pick up on some of Senator Nelson's questions on missile defense, General Craddock. I think everyone agrees that there would be and is a threat already in Iran because of its support of terrorism, and that if it ever got its hands

on a nuclear weapon it would be a huge—perhaps a threat which would be greater than any threat that we've ever faced in terms of nuclear weapons, because we always felt we could deter the Soviet Union and I think most people think we can deter North Korea. But whether or not a fanatic religious regime is deterrable is a very, very different issue.

So two things become important. One would be a missile defense against a potential delivery system of a nuclear weapon. But the other one is to try politically to deter Iran from going in that direction. The key to that may be whether or not we can join with Russia in that effort. You pointed out that I think you support very much the resumption of the meetings of the NATO-Russia Council after this summit. I think you've already indicated that.

I asked Secretary Gates a month ago or so when he was here whether or not NATO would support U.S.-Russia discussions on a joint missile defense. He said very much so, not just with NATO's support, those discussions; but he made it more emphatic than that. That's true even though NATO has already supported the installation of the systems in Poland and the Czech Republic.

Would you agree that it would be very useful—well, I'll even put it this way. Would you agree that NATO would support our sitting down with the Russians and seeing if we could work out some kind of a joint missile defense without knowing for certain that it would succeed, but at least that we make that effort.

Do you agree with Secretary Gates in that regard?

General CRADDOCK. Senator, I never want to predict the political decisions of NATO. I think my judgment would be it would be received favorably. I'd just leave it there.

Chairman LEVIN. All right. I gave a speech yesterday to the missile defense community about this issue. I guess the Vice Chairman followed me an hour later. I look forward to reading his remarks. I wasn't able to stay for them, so I'll be reading them.

But the point here is that if we are able to unite as a world against Iran—and by the way, Gorbachev told us a week ago in our democratic caucus lunch that he felt that Iran with a nuclear weapon would be a greater threat to Russia even than it is to us. That's the same thing, the same message I got yesterday in person from the deputy foreign minister of Russia, that it is a serious threat to Russia.

If we can somehow or other work out a joint defense or tell Iran we're going to work out a joint defense against them with Russia, it could be a game changer in terms of the regional geopolitical situation. If Iran saw us and Russia being able to come together in that way against them, it could actually change the geopolitical dynamic in that region. That was the point of my remarks yesterday. It took me 25 minutes longer to say that yesterday than it did right now, but that was the major point of what I was saying.

I think that that's an important thing for us to add to this equation. It's not just where would the best and most reliable defense be against an Iranian missile, but what would be the impact on deterring them from getting it if we located it in some way? Senator Nelson correctly points out that this would probably be the radar that we're talking about in some kind of a joint effort with Russia.

So the implications of that, of those discussions, are huge, just sitting down seriously and talking. Now, you're a military man; you're not a politician. So I won't ask you the political question directly. But do you see a security plus coming from those possible discussions, just the act of sitting down with Russia and attempt in a serious way to do something jointly in that way? Do you see that as a security advantage for us, and you think NATO would—again, you've already answered that question, but I'll ask you personally now, do you see that as a plus?

General CRADDOCK. Again, Senator, theoreticals. I think that at any time there is a bilateral approach to a common problem that has not occurred, that would be a plus.

That would cause the owner of the threat to take notice. As a military man, I'm responsible for the security and the force protection of U.S. forces in Europe and also for Allied Command Operations, in and out of theater.

However, we can minimize, mitigate, or eliminate that threat. If it's only by military means, then that's my charge. But if it's by informational, diplomatic, or other means, then I'm all for it.

Chairman LEVIN. Thank you.

Now, in terms of the parliamentary approval of these systems, the radar and the missile system itself in Poland and the Czech Republic, as I understand it the Polish parliament has approved it. The Czech parliament, one house has and it was withdrawn from the—is it called the "upper house" in the Czech Republic? I think it's called the "upper house."

How long was it in front of the Czech parliament, this proposal of their executive, do you know?

General CRADDOCK. I don't know exactly. I know it was there for several months. It's been in their parliament, one chamber or the other, for some time.

Chairman LEVIN. For some time. It was I think at least the middle of last year perhaps?

General CRADDOCK. Don't know exactly, Senator. I'll take that for the record.

[The information referred to follows:]

Approximately 5 months, after the Supplemental NATO Status of Forces Agreement (SSA) was signed on 19 September 2008, both the SSA and the Missile Defense Basing Agreement went to the parliament for ratification. The upper chamber of the Czech parliament, the Senate, ratified both agreements on 27 November 2008. However, the Agreements lay dormant on the parliamentary docket from October 2008 until they were withdrawn in March 2009.

Chairman LEVIN. But this is not some recent proposal to the Czech parliament. It's been there for some time; is that correct?

General CRADDOCK. To my knowledge, it's not new or recent. It had been in process for some time.

Chairman LEVIN. All right.

I want to shift to Afghanistan. You and I have talked about the economic development that is necessary in Afghanistan as a way of supporting their security, putting the Afghans in charge of their own future, and being part of the exit strategy or partial exit strategy for us. I've asked you about a program called the National Solidarity Program when we met. I wonder if you could give us your impression of that program?

General CRADDOCK. Yes, sir. The National Solidarity Program is a program sponsored by the World Bank, and it is the delivery of infrastructure, social welfare, and services down to the municipal level. It bypasses the central government, provincial government, down to the community, the district level, to the villages across Afghanistan.

In my judgment, as I go around the country, and I visit there quite often, I get more favorable comments on that program than on any other development program in Afghanistan. I think that it now is even better because there's better coordination and integration with the provincial reconstruction teams and with the Afghan National Development Strategy, which is integrating the development efforts of the entire international community. It's not fully integrated, but it's getting better. I think that the integration of that solidarity program with the other efforts will even leverage it more.

So I'm a big proponent of that program, sir.

Chairman LEVIN. Again, we thank you very much, General, for that.

Senator Burris.

Senator BURRIS. Thank you, Mr. Chairman. Just one other question, commanders. In his testimony before the committee last week, General Ward, the Commander of AFRICOM, discussed AFRICOM's intent to expand military to military engagement with Libya via military educational exchange and foreign military sales. NATO also has several mechanisms through which it engages non-NATO members with critical regional partners, such as the Mediterranean Dialogue and the Istanbul Cooperation Initiatives. These venues provide an opportunity for NATO to extend a security cooperation initiative to North Africa and the Middle East. Both areas of the world are critical to our counterproliferation and counter-smuggling activities.

Libya is currently the only North African country that is not a member of NATO's Mediterranean Dialogue. So, General Craddock, does the absence of Libya from the Mediterranean Dialogue create any notable cooperation or intelligence gap that would concern you as Supreme Commander, and what would be your view of adding Libya to the Mediterranean Dialogue?

General CRADDOCK. Thank you, Senator. Obviously the exclusion of any nation creates gaps in information and understanding. However, I would have to provide to you for the record the rationale as to why there was either an invite extended or not or, if extended, not received. So I don't know if NATO didn't ask or Libya didn't accept. So I'll provide that to you for the record.

I think that the NATO, the North Atlantic Council, would have to decide if they want to offer again or if they ever did an invitation, and accept that. It would be based, I think, upon a recognition of shared values and representative or democratic ideals. But I think that would be the basis of another offering. But I will respond for the record and let you know the history of that.

[The information referred to follows:]

Libya's absence from the Mediterranean Dialogue does not create an intelligence gap regarding illegal activities that occur in North Africa as it was not designed as an intelligence sharing forum. The Mediterranean Dialogue is a forum for conducting military-to-military engagement in order to create trust, enhance interoperability, and provides a venue for cooperative security support. As measures of prac-

tical cooperation are laid down in an annual Work Program aimed at building confidence through cooperation in security-related issues, it might prove valuable to include Libyan participation. All partners of the Mediterranean Dialogue are offered the same basis for discussion and activities, but the level of participation varies based on individual needs and interests.

The progressive character of the Mediterranean Dialogue makes it possible to add new members on a case-by-case basis. To date, no request has been received nor has an invitation been offered to Libya to join this Dialogue.

Any request by Libya to participate in NATO's Mediterranean Dialogue would be followed by a required political discussion and decision by the North Atlantic Council. If a request were made and approved by the Council, Allied Command Operations would start to plan for practical military cooperation with Libya through the Mediterranean Dialogue.

Senator BURRIS. I assume the thawing of our relationship with Libya would have some positive direction on that, wouldn't you say?

General CRADDOCK. I think that would have to be taken into account, yes, sir.

Senator BURRIS. Thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Burris.

Senator Nelson.

Senator BILL NELSON. Mr. Chairman, just a quick follow-up to your line of questioning to General Craddock. Today is it not correct, General, that Iran has hundreds of short- and medium-range missiles that can reach eastern portions of NATO, such as Turkey?

General CRADDOCK. Senator, I'm not exact as to the numbers. They have the capability with short- and intermediate-range missiles that's reported to be able to reach the southern shoulder of NATO, yes, sir.

Senator BILL NELSON. Right. It would be the present systems of Patriot, eventually THAAD and Aegis that would provide that protection?

General CRADDOCK. That's correct.

Senator BILL NELSON. You're satisfied as the Supreme Allied Commander that that protection is there to protect Europe and specifically eastern Europe?

General CRADDOCK. It is right now not an integrated air defense command and controlled by NATO. It is based on national capabilities for those systems. NATO's goal in this alternative layered theater ballistic missile defense is to integrate those capabilities so we have a NATO system.

Senator BILL NELSON. Okay.

Thank you, Mr. Chairman.

Chairman LEVIN. The NATO system then would be based in the first instance on the Aegis and the THAAD. In other words, the first layers would be integrated into a NATO system, is that correct?

General CRADDOCK. The first layers would be Patriot.

Chairman LEVIN. Patriot.

General CRADDOCK. Then would go to THAAD and Aegis, and they would be integrated into then the NATO system, which would incorporate the third site.

Chairman LEVIN. If there were no third site, would it still be incorporated into a NATO system, those two first layers?

General CRADDOCK. The intent is yes. The goal is yes, but it will lack a forcing function.

Chairman LEVIN. Lack a what?

General CRADDOCK. A forcing function to do so, because the carrier for that is the U.S. command and control system.

Chairman LEVIN. But what I'm saying is that if there were no third site you still would find desirable the integration of those two first layers into a NATO system?

General CRADDOCK. Yes, sir.

Chairman LEVIN. Okay.

Senator BILL NELSON. Mr. Chairman, and there would have to be under that circumstance a command and control system for NATO with Patriot, THAAD, and Aegis; is that correct?

General CRADDOCK. Well, right now all that's available for NATO are national systems under national control. NATO would have to get agreement with those countries owning those systems to be able to commit them into a NATO command and control system, indeed.

Senator BILL NELSON. That's what I was trying to understand. Thank you.

Chairman LEVIN. That would be a big plus for Europe's security, our security, if that occurred?

General CRADDOCK. It would be a plus for the southern shoulder, which is within the range of short- and intermediate range missiles from Iran, yes.

Chairman LEVIN. Okay.

I think I misspoke, apparently. I said that the Polish parliament has approved the deployment and I'm not sure that that is accurate. I just got a note here that that may not be accurate, that they have not considered the deployment.

General CRADDOCK. It's my understanding that we are only waiting to complete the SOFA agreement and then complete the technical—my responsibility in EUCOM is the technical arrangements, which is all of what has to happen to begin to dig and put brick and mortar together.

Chairman LEVIN. In Poland?

General CRADDOCK. In Poland.

Chairman LEVIN. We can find that out precisely for the record. We don't have to ask you.

General CRADDOCK. Yes, sir.

Chairman LEVIN. But on the Czech, it's apparently the lower house. I said the upper house. Apparently it's the lower house which has decided twice to delay consideration of the Czech agreements. So I misspoke maybe twice in 1 minute. You don't have to agree with that, by the way. [Laughter.]

General CRADDOCK. Whatever you say, Mr. Chairman.

Chairman LEVIN. Okay, just a couple other quick questions. NATO enlargement. Apparently there were a number of reforms which the recently established NATO Georgia Commission is either considering necessary for Georgia to take next steps towards membership or in order to create some kind of a road map for Georgia; is that correct? There are a certain number of specific reforms which are being considered?

General CRADDOCK. My understanding is that the NATO Georgia Commission will develop a template or a framework, if you will, of reforms both in the security sector, and the military falls underneath that, and other, much like what's required for membership action.

Chairman LEVIN. All right. General Mattis, under your command—the Joint Personnel Recovery Agency (JPRA) is under your command. The report of this committee showed that the JPRA provided information and training relative to how techniques which are used in survival, evasion, resistance, and escape (SERE) training, could be used affirmatively, offensively, in interrogations.

Now, that training, as we have shown in some detail, gives our soldiers a taste of abusive techniques to which they might be subjected if they were captured by an enemy that refused to follow the Geneva Convention, in case they were captured. These techniques used in SERE school include things like stress positions, sensory deprivation, forced nudity, walling, placing people in small boxes, and even waterboarding.

Now, on September 29, 2004, the JFCOM Chief of Staff, Major General James—is it "SOLE-egg-an," do you know, or "SOLL-legan"? Solegan—issued a memorandum to the commander of JRPA that said that "The use of resistance to interrogation knowledge for offensive purposes lies outside the roles and responsibilities of JPRA."

Then in a February 10, 2005, memorandum, from JFCOM's then Deputy Commander, Lieutenant General Robert Wagner, to the DOD Inspector General, it was stated that: "Requests from various sources for JPRA interrogation support were inconsistent with the unit's charter and inappropriate."

Are you aware of General Solegan and General Wagner's memoranda? Are you aware of those?

General MATTIS. I'm aware of them, sir. Obviously, they happened before my arrival there, so I have archive data on it, yes, sir.

Chairman LEVIN. Do you agree with General Wagner that requests for JPRA support for interrogations to be used offensively are inappropriate?

General MATTIS. Yes, sir, that's outside our mandate on that.

Chairman LEVIN. Just one final question from me and that has to do with the acquisition reform bill that we've recently introduced, a number of us here, the Weapons Systems Acquisition Reform Act of 2009. General Mattis, this would be for you. First of all, are you familiar with that bill? Have you had a chance to read it? It's kind of detailed and it's technical, but have you looked at it?

General MATTIS. I've read a summary of it, sir.

Chairman LEVIN. In one of the sections there's a provision, section 105, a provision requiring the JROC to seek and consider input from the commanders of the combatant commands in identifying joint military requirements. As it currently exists, JROC allows you to contribute to decisions as the Commander of JFCOM, to contribute to the decisions of that body.

Is that in fact going on? Are you fully involved in those decisions? If not, should you be, and is there anything that we need

to do to make sure that you or your successors are involved in that way?

General MATTIS. Thank you, Mr. Chairman. There is no restriction on any combatant commander from walking into the JROC any time they determine that they wish to. I have taken advantage of that authority on several occasions. I think that right now if I was to define my job in terms of the future, it's how do we look out for the combatant commander after next. The combatant commanders right now are dealing with a full plate. I try to look further out.

In this regard, the integrated priorities lists that the various combatant commanders submit, I review each one of them and then I watch what goes on in the JROC. I send my three-star deputy in there routinely to make certain that we have our finger on the pulse, and infrequently I've had to interject and generally they were received with no argument.

Chairman LEVIN. Would it be better if you were actually a member of JROC?

General MATTIS. I don't think, Mr. Chairman, I don't think that gives me any more authority than I have now. I'm pretty straightforward when I see something I need to get involved with. Between the JROC and my direct communications with the Deputy Secretary of Defense, there is no reluctance to get the joint position forward.

Chairman LEVIN. We thank you both.

Senator Bill Nelson.

Senator BILL NELSON. Thank you, Mr. Chairman.

General Mattis, JFCOM of course has played a leading role in the use of modeling and simulation technologies. What I'd like to do is submit three questions to you for the record, if you could see that they're answered in a timely fashion. We have a lot of those technologies down in Orlando and I want to invite you to come down there with me and see some of that.

General MATTIS. Thank you, Senator. We'll respond swiftly on it. It's an area of high importance to us.

Chairman LEVIN. Thank you both. It's been a very useful hearing. We again wish you well on your retirement, General Craddock, and thank you both for your service, and your families.

We stand adjourned.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR CARL LEVIN

BALANCE BETWEEN CONVENTIONAL AND IRREGULAR CAPABILITIES

1. Senator LEVIN. General Mattis, in your written testimony you discuss striking a balance between doing what is required to prevail in the current fight while preparing for the future. You warn that "Without balance, we risk being dominant but irrelevant—that is superior in nuclear and conventional warfare, but poorly equipped to prevail in irregular contests." Are you comfortable the Department of Defense (DOD) is currently budgeting its resources appropriately to strike the balance you think is appropriate?

General MATTIS. Yes, I wholeheartedly support the President's budget request. It makes the necessary initial redirections to prioritize irregular warfare as a core competency along the lines we currently enjoy with our conventional warfare capability. We are steadying up on the right track for a balanced approach against current and near-term/mid-term threats.

2. Senator LEVIN. General Mattis, are there major investment areas that should be emphasized or de-emphasized to achieve that balance?

General MATTIS. I believe the President's fiscal year 2010 budget submission to Congress allows us to achieve balance, as long as funding for key programs such as National Center for Small Unit Excellence, Joint Irregular Warfighting Center, Future Immersive Training Environment and security force assistance are provided. Moreover, to ensure this balance between conventional warfare and irregular warfare is institutionalized, it will require Joint Forces Command (JFCOM) emphasis in: (1) Concept Development and Experimentation; (2) Capability Development/Joint Integration and Interoperability; (3) Training and Education (to include small unit simulations for enhanced tactical and ethical decisionmaking) and; (4) Joint Force Provision/Global Force Management. We will ensure these areas receive the attention and resources necessary. We can achieve advances in irregular warfare capabilities by utilizing current training infrastructure and leveraging efficiencies in already established processes.

COUNTERINSURGENCY

3. Senator LEVIN. General Mattis, what role does U.S. JFCOM fulfill in connection with the President's decision to drawdown forces from Iraq and increase or transfer forces to Afghanistan?

General MATTIS. U.S. JFCOM, as the joint force provider, will execute the President's strategy by providing trained and capable forces as requested by our commanders in the field to the limit of our capacity. Further, we will adapt our doctrine and best practices to ensure deployed headquarters are optimally prepared for the specific battlefield dynamics at the time they deploy.

4. Senator LEVIN. General Mattis, JFCOM doctrine places an emphasis upon "joint training and dominance across the full-spectrum of warfare." How can we truly anticipate the future conflicts and train our forces to be ready for the next war when our training focus today is combating counterinsurgency?

General MATTIS. Predictions about future potential conflicts are always risky, and the ability to forecast with 100 percent accuracy is impossible. At the same time, our Armed Forces must be prepared for the spectrum of challenges we may face, ranging from conventional to irregular and hybrid operations. The Joint Operating Environment (JOE) 2008 and Capstone Concept for Joint Operations (CCJO) 2009, two companion documents, will help frame our way ahead in this area. The JOE is our historically informed, forward-looking effort to discern the challenges we will face at the operational level of war. The CCJO is a Chairman of the Joint Chiefs of Staff (CJCS) document that describes the Chairman's vision for how the joint forces circa 2016–2028 will operate in response to the variety of security challenges outlined in the JOE. Using these two publications as our guidance, we will successfully develop and train our Armed Forces in operations across the spectrum, resulting in the balanced force needed to combat irregular and conventional enemies as well as more hybrid threats that are most likely. We will annually update the JOE, challenging our assumptions, and rigorously experiment against the CCJO to validate that we are on the right trajectory, adjusting as the threat reveals changing character.

5. Senator LEVIN. General Mattis, in your prepared testimony you spoke of the "nature of war" remaining constant over time yet the method our enemies employ certainly changes over time. The conflicts in Iraq and Afghanistan have spawned new tactics, techniques, and procedures, which our Armed Forces continue to face. How do we truly prepare for the next conflict in an adaptive environment when we don't know what the next face of war will be?

General MATTIS. It is impossible to predict precisely how challenges will emerge and what forms they will take as we face future conflict. However, it is vital to try to frame the strategic and operational contexts of the future to shape our perceptions of those environments. The value of such efforts lies in the participation of senior leaders and decisionmakers in the thoughtful consideration of possibilities and determining the most likely trends of future warfare. Warfare will remain largely a human endeavor; however, there will be new technologies employed by adaptive and creative adversaries. We will find ourselves surprised by changes in the political, economic, technological, strategic and operational environments. The goal is not to eliminate surprise, but by careful consideration of the future, to suggest the attributes of a joint force capable of adjusting to new realities with minimum difficulty. The true test of military effectiveness in the past has been the abil-

ity of a force to diagnose the conditions it actually confronts and then quickly adapt. The agility to adapt to the reality of war and its political framework, based on the fact that the enemy consists of adaptive adversaries, has been the key component in the military effectiveness in the past and will continue to be so in the future, ensuring we have the fewest regrets when future challenges arise.

6. Senator LEVIN. General Mattis, as threats in Iraq and Afghanistan evolve how can JFCOM improve training to face these threats?

General MATTIS. U.S. JFCOM rigorously works to adapt training to meet evolving threats in Iraq and Afghanistan. We influence this directly in our Unified Endeavor Mission Rehearsal Program. This program prepares designated service headquarters for deployment to Iraq to serve as Headquarters Multi-national Corps Iraq as well as for deployment to Afghanistan to serve as the U.S. joint headquarters in Regional Command-East and support the North Atlantic Treaty Organization (NATO) training when we can. We team with key partners to place significant emphasis on the current operational environment in Iraq and Afghanistan. We continuously engage with headquarters in theater and conduct staff assistance visits to update the latest successful tactics, techniques and procedures, to integrate them into the next mission rehearsal. For example, the Joint Improvised Explosive Device Defeat Organization (JIEDDO) is an integral part of our team and helps to ensure that the complex networks supporting enemy use of improvised explosive devices (IEDs) is accurately portrayed in our training. Our Senior Mentors are a distinct asset in these efforts, bringing their wealth of experience updated by visits to the field of operations.

U.S. JFCOM continues to support the Services in their pre-deployment training of tactical level organizations such as Army Brigade Combat Teams (BCTs), Marine Corps Regiments, Navy Strike Groups and Air Force Expeditionary Air Forces. The Joint National Training Capability (JNTC) program also supports the Services by adding more joint context into their training programs to include portraying realistic threat environments.

What we have learned about the nature of the threat from current operations in Afghanistan and Iraq is that success will be achieved not by our technological advantages but by highly skilled ground tactical units that must be as proficient in their ability to communicate with the population as they are with employing their weapons and integrating joint intelligence, surveillance, and fires. The vast majority of casualties are sustained by these ground units. As a matter of priority, I have placed emphasis on supporting the Services' development of high performing small units. U.S. JFCOM will act in accordance with its Unified Command Plan Joint Force Integrator and Joint Force Trainer roles and bring together the diverse community that has spent considerable time investigating the factors that lead to high performing individuals, leaders and groups. The outcome we seek is high performing small units that when unleashed, can operate autonomously, aggregate and disaggregate in response to regular or irregular threats, and prevail in complex environments through tactical cunning and ethical decisionmaking.

7. Senator LEVIN. General Mattis, when will our forces return to training for conventional operations or at a minimum for full spectrum operations?

General MATTIS. The CCJO is the Chairman's view of how the joint force will operate in an uncertain, complex and changing future characterized by persistent conflict. While the threat of a major conventional or regular war against a peer military power or group of powers is unlikely in the near future, we recognize that our forces must maintain balance in waging both regular and irregular warfare, likely in a hybrid context mixing different types of warfare. Time remains the most precious training resource whether at peace or engaged in conflict, and as such U.S. forces are always faced with more training requirements than available time to train to those requirements. This dictates prioritizing training. At the individual level, the Services have been driven largely by the tasks expected of their troops in Iraq and Afghanistan. For our part, U.S. JFCOM has continued to support joint force training across the range of military operations through its robust exercise programs, which run the gamut from humanitarian assistance to full major combat operations. As dwell time at home station increases, we will see our forces with time to train for more diverse threats.

FORCE PROVIDER

8. Senator LEVIN. General Mattis, in your role as the joint force provider, what are your thoughts on the current Boots on Ground (BOG) to dwell ratios that have

played such a major role in depleting our current and future force readiness and demanded so much from our Active and Reserve military families? What can we do to improve the current situation?

General MATTIS. To improve the current situation, either supply has to be increased as is occurring now in our armed services, or demand must be decreased by shedding some commitments. The depletion of our full spectrum readiness with our ground forces' counterinsurgency focus and the demands on our Active and Reserve military families are not a result of BOG and dwell policies. These demands come as a result of overseas contingency operations. BOG and dwell policies are self imposed limits that serve to mitigate the stressors of military life while maximizing the efficiency of our services when the demands on the force are great, thus helping to sustain our all volunteer force. BOG policy defines the allowable time a unit can be deployed and must balance efficiency and effectiveness. While BOG policy defines the time allowed away from home, dwell policy defines the time required at home between deployments. While dwell provides for reunion with family and some needed down time, it also provides time to train the force and, again, is a balance between efficiency and effectiveness. If dwell is too short, there is insufficient time to train the force between deployments and our military could be sent into harms way unprepared, which we will not do. If dwell is too long, we are inefficient in that greater numbers of people and material are needed to meet commitments.

BOG and dwell policies are used to ensure that we are balancing the efficiency and effectiveness of our military forces however, the policy can only go so far. We have fine tuned that policy over the past few years, and I believe we are approaching the best possible BOG/dwell balance in this dynamic situation.

9. Senator LEVIN. General Mattis, you recently realigned your command with the establishment of the Joint Enabling Capabilities Command (JECC). How has that been beneficial to your mission and how has that changed the way you are able to provide joint task force training?

General MATTIS. The establishment of the JECC has provided improvements from both the operational and training standpoint by allowing us to quickly deliver mission-ready joint capable forces in response to Global Response Force Execute Orders and other contingency tasking. With the establishment of the JECC, supported combatant commanders now have a single point of contact for quickly obtaining joint force enablers and I have a single subordinate commander responsible for maintaining the operational readiness of those capabilities. In short, with the JECC, we have improved our ability to both efficiently maintain and to rapidly deploy key operational capabilities to supported commanders. While the JECC reports directly to me for these operational purposes, it has also been administratively aligned with the U.S. JFCOM J7, the Joint Force Trainer, and collocated with our Joint Warfighting Center. As a result, from the training standpoint, we are now seeing far more interaction between our deployable operational planners and our joint trainers. This alignment helps ensure that we speak with a common operational voice to our supported joint headquarters and that our trainers have easy access to the recent insights and experience of our operational deployers. From both the operational and training standpoint, the establishment of the JECC is already paying dividends for the Joint Force.

10. Senator LEVIN. General Mattis, in your role as joint force provider, how do you balance the need to provide conventional forces to regional combatant commanders fighting abroad with that of U.S. Northern Command's (NORTHCOM) need to have forces ready to support civil authorities in domestic missions manmade or natural disasters?

General MATTIS. your question is one of prioritization. The Secretary of Defense provides guidance on that prioritization in a document we call the Guidance for Employment of the Force. U.S. NORTHCOM's requirements are integrated, along with the requirements of the other Geographic Combatant Commanders (GCCs), through the Global Force Management Board (GFMB), and military recommendations are sent to the Secretary of Defense for his decision.

In the case of U.S. NORTHCOM, many of their requirements are temporary in nature and can be filled by units in dwell, and thus do not directly compete with other global requirements. For some critical missions such as Consequence Management (CM), the Secretary of Defense has prioritized the NORTHCOM requirement above those of other combatant commands (COCOMs) and has allocated forces accordingly. However, the National Guard continues to provide the preponderance of responses to domestic missions in a State Active Duty capacity.

NATO TRANSFORMATION

11. Senator LEVIN. General Mattis, there has been some frustration about the level of commitment our NATO allies have shown in modernizing and transforming their militaries and in their support for our common efforts in Afghanistan. What would you say have been your major successes as Supreme Allied Commander—Transformation and how have they contributed to the mission in Afghanistan?

General MATTIS. There have been a number of NATO Allied Command Transformation (ACT) initiatives to improve support to the Afghanistan mission. For example, based on the Bi-Strategic Analysis and Lesson Learned Fratricide Report NATO has improved interoperability and fratricide prevention measures by publishing revised Forward Air Controller handbooks, training manuals, and operating procedures. Additionally, since success in Afghanistan often requires non-military solutions, ACT has partnered with variety of nongovernmental organizations (NGOs) and Old Dominion University to stand up a Civil-Military Fusion Center. This center is designed to improve communications, cooperation, and information sharing with the large array of International Organizations and NGOs operating in Afghanistan. Training is an area where ACT has focused. The command currently provides joint and component level pre-deployment training for units deploying to Afghanistan. The majority of this training takes place at the Joint Warfare Center in Stavanger, Norway, the Joint Forces Training Center in Bydgoszcz, Poland, and the NATO School in Oberammergau, Germany. Fifteen Advance Distributed Learning courses have been established to provide training to individual augmentees assigned to ISAF HQ, Regional Commands, and Provincial Reconstruction Teams (PRT). Specialized Counter Improvised Explosive Device training courses have also been established. ACT is in the beginning stages of developing a building integrity program designed to provide legal and ethics training to Afghan government officials. It is envisioned this program, once fully established and matured, will be used in a variety of countries in addition to Afghanistan, in efforts to reduce corruption.

12. Senator LEVIN. General Mattis, what are the highest priority areas of capability gaps that you see in NATO forces today and how are you working to address them?

General MATTIS. Recently, ACT and Allied Command Operations developed the Bi-Strategic Command Priority Shortfall Area list focused on identifying and prioritizing capability gaps within the Alliance. There are approximately 50 capability gaps on the list. Thirteen of the top 20 shortfalls on the list exist in the areas of command and control, interoperability, and intelligence. Training, strategic lift, logistics, medical support, maritime, missile defense, Counterimprovised Explosive Device, and strategic communication capabilities gaps also figure prominently on the list. ACT has been addressing these capability shortfalls through its role in the defense planning process and through the Multiple Futures Project. The Multiple Futures Project identified over forty recommendations for the Alliance to consider in an attempt to mitigate some of these capability gaps. ACT is also working with NATO Headquarters, nations, and industry to develop appropriate policies, training, or material solutions to close these capability gaps.

ACT's fundamental role is to act as a facilitator of transformation, and this year, for the first time, our top 50 gives clarity to identifying the shortfalls. This will aid in focusing national efforts to adapt to the changing character of war. The Multiple Futures Project will contribute to the dialogue designed to deliver a new Strategic Concept in 2010.

13. Senator LEVIN. General Mattis, given the enhanced emphasis on operations in Afghanistan, are you planning any major initiatives as Supreme Allied Commander-Transformation to support carrying out the NATO mission in that theater?

General MATTIS. Training support is ACT's number one contribution and priority to operations in Afghanistan. As the number of forces increase in Afghanistan, ACT is working with individual nations and joint training facilities to increase the number of Joint Tactical Air Controller seats available for units deploying to Afghanistan. This additional training is needed to reduce fratricide incidents and civilian casualties as well as provide better protection for widely dispersed units. We are also facilitating counter-IED training between U.S. commands, JIEDDO, and NATO countries that need support for their Afghanistan predeployment training. ACT is also working with Commander International Security Assistance Force and SACEUR to increase strategic communication capabilities and training. Recently, steps were taken to improve collaboration and cooperation between U.S. JFCOM's Joint Center for Operational Analysis and NATO's Joint Analysis Lessons Learned Center in an effort to capture and more rapidly share lessons learned among NATO

nations and non-NATO troop contributing countries. Lastly, ACT is taking steps to leverage national training capabilities by interconnecting various live, virtual, and constructive modeling and simulation capabilities to improve the quality of pre-deployment training.

14. Senator LEVIN. General Mattis, what are your major concerns with efforts to modernize and transform NATO forces?

General MATTIS. One of the most important transformational areas is the development of an expeditionary capability that can be deployed outside the traditional boundaries of NATO. NATO's security no longer is confined to North America and Europe. The threats facing NATO today often manifest themselves in regions far from NATO's home countries. Therefore, NATO must develop deployable forces with the requisite logistic, command and control, and medical capabilities that can operate effectively outside the traditional boundaries of NATO. Possessing sufficient strategic lift and mobility are important elements of this expeditionary capability and NATO's C–17 program is a critical step in making this expeditionary capability a reality.

Another area that needs attention is conflict prevention and resolution. In the future, the Alliance will likely have to operate in response to a broad array of security challenges such as destabilization or absence of governance in failed or failing states, proliferation of weapons of mass destruction (WMD), uncontrolled immigration, and friction caused by competition and access to resources. To help non NATO nations grapple with these problems the Alliance must develop security assistance forces and capabilities that can help nations develop stronger, ethical security capabilities. By helping nations develop these capabilities, NATO can help preclude or minimize conflict that affects or impacts the Alliance's vital interests. Another element linked to security assistance is the Comprehensive Approach, or whole-of-government approach. Many of the security challenges facing the Alliance today require integrated military and non-military solutions. Therefore, NATO must be capable of integrating and leveraging non-military forms of power to address complex security challenges. This Comprehensive Approach will require establishing partnerships with International Organizations, Non-Government Organizations and partnerships with national and interagency organizations.

NATO must also modernize its maritime strategy. Development of an updated maritime strategy will help set strategic priorities and identify capability gaps in an arena that has languished since the end of the Cold War. A new maritime strategy coupled with NATO's Maritime Situational Awareness initiative will help NATO better deal with a range of emerging security challenges such as piracy, energy security and transportation, human trafficking, effects of global warming in the high north, and proliferation of WMD.

Space and computer networks have become important elements to NATO command and control systems and are important for expeditionary operations. Threats in these areas are increasing exponentially and NATO must develop comprehensive space and cyber space strategies, policies and capabilities to keep pace with security challenges in these areas.

ACT recently released a comprehensive study on this topic called the Multiple Futures Project. The major focus areas that this study identifies for NATO to work to enhance or improve include: conflict prevention and resolution, countering hybrid threats, taking a comprehensive approach working with and through others, expeditionary combat capability, advising/mentoring of non-NATO forces, and winning the battle of narratives through strategic communications.

JFCOM'S INFLUENCE ON DOD

15. Senator LEVIN. General Mattis, JFCOM was established in 1999 to lead transformation of U.S. military joint warfighting into the 21st century. It has been 10 years since that establishment. Many people are concerned that JFCOM has not been effective in that mission, since they believe that doctrine, training, and acquisition programs are still dominated by Service-centric biases and hampered by organizational stovepipes. What would you say has been JFCOM's major impact on the development of joint warfighting capabilities?

General MATTIS. The U.S. JFCOM mission to transform U.S. joint warfighting capabilities is a critical priority. U.S. JFCOM's roles in integration and experimentation have been important to developing some Joint Warfighting capabilities. JFCOM is positioned to have a truly comprehensive view across COCOM boundaries, Service lines, and capability portfolios for today's and especially tomorrow's fights. Issues that need to be addressed with clearly defined problem statements

and understandable solutions articulated with historically-informed, compelling logic are symbiotically advanced through multiple requirements, resource and acquisition decision venues using an integrated approach. Examples include: Joint Close Air Support and Blue Force Tracking enhancements to reduce the potential for friendly fire incidents, Joint Task Force Headquarters Joint Needs, revised Defense Planning Scenarios, elevating irregular warfare to a higher joint priority, and increasing synergy with NATO's ACT.

We also published guiding documents to shape departmental activity addressing the warfighting challenges of the future; recent examples are the JOE and CCJO, defining the problems.

As recommended in the 2006 QDR Report, the Department expanded its use of integrated capability portfolios to balance risk and conduct strategic-level capability trade-offs. I co-lead the Department's Command and Control (C2) Capability Portfolio to ensure it is aligned with the Department's strategic objectives and that it's designed to satisfy warfighter needs. Beginning with the fiscal year 2009–2012 Integrated Program/Budget Review cycle, the C2 Capability Portfolio Manager (CPM) has made significant progress in developing an open, collaborative and transparent process in coordination with OSD, the Services, and C2 stakeholders. Most notable, our successful engagement with the components early in their fiscal years 2010–2015 Program Objective Memoranda (POM) process resulted in the Services' unilateral decision to internally fund a number of critical joint C2 issues within their POMs, which significantly reduced POM 10 end-game perturbation to the Services and OSD.

C2 is the "glue" that permits the joint force to operate seamlessly and harmoniously. I published a C2 Vision to guide the execution of responsibilities for Joint C2 integration assigned to U.S. JFCOM in the UCP and other directives. We co-authored a C2 Strategic Plan, signed by DSD in January 09. It provides guidance to create unity of effort in achieving the Department's C2 capability objectives and transforming Military Department/Defense Agency C2 capabilities to an integrated, commander-centric, net-enabled capability portfolio. JROC decision to vest my Command with the authority to chair the C2 Joint Capability Board (JCB) makes a sizable impact on the development of joint warfighting capabilities. This authority provides JFCOM with the ability to manage and recommend approval of requirements documents that shape C2 capability development.

JFCOM is also focused on the establishment of IW as a General Purpose Force core competency in order to ensure success in the full spectrum of operations today and in the future. Towards this goal, we recently stood up the Joint Irregular Warfare Center which is, internally, to prioritize JFCOM's efforts, proactively coordinate activities, provide subject matter expertise and partner on IW related matters. Externally, the JIWC is collaborating closely with multinational and interagency partners, OSD, ASD SOLIC&IC, JS, Services, COCOMs and the intelligence community.

All this said, I share the concerns of those who believe JFCOM has not fully realized its potential. With the publication of the JOE, the CCJO, the Joint C2 and Irregular Warfare Center vision statements, enhanced dialogue and concept development with SOCOM and Services for future warfighting approaches, and more, I believe we are on the right path for improved achievement of our mission.

16. Senator LEVIN. General Mattis, what have been the major limitations on JFCOM that have prevented it from more successfully pushing for "jointness"?

General MATTIS. The major limitations are intellectual. It is impossible to precisely predict the future, yet we must calculate sufficiently to avoid being caught militarily flat-footed when our political leadership is confronted with surprise crises. It is our ability to discern the future and persuasively articulate it that has limited enhanced "jointness."

Specifically, Service cultures have not been a significant challenge for me in my mission. On balance, Service cultures have been the platform on which we have built the most joint and highly capable military in the world's history.

JOINT EXPERIMENTATION

17. Senator LEVIN. General Mattis, JFCOM has spent considerable time and resources on joint experimentation activities over the last decade. As I understand it, these experiments are intended to develop new concepts of operation, doctrine, and an understanding of the potential utility of new technologies and systems for military operations. There is some concern that the lessons of these experiments have not been accepted by the Services appropriately, and that there had been limited impact on actual Service programs, budgets, or concepts of operations. I'd like to

give you a chance to demonstrate some of the return on the investments that we have been making in JFCOM's experimentation programs. Are you satisfied with the impacts that the JFCOM Experimentation Program has had in transforming DOD to support new concepts and joint operational capabilities?

General MATTIS. I'm not satisfied with the impact of past efforts. I am more satisfied with the progress made to improve the focus, relevance and impact of Joint Concept Development and Experimentation (JCD&E) to the joint force. Applying a DOD Enterprise approach, effectiveness and efficiency of JCD&E is being improved by experiments derived from warfighter challenges submitted by the COCOMs and Services and prioritized by the DOD JCD&E Enterprise; no longer do we have an internal focus on which problems we set out to solve. We have drawn significantly from solutions developed in active operations and from multinational and interagency partners; we now have detailed transition planning to ensure that developed solutions drive change for the warfighter; and DOD-wide visibility, accessibility and transparency of experiments through the web-based Virtual Operations Center bring a higher level of accountability to the JCD&E efforts.

Recently, U.S. JFCOM JCD&E made significant contributions to solving DOD's most important challenges. Highlights include:

- The CCJO defines the Chairman's vision for how the joint force will operate in a complex and uncertain environment. The CCJO will be used to inform force development and employment by providing a broad description of how the future joint force will operate.
- The Military Contribution to Cooperative Security Joint Operating Concept addressed capability shortfalls faced by the Geographic COCOMs as they engage in capacity building. The concept details how our joint force commanders contribute to a security environment within a larger multinational and interagency effort and has been praised by COCOMs.
- Unified Action produced an Interagency Conflict Assessment Framework, refined and tested the U.S. Government planning framework for reconstruction stabilization, and tested the Interagency Management System. The results in each of these areas have been approved in principle by the NSC Deputies Committee and are now being incorporated into joint doctrine and exercises.
- The Noble Resolve Experiment identified connectivity gaps, overlaps, and bottlenecks in communications and data sharing/visualization between Federal, state, local, military and commercial organizations during crisis in the homeland. The solutions and insights generated are being applied by NORTHCOM and DHS to improve national response to future crises.

Focus areas for JCD&E work currently underway include: Irregular Warfare, Cyber Operations, Combating Weapons of Mass Destruction-Radiological/Nuclear Detection and Interdiction, Command and Control, Joint Distributed Operations, and Joint Integrated Persistent Surveillance.

18. Senator LEVIN. General Mattis, what are some examples of JFCOM's joint experimentation activities significantly impacting or influencing DOD policies, organizations, or programs?

General MATTIS. JCD&E activities have impacted policies, organizations, and programs both directly and through a network of partners throughout DOD.

Policy. Concept development work created the intellectual capital and provided the approach used in DOD Directive 3000.05, "Military Support for Stability, Security, Transition, and Reconstruction Operations". This work also contributed to the development of DOD's roles in the U.S. Government Planning Framework for Reconstruction, Stabilization, and Conflict Transformation, the Interagency Management System, and the Interagency Conflict Assessment Framework.

Organizations. U.S. JFCOM J9 developed and examined the Standing Joint Force Headquarters that has now been consolidated under U.S. JFCOM's JECC. The U.S. JFCOM JECC provides modular support/augmentation capabilities to newly established Joint Task Force Headquarters. They have been deployed to support joint force commanders in Joint Task Force Lebanon (August-September 2006), Combined Joint Task Force Horn of Africa (June 2006-present), Doha Asian Games in Doha Qatar (October-December 2006), and ongoing operations in Iraq and Afghanistan, as well as past disaster relief operations in Pakistan and the U.S. Also developed by U.S. JFCOM J9, the Joint Interagency Coordination Group has also been established in each COCOM, tailored to the needs of each theater. Additionally, a transformed theater logistics structure was developed and evaluated, then implemented within U.S. Forces Korea in 2007. Parallel efforts have also commenced with

USSOUTHCOM, USPACOM, and USCENTCOM to develop a similar logistics capability tailored to those theaters.

Programs. Experimentation led to the establishment of the Deployable Joint Command and Control (DJC2) Program, a priority transformation initiative that is providing a standardized, integrated, rapidly deployable, modular, scalable and reconfigurable Joint Command and Control Combat Operations Center. DJC2's development system was quickly deployed to New Orleans as part of Joint Task Force Katrina in 2005 and now has six production systems distributed in SOUTHCOM, PACOM, EUCOM and AFRICOM. Currently, JFCOM is manning three of these systems and on 1 October 2009 will be responsible for the operations, training and readiness of all six DJC2 systems. Experimentation with Joint Urban Fires Prototype (JUFP) facilitated development of hand-held capability to generate strike target coordinates and evaluate collateral damage through decentralized fires process. JUFP capabilities have been transitioned to an Army program of record and led to modification of CJCS instructions and joint doctrine. To facilitate rapid transition to the warfighter, JFCOM provided training on the JUFP capabilities to units deploying to CENTCOM including Naval Special Warfare Development Group, the Air Force's 24th Special Tactics Squadron, the Army's 75th Ranger fire support personnel and the USMC 2nd ANGLICO.

COMMAND AND CONTROL TECHNOLOGY BUDGETS

19. Senator LEVIN. General Mattis, the JFCOM Joint Capability Directorate executes JFCOM's Joint Command and Control (JC2) CPM responsibilities, providing a joint focal point to orchestrate, integrate, and manage a designated large set of Pentagon C2 programs. The JFCOM website indicates that "the JC2 CPM recommended $2.8 billion in change proposals to the Pentagon for the fiscal year 2009 budget." Please provide a list of those change proposals.

General MATTIS. Mr. Chairman, in my predecessor's role as the military lead for the C2 Capability Portfolio, and in concert with our OSD civilian counterpart ASD(NII), the CPM submitted eight program change proposals to the Department in August 2007 for consideration during the fiscal year 2009–2013 integrated Program/Budget Review cycle. These change proposals were developed over a period of months and vetted in an open, collaborative and transparent manner with the entire DOD C2 stakeholder community and components. These program change proposals totaled $2.7 billion across the fiscal year 2009–2013 Future Years Defense Program (DP); $378 million specifically recommended for the fiscal year 2009 budget. The following list of program change proposals addressed many longstanding warfighter capability challenges related to C2: (1) Net-Enabled Command and Control; (2) Integrated Fires-Blue Force Tracking; (3) Deployable Command and Control; (4) Global Force Management and Adaptive Planning; (5) Common Tactical Picture; (6) Joint Operational Collaborative Information Environment; (7) Machine Foreign Language Translation; and (8) C2 Capability Portfolio Enterprise Management.

Most recently, the C2 CPM provided a number of POM 10 recommendations to the Services for consideration during their internal POM deliberation processes. These recommendations were endorsed by PA&E and resulted in the Services' unilateral decision to invest $2.3 billion in fiscal year 2010–2015 to address needed Identification of Friend or Foe capabilities, Patriot Radar Digital Processor upgrades, and Advanced Targeting Pods in sufficient numbers to meet operational and training/readiness objectives. Additionally, progress was made in reaching consensus from the Services to move forward with an authoritative C2 data strategy schedule for the Department to transition legacy C2 authoritative data sources to service-oriented data services. As a result of these POM 10 efforts and our "upfront" collaborative approach with the Services, there was much less perturbation than usual in the annual program/budget review process. Only four issue papers were submitted by the C2 CPM for POM 10 program/budget review; three of these were "emergent" issues related to joint fires coordination system applications, adaptive planning, and COCOM deployable joint command and control equipment manning and sustainment.

20. Senator LEVIN. General Mattis, what was the impact of those proposals on the actual fiscal year 2009 President's budget request?

General MATTIS. As a result of the Department's fiscal year 2009–2013 integrated Program/Budget Review adjudication process, Program Decision Memorandum (PDM) II was signed out by the Deputy Secretary of Defense on 17 Nov 07. This document captured a number of decisions related to the C2 CPM program change proposals and provided specific direction to OSD components regarding pro-

grammatic enhancements, policy, and further studies and analysis necessary to inform future DOD C2 investment decisions. Of the C2 CPM change proposals submitted in August of 2007, we were successful in PDM II specifically approving $61 million in fiscal year 2009 and $619 million across the DP.

21. Senator LEVIN. General Mattis, what were the major concerns that drove the recommendation of those budgetary changes?

General MATTIS. The major concerns that drove the fiscal year 2009–2013 program change proposal recommendations were related to: realizing a leader-centric, network enabled C2 capability for DOD that provides greater agility on behalf of the warfighter at less cost to rapidly deliver and sustain new C2 technologies; the ability to provide Joint Force and Component commanders with fully integrated and interoperable C2 systems that distribute shared situational awareness and the ability to deliver joint fires while minimizing the risk of fratricide; the enhancement of our deployable C2 capabilities at home or abroad to rapidly respond during natural or manmade contingency operations; improved visibility of our global force requirements, processes and authoritative global force data sources to enable effective and efficient adaptive planning execution and global force management; improved C2 network structure to provide flexibility for the Joint Force commander to adapt to rapidly changing operational and tactical environments related to a common tactical picture; challenges associated with the establishment of a robust collaborative information environment across the C2 enterprise to enable the collaboration skills of our joint planners and warfighters; the ability to effectively communicate with Coalition forces during operational planning, coordination and mission execution; and DOD management of the C2 Capability Portfolio enterprise.

CONTINUITY

22. Senator LEVIN. General Mattis, PRTs assigned to Afghanistan often have continuity gaps as teams deploy and redeploy to the region. As Joint Force Provider, what is the best way to add continuity and retain expertise in the region?

General MATTIS. U.S. JFCOM responds to Requests For Forces (RFF) from combatant commanders and honors those requests to best respond to regional and global joint force requirements. Approximately 18 months ago, a conscious decision was made to rotate the PRTs as a single unit to provide unity within the team in terms of training and focus. In the interest of this unity, the entire team trained together and served their overseas tour together. It was understood, within that decision, that as one PRT was relieved in place by another, there would be a period of time where the new team would present new faces and new personalities to the indigenous population. Now, after some time under that model, the PRT concept has matured and we are receiving feedback that better continuity with the Afghan nationals is valued above having homogeneous team membership during the deployment. I anticipate the request to stagger personnel rotations within the team to avoid a wholesale turnover with the local population. We will move swiftly to provide forces as determined best by the Chairman of the Joint Chiefs and the combatant commander. This policy will place a different challenge on the Services for training.

READINESS REPORTING

23. Senator LEVIN. General Mattis, accurate and timely readiness reporting remains absolutely essential for our Armed Forces and their ability to train and execute combat operations. It directly impacts JFCOM's ability to forecast ready units to combatant commanders for deployments. The current readiness reporting system is being upgraded to the Defense Readiness Reporting System (DRRS) which will ask the vital question: not only ready, but ready for what? As the joint force provider and integrator how can the switch to DRRS be accelerated?

General MATTIS. U.S. JFCOM's primary interest as the force provider is to ensure that those forces tasked are adequately trained and ready to accomplish their mission. In order to accomplish this, the tools used to address these conditions must be accurate and reliable. In addition, in order to have adequate granularity, U.S. JFCOM must also have visibility to objective readiness data. While U.S. JFCOM does not control the pace of the development process, we believe developers are making the necessary refinements to DRRS to make this happen, and incorporating the appropriate tools and applications to effectively utilize the data. With that said, the key to DRRS being an effective system is to ensure we get it right and do not prioritize expediency over utility. I believe we are on the correct path to accomplish this. The current system is adequate for the short run because we are familiar with

it and, through close collaboration with our Service components, we can make it work. That said, as a result of your question, my staff will coordinate with the DRRS development team to determine if DRRS can be accelerated and still deliver promised capability.

24. Senator LEVIN. General Mattis, in your view what obstacles does the current process face?

General MATTIS. The complexity of reporting readiness is the fundamental challenge. In my view, obstacles to DRRS implementation are associated with ensuring that DRRS performs, for all users, as well or better than the systems it replaces and maintains adequate interoperability with those legacy systems. Although progress has been made toward this goal, there is still work to be done. Achieving success will require a readiness system that satisfies the full spectrum of the varied joint requirements. The complexity of this task is daunting, and the wide range of requirements makes it difficult to satisfy them all with a single software application. An enterprise approach is needed wherein the DRRS enterprise leverages validated joint and Service tools and applications, and encompasses a family of systems that provide the users with the tailored data and analytical capabilities they need to accomplish their missions. Ensuring appropriate levels of suitability and effectiveness in such a complex system is a challenging program management effort and requires developers to collaborate closely with the user community in a deliberate approach.

NATO TRAINING TEAMS

25. Senator LEVIN. General Mattis, during the hearing you indicated that you agreed with General Craddock when he estimated that it took about 6 months to generate a United States embedded training team "from identification to do the preparatory training and deploy forward." I understand from General Craddock's testimony that to generate a NATO training team takes roughly 1 year. What do you recommend we do to speed the process of identifying and training NATO embedded training teams for deployment to Afghanistan?

General MATTIS. Allied Command Operations, commanded by General Craddock, is the lead organization for identifying and training NATO embedded training teams for deployment to Afghanistan. I believe that General Craddock's estimation for the time it takes to adequately generate a NATO training team is accurate. NATO calls these embedded training teams Operational Mentor and Liaison Teams (OMLTs). The organization and initial individual training of team members is a national responsibility. The Department of the Army has recently released a message establishing procedures for manning, training and equipping of U.S. soldiers assigned as augmentation to these non-U.S. OMLTs. This order solidifies the U.S. Army's roles and responsibilities in support of these teams. The current timeline to provide U.S. augmentation to an OMLT is 270 days from determination of requirement to latest arrival date. These steps by the U.S. will speed the process of identifying and training the U.S. members of the NATO embedded training teams.

26. Senator LEVIN. General Mattis, what can you do in your role as Supreme Allied Commander Transformation or as Joint Force Trainer to accelerate the NATO training team training and deployment process?

General MATTIS. The U.S. Army has established roles and responsibilities for manning, training, equipping, and the movement of U.S. personnel assigned to augment the NATO OMLTs. Several NATO Troop Contributing Nations (TCNs) have capitalized on relations developed through the Army National Guard (ARNG) state partnership program and requested ARNG soldiers to augment OMLT shortfalls. This close coordination and partnership has assisted in identifying requirements, shortfalls and potential solutions, which in turn has assisted in the acceleration of the NATO training team training and deployment process. We will advocate that NATO countries continue to make use of the State Partnership Program. We can also work with TCNs to develop standard procedures for manning, training, equipping and deploying their OMLTs.

As the ACT Commander, my close relationship with NATO and European militaries provides opportunities to facilitate their learning from our experiences and visiting our training facilities for the esoteric skill sets they must develop to rapidly produce OMLTs.

MISSILE DEFENSE IN EUROPE

27. Senator LEVIN. General Craddock, relative to a potential future long-range Iranian missile capability, the United States has already deployed the Ground-based Midcourse Defense (GMD) system, with interceptors deployed in Alaska and California. That system has the technical capacity to defend the United States against such a potential future Iranian threat. In terms of defending Europe against existing Iranian missile threats, would you agree that we currently have the PAC–3 system and the Aegis Ballistic Missile Defense (BMD) system with its Standard Missile-3 (SM–3) interceptors available to defend against existing Iranian missile threats to eastern and southeastern NATO European territory, and that we plan to have the Terminal High Altitude Area Defense (THAAD) system available by 2010?

General CRADDOCK. [Deleted.]

28. Senator LEVIN. General Craddock, with respect to possible future Iranian missile threats to Europe, would you agree that THAAD and upgraded versions of the Aegis BMD/SM–3 system, including the SM–3 Block IIA interceptor, would be able to defend against possible future medium-range, intermediate-range, and long-range Iranian missiles that could reach all of NATO Europe?

General CRADDOCK. I would again refer to the technical experts at MDA who can model coverage of Europe using various capabilities and configurations. As a geographic COCOM, EUCOM employs the capabilities that are provided to us.

29. Senator LEVIN. General Craddock, do you believe that a land-based version of the SM–3, including the SM–3 Block IIA, could provide a significant capability, if deployed in Europe, to defend Europe against potential future missile threats?

General CRADDOCK. As a geographic COCOM, EUCOM is focused on employing capabilities that we are provided to accomplish our mission. I would defer to the analysts and engineers at MDA who are better staffed and equipped to provide specifics regarding what this type of asset can and cannot provide.

30. Senator LEVIN. General Craddock, do you believe some combination of these various missile defense systems could defend Europe against potential future missile threats from Iran?

General CRADDOCK. Successful missile defense architecture involves creating layers of defense. The more layers, the greater is the probability of engagement success. By having systems which engage at different times in the threat missile's trajectory, we are able to increase the battle space for potential multiple engagements. The coverage can be increased significantly by employing appropriate sensors forward, which will cue active defense systems.

31. Senator LEVIN. General Craddock, with respect to the proposed missile defense deployment in Europe, any agreements would have to be ratified by the parliaments in Poland and the Czech Republic. What is the current status of the parliamentary consideration of the missile defense agreements in Poland and in the Czech Republic?

General CRADDOCK. Upon completion of negotiations for a Site Agreement and a Status of Forces Agreement (SOFA) that supplements the NATO SOFA, the parliaments will vote on ratification.

Both the Site and SOFA agreements with the Czech Republic were signed in 2008. Ratification in the Czech Republic remains uncertain, however, and will not occur until after new Parliamentary elections (likely fall 2009).

The Site Agreement for Poland was signed in 2008 and the sixth round of negotiations for the SOFA Supplemental has been completed. The next round (#7) will occur 8–10 June in Warsaw. Key issues regarding construction, criminal jurisdiction, tax relief, and the application of Polish law to U.S. forces must still be agreed upon. The State Department is U.S. Government-lead on SOFA supplemental negotiations.

32. Senator LEVIN. General Craddock, at the hearing, you mentioned NATO interest in integrating the integrated air and missile defense command and control systems of the United States and NATO. What is the timeline for such integration efforts, and what specific steps would need to be taken to create such an integrated command and control system?

General CRADDOCK. NATO is active in the area of Theater Missile Defense, with the Active Layered Theater Ballistic Missile Defense (ALTBMD) program. This program focuses on the protection of deployed forces against the threat of short- and medium-range ballistic missiles. The respective Capability Package encompasses an

Interim Capability for Lower Layer by the end of 2010. A Full Operational Capability (FOC) for the Lower Layer defense systems is forseen in 2012 with the inclusion of the Upper Layer systems by 2015. NATO was tasked from the Strasbourg/Kehl Summit to investigate possibilities to expand the role of the ALTBMD program for territorial defense.

33. Senator LEVIN. General Craddock, is it correct that NATO has not decided whether to deploy a missile defense system to defend its territory and population?

General CRADDOCK. A number of taskings concerning missile defense were given to NATO as a result of the Strasbourg/Kehl summit. One of those is to look at linking the United States Ballistic Missile Defense System (BMDS)-European Capability and NATO Integrated Air Defence System, including the planned Active Layered Theatre Ballistic Missile Defense Program (ALTBMD), as integral parts of a possible NATO Air and Missile Defense Architecture. The NATO committees studying this will also investigate means to link U.S. BMDS Command and Control (C2) into NATO's C2 system. A critical factor in the timing and success of this effort is the U.S. deployment of its Ground Based Interceptors and Surveillance Radars as a European Capability. At this point the timing for integration remains under consideration.

34. Senator LEVIN. General Craddock, is it correct that NATO has stated its support in recent summit declarations for cooperation between the United States and Russia on missile defense?

General CRADDOCK. Yes. In the Strasbourg/Kehl Declaration NATO stated its support for increased missile defense cooperation between the United States and Russia. NATO stated the Alliance is prepared to explore the potential for linking U.S., NATO, and Russian missile defense systems at an appropriate time and encourage the Russian Federation to take advantage of the U.S. missile defense cooperation proposals.

35. Senator LEVIN. General Craddock, I understand that through the NATO-Russia Council there has been a cooperative theater missile defense program with Russia. What activities have been undertaken in that cooperative program, and what has been the U.S. involvement in that program?

General CRADDOCK. The NATO-Russia Council has been a useful venue for cooperative efforts on missile defense and the U.S. has been involved. There was a NATO-Russia Federation Interoperability study performed and four simulation exercises. The former Tri-National (Germany, USA, the Netherlands) Extended Air Defense Task Force played a leading role on behalf of NATO in this program. The cooperation focused on integrating Theater Missile Defense/Ground Based Air Defense units on a Brigade/Regimental level. As a result of the Georgia crisis and the decision for a "no business as usual" relationship with Russia, all activities were suspended. It is expected that NATO will try to revive the contact this summer.

QUESTIONS SUBMITTED BY SENATOR BILL NELSON

JOINT OPERATING ENVIRONMENT-SPACE CONFLICT

36. Senator BILL NELSON. General Mattis, the JOE states, "The implications are clear: the Joint Force is going to have to be in a position to defend the spaced-based (sic) systems on which so many of its capabilities depend. As well, the Joint Force must anticipate the inevitable attack and know how to operate effectively when these attacks degrade those capabilities." Would you agree that we need to make a significant investment in our satellites and space infrastructure to safeguard space resources, exercise command and control, and communicate and share information?

General MATTIS. As Admiral Mullen stated in the CCJO, the United States must be capable of projecting power globally in an environment where access to forward operating bases will become increasingly limited and our uncontested superiority in space will be challenged. Therefore, success of future operations will become more dependent on increasingly vulnerable space-based capabilities and sophisticated global networks. To compensate for these increased risks, it is imperative that the joint force develop and promote integrated, interoperable, defendable, robust, and properly structured command and control systems enabling joint forces to fight effectively in an increasingly hostile operating environment, including when our technical systems are degraded.

The United States currently enjoys unmatched technological advantage over our adversaries in the area of Command and Control (C2), but we also must recognize that our space, aerial, surface and subsurface communication, computer, and ISR networks represent tremendous vulnerabilities as they most certainly will be subject to attack in the future by an adaptive and technically adept enemy. As such, we must ensure our C2 systems, and their associated networks, are resistant to attack and are robust enough to reconstitute quickly in the event of a successful attack. Additionally, we must ensure our disparate C2 systems can interface seamlessly across the network to continue moving information during periods of degraded communications. We must guard against over-reliance on increasingly vulnerable space-based systems in favor of a "triad" blend of space, air, and surface capabilities that provide redundant and survivable C2 systems. Likewise, despite access to sophisticated and ubiquitous C2 systems, our leaders must still be able to execute missions using decentralized decisionmaking consistent with their commander's intent in degraded information environments, so we are not paralyzed when network degradation occurs.

MODELING AND SIMULATION

37. Senator BILL NELSON. General Mattis, JFCOM has played a leading role in the use of modeling and simulation technologies to explore the capabilities of new technologies and to develop new concepts of military operation. What role do you feel that modeling and simulation programs can play in the transformation of the military to meet the threats of the 21st century?

General MATTIS. Modeling and simulation is playing, and will continue to play, a major role in the transformation of the military to meet the threats of the 21st century. The importance of modeling and simulation can not be understated. Congress has recognized modeling and simulation as a national critical technology (H.Res.487). According to the Report on Department of Defense Joint Modeling and Simulation Activities, the DOD cannot function properly without modeling and simulation.[1] Modeling and simulation saves lives, saves taxpayer dollars, and increases operational capabilities.

The capabilities of modeling and simulation must continue to advance as the threats and operational environment of the 21st century evolves. Our current modeling and simulation capabilities are not keeping up with the changes in the operational environment. We have identified several high level modeling and simulation gaps in the areas of complex joint environments (missile defense, WMD, information operations, and cyber warfare) and simulation of population related nonkinetic events (population attitudes, social networks), to name a few. Without appropriate leadership and dedicated resources recent modeling and simulation gains in capability may be lost, new capabilities will be unachievable, the gap between current and required capability will continue to grow, and force readiness will decrease.

Today we use modeling and simulation for a variety of purposes including acquisition, analysis, experimentation, planning, testing and evaluation, and training and education. The Report on Department of Defense Joint Modeling and Simulation Activities details how the DOD maximizes simulations:

- Acquisition: Implemented modeling and simulation in the DOD acquisition process across the system life-cycle to employ responsive, trustworthy, and cost effective M&S capabilities.
- Analysis: Developed modeling and simulation analytical activities and capabilities that support the formulation, discussion, and assessment of national security options across DOD.
- Experimentation: Developed an Experimentation Enterprise to explore approaches to meeting national security challenges.
- Planning: Enabled modeling and simulation toolsets implementation of the Secretary of the Defense's Adaptive Planning (AP) initiative within the Joint Planning and Execution Community.
- Testing and Evaluation. Supported the development of modeling and simulation that advances assessment in environments that are not easily replicated in live (or field) tests and within units or forces that cannot be made available.
- Training. Developed fully immersive accessible and deployable modeling and simulation capabilities that enable distributed, rapidly composable and

[1] Report on Department of Defense Joint Modeling and Simulation Activities, Office of the Director, Defense Research and Engineering, December 2008, pl.

effective joint training for the total force through all echelons (to soldier, to small unit, to combined force).[2]

In my testimony I mentioned that JFC published the JOE 2008, the Command's "historically informed, forward looking" effort to assess trends, discern security threats, and determine implications. The JOE serves as the "problem statement" for the future joint force and its companion document, the CCJO articulates the CJCS's vision for how the joint force will operate and prevail in the future threat environment. The aim of experimentation is to look forward in time and test operational concepts, future capabilities and advanced theories against future threats and scenarios. Modeling and simulation is a key enabler of these experiments. Again, let me outline how we are using modeling and simulation today to help the joint force meet the threats of the 21st century:

- Modeling and simulation provides the capability that affords JFCOM the opportunity to represent the anticipated future operational environment as outlined in the JOE. Modeling and simulation is used to create multiple rigorous environments to investigate solutions to current and future warfighter challenges and support investment quality recommendations supported by rigorous analysis. Example 1: CCJO experimentation will address the sufficiency of the CCJO and the ability of the programmed force to operate as described in the CCJO. Example 2: "Noble Resolve Experiment"—modeling and simulation created realistic homeland security problems in urban, rural, and maritime environments to test the communication and collaboration capabilities of DHS. Outcome was the fielding of the Integrated Collaborative Analytic Viewer and improved systems and operational requirements definition.
- Modeling and simulation supports realistic experimentation environments to facilitate globally distributed experimentation. Example: Multinational experiments 4 and 5 used modeling and simulation technology to distribute common experimental environments across many nations.

Modeling and simulation provides the environment necessary to gather empirical evidence to support experimentation analysis and results. As an example, "Restructuring Warfighting Headquarters" used a process model to capture and experiment with headquarters communications and operations processes. The output data supported the metrics identified for improving headquarters structure and resulted in headquarters restructuring recommendations to: (1) reduce manning; (2) use staff more effectively; and (3) reduce staff response time.

38. Senator BILL NELSON. General Mattis, where do you think modeling and simulation can make a bigger impact?

General MATTIS. To best describe how we are using modeling and simulation to make a bigger impact on both training and experimentation at JFC, let me highlight some use cases:

Irregular Warfare

One of JFC's key focus areas during the next year is making irregular warfare a core competency of the conventional joint force. Modeling and simulation is a critical technology that will enable the joint force to train on scenarios that include an adaptive enemy who employs a mix of conventional and asymmetric capabilities.

Immersive Training

Modeling and simulation will focus on improving small unit performance by providing a high fidelity adaptable immersive environment with adequate decision-making stimuli that is infinitely repeatable and rapidly reconfigurable. Example: An infantry squad will execute a raid on a suspected insurgent safe house in an immersive training environment that allows the development of leadership qualities that improve decisionmaking ability, build trust and confidence within the squad, and tests intuitive decisions within acceptable moral and ethical constraints.

Simulation of "nonkinetic" (especially population related) events (population attitudes, social networks)

JFC is testing the Virtual Cultural Awareness Trainer (VCAT), a web-based game accessible via Joint Knowledge Online (JKO). VCAT teaches cultural skills specific to the Horn of Africa in support of AFRICOM and Combined Joint Task Force-Horn of Africa. Trainees learn the most effective ways to complete missions in that region using culturally appropriate behaviors and key phrases. Missions covered are Civil

[2] Ibid, ps 5–6.

Affairs Operations, Security Cooperation, and Humanitarian Operations. VCAT's key pedagogical strategy is based upon game-based learning, which balances cultural subject matter with game play, and the ability of the player to retain and apply said subject matter to the real world.

Missile Defense

We are in active collaboration with our partners at STRATCOM and Missile Defense Agency (MDA) to chart the way ahead for addressing gaps and/or expanding and advancing in our missile defense M&S capability. The change from BMD to regional efforts/threats may require additional M&S efforts.

URBAN MODELING AND SIMULATION CAPABILITIES

39. Senator BILL NELSON. General Mattis, JFCOM has a world-class simulation capability based on supercomputers that permits you to create an entire city in the computer, complete with enemy and friendly forces that can be maneuvered in real-time. This capability has not been used much since 2006 for defining our future warfighting needs. What is the plan for using this urban terrain simulation capability at its full potential?

General MATTIS. Supercomputer capability is being prepared to support the JCD&E community efforts investigating Joint Integrated Persistent Surveillance (JIPS). This experimentation series is focused on the COCOM Commander's, Joint Task Force Commander's and the functional component commander's requirement for adequate capability to rapidly integrate and focus national to tactical collection assets to achieve the persistent surveillance of a designated geographic area or a specific mission set. Expected outcomes range from improved asset integration through concepts of operation; tactics, techniques and procedures; and architectures to enhance capability apportionment and management. The supercomputer will improve analytic rigor in the experimentation.

First it will be used in a Faster-Than-Real-Time, or constructive, mode to establish an analysis baseline. Note that the urban environment is but one of the parameters. Mountain, underground, maritime, and rural environments will be running simultaneously along with the civilian populace, the enemy, and the sensor platforms being investigated. In order to address all of various condition parameters, approximately 5,000 runs will be required. An estimate of just the intervisability calculations for a single run is in the 12 million range.

Following the analysis baseline, the supercomputer will be used to support a Human-In-The-Loop phase of the experiment. The technical requirement is to fully populate the same environments mentioned above, allow real-time maneuver when humans are engaged and then 'jump ahead' to a future moment in time. All with individual platform, individual sensor interaction, and individual result capture.

JIPS Integration Test Event #1 was completed on 3 April. The constructive piece of the experiment is currently scheduled to be executed between 2 June 09 and 15 Sep 09. The Human-In-The-Loop portion of the experiment will execute during March.

QUESTIONS SUBMITTED BY SENATOR JOHN MCCAIN

U.S. ARMY FORCE STRUCTURE IN GERMANY

40. Senator MCCAIN. General Craddock, your prepared statement acknowledges that the current plan for U.S. Army forces in Germany is for two heavy BCTs currently stationed in Germany to return to the United States by 2013. Yet, you advocate in testimony for this decision to be reversed based on their direct contribution "to our dissuasion and deterrence efforts," and that "they increase our flexibility in dealing with crises." Can you explain specifically which threats or concerns you are trying to address with dissuasion and deterrence efforts that would benefit from the two additional BCTs in Germany?

General CRADDOCK. Decisions made at that time were based on geostrategic assumptions that are no longer valid; e.g., recent events in the Caucasus. The resurgence of Russia and its encroachment on Georgian sovereignty was clearly not anticipated among NATO and in U.S. bilateral relations. Russia's willingness to use force outside her borders was an unforeseen development that renders a reassessment of whether previous strategic assumptions made in the 2003 GDP Review are adequate regarding stability and security in the region. Additionally, the global economic downturn has underscored the importance of the European nations' dependence upon Russia as an energy exporter, which has complicated the understanding

of the dynamics involved with respect to Russia. The continuing actions in CENTCOM requiring increased support and cooperation from our European allies and partners has also elevated the importance of EUCOM's ability to build those partnerships and export security to regions in conflict or prone to crisis.

Visible forward presence dissuades, deters, and disrupts the abilities of our enemies to organize or conduct operations or terrorist activities in this part of the world. In addition, forward presence offers tremendous advantages for rapid deployability to a crisis in Europe, Africa, or the Caucasus, and it significantly increases the effectiveness of Building Partner Capacity (BPC) activities in several ways. There is tremendous value added for BPC within the theater through the habitual relationships which only forward stationed units can provide. These relationships are critical to building trust and confidence with both our traditional and new partners and allies alike. Under current BCT rotation and reset procedures for global sourcing, forward stationed units can contribute to BPC activities for approximately twice the length of time that rotational forces can provide. Because the forward stationed unit's training cycles are conducted in theater, they can be leveraged for BPC. EUCOM has been successful with the current BCT forward presence in BPC to support current global operations. In Afghanistan, 88 percent of the coalition partners come from the EUCOM theater, thus reducing the demand on U.S. forces.

41. Senator McCain. General Craddock, where would you propose basing these two BCTs?

General Craddock. If the BCTs remain in Germany, they will remain stationed at their current, permanent facilities in Grafenwoehr and Baumholder. These facilities are capable of housing modularized BCTs without new military construction (MILCON) requirements.

42. Senator McCain. General Craddock, have you assessed whether the locations proposed for the two BCTs in Germany provide greater or less support for training, rapid deployment, and quality of life for Army families in contrast to the locations identified in the United States?

General Craddock. Our posture in Europe offers significant advantages in all three areas. We have excellent training facilities, a mature deployment infrastructure, and continue to sustain and improve the quality of life for these soldiers and their families.

We have proven our mission readiness and training capacity during multiple brigade rotations over the past 5 years from both Grafenwoehr and Baumholder. The brigade at Baumholder and the brigade we are consolidating at Grafenwoehr both have immediate access to two of the largest and best training areas in Europe. These two locations offer training, deployment and quality of life capabilities comparable to facilities anywhere in the United States Grafenwoehr has firing ranges immediately available for the use of live fire, urban training, simulation, unexploded ordnance, IED detection lanes, and more. Soldiers in Europe also have continuous opportunities to train with soldiers from allied and partner nations. These opportunities have proven invaluable in building coalition partnerships with NATO and non-NATO countries. Training and exercising in Europe also offers unique professional development for our future leaders; the same multi-national experience in coalition operations is unavailable to continental United States (CONUS) units or periodic rotational forces. I have gone on record that we cannot perform our Theater Security Cooperation mission without the two BCTs, and I am confident that retaining these brigades in Europe improves our ability to build partnerships and continue to provide trained and ready forces globally.

The most expeditious route for deployment of EUCOM heavy forces remains the use of the rail and seaport infrastructure in Western Europe through seaports such as Rotterdam, Netherlands; Bremerhaven, Germany; and Antwerp, Belgium. Currently, we flow our Germany-based heavy brigade via ports on the North Sea. U.S. Transportation Command's and U.S. Central Command's joint planning factors estimate a 23 to 32 day transit timeline from Northern Europe to Southwest Asia's Ash Shuayba port in Kuwait. When USAEUR deployed 1ID from European ports to SWA the transit time was only 18 days. Alternatively, CONUS-based heavy brigades take up to 43 days from the west coast of the United States to the same port. Obviously, this same system allows us to deploy rapidly within our theater. Our routes utilize the mature and robust rail and seaport infrastructure in Western Europe and are facilitated by well-established, dependable host nation support. In the event of major combat operations requiring multiple U.S. Divisions, U.S. ports and rail lines could quickly become overwhelmed. Deploying from Europe could save valuable time. It is quite possible that four EUCOM BCTs could be loaded on ships

and underway from Europe while their CONUS BCT counterparts are still waiting their turn at the smaller number of U.S. ports that could accommodate them.

We continue to improve our barracks, housing, and other quality of life facilities at all enduring bases. I would assess the facilities we have at Grafenwoehr as comparable or better than any in the Army. The Baumholder-based brigade also has a very good operational set up with the added advantage of being less than an hour from Ramstein. A European assignment continues to be a highlight in most military careers, providing the unique opportunity to live with family in Germany, and valuable in terms of gaining an appreciation of the Atlantic Bridge. European-based units have three advantages: they remain trained and ready, they are immediately available for Theater Security Cooperation events, and servicemembers and their families become embedded U.S. ambassadors while living and working abroad.

43. Senator McCAIN. General Craddock, is the decision to keep two additional BCTs in Germany predicated on an assessment of the total costs or savings incurred by the decision?

General CRADDOCK. No, the force structure requirement to retain four BCTs in Europe is based on my ability to perform my mission in support of our national strategy within the parameters of current Global Force Management. Four BCTs in Germany give me the flexibility to meet current missions while furthering our NATO and coalition ties, developing relationships with other potential partner countries, and continuing to build the capacity of our allies and partners to participate with us in coalition operations. We cannot accomplish this vital Theater Security Cooperation (TSC) mission without these forces.

We can retain these BCTs in Europe within current funding levels and without additional MILCON in the Program Objectives Memoranda (POM). To do this, we will retain the BCTs in Baumholder and Grafenwoehr, while retaining other locations—Schweinfurt and possibly Bamberg—for support personnel. I know from past experience that it typically costs about $1 billion to construct a new brigade complex with its associated housing and training facilities. Keeping the two additional BCTs in Germany leverages existing infrastructure required for training, operational facilities, communities, and quality of life support. We think we can retain these two brigades here in Europe for significantly less money and improve our ability to conduct TSC, build partner capacity, and respond to contingencies.

44. Senator McCAIN. General Craddock, please provide a detailed estimate of the investment required by the Army to provide adequate facilities, infrastructure, and training at the Germany locations for the two BCTs.

General CRADDOCK. In the near-term, we can retain the BCTs in Europe within current funding levels and without additional MILCON through the DP. To do this, we will post the BCTs in Baumholder and Grafenwoehr and retain Schweinfurt and possibly Bamberg for combat service/combat service support personnel. These sites have adequate capacity to support assigned soldiers and their families. In the long term (7–10 years), recapitalization of housing at Schweinfurt and Bamberg (if retained) will be required.

We are in the final stages of consolidating the 172nd BCT into new facilities at Grafenwoehr. This is arguably the finest set of brigade facilities in the Army. This brigade has immediate access to the best training range complex in the Army.

Retaining a BCT in Baumholder takes advantage of the $300 million in facility upgrades already completed over the last 10 years in a community that comfortably supports 4,000 soldiers and 6,000 U.S. family members. Baumholder also features a 31,000-acre major training area with all required home station training ranges and close proximity to Ramstein Air Base, which enables rapid response to contingencies.

U.S. ARMY HEADQUARTERS IN GERMANY

45. Senator McCAIN. General Craddock, there has been recent criticism and local demonstrations about the decision to relocate the headquarters of U.S. Army Headquarters in Europe from Heidelberg to Weisbaden Air Base at a current cost of $275 million to U.S. taxpayers, including housing costs. In addition, once the facilities are designed and supporting infrastructure costs are determined, the total cost may exceed $400 million. Please provide a current estimate of the total costs to construct or provide all primary facilities, ancillary facilities, and associated infrastructure and housing to fully support the relocation of the headquarters.

General CRADDOCK. U.S. Army Europe (USAREUR) indicates one-time construction costs associated with consolidating its Command and Control (C2) functions at Wiesbaden are $332 million, as listed below.

Requirement	Cost
MILCON	
7th Army C2 Facility	$119 million ($59.5 million in fiscal year 2009 - $59.5 million in a future request)
Consolidated Intel Center	$89 million in a future request
Network Warfare Center	$28 million in a future request
Senior Officer Housing	$3 million (Included $133 million fiscal year 2009 AFH MILCON request)
SRM	
66th MI Bde Renovations	$20 million (Complete)
5th Sig Cmd Renovations	$21 million (Under Construction)
7th Army HQ Renovations	$30 million (Planned)
Host Nation Payment in Kind	
Utilities and Roads	$22 million (Under Construction)
Total:	$332 million in One-Time, Consolidation-Related Costs

USAREUR projects base closures enabled by their $332 million in consolidation investment will generate operating savings of up to $230 million per year. As a result, they estimate a 1½ year payback period for investment and move costs associated with consolidation of 7th Army, 5th Signal Command and 66th MI Brigade from four dispersed garrisons onto one garrison. The majority of savings result from closing three garrisons, eliminating manpower, and efficiencies associated with consolidating at Wiesbaden. Operationally, this move will allow USAREUR to optimize C4I capabilities (C2, Intelligence, and Signal) in a flatter, more responsive organizational structure.

We have made other investment in Wiesbaden not associated with relocation of 7th Army. In 2009, we received $121 million to recapitalize significant portions of our family housing inventory there. An additional $32 million will be requested in the future to complete housing recapitalization at Wiesbaden. As noted in the break out of consolidation costs, only $3 million of this total is move-related and provides on-post housing for six senior officers.

We have invested $90 million on various community upgrades in the past 5 years to include an Army lodge, bowling center, auto crafts shop, fitness center, child development center, and a DOD Dependents School multi-purpose room. Looking ahead, we expect to continue community recapitalization with a $26 million barracks project to ensure all soldiers in Wiesbaden are housed according to the 1+1 standard.

46. Senator MCCAIN. General Craddock, in light of the current constraints on the Defense budget and competing requirements, do you consider this relocation a high priority?

General CRADDOCK. The relocation of U.S. Army, Europe headquarters is a high priority from both an operational and business case perspective. Operationally, the relocation will provide the synergy of collocating the Command's three major command and control (C2) elements—7th Army Headquarters, 5th Signal Command, and the 66th Military Intelligence Brigade. These headquarters are currently geographically dispersed in three non-enduring communities, and consolidation allows us to optimize C4I capabilities (C2, Intelligence and Signal) in a flattened organizational structure.

In addition, the move allows us to reduce base operating costs and improve force protection over what currently exist in our more urban Heidelberg and Mannheim sites. For example, USAREUR headquarters is located directly on a main urban thoroughfare leading into the center of Heidelberg. There is no way to create more stand-off distance without major traffic disruption for the city of Heidelberg. The lack of stand-off also represents an unnecessary risk to our forces in the event of an Oklahoma City-type terror attack.

We estimate about a 1½-year payback if we are allowed to proceed with our plans to consolidate the three C2 operations onto Wiesbaden. We anticipate annual savings of up to $230 million per year, compared to one-time, move related costs of $332 million. The majority of these savings result from closing three garrisons,

eliminating manpower overhead, and improving efficiencies by consolidating onto one site at Wiesbaden.

NATO SECURITY INVESTMENT PROGRAM

47. Senator McCAIN. General Craddock, in your written statement for this hearing regarding the NATO Security Investment Program (NSIP) investment in facility and infrastructure requirements, you mention that "the Command has successfully planned, programmed, and benefitted from over $640 million in NSIP investment since 2004." In that same period, the United States has provided NATO over $1.16 billion in MILCON funds alone as their share (about 23 to 25 percent) of the total NSIP account. This does not include U.S. funds provided to NATO as their share for base operations. Can you explain why the amount received under NSIP for U.S. requirements is substantially less than the amount provided by the United States?

General CRADDOCK. The intent of NSIP is to enable the alliance to provide the investment in military capability necessary to carry out NATO missions. While NSIP investment in U.S. infrastructure provides direct benefit to U.S. installations and mitigates U.S. national budget requirements, the objective of NSIP is to optimize the military benefit from the collective contributions of all NATO members.

The United States has provided over $1 billion to NSIP since 2004 and we have also successfully shaped NSIP program investment at U.S. bases to capitalize on opportunities where NATO and U.S. objectives were aligned. These efforts have had the effect of reducing U.S. MILCON requirements by $640 million. The balance of our funding goes to investment in alliance capabilities established in other nations.

48. Senator McCAIN. General Craddock, given the significant disparity between the amounts contributed by the United States and the resulting investment received, are you comfortable that NATO is adequately funding all requirements identified by the United States as necessary for NATO operations and support? If not, what are you doing to ensure the adequate support of requirements generated by the United States military that support NATO operations?

General CRADDOCK. It is my assessment that NATO is adequately funding requirements to support NATO operations. As a member nation, the United States actively participates in various forums at multiple levels within the organization to influence NATO's strategic direction through policy and strategy development as well as the distribution of NATO common funding to meet resource requirements.

The United States continues to play an important role in shaping the collective defense posture of the alliance and the direction of NATO Security Investment Program funds, facilitating effective implementation of the posture in Europe, Afghanistan, the Balkans, and the NATO Training Mission in Iraq. U.S. equities are well-represented throughout the requirement identification and resource allocation processes.

BALLISTIC MISSILE DEFENSE CAPABILITIES IN EUROPE

49. Senator McCAIN. General Craddock, referencing the proposed U.S. Missile Defense European Component, please provide an update on the status of the construction and improvement of facilities and infrastructure needed to support the radar complex in the Czech Republic and the interceptor sight in Poland.

General CRADDOCK. Planning and design for facilities required to stand-up the European Capability are well underway; however, construction contracts for the BMD sites in Europe have not been awarded, nor has any of the fiscal year 2009 MILCON funding been obligated or expended. No construction contracts will be awarded nor MILCON funds obligated or expended until all necessary SOFA Supplemental and Implementing Agreements are complete. Facility-related activities are currently limited to design and pre-negotiation of agreements that must be in place prior to award of construction contracts.

50. Senator McCAIN. General Craddock, are we on track to ensure the support facilities are constructed and ready for use in time to meet the operational dates of the defense system?

General CRADDOCK. Yes, we are on track. Mission support facility planning is underway; however, the final scope and cost of required facilities at both sites are tied to the terms of SOFA Supplemental and/or Implementing Agreements that have yet to be finalized. As a result, mission support facility planning is currently based on notional ranges of assigned personnel and remains at the conceptual level of detail. Once the terms of applicable agreements are finalized, the lead services for each site

(Army for the European Interceptor Site and Air Force for the European Midcourse Radar) will work with MDA to develop detailed mission support facility requirements. EUCOM, MDA, and the lead services are committed to meeting mission support requirements with the smallest practicable personnel and infrastructure footprints.

READINESS OF UNITS

51. Senator MCCAIN. General Craddock, how would you assess the state of readiness for U.S. combat units stationed in Europe and under the control of European Command?

General CRADDOCK. [Deleted.]

52. Senator MCCAIN. General Craddock, assessing your ability to carry out current operational plans, what challenges, if any, do you face and how are you addressing these challenges?

General CRADDOCK. [Deleted.]

QUESTIONS SUBMITTED BY SENATOR JAMES M. INHOFE

FULL SPECTRUM PREPAREDNESS AND NATIONAL SECURITY

53. Senator INHOFE. General Craddock and General Mattis, providing for our national defense is one of the most important inherent roles of our Federal Government. I concur with Secretary Gates that we must defeat both current and future threats, and I agree that we can expect a future of persistent conflict and global instability, greater adversary access to WMD, and the eventual rise of regional state and non-state competitors. My concern is we have not modernized our force since the 1980s. We took an acquisition holiday in the 1990s and it appears we are about to do it again. While we are focusing on building our capability to fight counter-insurgencies, our capability to fight across the spectrum of conflict is deteriorating.

Our ships are on average over 18 years old, naval aircraft average 18 years, Marine Corps aircraft over 21 years, refueling tankers over 44 years, Air Force fighter aircraft over 19 years, special operations aircraft over 27 years, and bomber aircraft over 33 years. Right now, the best piece of artillery we have in our arsenal was developed just after World War II and is on its sixth version of the M109—Paladin. The Army's premier infantry fighting vehicle, the Bradley, is on its third iteration based on 1960s/1970s technology and continues to be updated and modified to meet the developing threat. Our M1 Abrams tank developed in the 1970s and produced in the early 1980s is on its third model version and has performed tremendously in Iraq. We currently have four major combat vehicle systems comprised of four unique chassis, four different engines, and little to no mechanical commonality.

If we look back at our history of predicting the next crisis or conflict, our crystal ball has been cloudy at best. Are we on a path to continue acquiring the best systems and enough of those systems to meet the requirements stated in our National Security Strategy and not short-change our forces and the defense of our Nation?

General CRADDOCK. These issues are not under the purview of EUCOM and it is not appropriate for me to address them. The Secretary of Defense and the Services are working very hard to address the many conflicting requirements of force modernization. As the EUCOM Commander, I identify and request capabilities to accomplish EUCOM missions. I do not identify or advocate specific systems that will provide that capability.

General MATTIS. The U.S. Armed Forces have historically provided overseas presence through a combination of rotational and forward-based forces and the resources (infrastructure and pre-positioned equipment) necessary to sustain and maintain those forces. Rotational forces are forces allocated to a COCOM on an annual basis in order to execute tasks in that COCOM's area of responsibility (AOR) and are typically deployed for a specified period of time. When rapidly changing events dictate a heightened force presence, combatant commanders request additional forces through the emergent force request process. Global Force Management (GFM) combines rotational and emergent force requests into a real-time proactive process. The end result is timely allocation of forces/capabilities necessary to execute COCOM missions (to include theater security cooperation tasks), timely alignment of forces against future requirements, and informed Secretary of Defense decisions on the risk associated with allocation decisions.

For the current fiscal year, forces provided to the combatant commanders receive both service and joint preparation prior to deployment. Critical training require-

ments for deploying forces are gathered from the other COCOMs, prioritized, and entered into the JFCOM Joint Training Plan, which informs JFCOM Service Components on the high interest training priorities that need to be addressed in their training. For forces deploying to Iraq, Afghanistan, and Horn of Africa, this training/preparation includes a deliberate, focused program of individual and joint instruction and events that include:

a. Courses of instruction established on JKO and other collaborative forums. These courses cover a variety of functional areas from Counter-IED training and Network Attack; Cultural and Language training; and a number of other critical areas associated with Stability and Support Operations.

b. Mission Rehearsal Training. JFCOM conducts a program of training leading to mission rehearsals for all Corps, Division and MEF-level joint staffs. These rehearsals replicate the current operating environment to the maximum extent possible and realistic stress the staffs by putting them into situations projected for their directed area of operations. In addition, the Services conduct pre-deployment culminating events for BCTs, Carrier Strike Groups, Expeditionary Air and Space Wings, and below. Similar to the staff MRX, these events conduct intensive training to tasks currently being assigned/accomplished in theater. JFCOM assists in creating the realistic environment for this training through the JNTC, a program designed to assist the Services in enhancing joint training at Service training centers and home stations.

The Services, under title 10, are responsible for determining whether a unit has received adequate training prior to deployment. The nature of the conflict and demand on the force required the utilization of other servicemembers to perform missions normally conducted by the Army. This generated the need for an organization to facilitate the non-standard unit capabilities that are deployed to the CENTCOM AOR. JFCOM assumed this role and ensures the training requirements are clearly articulated and understood by the Services and agencies that provide support to these capabilities. JFCOM in conjunction with COMFORSCOM and HQ Department of the Army assists with facilitating any required Army training that cannot be conducted by the parent Service. The Joint Sourcing Training Oversight process ensures in-lieu-of and ad hoc units are sent forward fully prepared for their assigned mission.

For other theaters, COCOMs annually conduct exercises and training events to prepare their staff and forces assigned to address campaign plans, contingency plans and operations plans for their AOR. JFCOM allocates forces for these theater exercises as required, given the constraints placed on the force by current operational commitments and OPTEMPO limitations. For the top priority events for each geographic and functional COCOM, JFCOM provides support, both operational and technical, to ensure that the Commander's joint training objectives are met. The resources and funding for this support is obtained through the Joint Staff-managed Combatant Commander Exercise Engagement (CE2) Program.

In order to better prepare the force for the far term, JFCOM, following the JOE, and the CCJO, has begun to develop the recommendations for doctrine, organization, training, materiel, leadership, personnel and facilities (DOTMLPF) for future whole-of-government endeavors. Through the integration of the JOE and CCJO in concept development studies and experiments, like our Senior Leader CCJO wargame this summer, JFCOM will generate the future recommendations for entry into the appropriate acquisition pipeline or other venue for implementation. U.S. forces must maintain mastery of conventional force operations now and in the future, while developing robust capabilities to address the emergent irregular warfare threat.

54. Senator INHOFE. General Craddock and General Mattis, does it make sense to continue to extend the life of 20- to 40-plus-year-old equipment that costs more to maintain and operate, and operate at lower combat readiness and effectiveness rates?

General CRADDOCK. These issues are not under the purview of EUCOM and it is not appropriate for me to address them. The Secretary of Defense and the Services are working very hard to address the many conflicting requirements of force modernization. As a EUCOM Commander, I identify and request capabilities to accomplish EUCOM missions. I do not identify or advocate specific systems that will provide that capability.

General MATTIS. In the near-term, we have few direct threats in the realm of conventional warfare, but we must ensure that we maintain our current conventional superiority—and address our vulnerabilities to indirect attacks. Right now, no one

can match the United States Air Force in aerial combat, the United States Navy on the open seas, or the United States Army and Marine Corps in conventional land warfare. Our forces remain dominant in conventional and nuclear warfare. Enemies in the future, however, need not destroy our aircraft, ships, or tanks to reduce our conventional and even nuclear effectiveness. A well-timed and executed cyber attack may prove just as severe and destructive as a conventional attack. As technology becomes less expensive and more available, enemies have the ability to easily acquire increasingly lethal types of conventional and unconventional weapons. Overall, our future enemies are likely to confront us much as we are challenged by today's enemies—through indirect methods in wars of a "hybrid" nature that combine any available irregular or conventional mode of attack, using a blend of primitive, traditional and high-tech weapons and tactics.

As Secretary Gates emphasized, the defining principle for defeating both current and future threats is balance. At JFC, we must balance doing what is required to prevail in the current fight while simultaneously preparing for an uncertain future. We must have balanced and versatile joint forces ready to accomplish missions across the full spectrum of military operations—from large-scale, conventional warfare to humanitarian assistance and other forms of "soft" power. Without balance, we risk being dominant but irrelevant—that is, superior in nuclear and conventional warfare, but poorly equipped to prevail in irregular contests. JFCOM will move swiftly to make irregular warfare (IW) a core competency of our military without losing conventional or nuclear superiority. Joint forces must develop a mastery of the irregular fight on par with our conventional and nuclear capabilities. Our forces must be flexible and adaptable enough to operate across the spectrum of conflict—this is not an "either/or" proposition. While we will maintain cadres of specialized forces (i.e. special operations and nuclear forces), we will aggressively and deliberately work to build IW expertise across our general purpose forces, making them adaptable to however the enemy chooses to fight. Many efforts are underway, yet much remains to be done.

55. Senator INHOFE. General Craddock and General Mattis, can we afford to "kick the can down the road" again and not adequately modernize our fighting force to ensure we are fully prepared to defend our Nation?

General CRADDOCK. These issues are not under the purview of EUCOM and it is not appropriate for me to address them. The Secretary of Defense and the Services are working very hard to address the many conflicting requirements of force modernization. As a EUCOM Commander, I identify and request capabilities to accomplish EUCOM missions. I do not identify or advocate specific systems that will provide that capability.

General MATTIS. Yes, at times it makes sense to extend service life when evaluation of current and projected/future capabilities against requirements shows a greater cost and capability benefit.

However, while some of this effort may require new material solutions, much of it requires changes in non-material solutions like training in the application of "legacy" systems. The balance called for by Secretary Gates also relates to the appropriate blending of legacy systems with typically more expensive modern acquisition optimized for our high-end warfighting challenges.

As our Secretary of Defense made clear, the guiding principle behind our efforts to prepare for an uncertain future will be balance. Balance will enhance the agility and capabilities of our joint forces as we work to make irregular warfare a core competency. War remains fundamentally a human endeavor that will require human solutions. Technology is a key enabler, but it is not the solution. We will embrace a whole-of-government approach to bring all of our Nation's resources to bear, while continuing to build alliances and enhancing our international partnerships. Finally, we must remain focused on the long-term security of our Nation, and avoid being captivated by short-term distractions.

[Whereupon, at 11:54 a.m., the committee adjourned.]

DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 2010

THURSDAY, MAY 14, 2009

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

MILITARY POSTURE

The committee met, pursuant to notice, at 9:35 a.m. in room SD–106, Dirksen Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Lieberman, Reed, Akaka, Bill Nelson, Ben Nelson, Bayh, Webb, McCaskill, Udall, Begich, Burris, McCain, Inhofe, Sessions, Chambliss, Graham, Thune, Martinez, Wicker, Burr, Vitter, and Collins.

Committee staff members present: Richard D. DeBobes, staff director; and Leah C. Brewer, nominations and hearings clerk.

Majority staff members present: Jonathan D. Clark, counsel; Richard W. Fieldhouse, professional staff member; Creighton Greene, professional staff member; Mark R. Jacobson, professional staff member; Michael J. Kuiken, professional staff member; Terence K. Laughlin, professional staff member; Gerald J. Leeling, counsel; William G.P. Monahan, counsel; Michael J. Noblet, professional staff member; Roy F. Phillips, professional staff member; and William K. Sutey, professional staff member.

Minority staff members present: Joseph W. Bowab, Republican staff director; Paul C. Hutton IV, professional staff member; Michael V. Kostiw, professional staff member; Daniel A. Lerner, professional staff member; David M. Morriss, minority counsel; Lucian L. Niemeyer, professional staff member; Diana G. Tabler, professional staff member; Richard F. Walsh, minority counsel; and Dana W. White, professional staff member.

Staff assistants present: Kevin A. Cronin, Jessica L. Kingston, Christine G. Lang, Brian F. Sebold, and Breon N. Wells.

Committee members' assistants present: Jay Maroney, assistant to Senator Kennedy; Christopher Griffin, assistant to Senator Lieberman; Christopher Caple, assistant to Senator Bill Nelson; Ann Premer, assistant to Senator Ben Nelson; Patrick Hayes, assistant to Senator Bayh; Gordon I. Peterson, assistant to Senator Webb; Anthony J. Lazarski, assistant to Senator Inhofe; Lenwood Landrum and Sandra Luff, assistants to Senator Sessions; Clyde A. Taylor, IV, assistant to Senator Chambliss; Adam G. Brake, assist-

ant to Senator Graham; Brian W. Walsh, assistant to Senator Martinez; and Erskine W. Wells III, assistant to Senator Wicker.

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good morning, everybody.

This morning, the committee welcomes Secretary of Defense Robert Gates, Chairman of the Joint Chiefs of Staff Admiral Michael Mullen, and Robert Hale, the Comptroller, for our hearing on the posture of the Department of Defense (DOD) and the fiscal year 2010 budget request.

As always, gentlemen, we are thankful to you for your dedicated service to our Nation and to your families for their support of that service. Please convey the thanks of our committee to the soldiers, sailors, airmen, and marines who are defending our interests throughout the world and to their families who share in their sacrifices on our behalf.

We received the department's proposed budget for fiscal year 2010 about a week ago. We have had the benefit of Secretary Gates' recommendations to the President even before that, when he announced them to the American public on April 6, 2009. Today's hearing is our initial opportunity to explore and assess the strategic choices undertaken by the administration and how the department intends to align and apply resources to meet the challenges of today and the future.

An important aspect of the fiscal year 2010 budget request is the decision to instill greater discipline in the annual budget process. This budget that we now have ends the practice of moving the costs of the wars in Iraq and Afghanistan into supplemental appropriations requests separate from the Department's annual base budget.

Former Deputy Secretary of Defense John Hamre, testifying before this committee on April 30, noted the "corrosive" impact on DOD's overreliance on and misuse of supplemental appropriations over the years, and we are glad that practice has ended.

The Department's fiscal year 2010 budget request is, in Secretary Gates' words, a "reform" budget. In its broadest sense, this budget would shift funds away from programs and technologies that the Secretary and the administration have determined have been mismanaged or are designed to address far less likely or distant threats and, therefore, less useful to the counterinsurgency fight of today.

Instead, this budget would provide more funds to increase the capabilities needed for the wars that we are fighting in Afghanistan and Iraq and what the administrations feels are the threats we are more likely to face in the future.

The department faces no more immediate challenge than implementing the President's new strategy for Afghanistan and Pakistan. Key to the administration's new strategy will be growing the Afghan national security forces so that Afghanistan can more quickly take responsibility for providing for its own security.

The fiscal year 2010 budget request includes significant funding for the Afghan Security Forces Fund to grow the Afghan army to 134,000 and the Afghan police to 82,000 by 2011. When committee members met recently with Afghan President Karzai and his ministers, we heard directly from them that they have the manpower

available to significantly expand both the army and the police beyond those numbers and that they are in a hurry to do so, to use their words.

With the cost of adding one more U.S. soldier in Afghanistan equal to the cost of adding 60 or more Afghan soldiers, it makes sense to invest in growing the Afghan security forces faster. I hope the witnesses will address the possibility and wisdom of doing so.

Reflecting another major component of the administration's new strategy in the region, the fiscal year 2010 budget includes significant funding for Pakistan. This includes authorization for the Pakistan Counterinsurgency Contingency Fund to train and equip the Pakistan Frontier Corps and to build the capacity of the Pakistan army to conduct counterinsurgency operations.

Last week, I raised directly with Pakistan President Zardari my concern that unless Pakistan's leaders commit in deeds and words their country's armed forces and security personnel to eliminating the threat from militant extremists and unless they make it clear that they are doing so for the sake of their own future, then no amount of assistance will be effective.

I sincerely hope that Pakistan's recent military operations in the Northwest Frontier Province reflect their long overdue realization that the extremists pose the single-greatest threat to Pakistan's survival.

If Pakistan makes the fight against those extremists their own fight, then the United States should be willing to help Pakistan achieve a more stable and secure future. But we can't buy their support for our cause or appear to do so since that would play into the hands of their and our enemy. We can and should support their cause, assuming, of course, it is aligned with ours and if they make their case openly and clearly to their own public.

Even as our focus shifts to Afghanistan and Pakistan, the stability situation in Iraq remains a source of concern and significant effort. This June, pursuant to the U.S.-Iraqi Status of Forces Agreement, U.S. combat forces are supposed to be withdrawn from Iraqi urban areas, turning over the security of cities and major towns to Iraqi security forces.

The agreement also sets a December 2011 deadline for the withdrawal of all U.S. forces from Iraq. President Obama has called for an end to the U.S. combat mission in Iraq by August 2010.

I hope that the drawdown of forces in Iraq can be maintained while preserving our hard-fought gains and while continuing to build Iraqi capacity to provide for their own security. The failure of Iraqi leaders to complete the political steps that they promised to take long ago puts at risk the reaching of those goals.

The top priority for DOD and Congress in the months ahead must be reform of the process for overseeing the acquisition each year of hundreds of billions of dollars of products and services. Last week, the Senate approved the Weapon Systems Acquisition Reform Act of 2009. The House approved similar legislation this week. This legislation is an important step in getting control over the acquisition process, and hopefully, Congress will promptly work out our differences and have a bill for the President to sign soon.

There is great interest in the department's plans for the Air Force's F–22 fighter, C–17 cargo aircraft, Combat Search and Res-

cue Helicopter Program, the next-generation tanker, the Navy's littoral combat ship, the DDG–1000, the DDG–51, the Army's Future Combat System (FCS), missile defense and satellite acquisition programs, and others. These decisions require tough choices by the Congress. They also will require a clear explanation of how weapon systems changes are derived from the new strategy.

While the department's significant program changes focus almost entirely on major weapon systems, much of the Defense budget's growth can be attributed to significant increases in the personnel and operations and maintenance accounts. We need to look at whether any changes need to be considered in those areas as well.

I will put the balance of my statement in the record and now call upon Senator McCain.

[The prepared statement of Senator Levin follows:]

PREPARED STATEMENT BY SENATOR CARL LEVIN

This morning the committee welcomes Secretary of Defense Robert Gates; Chairman of the Joint Chiefs of Staff, Admiral Michael Mullen; and Robert F. Hale, the Comptroller, for our hearing on the posture of the Department of Defense (DOD) and the fiscal year 2010 budget request. Gentlemen, as always we are thankful to you for your dedicated service to the Nation and to your families for their support of that service. Please convey the thanks of the committee to the soldiers, sailors, airmen, and marines who are defending our interests throughout the world and to their families who share in their sacrifices on our behalf.

We received the Department's proposed budget for fiscal year 2010 1 week ago. However, we have had the benefit of Secretary Gates' recommendations to the President since he announced them to the American public on April 6, 2009. Today's hearing is our initial opportunity to explore and assess the strategic choices undertaken by the new administration and how the Department intends to align and apply resources to meet the challenges of today and the future.

An important aspect of the fiscal year 2010 budget request is the decision to instill greater discipline into the annual budget process. This budget ends the practice of moving the costs of the wars in Iraq and Afghanistan into supplemental appropriations requests, separate from the Department's annual "base" budget. Former Deputy Secretary of Defense John Hamre, testifying before this committee on April 30, noted the "corrosive" impact on the Department of the over-reliance on and misuse of supplemental appropriations over the years. Deliberate calculations and planning in anticipation of supplemental appropriations undermines budget and fiscal discipline in the Department. Congress has called for many years for this practice to end, and I commend the Secretary and the President for doing so and including the costs of the wars in Iraq and Afghanistan in the fiscal year 2010 budget request. As announced by the President, the Department does not plan to request a supplemental appropriation for overseas contingency operations in fiscal year 2010. However, it is important to realize that the budget request is an estimate and that, if strategic or operational conditions should require, the Department always has the right to request supplemental funding as necessary.

The Department's fiscal year 2010 budget request is, in Secretary Gates' words, a "reform" budget. In its broadest sense this budget would shift funds away from programs and technologies that the Secretary has determined have been mismanaged or are designed to address far less likely, distant risks, and therefore less useful to the counterinsurgency fight of today. Instead, this budget would provide more funds to increase the capabilities needed for the wars we are fighting in Afghanistan and Iraq and what the Administration feels are the threats we are more likely to face in the future.

The Department faces no more immediate challenge than implementing the President's new strategy for Afghanistan and Pakistan. Key to the administration's new strategy will be growing the Afghan National Security Forces so that Afghanistan can more quickly take responsibility for providing for its own security. The fiscal year 2010 budget request includes significant funding for the Afghanistan Security Forces Fund to grow the Afghan Army to 134,000 and the Afghan police to 82,000 by 2011. When committee members met recently with Afghan President Hamid Karzai and his ministers, we heard directly from President Karzai, his Minister of Defense and his Interior Minister that they have the manpower available to significantly expand both the Army and the Police beyond those numbers, and are in a

"hurry" to do so. With the cost of adding one more U.S. soldier in Afghanistan equal to the cost adding 60 or more Afghan soldiers, it makes sense to invest in growing the Afghan security forces faster and I hope the witnesses will address the possibility and wisdom of doing so.

Reflecting another major component of the Administration's new strategy in the region, the fiscal year 2010 budget includes significant funding for Pakistan. This includes authorization for the Pakistan Counterinsurgency Contingency Fund, to train and equip the Pakistan Frontier Corps and to build the capacity of the Pakistan Army to conduct counterinsurgency operations. I raised directly with Pakistan President Zardari last week my concern that unless Pakistan's leaders commit in deeds and words their country's armed forces and security personnel to eliminating the threat from militant extremists for the sake of their own future—then no amount of assistance will be effective. I sincerely hope that Pakistan's recent military operations in the Northwest Frontier Province reflect a long overdue realization that the extremists pose the single greatest threat to Pakistan's survival. If Pakistan makes this fight their own fight, then the United States should be willing to help Pakistan achieve a more stable and secure future. But we can't buy their support for our cause, or appear to do so, since that would play into the hands of their and our enemy. We can and should support their cause assuming it is aligned with ours and if they make their case openly and clearly to their public.

Even as our focus shifts to Afghanistan and Pakistan, the stability situation in Iraq remains a source of concern and significant effort. This June, pursuant to the U.S.-Iraqi Status of Forces Agreement, U.S. combat forces are supposed to be withdrawn from Iraqi urban areas, turning over the security of cities and major towns to Iraqi Security Forces. The agreement also sets a December 2011 deadline for the withdrawal of all U.S. forces from Iraq. President Obama has called for an end to the U.S. combat mission in Iraq by August 2010. I hope that the drawdown of forces in Iraq can be maintained while preserving our hard-fought gains, while continuing to build Iraqi capacity to provide for their own security, and while promoting reconciliation among the Iraqis by pressing the Iraqi leaders to complete the political steps they promised to take long ago.

One of Secretary Gates' principles for building the fiscal year 2010 budget has been taking care of our men and women in uniform and their families, and caring for our wounded warriors. Close collaboration between DOD and the Department of Veterans Affairs is critically important to crafting and implementing policies and processes to ensure seamless care and transition for our wounded warriors and their families.

A top priority for DOD and Congress in the months ahead must be reform of the process for overseeing the acquisition each year of hundreds of billions of dollars of products and services. Last week the Senate approved the Weapon Systems Acquisition Reform Act of 2009. The House approved similar legislation this week. This legislation is an important step in getting control over the acquisition process, and hopefully Congress will promptly work out our differences and have a bill for the President soon.

There is great interest in DOD plans for the Air Force's F–22 fighter, C–17 cargo aircraft, combat search and rescue helicopter program, and the next generation tanker; the Navy's Littoral Combat Ship, DDG–1000, and DDG–51; the Army's Future Combat System; and missile defense and satellite acquisition programs. They require tough choices by Congress and require a clear explanation of how weapons systems changes are derived from the new strategy.

While the Department's significant program changes focus almost entirely on major weapon systems, much of the defense budget's growth can be attributed to significant increases in the personnel and operation and maintenance accounts. Are there any changes that should be considered in these areas?

The Air Force and the Navy have in recent years reduced the size of their active-duty end strengths, in part to pay for equipment. This budget request halts the decline for both Services. The Department must work with Congress to determine the appropriate Active and Reserve end strengths for all the Military Services as measured against current and future missions and requirements. I expect the Department to comprehensively address end strength levels in the upcoming Quadrennial Defense Review.

Typical of the first budget of a new administration, the fiscal year 2010 defense budget request does not include the Future Years' Defense Program, or spending projections for the next 5 years for the Department's procurement and research accounts. As the Secretary has indicated, the Department's longer range programmatic decisions and plans will be shaped by this year's Quadrennial Defense and Nuclear Posture Reviews.

Secretary Gates, Admiral Mullen, we look forward to your testimony.

STATEMENT OF SENATOR JOHN McCAIN

Senator MCCAIN. Thank you very much, Mr. Chairman.

I would like to welcome the witnesses, and I would like to thank all three of our witnesses for an excellent briefing that I received the other morning, along with other members, in the Pentagon.

I support the priorities as outlined in the department's fiscal year 2010 budget request. Those priorities set the stage for a more thorough and much-needed review of our Nation's military posture. The fiscal year 2010 budget is an integral part of a much longer-term process to ensure our defense dollars are spent wisely to address the threats we face today and will likely face tomorrow.

I understand, and I hope all members understand, there are additional issues that need to be addressed which will be informed by a number of other reviews, including the ongoing Quadrennial Defense Review (QDR), the Nuclear Posture Review (NPR), and the outcome of post-Strategic Arms Reduction Treaty arms control negotiations. The committee looks forward to being briefed on the full range of those issues and their impact on future budget decisions.

The department's budget request affirms support for our military, veterans, and their families, rebalances programs, and reforms the Pentagon's acquisition and contracting mechanisms. I greatly appreciate Secretary Gates continuing to place the highest priority on supporting our men and women in uniform and their families.

I strongly support Secretary Gates' recommendations to restructure a number of major defense programs. We can no longer afford to accept runaway costs and operational delays of troubled weapon systems that have languished in the throes of requirements creep and technological obstacles for far too long at the expense of supplying the needs of our deployed forces and finding efficient solutions for the immediate requirements generated by emerging threats.

The budget outlines a number of significant changes to the Missile Defense Agency (MDA). Of those proposed modifications, the budget emphasizes a shift in focus from long-range ballistic threats to rogue state, in-theater threats. While I don't necessarily agree that such a shift may be more representative of the threat we face today, I am concerned by some of the funding cuts and their impact on long-term research and development (R&D) as well as the final number of ground-based interceptors (GBIs).

I fully endorse Secretary Gates's recommendations to improve the performance of the Pentagon acquisition programs and contracting mechanisms. Senator Levin and I have long advocated for the need for acquisition and contracting reform in DOD.

As we all know, there were unanimous votes in both House and Senate on the outlines of this bill. We look forward to meeting with our House counterparts and resolving any differences between the two bills.

In addition, the base budget of $533.8 billion for defense, the budget requests $130 billion for overseas contingency operations (OCO) including a drawdown of combat forces in Iraq and a shift to an increased presence in Afghanistan. I support our long-overdue change of course in Afghanistan and believe that in naming General McChrystal as the new commander and General Rodriguez

to handle day-to-day operations, Secretary Gates has made a significant move in the right direction.

The war there and in Pakistan is one that we can and must win. For years now, we have been fighting without a clear strategy, with insufficient resources, and with less than total support of the Government of Pakistan. Now that we have a new strategy, with a new Ambassador and new commanders, I believe we must quickly follow up with the development of an integrated joint agency civil/military campaign plan for all of Afghanistan and for the Pakistan border area.

We also need to ensure that General Rodriguez has the staff and resources he will need to conduct operational planning similar to the activities conducted in Iran. Finally, we must take every possible step to accelerate the growth of the Afghan security forces. I look forward to our witnesses' thoughts.

Finally, Mr. Chairman, could I say that I appreciate the recommendation made by Secretary Gates and Admiral Mullen and the President's decision to withhold publication of additional photographs concerning mistreatment of detainees.

We are still in a war. The publication of those photographs would have given help to the enemy in the psychological side of the war that we are in. I applaud the President's decision to withhold those pictures at this particular time, and I hope that we can all support that decision by the President.

I thank you, Mr. Chairman.

[The prepared statement of Senator McCain follows:]

PREPARED STATEMENT BY SENATOR JOHN MCCAIN

Mr. Chairman, thank you. I join you in welcoming our witnesses here today to discuss the President's budget request for fiscal year 2010 for the Department of Defense.

Let me begin by thanking our servicemembers and their families. The brave men and women who answer the laudable call to defend our Nation and the families who support them are our most valuable national asset. Our Armed Forces, and their families, have faced the challenges of continuous combat for more than 7 years. Our men and women in uniform serve our Nation, accepting unwelcome separation from their loved ones, long hard work under very demanding conditions, and in some cases making the ultimate sacrifice. They deserve our steadfast support.

I support the priorities as outlined in the Department's 2010 budget request. Those priorities set the stage for a more thorough and much needed review of our Nation's military posture. The 2010 budget is an integral part of a much longer-term process to ensure our defense dollars are spent wisely to address the threats we face today and will likely face tomorrow. I understand there are additional issues that need to be addressed, which will be informed by a number of other reviews, including the ongoing Quadrennial Defense Review, the Nuclear Posture Review, and the outcome of post-START arms-control negotiations. The committee looks forward to being briefed on the full range of those issues and their impact on future budget decisions.

The Department's budget request reaffirms support for our military, veterans and their families; rebalances programs; and reforms the Pentagon's acquisition and contracting mechanisms. I greatly appreciate that Secretary Gates continues to place the highest priority on supporting our men and women in uniform and their families.

I strongly support Secretary Gates' recommendations to restructure a number of major defense programs. We can no longer afford to accept runaway costs and operational delays of troubled weapon systems that have languished in the throes of requirements creep and technological obstacles for far too long at the expense of supplying the needs of our deployed forces and find efficient solutions for the immediate requirements generated by emerging threats.

The budget outlines a number of significant changes to the Missile Defense Agency. Of those proposed modifications, the budget emphasizes a shift in focus from

long range ballistic threats to rogue state in theater threats. While I don't necessarily disagree that such a shift may be more representative of the threat we face today, I am concerned by some of the funding cuts and their impact on long-term research and development as well as the final number of ground-based interceptors.

I fully endorse Secretary Gates' recommendations to improve the performance of the Pentagon's acquisition programs and contracting mechanisms. Senator Levin and I have long advocated for the need for acquisition and contracting reform in the Defense Department. The 93–0 vote last week in the Senate on the Levin-McCain bill and the 428–0 vote yesterday in the House on the Skelton-McHugh bill underscores the bipartisan support in Congress for getting control of the cost increases and scheduling delays that have plagued Pentagon weapons programs for years. We look forward to working with our counterparts in the House to conference these bills and present a bill to the President he can sign before the Memorial Day recess.

In addition to the base budget of $533.8 billion for defense, the budget requests $130 billion for overseas contingency operations, including a drawdown of combat forces in Iraq and a shift to increased presence in Afghanistan. I support our long overdue change of course in Afghanistan, and believe that, in naming General McChrystal as the new Commander and General Rodriguez to handle day-to-day operations, Secretary Gates has made a significant move in the right direction. The war there and in Pakistan is one that we can and must win, but for years now we have been fighting without a clear strategy, with insufficient resources and with less than total support of the Government of Pakistan.

Now that we have a new strategy, with a new ambassador and new commanders, I believe that we must quickly follow up with the development of an integrated joint-agency, civil-military campaign plan for all of Afghanistan and for the Pakistan border area. We also need to ensure that General Rodriguez has the staff and resources he will need to conduct operational planning, similar to the activities conducted by the Multinational Corps-Iraq. Finally, we must take every possible step to accelerate the growth of the Afghan security forces. I look forward to our witnesses' thoughts on these elements, in the context of the budget and beyond.

Thank you Chairman Levin.

Chairman LEVIN. Thank you very much.

Senator INHOFE. Mr. Chairman?

Chairman LEVIN. Senator Inhofe?

Senator INHOFE. I am the ranking member on Environment and Public Works Committee. We have a required meeting at 10 o'clock. It is my intention to come back and stay for as many rounds as you have, and I respectfully request that you keep my place in line.

Chairman LEVIN. Your place in line will be kept, like all members who come have their place noted, and you surely will be protected in that. We are sorry that you have to leave.

Before you leave, however, since we do have a quorum, I would now ask that the committee consider six civilian nominations. I know, Mr. Secretary, you and your colleagues won't mind the interruption in your testimony for this purpose. I see a broad smile on your face.

I would ask now that we consider the following six nominees—Governor Raymond Mabus to be Secretary of the Navy, Robert Work to be Under Secretary of the Navy; Andrew Weber to be Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs; Paul Stockton to be Assistant Secretary of Defense for Homeland Security and Americas' Security Affairs; Thomas Lamont to be Assistant Secretary of the Army for Manpower and Reserve Affairs; and Charles Blanchard to be General Counsel of the Department of the Air Force.

Is there a motion to consider these favorably en bloc?

Senator LIEBERMAN. So moved.

Chairman LEVIN. Is there a second?

Senator REED. Second.

Chairman LEVIN. All those in favor say aye.

[A chorus of ayes.]

Opposed, nay.

[No response.]

The ayes have it, and they will be favorably reported to the Senate.

Mr. Secretary, thank you again for the great work you are doing, and we call on you now for your opening statement.

STATEMENT OF HON. ROBERT M. GATES, SECRETARY OF DEFENSE; ACCOMPANIED BY ROBERT F. HALE, UNDER SECRETARY OF DEFENSE (COMPTROLLER)

Secretary GATES. First, thanks for the additional help.

Mr. Chairman, Senator McCain, members of the committee, thank you for inviting us to discuss the details of the President's fiscal year 2010 defense budget. There is a lot of material here, and I know you have a lot of questions. So I will keep my opening remarks brief and focus on the strategy and thinking behind many of these recommendations. My submitted testimony has more detailed information on specific programmatic decisions.

First and foremost, this is a reform budget reflecting lessons learned in Iraq and Afghanistan, yet also addressing the range of other potential threats around the world now and in the future.

As you may know, I was in Afghanistan last week. As we increase our presence there and refocus our efforts with a new strategy, I wanted to get a sense from the ground level of the challenges and needs so we can give our troops the equipment and support to be successful and come home safely.

Indeed, listening to our troops and commanders, unvarnished and unscripted, has, from the moment I took this job, been the greatest single source for ideas on what the department needs to do both operationally and institutionally. As I told a group of soldiers on Thursday, they have done their job. Now it is time for us in Washington to do ours.

In many respects, this budgets builds on all the meetings I have had with troops and commanders and all that I have learned over the past 2½ years, all underpinning this budget's three principal objectives. First, to reaffirm our commitment to take care of the All-Volunteer Force, which, in my view, represents America's greatest strategic asset. As Admiral Mullen says, if we don't get the people part of this business right, none of the other decisions will matter.

Second, to rebalance the department's programs in order to institutionalize and enhance our capabilities to fight the wars we are in and the scenarios we are most likely to face in the years ahead while, at the same time, providing a hedge against other risks and contingencies.

Third, in order to do this, we must reform how and what we buy, meaning a fundamental overhaul of our approach to procurement, acquisition, and contracting.

From these priorities flow a number of strategic considerations, more of which are included in my submitted testimony.

The base budget request is for $533.8 billion for fiscal year 2010, a 4 percent increase over the fiscal year 2009 enacted level. After

inflation, that is 2.1 percent real growth. In addition, the department's budget request includes $130 billion to support OCO, principally Iraq and Afghanistan.

I know that there has been discussion about whether this is, in fact, sufficient to maintain our defense posture, especially during a time of war. I believe that it is.

Indeed, I have warned in the past that our Nation must not do what we have done after previous times of conflict on so many occasions and slashed defense spending. I can assure you that I will do everything in my power to prevent that from happening on my watch.

This budget is intended to help steer DOD toward an acquisition and procurement strategy that is sustainable over the long term, that matches real requirements to needed and feasible capabilities. This year, we have funded the cost of the wars through the regular budgeting process, as opposed to emergency supplementals. By presenting this budget together, we hope to give a more accurate picture of the costs of the wars and also create a more unified budget process to decrease some of the churn usually associated with funding for DOD.

This budget aims to alter many programs and many of the fundamental ways that DOD runs its budgeting, acquisition, and procurement processes. In this respect, three key points come to mind about the strategic thinking behind these decisions.

First of all, sustainability. By that, I mean sustainability in light of current and potential fiscal constraints. It is simply not reasonable to expect the defense budget to continue increasing at the same rate it has over the last number of years. We should be able to secure our Nation with a base budget of more than a half a trillion dollars, and I believe this budget focuses money where it can more effectively do that.

I also mean sustainability of individual programs. Acquisition priorities have changed from Defense Secretary to Defense Secretary, administration to administration, and Congress to Congress. Eliminating waste, ending requirements creep, terminating programs that go too far outside the line, and bringing annual costs for individual programs down to more reasonable levels will reduce this friction.

Second, balance. We have to be prepared for the wars we are most likely to fight, not just the wars we have been traditionally best suited to fight or threats we conjure up from potential adversaries who, in the real world, also have finite resources. As I have said before, even when considering challenges from nation states with modern militaries, the answer is not necessarily buying more technologically advanced versions of what we built on land, at sea, and in the air to stop the Soviets during the Cold War.

Finally, there are the lessons learned from the last 8 years on the battlefield and, perhaps just as importantly, institutionally back at the Pentagon. The responsibility of this department, first and foremost, is to fight and win wars, not just constantly prepare for them. In that respect, the conflicts we are in have revealed numerous problems that I am working to improve, and this budget makes real headway in that respect.

At the end of the day, this budget is less about numbers than it is about how the military thinks about the nature of warfare and prepares for the future, about how we take care of our people and institutionalize support for the warfighter for the long term, about the role of the services and how we can buy weapons as jointly as we fight, about reforming our requirements and acquisition processes.

I know that some of you will take issue with individual decisions. I would ask, however, that you look beyond specific programs and instead at the full range of what we are trying to do, at the totality of the decisions and how they will change the way we prepare for and fight wars in the future.

As you consider this budget and specific programs, I would caution that each program decision is zero sum. A dollar spent for capabilities excess to our real needs is a dollar taken from capability we do need, often to sustain our men and women in combat and bring them home safely.

Once again, I thank you for your ongoing support of our men and women. I look forward to your questions.

[The prepared statement of Secretary Gates follows:]

PREPARED STATEMENT BY HON. ROBERT M. GATES

INTRODUCTION

Mr. Chairman, Senator McCain, members of the committee: Thank you for inviting me to discuss the details of the President's fiscal year 2010 defense budget. First and foremost, this is a reform budget—reflecting lessons learned in Iraq and Afghanistan, yet also addressing the range of other potential threats around the world, now and in the future.

As you may know, I was in Afghanistan last week. As we increase our presence there—and refocus our efforts with a new strategy—I wanted to get a sense from the ground level of what the challenges and needs are so that we can give our troops the equipment and support to be successful and come home safely. Indeed, listening to our troops and commanders—unvarnished and unscripted—has from the moment I took this job been the single greatest source for ideas on what the Department needs to do both operationally and institutionally. As I told a group of soldiers on Thursday, they have done their job. Now it is time for us in Washington to do ours. In many respects, this budget builds on all the meetings I have had with servicemembers, and all that I have learned over the past 2½ years—all underpinning this budget's three principal objectives:

- First, to reaffirm our commitment to take care of the All-Volunteer Force, which, in my view represents America's greatest strategic asset; as Admiral Mullen says, if we don't get the people part of our business right, none of the other decisions will matter;
- Second, to rebalance this department's programs in order to institutionalize and enhance our capabilities to fight the wars we are in and the scenarios we are most likely to face in the years ahead, while at the same time providing a hedge against other risks and contingencies; and
- Third, in order to do all this, we must reform how and what we buy, meaning a fundamental overhaul of our approach to procurement, acquisition, and contracting.

From these priorities flow a number of strategic considerations, which I will discuss as I go through the different parts of the budget.

The base budget request is for $533.8 billion for fiscal year 2010—a 4 percent increase over the fiscal year 2009 enacted level. After inflation, that is 2.1 percent real growth. In addition, the Department's budget request includes $130 billion to support overseas contingency operations, primarily in Iraq and Afghanistan. I know there has been some discussion about whether this is, in fact, sufficient to maintain our defense posture—especially during a time of war. I believe it is. Indeed, I have warned in the past that our Nation must not do what we have done after previous times of conflict and slash defense spending. I can assure you that I will do everything in my power to prevent that from happening on my watch. This budget is in-

tended to help steer the Department of Defense toward an acquisition and procurement strategy that is sustainable over the long term—that matches real requirements to needed and feasible capabilities.

I will break this down into three sections: our people, today's warfighter, and the related topics of acquisition reform and modernization.

OUR PEOPLE

Starting with the roll-out of the Iraq surge, my overriding priority has been getting troops at the front everything they need to fight, to win, and to survive while making sure that they and their families are properly cared for when they return. So, the top-priority recommendation I made to the President was to move programs that support the warfighters and their families into the services' base budgets, where they can acquire a bureaucratic constituency and long-term funding. To take care of people, this budget request includes, among other priorities:

- $136 billion to fully protect and properly fund military personnel costs—an increase of nearly $11 billion over the fiscal year 2009 budget level. This means completing the growth in the Army and Marines while halting reductions in the Air Force and Navy. The Marine Corps and Army will meet their respective end strengths of 202,100 and 547,400 by the end of this fiscal year, so this money will be for sustaining those force levels in fiscal year 2010 and beyond;
- $47.4 billion to fund military health care;
- $3.3 billion for wounded, ill, and injured, traumatic brain injury, and psychological health programs, including $400 million for research and development (R&D). We have recognized the critical and permanent nature of these programs by institutionalizing and properly funding these efforts in the base budget; and
- $9.2 billion for improvements in child care, spousal support, lodging, and education, some of which was previously funded in the bridge and supplemental budgets.

We must move away from ad hoc funding of long-term commitments. Overall, we have shifted $8 billion for items or programs recently funded in war-related appropriations into the base budget.

TODAY'S WARFIGHTER

As I told Congress in January, our struggles to put the defense bureaucracies on a war footing these past few years have revealed underlying flaws in the priorities, cultural preferences, and reward structures of America's defense establishment—a set of institutions largely arranged to prepare for conflicts against other modern armies, navies, and air forces. Our contemporary wartime needs must receive steady long-term funding and must have a bureaucratic constituency similar to conventional modernization programs and similar to what I have tried to do with programs to support our troops. The fiscal year 2010 budget reflects this thinking:

First, we will increase intelligence, surveillance and reconnaissance (ISR) support for the warfighter in the base budget by some $2 billion. This will include:

- Fielding and sustaining 50 Predator-class unmanned aerial vehicle orbits by fiscal year 2011 and maximizing their production. This capability, which has been in such high demand in both Iraq and Afghanistan, will now be permanently funded in the base budget. It will represent a 62 percent increase in capability over the current level and 127 percent from over a year ago;
- Increasing manned ISR capabilities such as the turbo-prop aircraft deployed so successfully as part of "Task Force Odin" in Iraq; and
- Initiating R&D on a number of ISR enhancements and experimental platforms optimized for today's battlefield.

Second, we will also spend $500 million more in the base budget than last year to boost our capacity to field and sustain more helicopters—an urgent demand in Afghanistan right now. Today, the primary limitation on helicopter capacity is not airframes but shortages of maintenance crews and pilots. So our focus will be on recruiting and training more Army helicopter crews.

Third, to strengthen global partnership efforts, we will fund $550 million for key initiatives. These include training and equipping foreign militaries to undertake counterterrorism and stability operations.

Fourth, to grow our special operations capabilities, we will increase personnel by more than 2,400—or 4 percent—and will buy more aircraft for Special Operations Forces. We will also increase the buy of Littoral Combat Ships (LCS)—a key capa-

bility for presence, stability, and counterinsurgency operations in coastal regions—from two to three ships in fiscal year 2010.

Fifth, to improve our intra-theater lift capacity, we will increase the charter of Joint High Speed Vessels from two to four until our own production program begins deliveries in 2011.

Finally, we will stop the growth of Army Brigade Combat Teams (BCTs) at 45 versus the previously planned 48, while maintaining the planned increase in end strength to 547,400. This will ensure that we have better-manned units ready to deploy, and help put an end to the routine use of stop loss—which often occurs because certain specialties are in high demand. This step will also lower the risk of hollowing the force.

ACQUISITION REFORM AND INSOURCING

In today's environment, maintaining our technological and conventional edge requires a dramatic change in the way we acquire military equipment. I welcome legislative initiatives in Congress to help address some of these issues and look forward to working with lawmakers in this regard. This budget will support these goals by:

- Reducing the number of support service contractors from our current 39 percent of the workforce to the pre-2001 level of 26 percent and replacing them with full-time government employees. Our goal is to hire as many as 13,800 new civil servants in fiscal year 2010 to replace contractors and up to 33,600 new civil servants in place of contractors over the next 5 years;
- Increasing the size of the defense acquisition workforce, converting 10,000 contractors, and hiring an additional 10,000 government acquisition professionals by 2015—beginning with 4,080 in fiscal year 2010; and
- Terminating and delaying programs whose costs are out of hand, whose technologies are immature, or whose requirements are questionable—for example, the VH–71 presidential helicopter.

MODERNIZATION

We must be prepared for the future—prepared for challenges we can see on the horizon and ones that we may not even have imagined. I know that some people may think I am too consumed by the current wars to give adequate consideration to our long-term acquisition needs. This budget provides $186 billion for modernization, which belies that claim.

As I went through the budget deliberations process, a number of principles guided my decisions:

The first was to halt or delay production on systems that relied on promising, but as yet unproven, technologies, while continuing to produce—and, as necessary, upgrade—systems that are best in class and that we know work. This was a factor in my decisions to cancel the Transformational Satellite program and instead build more Advanced Extremely High Frequency satellites.

Second, where different modernization programs within services existed to counter roughly the same threat, or accomplish roughly the same mission, we must look more to capabilities available across the Services. While the military has made great strides in operating jointly over the past two decades, procurement remains overwhelmingly service-centric. The Combat Search and Rescue helicopter, for example, had major development and cost problems to be sure. But what cemented my decision to cancel this program was the fact that we were on the verge of launching yet another single-service platform for a mission that in the real world is truly joint. This is a question we must consider for all of the Services' modernization portfolios.

Third, I looked at whether modernization programs had incorporated the experiences of combat operations since September 11. This was particularly important to the ground services, which will be in the lead for irregular and hybrid campaigns of the future. The Future Combat Systems' ground vehicle component was particularly problematic in this regard.

Fourth, I concluded we needed to shift away from the 99 percent "exquisite" service-centric platforms that are so costly and so complex that they take forever to build, then are deployed in very limited quantities. With the pace of technological and geopolitical change, and the range of possible contingencies, we must look more to the 80 percent multi-service solution that can be produced on time, on budget, and in significant numbers.

This relates to a final guiding principle: the need for balance—to think about future conflicts in a different way—to recognize that the black and white distinction between irregular war and conventional war is an outdated model. We must understand that we face a more complex future than that, a future where all conflict will

range across a broad spectrum of operations and lethality. Where near-peers will use irregular or asymmetric tactics that target our traditional strengths. Where non-state actors may have weapons of mass destruction or sophisticated missiles. This kind of warfare will require capabilities with the maximum possible flexibility to deal with the widest possible range of conflict.

Overall, we have to consider the right mix of weapons and platforms to deal with the span of threats we will likely face. The goal of our procurement should be to develop a portfolio—a mixture of capabilities whose flexibility allows us to respond to a spectrum of contingencies. It is my hope that the Quadrennial Defense Review (QDR) will give us a more rigorous analytical framework for dealing with a number of these issues. That is one reason I delayed a number of decisions on programs such as the follow-on manned bomber, the next generation cruiser, as well as overall maritime capabilities. But where the trend of future conflict is clear, I have made specific recommendations.

AIR CAPABILITIES

This budget demonstrates a serious commitment to maintaining U.S. air supremacy, the sine qua non of American military strength for more than six decades. The key points of this budget as it relates to air capabilities are:

- An increase in funding from $6.8 to $10.4 billion for the fifth-generation F–35, which reflects a purchase of 30 planes for fiscal year 2010 compared to 14 in fiscal year 2009. This money will also accelerate the development and testing regime to fix the remaining problems and avoid the development issues that arose in the early stages of the F–22 program. More than 500 F–35s will be produced over the next 5 years, with more than 2,400 total for all the Services. Russia is probably 6 years away from Initial Operating Capability of a fifth-generation fighter and the Chinese are 10 to 12 years away. By then we expect to have more than 1,000 fifth-generation fighters in our inventory;
- This budget completes the purchase of 187 F–22 fighters—representing 183 planes plus the four funded in the fiscal year 2009 supplemental to replace one F–15 and three F–16s classified as combat losses;
- We will complete production of the C–17 airlifter program this fiscal year. Our analysis concludes that we have enough C–17s with the 205 already in the force and currently in production to meet current and future needs;
- To replace the Air Force's aging tanker fleet, we will maintain the KC–X aerial refueling tanker schedule and funding, with the intent to solicit bids this summer. Our aging tankers, the lifeblood of any expeditionary force, are in serious need of replacement;
- We will retire approximately 250 of the oldest Air Force tactical fighter aircraft in fiscal year 2010; and
- Before continuing with a program for a next-generation manned bomber, we should first assess the requirements and what other capabilities we might have for this mission—and wait for the outcome of the QDR, the Nuclear Posture Review, and the outcome of post-Strategic Arms Reduction Treaty arms-control negotiations.

MARITIME CAPABILITIES

The United States must not take its current maritime dominance for granted and needs to invest in programs, platforms, and personnel to ensure that dominance in the future. But rather than go forward under the same assumptions that guided our shipbuilding during the Cold War, I believe we need to reconsider a number of assumptions—a process that will, as I mentioned, be greatly helped by the QDR.

We must examine our blue-water fleet and the overall strategy behind the kinds of ships we are buying. We cannot allow more ships to go the way of the DDG–1000: since its inception the projected buy has dwindled from 32 to 3 as costs per ship have more than doubled.

The healthy margin of dominance at sea provided by America's existing battle fleet makes it possible and prudent to slow production of several shipbuilding programs. This budget will:

- Shift the Navy Aircraft Carrier program to a 5-year build cycle, placing it on a more fiscally sustainable path. This will result in a fleet of 10 carriers after 2040;
- Delay the Navy CG–X next generation cruiser program to revisit both the requirements and acquisition strategy; and
- Delay amphibious ship and sea-basing programs such as the 11th Landing Platform Dock (LPD) ship and the Mobile Landing Platform (MLP) ship

to fiscal year 2011 in order to assess costs and analyze the amount of these capabilities the Nation needs.

The Department will continue to invest in areas where the need and capability are proven by:

- Accelerating the buy of the LCS, which, despite its development problems, is a versatile ship that can be produced in quantity and go to places that are either too shallow or too dangerous for the Navy's big, blue-water surface combatants;
- Adding $200 million to fund conversion of six additional Aegis ships to provide ballistic missile defense capabilities;
- Beginning the replacement program for the *Ohio* class ballistic missile submarine; and
- Using fiscal year 2010 funds to complete the third DDG–1000 Destroyer and build one DDG–51 Destroyer. The three DDG–1000 class ships will be built at Bath Iron Works in Maine and the DDG–51 Aegis Destroyer program will be restarted at Northrop Grumman's Ingalls shipyard in Mississippi.

LAND CAPABILITIES

As we have seen these last few years, our land forces will continue to bear the burdens of the wars we are in—and also the types of conflicts we may face in the future, even if not on the same scale. As I said earlier, we are on track with the expansion of the ground forces, and have added money for numerous programs that directly support warfighters and their families.

Since 1999, the Army has been pursuing its Future Combat Systems (FCS)—an effort to simultaneously modernize most of its platforms, from the way individual soldiers communicate to the way mechanized divisions move. Parts of the FCS program have already demonstrated their adaptability and relevance to today's conflicts. For example, the connectivity of the Warfighter Information Network will dramatically increase the agility and situational awareness of the Army's combat formations.

But the FCS vehicle program is, despite some adjustments, based on the same assumptions as when FCS was first conceived. The premise behind the design of these vehicles is that lower weight, greater fuel efficiency, and, above all, near-total situational awareness, compensate for less heavy armor—a premise that I believe was belied by the close-quarters combat, urban warfare, and increasingly lethal forms of ambush that we've seen in both Iraq and Afghanistan. I would also note that the current vehicle program does not include a role for our recent $25 billion investment in the mine resistant ambush protected (MRAP) vehicles being used to good effect in today's conflicts.

With that in mind:

- We have canceled the existing FCS ground vehicle program, and will reevaluate the requirements, technology, and approach and then relaunch a new Army vehicle modernization program, including a competitive bidding process;
- The FCS budget in fiscal year 2010 is $3 billion. I have directed that the new FCS program be fully funded in the out-years; and
- We will accelerate FCS's Warfighter Information Network development and field it, along with proven FCS spin-off capabilities, across the entire Army.

MISSILE DEFENSE

The United States has made great technological progress on missile defense in the last two decades, but a number of questions remain about certain technologies and the balance between R&D on one hand, and procurement on the other. This is one area where I believe the overall sustainability of the program depends on our striking a better balance. To this end, this budget will:

- Restructure the program to focus on the rogue state and theater missile threat. We will not increase the number of current ground-based interceptors in Alaska as had been planned. But we will continue to robustly fund R&D to improve the capability we already have to defend against long-range rogue missile threats—threats that North Korea's missile launch last month reminds us are real;
- Cancel the second airborne laser (ABL) prototype aircraft. We will keep the existing aircraft and shift the program to an R&D effort. The ABL pro-

gram has significant affordability and technology problems and the program's proposed operational role is highly questionable;

• Terminate the Multiple Kill Vehicle program because of its significant technical challenges and the need to take a fresh look at the requirement. Overall, the Missile Defense Agency program will be reduced by $1.2 billion; and

• Increase by $700 million funding for our most capable theater missile defense systems like the Terminal High Altitude Area Defense and SM–3 programs.

CYBER SECURITY

To improve cyberspace capabilities, this budget:

• Increases funding for a broad range of Information Assurance capabilities to improve the security of our information as it is generated, stored, processed, and transported across our information technology systems;

• Increases the number of cyber experts this department can train from 80 students per year to 250 per year by fiscal year 2011; and

• Establishes a cyber test range.

There is no doubt that the integrity and security of our computer and information systems will be challenged on an increasing basis in the future. Keeping our cyber infrastructure safe is one of our most important national security challenges. While information technology has dramatically improved our military capabilities, our reliance on data networks has at the same time left us more vulnerable. Our networks are targets for exploitation, and potentially disruption or destruction, by a growing number of entities that include foreign governments, non-state actors, and criminal elements.

The President's cyberspace policy review will shortly report its findings and recommendations. I expect this document will offer strategic perspective for the Department in determining how best to defend the government and nation against cyber threats from state and non-state actors alike.

OVERSEAS CONTINGENCY OPERATIONS

This year we have funded the costs of the wars through the regular budgeting process—as opposed to emergency supplementals. By presenting this budget together, we hope to give a more accurate picture of the costs of the wars and also create a more unified budget process to decrease some of the churn usually associated with funding for the Department of Defense.

We are asking for $130 billion to directly support the missions in Iraq and Afghanistan. This is less than the $141.7 billion we asked for last year through the bridge fund and the remaining supplemental request—which in part reflects shifting some programs into the base budget.

The OCO request includes $74.1 billion to maintain our forces in Afghanistan and Iraq—from pre-deployment training, to transportation to or from theater, to the operations themselves.

• In Afghanistan, this will support an average of 68,000 military members and 6 BCT equivalents—plus support personnel; and

• In Iraq, this will fund an average of 100,000 military members, but also reflects the President's decision to cut force levels to 6 Advisory and Assistance Brigades by August 31, 2010. Compared to the fiscal year 2008 enacted levels for Operation Iraqi Freedom, we are asking for less than half.

Aside from supporting direct operations, the OCO funding also includes, among other programs:

• $17.6 billion to replace and repair equipment that has been worn-out, damaged, or destroyed in theater. The major items include helicopters, fixed-wing aircraft, trucks, Humvees, Bradleys, Strykers, other tactical vehicles, munitions, radios, and various combat support equipment;

• $15.2 billion for force protection, which includes $5.5 billion for MRAPs—$1.5 billion to procure 1,080 new MRAP All Terrain Vehicles for Afghanistan and $4 billion for sustainment, upgrades, and other costs for MRAPs already fielded or being fielded.

• $7.5 billion for the Afghan National Security Forces. Ultimately, the Afghan people will shoulder the responsibility for their own security, so we must accelerate our training of their security forces in order to get more Afghans into the fight;

• $1.5 billion for the Commander's Emergency Response Fund—a program that has been very successful in allowing commanders on the ground to

make immediate, positive impacts in their areas of operation. It will continue to play a pivotal role as we increase operations in Afghanistan and focus on providing the population with security and opportunities for a better life. I should note that the Department has taken a number of steps to ensure the proper use of this critical combat-enhancing capability;

• $1.4 billion for military construction—most of which will go toward infrastructure improvements in Afghanistan to support our increased troop levels; and

• $700 million for the Pakistan Counterinsurgency Capability Fund (PCCF). This program will be carried out with the concurrence of the Secretary of State and will complement existing and planned State Department efforts by allowing the central command commander to work with Pakistan's military to build counterinsurgency capability. I know there is some question about funding both the PCCF and the Foreign Military Financing program, but we are asking for this authority for the unique and urgent circumstances we face in Pakistan—for dealing with a challenge that simultaneously requires military and civilian capabilities. This is a vital element of the President's new Afghanistan-Pakistan strategy.

CONCLUSION

Let me close with a few final thoughts.

This budget aims to alter many programs, and many of the fundamental ways that the Department of Defense runs its budgeting, acquisition, and procurement processes. In this respect, three key points come to mind about the strategic thinking behind these decisions.

First of all, sustainability. By that, I mean sustainability in light of current and potential fiscal constraints. It is simply not reasonable to expect the defense budget to continue increasing at the same rate it has over the last number of years. We should be able to secure our Nation with a base budget of more than half a trillion dollars—and I believe this budget focuses money where it can more effectively do just that.

I also mean sustainability of individual programs. Acquisition priorities have changed from Defense Secretary to Defense Secretary, administration to administration, and Congress to Congress. Eliminating waste, ending "requirements creep," terminating programs that go too far outside the line, and bringing annual costs for individual programs down to more reasonable levels will reduce this friction.

Second of all, balance. We have to be prepared for the wars we are most likely to fight—not just the wars we have traditionally been best suited to fight, or threats we conjure up from potential adversaries who, in the real world, also have finite resources. As I've said before, even when considering challenges from nation-states with modern militaries, the answer is not necessarily buying more technologically advanced versions of what we built—on land, at sea, or in the air—to stop the Soviets during the Cold War.

Finally, there are all the lessons learned from the last 8 years—on the battlefield and, perhaps just as important, institutionally back at the Pentagon. The responsibility of this department first and foremost is to fight and win wars—not just constantly prepare for them. In that respect, the conflicts we are in have revealed numerous problems that I am working to improve; this budget makes real headway in that respect.

At the end of the day, this budget is less about numbers than it is about how the military thinks about the nature of warfare and prepares for the future. About how we take care of our people and institutionalize support for the warfighter for the long term. About the role of the services and how we can buy weapons as jointly as we fight. About reforming our requirements and acquisition processes.

I know that some of you will take issue with individual decisions. I would, however, ask you to look beyond specific programs, and instead at the full range of what we are trying to do—at the totality of the decisions and how they will change the way we prepare for and fight wars in the future.

Once again, I thank you for your ongoing support of our men and women in uniform. I look forward to your questions.

Chairman LEVIN. Thank you very much.

Admiral Mullen?

STATEMENT OF ADM MICHAEL G. MULLEN, USN, CHAIRMAN, JOINT CHIEFS OF STAFF

Admiral MULLEN. Good morning, Mr. Chairman, Senator McCain, distinguished members of this committee. Thank you for the opportunity to appear before you today.

I fully support not only the President's fiscal year 2010 budget submission for this department, but more specifically, the manner in which Secretary Gates developed it. He presided over comprehensive and collaborative process, the likes of which, quite frankly, I have not seen in more than a decade of doing this sort of work in the Pentagon.

Over the course of several months and a very long series of meetings and debates, every service chief, every combatant commander had a voice, and everyone one of them used it.

Normally, budget proposals are worked from the bottom up, with each service making the case for specific programs and then fighting it out at the end to preserve those that are most important to them. If cuts are to be made, they are typically done across the board with the pain shared equally.

This proposal was done from the top down. Secretary Gates gave us broad guidance, his overall vision, and then gave us the opportunity to meet it. There would be no pet projects, nothing held sacred. Everything was given a fresh look, and everything had to be justified. We wouldn't cut for the sake of cutting or share the pain equally.

Decisions to curtail or eliminate a program were based solely on its relevance and on its execution. The same can be said for those we decided to keep. I can tell you this, none of the final decisions were easy to make, but all of them are vital to our future.

It has been said that we are what we buy, and I really believe that. I also believe that the force we are asking you to help us buy today is the right one, both for the world we are living in and the world we may find ourselves living in 20 to 30 years down the road. The submission before you is just as much a strategy as it is a budget. Let me tell you why.

First, it makes people our top strategic priority. I have said many times and I remain convinced the best way to guarantee our future security is to support our troops and their families. It is the recruit and retain choices of our families and, quite frankly, American citizens writ large that will make or break the all-volunteer force in the future.

They will be less inclined to make those decisions should we not be able to offer them viable career options, adequate healthcare, suitable housing, advanced education, and the promise of a prosperous life long after they have taken off the uniform. This budget devotes more than a third of the total budget request to what I would call the people account, with a great majority of that figure, nearly $164 billion, going to military pay and healthcare.

When combined with what we plan to devote to upgrading and modernizing family housing and facilities, the total comes to $187 billion, which is $11 billion more than we asked for last year. Almost all of that increase will go to the family support programs.

I am particularly proud of the funds we have dedicated to caring for our wounded. There is, in my view, no higher duty for this Na-

tion or for those of us in leadership positions than to care for those who sacrificed so much and who now must face lives forever changed by wounds both seen and unseen.

I know you share that feeling, and I thank you for the work you have done in this committee and throughout Congress to pay attention and support these needs. I would add to that the families of the fallen. Our commitment to them must be for the remainder of those lives.

That is why this budget allocates funds to complete the construction of additional Wounded Warrior complexes, expands a pilot program designed to expedite the processing of injured troops through the disability evaluation system, increases the number of mental health professionals assigned to deployed units, and devotes more resources to the study and treatment of post-traumatic stress disorder (PTSD) and traumatic brain injuries (TBI).

I remain deeply troubled by the long-term effects of these signature wounds of modern war and by the stigma that still surrounds them. Last month, during a town hall meeting with soldiers at Fort Hood, Sergeant Nicole Fuffman, an Operation Iraqi Freedom veteran, told me they were not getting enough psychological help before and after deployments.

I told her I thought she was right, and we were working hard to meet that need. She shot back, "They are hiding it, sir," referring it to the reluctance of soldiers and families to speak openly about mental health problems. Then she added, "It is the cause of a lot of suicides, I would imagine." I would imagine she is right.

I have long believed that the stress of multiple deployments and the institutional pressure, real or imagined, to bear this stress with a stiff upper lip is driving some people to either leave the Service or take their own lives. It can also drive them to hurt others, as this week's tragic shooting in Baghdad appears to confirm.

In fact, General Lynch out there at Fort Hood doesn't talk about suicide or crime prevention. He talks about stress reduction, and that is where all our collective focus must be, not just from the mental health perspective, but across the force in a variety of ways.

After nearly 8 years of war, we are the most capable and combat-experienced military we have ever been, certainly without question the world's best counterinsurgency and fighting force. Yet for all this success, we are pressed and we lack the proper balance between operational tempo and home tempo. We have an incredibly resilient force, and success in Iraq, the trends there have put a skip in the step of our forces that is incredibly special and speaks to their resilience.

Balance between counterinsurgency capabilities and conventional capabilities, between readiness today and readiness tomorrow. That, Mr. Chairman, is the second reason this budget of ours acts as a strategy for the future. It seeks balance by investing more heavily in critical enablers, such as aviation, special forces, cyber operations, civil affairs, and language skills. It rightly makes winning the wars we are in our top operational priority.

By adjusting active Army Brigade Combat Team (BCT) growth to 45, it helps ensure our ability to impact the fight sooner, increase dwell time, and reduce overall demand on equipment. By authorizing Secretary Gates to transfer money to the Secretary of

State for reconstruction, security, and stabilization, it puts more civilian professionals alongside warfighters in more places like Iraq and Afghanistan.

Having just returned from a trip to Afghanistan, I can attest to the critical need for more civilian capacity. I was shocked to learn there are only 13 U.S. civilian development experts in all of southern Afghanistan, where the Taliban movement is strongest and the local economy is almost entirely dependent on opium production. We have twice as many working in the relatively peaceful Kurdish region of northern Iraq.

I have said it before, but it bears repeating, more boots on the ground are not the only answer. We need people with slide rules and shovels and teaching degrees. We need bankers and farmers and law enforcement experts. As we draw down responsibly in Iraq and shift the main effort to Afghanistan, we need a more concerted effort to build up the capacity of our partners.

The same can be said of Pakistan, where boots on the ground aren't even an option, where helping the Pakistani forces help themselves is truly our best and only recourse. Some will argue this budget devotes too much money to these sorts of low-intensity needs, that it tilts dangerously away from conventional capabilities. It does not.

A full 35 percent of the submission is set aside for modernization, and much of that will go to what we typically consider conventional requirements. It fully funds the Joint Strike Fighter (JSF) and F–18 Superhornet programs, buys another Arleigh Burke destroyer, a nuclear submarine, and a third DDG–1000. It invests $11 billion in space-based programs, including funding for the next-generation early warning satellite, and it devotes $9 billion toward missile defense.

Ground capabilities are likewise supported, with $3 billion going toward a restructured FCS program and upgrades to the Abrams and Stryker weapon systems. We know there are global risks and threats out there not tied directly to the fight against al Qaeda and other extremist groups, and we are going to be ready for them.

In all this, Mr. Chairman, we are also working hard to fix a flawed procurement process. Programs that aren't performing well are getting the scrutiny they deserve. The acquisition workforce is getting the manpower and expertise it merits, and a struggling industrial base is getting the support and the oversight that it warrants.

More critically, in my view, the Nation is getting the military it needs for the challenges we face today. It is getting more than a budget. It is getting a strategy to preserve our military superiority against a broad range of threats new and old, big and small, now and then.

Thank you for your continued support of that important work and for all you do in this committee to support the men and women of the United States military and their families.

[The prepared statement of Admiral Mullen follows:]

PREPARED STATEMENT BY ADM MICHAEL G. MULLEN, USN

Chairman Levin, Senator McCain, distinguished members of the committee, it is my privilege to report on the posture of the United States Armed Forces.

First, I would like to thank our service men and women and their families. Those who defend this Nation and the families who support them remain our most valuable national assets and deserve continued gratitude. I want especially to honor the sacrifices of our wounded, their families, and the families of the fallen. We are redefining our duty to them as a nation, a duty which I believe lasts for life. I thank everyone in this distinguished body for their continued efforts in support of this cause.

Your Armed Forces stand as the most combat experienced in this Nation's history. Deeply experienced from decades of deployments in harm's way and from 7½ years of war, they have remained resilient beyond every possible expectation. They make me, and every American, very proud.

I am grateful for your understanding of the stress our Armed Forces and their families are under. Your recognition of their burdens and uncertainties has been a vital constant throughout these challenging times. Thank you for your support of initiatives such as transferring G.I. Bill benefits to military spouses and children, military spouse employment support, expanded childcare and youth programs, homeowner's assistance programs, and, most importantly, long-term comprehensive support of Wounded Warrior families.

This testimony comes after a notable transition of administration, the first during wartime since 1968 and the first since the September 11 attacks on the homeland. Conducted in the face of threats and continued wartime missions overseas, the transition was marked by courtesy and concern for the mission and our forces from start to finish. Transition obviously means change, but in this case, it also meant continuity in providing for the common defense. Continuity has been and is particularly important at this juncture as we implement the key strategic changes underway that end the war in Iraq through a transition to full Iraqi responsibility and reinforce a whole-of-government effort in Afghanistan and Pakistan.

While several key developments have emerged since I last testified, in particular the global economic crisis, the three strategic priorities for our military that I outlined last year remain valid. First, we must continue to improve stability and defend our vital national interests in the broader Middle East and South Central Asia. Second, we must continue efforts to reset, reconstitute, and revitalize our Armed Forces. Third, we must continue to balance global strategic risks in a manner that enables us to deter conflict and be prepared for future conflicts. The three strategic priorities are underpinned by the concept of persistent engagement, which supports allies and partners through programs abroad and at home and which must be led by and conducted hand-in-hand with our interagency partners to achieve sustainable results.

KEY DEVELOPMENTS

Over the past year, your Armed Forces continued to shoulder a heavy burden worldwide, particularly in the Middle East and South Central Asia. Our emphasis has rightfully remained on the ongoing wars in Afghanistan and Iraq and against al Qaeda extremists, though we remain ready to face other global challenges.

Per the President's guidance on February 27, we will end our combat mission in Iraq by August 31, 2010. The Joint Chiefs and I believe this is a prudent course given the sustained security gains we have seen to date and Iraq's positive trajectory. This current plan preserves flexibility through early 2010 by conducting the majority of the drawdown after the Iraqi election period. In the meantime, our troops are on course to be out of Iraqi cities by June of this year and two more brigades will return to the United States without replacement by the end of September. Drawing down in Iraq is not without risks. Lingering political tensions remain and violence could flare from time to time. Assuming no major surprises, however, we will successfully transition fully to the advise and assist mission over the next 16 months and lay the groundwork for a continued partnership with Iraq that promotes security in the region.

In Afghanistan and Pakistan we are providing additional resources to address the increase in violence. The strategic goal as outlined by the President on March 27, 2009, is to disrupt, dismantle, and defeat al Qaeda and its extremist allies in Pakistan and Afghanistan and to prevent their return to either country. As that strategy was being developed, we began responding to conditions on the ground by reinforcing the International Security and Assistance Force commander with some 17,700 troops, the majority of which will arrive by this summer. Our aim in Afghanistan is to check the momentum of the insurgency, train additional forces, and ensure security for the Afghan national elections in August, while in Pakistan we will work with the Pakistani military to further develop their counterinsurgency skills and build stronger relationships with Pakistani leaders at all levels.

We will shift the main effort from Iraq to Afghanistan in the coming year, though our residual footprint in Iraq will remain larger than in Afghanistan until well into 2010. The strategic environment we face beyond these ongoing conflicts is uncertain and complex. In the near term, we will maintain focus on threats to our vital national interests and our forces directly in harm's way. Increasingly, the greatest mid-term military threats will come from transnational concerns—the proliferation of nuclear weapons and missile technology, transnational terrorism, competition over energy, water, and other vital resources, natural disasters and pandemics, climate change, and space vulnerabilities.

A prominent aspect of this shifting strategic environment is the disturbing trend in cyber attacks, where we face both state and non-state actors. Cyberspace is a borderless domain wherein we operate simultaneously with other U.S. government agencies, allies, and adversaries. Effectiveness is increasingly defined by how well we share information, leverage technology, and capitalize on the strength of others. When appropriate, DOD will lead. Likewise, when appropriate, DOD will provide support and ensure collective success. Our national security and that of our allies is paramount.

A critical new challenge has been added to the strategic environment—the global economic crisis. Although we do not fully understand the impact or depth of this worldwide recession, dire economic conditions increase the pressures for protectionism. They also staunch the flow of remittances, which provide enormous benefits to developing nations. Prolonged downturns can generate internal strife, authoritarian rule, virulent nationalism, manufactured crises, and state conflict. Decreased energy prices have also affected the global economy, on one hand reducing the resources available to some malicious actors, but on the other hand hurting some key allies. Any conflict involving a major energy producer, however, could escalate prices rapidly, which would undoubtedly hamper prospects for a quicker global recovery. Economic concerns will increasingly be the lens through which we—and our partners and competitors—filter security considerations. Many nations may decrease expenditures on defense and foreign assistance, thus making the pool of collective resources we have to address challenges smaller. We will work through our routine military-to-military contacts to address this tendency directly and help to coordinate priorities, emphasizing that we are all bound together in this global economy.

Winning our Nation's current and future wars requires concurrent efforts to restore the vitality of the Armed Forces and balance global risk. I am grateful for Congress's continued support of the programs designed to return our units to the desired levels of readiness and for the honest debate engendered in these chambers to ascertain national interests and determine the best mix of capabilities and programs to protect those interests. The ability to debate these national choices—openly and transparently—is just one of the attractive features of our Republic that others seek to emulate.

Our military remains capable of protecting our vital national interests. At the same time, the strain on our people and equipment from more than 7 years of war has been tremendous. There is no tangible "peace dividend" on the horizon given the global commitments of the United States. We still face elevated levels of military risk associated with generating additional ground forces for another contingency should one arise. I do not expect the stress on our people to ease significantly in the near-term given operations in the Middle East, the strategic risk associated with continued regional instability in South Central Asia, and the uncertainty that exists globally. Over the next 2 years the number of forces deployed will remain high. The numbers will reduce, but at a gradual pace. The drawdown in Iraq is weighted in 2010, with the bulk of the combat brigades coming out after the Iraqi elections. At the same time, through the course of 2009 and into 2010, we will be reinforcing the effort in Afghanistan. Only in 2011 can we expect to see marked improvements in the dwell time of our ground forces.

We can not—and do not—face these global challenges alone. We benefit greatly from networks of partners and allies. Despite the economic downturn, the bulk of the world's wealth and the majority of the world's most capable militaries are found in those nations we call friends. Persistent engagement maintains these partnerships and lays the foundation upon which to build effective, collective action in times of security and economic crisis. In the coming years we must be careful not to shunt aside the steady work required to sustain these ties. By maintaining regional security partnerships, developing and expanding effective information sharing networks, and continuing military-to-military outreach, we improve the ability to monitor the drivers of conflict and help position our Nation for engagement rather than reaction. Such engagement also propels us toward the common good, relieves some of the burden on our forces, improves the protection of the homeland, and helps secure U.S. vital national interests.

DEFEND VITAL NATIONAL INTERESTS IN THE BROADER MIDDLE EAST AND SOUTH CENTRAL ASIA

Given its strategic importance and our vital national interests, the United States will continue to engage in the broader Middle East and South Central Asia—as a commitment to friends and allies, as a catalyst for cooperative action against violent extremism, as a deterrent against state aggression, as an honest broker in conflict resolution, and as a guarantor of access to natural resources. Yet we recognize that our presence in these regions can be more productive with a lower profile. The Iraq drawdown is the first step on the path to that end.

Attaining our goals in these critical regions requires time, resources, and endurance. Most of the challenges in the region are not military in nature and can only be met successfully from within. Our role remains one essentially of consistent, transparent partnershipbuilding. These actions send an unmistakable message to all that the U.S. remains committed to the common good, while steadily expanding the sets of partnerships available to address future challenges.

Central to these efforts in the Middle East and South Central Asia will be the relentless pressure we maintain on al Qaeda and its senior leadership. Al Qaeda's narrative will increasingly be exposed as corrupt and self-limiting. Though too many disaffected young men still fall prey to al Qaeda's exploitation, I believe the populations in the region will ultimately reject what al Qaeda offers. Our priority effort will remain against al Qaeda, but we will also take preventative measures against the spread of like-minded violent extremist organizations and their ideologies to neighboring regions such as the Horn of Africa and the Sahel. The U.S. military's task is to partner with affected nations to combat terrorism, counter violent extremism, and build their capacity to shoulder this same burden.

Afghanistan and Pakistan are central fronts in the fight against al Qaeda and militant global extremism and must be understood in relation to each other. Afghanistan requires additional resources to counter a growing insurgency partially fed by safe havens and support networks located within Pakistan. Additional U.S. troops will conduct counterinsurgency operations to enhance population security against the Taliban in south/southwest Afghanistan and to accelerate and improve training and mentoring of Afghan security forces. As in Iraq, our troops will live among the population. We must make every effort to eliminate civilian casualties, not only because this is the right thing to do but also because it deprives the Taliban of a propaganda tool that exploits Afghan casualties and calls into question U.S./NATO endurance and effectiveness in providing security. Although we must expect higher Alliance casualties as we go after the insurgents, their sanctuaries, and their sources of support, our extended security presence must—and will—ultimately protect the Afghan people and limit both civilian and military casualties. Our troops will integrate closely with Afghan forces, with the objective of building Afghan security forces that are capable of assuming responsibility for their country's security.

We expect the reinforcements to have the most pronounced effect over the next 12–24 months. Security gains can only be assured when complemented by development and governance programs designed to build greater self sufficiency over time. Our commanders in the field can lay some of this groundwork through the proven Commanders Emergency Response Program to start smaller projects quickly, but these projects can not compensate for the larger, enduring programs required. A temporary boost in security that is not matched with commensurate political and economic development will not only fail to generate faith in the Afghan government and fail to convince Afghans of our commitment, but also fail to accomplish our objectives. Over time, these objectives will be met more through civilian agencies and non-governmental organizations, with a lighter military presence. Getting to that point, however, requires that military forces generate the security required for political and economic initiatives to take root.

Pakistan is crucial to our success in Afghanistan. In my nine trips to Pakistan, I've developed a deeper understanding of how important it is that we, as a nation, make and demonstrate a long-term commitment to sustaining this partnership. We are taking multiple approaches to rebuild and strengthen relationships and address threats common to both of our nations. One key approach in the near term is to help Pakistan's military to improve its overall—and specifically its counterinsurgency—capabilities. Beyond the trainers we will continue to provide, the Pakistani Counterinsurgency Capability Fund and Coalition Support Funds. These funding streams provide us the means to address this issue directly, and I ask Congress to support these initiatives and provide the flexibility to accelerate their implementation. We will ensure that accountability measures are in place so that these funds go exactly where they are intended to go and do not compromise other U.S. Government humanitarian assistance objectives. These programs will help the Pakistanis

take continued action to combat extremist threats in western Pakistani territories which will complement the reinforcement of troops and special operations efforts in Afghanistan to maintain pressure on al Qaeda and Taliban leadership. In addition to these initiatives, steady support of the Foreign Military Sales and Foreign Military Financing programs will help us to address the needs expressed by Pakistan's leaders. We will also be well served by the substantially larger request for International Military Education and Training exchanges with Pakistan, to help reconnect our institutions and forge lasting relationships. Military programs must also be supplemented by non-military investment and continued engagement, which further confirm our Nation's long-term commitment.

In all, we must recognize the limits of what can be accomplished at what price and at what pace in both countries. This will be a long campaign. We are committed to providing sustained, substantial commitment to Afghanistan and Pakistan. Progress in Afghanistan and Pakistan will be halting and gradual, but we can steadily reduce the threats to our Nation that emanate from conditions in those countries.

In Iraq, we are on the path to stability and long-term partnership as codified in the Security Agreement. Political, ethnic, and sectarian tensions may continue to surface in sporadic bouts of violence. But we also expect that Iraq's Security Forces will continue to improve, malign Iranian influence will not escalate, and, although resilient, al Qaeda in Iraq will not be able to regroup and reestablish the control it once had. I am heartened by the conduct of Iraq's provincial elections in January and the election of a new Speaker of the Council of Representatives and expect additional political progress in the coming year.

The drawdown in Iraq carries inherent risks. But the plan that is underway provides sufficient flexibility for the ground commander to adjust to Iraqi political and security developments and to deal with the unexpected. We are currently working with Multi-National Force-Iraq, Central Command, SOCOM, TRANSCOM, and the Services on the mechanics of the drawdown and the composition of the roughly 35,000 to 50,000 strong transition force that will remain in Iraq after August 31, 2010, to advise and assist the Iraqi security forces, conduct counterterrorism operations, and provide force protection to civilian agencies.

The Iranian Government continues to foment instability in the broader Middle East. We have two primary concerns: Iran's sponsorship of violent surrogates and pursuit of a nuclear weapons capability. Iran's Islamic Revolutionary Guard Corps orchestrates the activities of its proxies in Iraq and Afghanistan, across the Levant, and beyond. Through these proxies, Iran inserts itself into the Israeli-Palestinian situation by its direct support of Hamas and Hizballah. Iran's interference beyond its borders causes us to doubt the regime's declared peaceful intent regarding its nuclear program. Evidence suggests that the regime intends to acquire nuclear weapons, even as it continues to disregard U.N. and international resolutions. In these actions, the Iranian Government rejects the opinion as reflected in recent polls of the Iranian population, the majority of who want peaceful, civilian nuclear power but do not want nuclear weapons. Unfortunately, Iran's behavior could well lead to further regional proliferation as other states would seek similar weapons as a hedge—an outcome that would serve neither Iran nor the region. Iran could be an immensely constructive actor in the region, and its choices in the near term will have far reaching consequences. Iran's pursuit of a nuclear weapons capability clearly constitutes a grave threat to U.S. vital national interests in the broader Middle East, and we must use all elements of national power to prevent them from achieving this nuclear capability. In line with the administration's guidance, we will continue to work with the international community to convince Iran that the benefits of abandoning its pursuit of nuclear weapons and delivery means far outweigh the costs that would come from the alternative.

Iran's actions provide only one strand of the Weapons of Mass Destruction (WMD) threat emanating from the region. Al Qaeda has expressed the desire for WMD and their intent to strike the homeland is undisputed. Al Qaeda would also likely use WMD against populations in the broader Middle East. Consequently, the nexus between violent extremism and the proliferation of WMD remains a grave threat to the United States and our vital national interests. The defeat of al Qaeda would significantly diminish the threat from this nexus, but does not fully remove it given the conceptual blueprint already established for other extremists. We will continue to support national efforts to counter, limit, and contain WMD proliferation from both hostile state and non-state actors. We will also team with partners inside and outside the broader Middle East to reduce vulnerabilities and strengthen regional governments' confidence that we can address the WMD threat. But we must recognize that this threat requires vigilance for the duration, given the magnitude of damage that can be wrought by even a single incident.

The Israeli-Palestinian conflict, in particular the violence in Gaza in January 2009, continues to cast a pall across the region. The Peace Process is primarily a diplomatic endeavor, but one we support fully through such initiatives as the training and advising of legitimate Palestinian security forces, exchanges with Israeli counterparts, and cooperation with Arab military partners. These initiatives support broader national endeavors aimed at a reduction in violence, greater stability, and peaceful co-existence in this critical region.

RESET, RECONSTITUTE, AND REVITALIZE THE ARMED FORCES

Protecting our Nation's interests in recent years has required the significant commitment of U.S. military forces. Indeed, extensive security tasks remain before us as we pursue the stated objectives in Iraq, Afghanistan and Pakistan, defeat the al Qaeda network, prevent the spread of WMD, deter conflict, preserve our ability to project and sustain military power at global distances, and maintain persistent engagement with allies and partners around the globe. At the core of our ability to accomplish all of these tasks are the talented, trained, and well-equipped members of the Armed Forces. I remain convinced that investment in our people is the best investment you make on behalf of our citizens.

The pace of current commitments has prevented our forces from fully training for the entire spectrum of operations. Consequently, readiness to address the range of threats that might emerge has declined. The demands we have put on our people and equipment over the past 7 years are unsustainable over the long-term. As we continue to institutionalize proficiency in irregular warfare, we must also restore the balance and strategic depth required to ensure national security. Continued operations that are not matched with appropriate national resources will further degrade equipment, platforms, and, most importantly, our people.

Our Nation's servicemembers and their families are at the core of my efforts to reset, reconstitute, and revitalize our forces. Every decision I make takes into consideration their well being. The All-Volunteer Force has accomplished every mission it has been given, but at a high price. I do not take their service for granted and recognize the limits of their endurance. I remain extremely concerned about the toll the current pace of operations is taking on them and on our ability to respond to crises and contingencies beyond ongoing operations in Iraq and Afghanistan.

The dwell time of units is one key metric we watch closely for the Army and Marine Corps. Dwell time remains at approximately 1:1 for ground units, meaning 1 year deployed and 1 year at home for the Army, 7 months deployed/7 months at home for the Marine Corps, and similar cycles for the airmen and sailors serving in joint expeditionary taskings. Dwell time will improve, but we cannot expect it to return to an interim 1:2 or the desired 1:3 or better for several years given the number of ground forces still tasked with reposturing to Afghanistan, the advise and assist mission in Iraq after drawdown, and other global commitments. Special Operations Forces (SOF) face similar deployment cycles but improvements in their dwell time will lag the Army and Marine Corps given the demand for SOF expertise in the irregular warfare environment we face. A key part of the effort to improve dwell time is the continued commitment to the size of the Army, Marine Corps, and SOFs as reflected in the 2010 budget. Institution of the "Grow the Force" initiative is an indispensable element of the long-term plan to restore readiness.

Our recruiters met the missions of their military departments for fiscal year 2008 and are well on track for fiscal year 2009. The Services have been able to reduce the number of conduct waivers issued and the Army in the recruiting year to date has seen a marked increase in the number of high school graduates joining its ranks, exceeding the Department of Defense Tier 1 Educational Credential Standard of 90 percent for all three Army components—Active, Army National Guard, and Army Reserve. Retaining combat-proven leaders and the people with the skills we need is just as important. The Services have benefitted from the full range of authorities given to them by Congress as retention incentives. I ask for your continued support of these programs, in particular the bonuses used by the Services to retain key mid-career active duty officers and enlisted. I also ask for your continued support of incentives for Reserve and National Guard service to provide flexibility and enhanced retirement benefits. We have made important strides in the past year in equipping these vital members of the Total Force, and their performance over the past 7 years of war has been superb. Economic conditions will ameliorate some of the recruiting and retention pressure in the coming year, but we must recognize that personnel costs will continue to grow as we debate the national level of investment in defense.

As Chairman of the Joint Chiefs of Staff, I have spent the last 18 months meeting with soldiers, sailors, airmen, marines, coast guardsmen, and civilian public serv-

ants. In them I recognize the differences in our generations, with the younger ones ever more comfortable with social networking and technology. Yet I recognize in all of them a strong thread of continuity that stretches back to the Nation's beginnings. That thread is a keen awareness of how they and their influencers—parents, teachers, coaches, and peers—perceive the manner in which today's veterans are treated. Servicemembers know that the American people stand fully behind them, regardless of varying opinions over American policy. The All-Volunteer Force has earned this trust and confidence. This contract must be renewed every day with the American people, who can never doubt that we will be good stewards of their most precious investment in their Armed Forces—the sons and daughters who serve our Nation.

Emblematic of that stewardship is the way we treat returning Wounded Warriors and the parents, spouses, and family members who support them. As a Nation, we have an enduring obligation to those who have shouldered the load and who bear the visible and invisible scars of war, some of whom we unfortunately find in the ranks of the homeless. As leaders, we must ensure that all Wounded Warriors and their families receive the care, training, and financial support they need to become self-sufficient and lead as normal a life as possible—a continuum of care that lasts for life. This continuum extends especially to the families of the fallen. Our focus must be more on commitment rather than compensations, and on transition and ability rather than disability. To the degree that we fail to care for them and their families, and enable their return to as normal a life as possible, we undermine the trust and confidence of the American people.

One other area that has been particularly troubling since I last testified is the rise in the number of servicemember suicides. The Army in particular has been hit hard by a troubling increase over the past 4 years and an already disturbing number of suicides in 2009. We do not know precisely why this is occurring, though the increased stress of wartime is certainly a factor. All Service leaders are looking hard at the problem, to include ensuring that we make a servicemember's ability to seek mental health care both unimpeded and stigma free. This approach requires a cultural change in all of the Services that will take time to inculcate, but the seeds are planted and taking root. The program at Fort Hood, TX, is just one example of how a commander-empowered that understands the problem as a result of stress rather than weakness and incorporates families can sharply reduce the number of suicides in a specific community.

The Department and the Services have also continued to expand comprehensive programs designed to prevent sexual abuse in the military. Such abuse is intolerable and an unacceptable betrayal of trust. We will continue work towards the goal of eliminating this crime from our ranks.

Although the strain on our people is most acute, the strain on equipment and platforms is likewise significant. Through the reconstitution effort over the next decade, we will repair, rebuild, and replace the equipment that has been destroyed, damaged, stressed, and worn out beyond repair after years of combat operations. As Congress is well aware, Service equipment has been used at higher rates under harsher conditions than anticipated. The drawdown in Iraq through the end of next summer will provide us even greater first-hand insight into the state of ground force equipment as we retrograde multiple brigade combat team and enabler sets.

Beyond the wear and tear experienced by ground vehicles in Iraq and Afghanistan, our airframes are aging beyond their intended Service lives. Indeed since Operation Desert Storm, 18 years ago, the U.S. Air Force and U.S. Navy have flown near continuous combat missions over the Middle East and the Balkans with the F–15s, F–16s, and F–18s that were designed in the 1960s and 1970s and which, with upgrades, have proven their worth repeatedly over time. We have struggled with a wide variety of airframes, as seen in the fleet-wide groundings of all major fighter weapons systems at various times over the past 5 years, the strains on 30 year old P–3 Orion reconnaissance aircraft, and ongoing efforts to retire some of our C–130 Hercules and KC–135 Strato-tankers. Maintaining and acquiring sufficiently robust air and naval forces remain pressing requirements as these assets are central to ensuring the command of the sea and air that enables all operations. To help pay for these pressing requirements we must continue to look towards acquisition transformation that supports accelerated fielding of equipment before the speed of technology eclipses its value. We also need to reduce stovepiped information technology service solutions and replace them wherever possible with joint enterprise solutions and capabilities that are more effective at reduced costs.

Our forces have relied upon the funds appropriated in the fiscal year 2009 budget request to accomplish equipment reset and to address readiness shortfalls. Congress's continued support is necessary for the predictable, adequate funding required for the repair and replacement of both operational and training equipment. I ask for your continued support for the upcoming fiscal year 2010 funding request.

I fully support the vision Secretary Gates has laid out—and which the President has endorsed and forwarded—for the Department and the joint force. This vision and its program decisions emphasize our people first. Our advanced technology, superior weapons systems, and proven doctrine won't produce effective organizations absent quality men and women. These decisions also balance our efforts by addressing the fights we are in and most likely to encounter again without sacrificing conventional capability. That balance helps to check programs that have exceeded their original design, improve efficiency, and steward the resources taxpayers provide us for the common defense. The holistic changes we are making work in combination with one another and span the joint force. I am confident that they not only preserve our warfighting edge but also inject the flexibility required to address today's most relevant challenges.

An area of particular interest is energy—which is essential to military operations. Our in-theater fuel demand has the potential to constrain our operational flexibility and increase the vulnerability of our forces. Thus your Armed Forces continue to seek innovative ways to enhance operational effectiveness by reducing total force energy demands. We are also looking to improve energy security by institutionalizing energy considerations in our business processes, establishing energy efficiency and sustainability metrics, and increasing the availability of alternative sources.

The ongoing revitalization of the joint force makes our conventional deterrent more credible, which helps prevent future wars while winning the wars we are now fighting. Restoring our forces is an investment in security—one which is hard in tough economic times—but one that is required in an exceedingly uncertain and complex security environment. Understanding that environment and having forces capable of the full range of military operations is central to balancing global strategic risk.

BALANCING GLOBAL STRATEGIC RISK

My third priority of balancing global strategic risk is aimed at the core functions of our military—to protect the homeland, deter conflict, and be prepared to defeat enemies. Each function is tied to today's conflicts and each requires continuous attention. Successful campaigns in Iraq and Afghanistan and improved partnership with Pakistan will take us far in the fight against al Qaeda, although the network has spread tentacles across Asia, Africa, and Europe that we will continue to attack. These campaigns have two functions: first, deterring future conflict, and second, staying prepared by building networks of capable partners who help us see conflict brewing and are ready to stand with us if prevention fails. These functions help to protect and secure the global commons: sea, air, space, and cyberspace. Increasingly, we are encountering more security challenges to these nodes and networks of global commerce. In cyberspace, we are continuing proactive steps to pursue effective organizational constructs and to reshape attitudes, roles and responsibilities; we must increasingly see our information systems as warfighting tools equal in necessity to tanks, aircraft, ships, and other weapon systems. The Nation must work to increase the security of all vital government and commercial internet domains and improve coordination between all U.S. Government agencies and appropriate private sectors. One related step in strengthening the military's operations in the commons that I continue to support is the United States' accession to the Law of the Sea Convention. This Convention provides a stable legal regime by reaffirming the sovereign immunity of our warships, preserving the right to conduct military activities in exclusive economic zones, ensuring unimpeded transit passage through international straits, and providing a framework to counter excessive claims of other States.

We must be sized, shaped, and postured globally to detect, deter, and confront the threats of the future. At the same time we must leverage the opportunities for international cooperation while building the capacity of partners for stability. These capacity building efforts are investments, with small amounts of manpower and resources, which can, over time, reduce the need to commit U.S. forces. I recognize, as do the combatant commanders, that our ability to do so is constrained by ongoing operations, but that does not make building partner capacity any less important. We can magnify the peaceful effects we seek by helping emerging powers become constructive actors in the international system. Fostering closer international cooperation, particularly in today's distressed economic climate, is one method of preventing nations from turning inward or spiraling into conflict and disorder.

The wars we are fighting limit our capacity to respond to future contingencies and preclude robust global partnershipbuilding programs. While necessary, our focus on the current mission also offers potential adversaries, both state and non-state, incentives to act. We must not allow today's technological and organizational arrangements to impede our preparation for tomorrow's challenges, which include irregular,

traditional and cyber warfare. In cyberspace, one often overlooked challenge is the need for military forces to maintain access to and freedom of action in this global domain. Our command and control and most sensitive information are constantly threatened by intrusion, interruption, and exploitation efforts. We must understand these risks in the context of the combined arms fight and carefully weigh their effects on our national security and global missions. This is true for the military as well as our Nation's public and private sector cyberspace. In all, we continue to mitigate the risk we face in the ability to respond rapidly to other contingencies through a variety of measures. Restoring balance to our forces, however, remains the principal mitigation necessary for the long-term.

Enduring alliances and partnerships extend our reach. In each relationship we remain wedded to this Nation's principles which respect human rights and adhere to the rule of law. The 28-nation North Atlantic Treaty Organization, designed for a far different mission decades ago, has proven adaptive to the times and now leads the security and stability mission in Afghanistan. Australia, New Zealand, South Korea, and Japan have made key contributions to operations in Afghanistan and Iraq. India has emerged as an increasingly important strategic partner. We seek to mature this partnership and address common security challenges globally as well as within the region. Singapore, Indonesia, and the Philippines continue to work with us to counter international terrorist threats in Southeast Asia while Thailand remains a significant partner in supporting humanitarian assistance and disaster response in South and Southeast Asia. The Trans-Sahara Counterterrorism Partnership has worked to counter transnational terrorist threats in north and west Africa, and cooperative efforts with the Gulf of Guinea nations has generated improvements in maritime security against piracy, illegal trafficking, and overfishing off Africa's west coast. Multinational efforts in the Gulf of Aden are helping stem the unwanted scourge of piracy emanating from Somalia, though much work remains to be done. Colombia continues a successful counterinsurgency campaign in the Andean Ridge that reflects the patient, steady partnership between our nations, and we are particularly grateful for the Colombian Armed Forces' impressive rescue of three Americans held in FARC captivity last July. Military-to-military relationships with Mexico and Canada help to improve homeland security. In the coming year, in coordination with the Department of Homeland Security, we will work to improve cooperation with Mexico via training, resources, and intelligence sharing as Mexico takes on increased drug-related violence. The examples above represent far broader efforts and partially illuminate how enhancing teamwork with allies and partners helps to protect our shared interests. The interdependency of nations should not be allowed to unravel under economic duress, and these security focused programs are one way of reinforcing beneficial ties that bind.

We also seek to further cooperation with states not in our formal alliances. We have established relationships with the nations in the Caucasus and Central Asia to build a transportation network in support of our efforts in Afghanistan. We recognize the key role Russia plays and are encouraged by Russian assistance with this project. There is more we can do together to bring peace and security to the people of Afghanistan. At the same time, we are troubled by the Russian-Georgian conflict last August and while we acknowledge Russia's security concerns, its actions created a more difficult international situation and damaged its relationship with NATO and the United States. We look forward to resuming military-to-military engagement, as part of our broader relationship, in a manner that builds confidence, enhances transparency, and rights the path towards cooperation.

We likewise seek to continue improved relations with China, which is each year becoming a more important trading partner of the United States. We acknowledge the positive trends in our bilateral relations with China even as we maintain our capabilities to meet commitments in the region, given the security and stability that credible U.S. power has promoted in the western Pacific for over 60 years. We seek common understanding on issues of mutual concern but must recognize China's unmistakable and growing strength in technological, naval, and air capabilities, and this growth's effect on China's neighbors. While we are concerned over events such as the confrontation between USNS *Impeccable* and Chinese vessels, we support China's growing role as a regional and global partner. I believe both governments can synchronize common interests in the Pacific. Key among these interests are continued joint efforts aimed at reducing the chance of conflict on the Korean peninsula and the return of North Korea to the Six-Party Talks. This is particularly true given North Korean threats to restart its nuclear program and to continue testing an intercontinental ballistic missile in the face of United Nations Security Council Resolutions demanding that it halt nuclear tests or launch of ballistic missiles.

Rebalancing strategic risk also means addressing capability gaps. Our Nation's cyber vulnerabilities could have devastating ramifications to our national security

interests. Interruption of access to cyberspace, whether in the public or private sectors, has the potential to substantively damage national security. We cannot conduct effective military operations without freedom of action in cyberspace. Addressing this threat, the President's budget for fiscal year 2010 includes funds to reduce cyber vulnerabilities and to close some of the operational and policy seams between military, government, and commercial Internet domains. Likewise, and related to maintaining a secure global information grid, freedom of action in Space remains vital to our economic, civil, and military well being. We need to ensure access to cyberspace and Space as surely as we must have access to the sea and air lanes of the global commons. We must also address perennial shortfalls identified by the combatant commanders in intelligence, surveillance, and reconnaissance sensors and processing infrastructure that are proving ever more crucial in missions that span the globe.

Fighting and winning wars will always be the military's most visible mission. Preventing wars through deterrence, however, is preferable. In our strategic deterrence mission, deterring nuclear threats is most crucial. Our Nation remains engaged in many vital efforts to counter nuclear proliferation and reduce global stockpiles through international agreements and support activities. Still, many states and nonstate actors have or actively seek these weapons. To preserve a credible deterrent we will need safe, secure, and reliable nuclear weapons, an effective infrastructure to sustain that enterprise, and skilled people to support it. In addition, as our strategic deterrence calculus expands to address new and varied threats, proven missile defense capabilities will remain essential as tools to deter, dissuade and assure in an environment of WMD and ballistic missile proliferation.

PERSISTENT ENGAGEMENT

Our vital national interests call for a wise, long-term investment in global persistent engagement. For military forces, persistent engagement requires successfully conducting ongoing stability operations and building capacity with allies and partners. These efforts range from advising defense ministries to training host nation forces to conducting joint exercises to sharing intelligence to exchanging professional students. Over time, such actions help to provide the basic level of security from which economic development, representative political institutions, and diplomatic initiatives can take permanent root. Persistent engagement demonstrates enduring U.S. commitment, though, importantly, this commitment must be tempered with humility and a realistic assessment of the limits of our influence. The goal is always to empower partners, who are ultimately the only ones who can achieve lasting results.

During my travels, I've developed a more comprehensive appreciation of the value that personal relationships, fostered over time, bring to our security endeavors. At the senior level, these relationships provide insight and alert us to signals we might have otherwise missed, as such, providing us warning of conflict which can then be used to head off a brewing storm in some cases. These relationships should not be limited to just senior leaders. Rather, they should be developed throughout the careers of our officers and their partner nation colleagues. Such sustained cooperation builds a network of military-to-military contacts that ultimately provides avenues to defuse crises, assure access, institutionalize cooperation, and address common threats.

As I noted in particular with Pakistan, the criticality of "mil-to-mil" exchanges, combined exercises, schoolhouse visits, professional education collaboration, and many other programs are all part of the robust outreach we require. In particular, I ask that Congress fully fund the Department of State's Foreign Military Financing (FMF) and International Military Education and Training (IMET) programs and Global Train and Equip Programs, which the Departments of State and Defense jointly manage. While many militaries around the world clamor to train with us, we reap far more than the costs of these programs in terms of personal, sustained relationships. These relationships help us bridge difficult political situations by tapping into trust developed over the course of years. I cannot overemphasize the importance of these programs. They require only small amounts of funding and time for long-term return on investment that broadly benefits the United States.

I endorse a similar approach for and with our interagency partners, and I fully support the building of a Civilian Response Corps. Achieving the objectives of any campaign requires increased emphasis not only on fully developing and resourcing the capacity of other U.S. agencies (State, USAID, Agriculture, Treasury, and Commerce and so forth), but also on increasing our Nation's ability to build similar interagency capacities with foreign partners.

CONCLUSION

In providing my best military advice over the past 18 months, one important point I have made, consonant with Secretary Gates, is that our military activities must support rather than lead our Nation's foreign policy. Our war fighting ability will never be in doubt. But we have learned from the past 7 years of war that we serve this Nation best when we are part of a comprehensive, integrated approach that employs all elements of power to achieve the policy goals set by our civilian leaders. To this end, I believe we should fully fund the State Department as the lead agent of U.S. diplomacy and development, an action that would undoubtedly resonate globally. This approach obviously requires the backing of a robust military and a strong economy. As we win the wars we are fighting and restore the health of our Armed Forces, the military's approach will increasingly support our diplomatic counterparts through the persistent engagement required to build networks of capable partners. By operating globally, hand-in-hand with partners and integrated with the interagency and non-governmental organizations, we will more successfully protect the citizens of this Nation.

On behalf of our servicemembers, I would like to thank Congress for the sustained investment in them and for your unwavering support in time of war.

Chairman LEVIN. Thank you so much, Admiral.

Mr. Hale, do you have a statement?

Mr. HALE. No, thank you, Mr. Chairman.

Chairman LEVIN. Thank you.

We will try a 6-minute first round for questions due to the large attendance.

First, Secretary Gates, the fiscal year 2010 request includes significant funds for Pakistan, including $700 million for the counter-insurgency contingency fund, up to $1 billion for coalition support funds.

I believe all of this is going to be ineffective if Pakistan's leadership and its people are not convinced that their own security interests require them to take the fight to the militant extremists within their borders. They are destroying Pakistan militarily, economically, and diplomatically, and they continue to try to buy off the support of militant extremists by allowing them to control areas of Pakistan or to give them safe havens or to look the other way as those militant extremists use Pakistan as a launching platform to attack Afghanistan, their neighbor.

There is some evidence, as I indicated, that in recent weeks they are now beginning to take the fight to those extremists, and that, of course, would be a good direction if they continue to move that way.

However, when President Zardari was here last week, I remained unconvinced that the leadership of Pakistan believes that the greatest threat to Pakistan was the danger posed by the militant extremists inside Pakistan. Instead, I think they continue to put huge resources on the border with India, acting as though India is the bigger threat to them.

By the way, I was not at all pleased with President Zardari's use of the funds that we provide to American International Group (AIG) in our budget, somehow or other as a comparison of what he considers to be the totally inadequate funds that we provide Pakistan.

Our taxpayers are being asked to provide billions for Pakistan. As far as I am concerned, they have been asked to provide much, much, too much for AIG, but that is a different story. That is a domestic story. So, I wasn't at all pleased with his comparison or his

analogy in that regard as a way of saying we are not providing enough support to Pakistan.

So let me ask you first, Secretary Gates, do you agree that a commitment on the part of Pakistan's leadership to take the fight against militant extremists on their territory is a prerequisite for success and effectiveness of our assistance to Pakistan in confronting the terrorist threat?

Secretary GATES. Yes, sir. Mr. Chairman, I do. I think that is central to the administration's new policy with respect to Afghanistan and Pakistan. That is the recognition that without success on the Pakistani side of the border, our efforts on the Afghan side will be significantly harder.

Chairman LEVIN. Do you also agree that that will require the Pakistan Government to not only take the fight to the extremists, but to tell their public that they are doing that and why they are doing that?

Secretary GATES. Yes, sir. But they face a difficult challenge, and that is that for all of Pakistan's history, India has been the existential threat. I think, actually, it was only with the Taliban's going too far in moving their operations into Buner, just 60 miles or so from Islamabad, that for the first time, they really got the attention of the Pakistani government.

The Pakistanis during these last decades have always felt that because the Punjabis so outnumber the Pashtuns that they could just take care of that problem, the generally ungoverned spaces in the west, by doing deals with the tribes, playing them against one another, or occasionally using military force. They have never considered it a threat to the stability of the Nation.

I think that has changed in the last 3 weeks or so, and I think that the senior leadership of the government gets that. Being able to communicate it to the rest of the country is the next challenge that they face.

Chairman LEVIN. Unless they meet that challenge, our aid could be counterproductive. If it looks as though we are trying to buy their support for our goal instead of supporting their goal, that would be used as propaganda by the people who are out to destroy them and us. So I would hope that this direction continues and that the public statements are made by that government as to what is in Pakistan's interest, and they are not just being controlled or dominated by the United States.

Secretary Gates, an article in the New York Times this morning asserted that the United States has provided Pakistan with the notice of drone operations but stopped doing that because the information is leaked to the targets of the operations. Can you comment on that?

Secretary GATES. Let me ask Admiral Mullen to answer that.

Admiral MULLEN. Mr. Chairman, in fact, there have been articles over the last couple of days with respect to this. Where we are, we have evolved over time in support of the Pakistan military and opened up a border coordination, a joint coordination center a few months ago to support them in operations, and that continues to evolve.

The specifics of this article, in terms of what we are actually providing, really are classified. That said, we don't do any of this with-

out their requests to assist and support them in their operations. In fact, those requests have ceased over the period of about the last month.

Chairman LEVIN. Have ceased?

Admiral MULLEN. Yes, sir. The specific requests that are mentioned in this article have—they haven't asked for any additional assistance along those lines over about the last 30 days.

Chairman LEVIN. Have they received any control over our operations as reported in the press, over our drone operations?

Admiral MULLEN. No, sir.

Chairman LEVIN. So those reports are inaccurate?

Admiral MULLEN. The report in the LA Times yesterday was very inaccurate.

Chairman LEVIN. That report was that they have joint control——

Admiral MULLEN. Yes, sir, and that was completely inaccurate. The report today was a much more accurate portrayal, but in terms of control, absolutely not. In terms of support and information, we certainly—they have asked for that. Where they have asked for that, we have supported them.

Chairman LEVIN. All right. I wish they would tell their public about their support of our operations instead of attacking us for them because that is one of the things that just creates propaganda fodder for the very people who are out to destroy us and them.

Senator McCain?

Senator MCCAIN. Thank you, Mr. Chairman.

Following along the lines of the chairman's questioning, Secretary Gates, a week or so ago, General Petraeus said the next couple of weeks were critical as far as the political stability of Pakistan is concerned. What is your brief assessment of the political situation and the stability of the government in Pakistan?

Secretary GATES. Let me comment and then ask Admiral Mullen because he is, frankly, much more familiar with Pakistan than I am at this point.

I believe that the actions of the Pakistani government and army of the last 10 days or so, and particularly since driving the Taliban out of Buner, have been reassuring that the government does understand the nature of the threat to it and is prepared to take action to deal with that threat.

So I actually think if you look at that 2-week timeframe, which is probably too short a time to consider, but I think the events of recent days are encouraging.

Admiral MULLEN. I would concur with that, Senator. I think, and to speak to the Pakistani politicians, the prime minister, last week or 10 days ago, spoke very strongly about the need to recognize this threat throughout his country. There is, as I understand it, increasing support from the Pakistani people that this threat is a very serious one.

My biggest question about these operations is their ability to sustain them over time. Historically, they haven't done that. So right now, I am encouraged by what has happened, but I certainly withhold any judgment about where it goes because of the lack, historic lack of sustainment. They know they need to do that.

Senator MCCAIN. You have developed an excellent relationship with General Kiyani. Do you believe that the Pakistani military now believes that the major threat comes from the Taliban and religious extremists as opposed to India?

Admiral MULLEN. My assessment would be they think it comes from both, that they still have a heavy focus on India. When I was there recently, I actually went out and observed some fairly effective counterinsurgency training that General Kiyani has put in throughout all of his divisions.

So there is much more focus on counterinsurgency and on the west than there had been. He has moved troops to the west, but I still think we have a long way to go with respect to the entire army thinking that the only existential threat they have is from the west.

Senator MCCAIN. Do you still worry about the Inter-Services Intelligence (ISI) cooperating with the Taliban?

Admiral MULLEN. Yes, sir. I believed over the last year, since I have been involved and visited Pakistan, that the ISI, in the long run, would have to change its strategic thrust and get away from the working both sides. That is how they have been raised, certainly over the last couple of decades. That is what they believe until they think we are going to be there for a while.

I mean, one of the questions——

Senator MCCAIN. We have to provide them with the assurance that we are going to be there?

Admiral MULLEN. Yes, sir. I think the relationship is going to be a sustained relationship.

Senator MCCAIN. How confident are you about the security of their nuclear arsenal?

Admiral MULLEN. I am comfortable that it is secure. They have actually put in an increased level of security measures in the last 3 or 4 years. But there are limits on what we know in terms of a lot of the specifics, but I am comfortable that from what I know, what we actually know, and also what they have told us, that right now they are secured.

Senator MCCAIN. Secretary Gates, May 10th, there was an article where the General—I am sure I am not pronouncing his name, the Afghan minister for counternarcotics, when asked what U.S. and NATO forces had done to stop the flow of opium and heroine, he said "nothing." Are we developing some kind of coherent, cohesive, and united strategy as far as the poppy crops are concerned?

Secretary GATES. I think that this is an important element of the new Afghan strategy of the administration. I think there is if not unanimous, strong agreement in the administration that eradication on its own is not sustainable and largely is a recruitment tool for the Taliban.

The focus needs to be on alternative agriculture for Afghanistan and making sure that I have changed the rules of engagement for our troops, and NATO subsequently did for International Security Assistance Force, in terms of being able to go after drug lords and networks and the labs that support the Taliban. But the long-term solution really is getting the Afghan farmers to adopt alternative crops to the poppies.

Now the reality is 30 or 35 years ago, before 30 years of war, Afghanistan was a very prosperous agricultural country. Not prosperous, but had a strong agricultural sector and, in fact, exported a variety of food.

So the notion of getting them to adopt alternative crops is not fanciful, but we have to figure out a strategy where they get the money and the seeds and the ability to sustain their families before they get rid of their poppy crop.

Senator MCCAIN. We also ought to get our allies to agree on a common strategy as well. Good luck.

I was very disappointed with President Karzai's comments about some of the precision air strikes that have taken place within Afghanistan. I think when we review the success in Iraq, one element was the ability to disrupt and destroy leadership of radical Islamic elements in Iraq. One of the tools was our precision bombing or ability to hinder and destroy them.

How are we going to handle this situation within Afghanistan because it is pretty clear that we have taken out some of the leadership through this employment of this weapon systems that we have, and apparently President Karzai hasn't bought in. In fact, he strongly objects.

Secretary GATES. One of the challenges that we face is that a central element of Taliban strategy is to either mingle with civilians so that whether the attack comes from the air or from the ground, innocent civilians are killed, or simply to make up attacks or to create situations in which innocent civilians are almost certain to be killed.

The difference between the Taliban and us is that the Taliban deliberately target civilians. When we accidentally—when we kill a civilian, it is despite enormous efforts to avoid that, and it is always an accident.

I have discussed this many times with President Karzai. We have worked very hard, and General McKiernan has put out new guidance in terms of greater care in how we choose our targets. We have been more proactive about trying to get inside the communications loop in terms of expressing our regret, making amends where appropriate, and then investigating so that we aren't days, if not weeks or months, behind the Taliban in terms of trying to describe or describing what happened.

But we, as General Jones said on Sunday, cannot forego the use of air power because it would end up with us fighting this war with one hand tied behind us. That said, one of the charges, I think, for the new commanders will be to look at how can we do this in a way that further limits innocent civilian casualties in Afghanistan, but also gets the truth out to the Afghan people about what is really going on.

Senator MCCAIN. We have an absolute obligation to do everything necessary to protect the lives and security of our fighting men and women who are there, and this is one of the ways to do it. So, I hope that President Karzai will realize that our commitment to Afghanistan is based on American public opinion. To deprive us of the ability to protect the security of the men and women who are in harm's way would be a terrific mistake, and we will continue the dialogue with him.

I thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator McCain.

Senator Lieberman.

Senator LIEBERMAN. Thanks, Mr. Chairman.

Thanks to each of you for your service and your leadership.

Secretary Gates, I wanted to ask you a quick immediate question about Pakistan and then go on to the budget. The Pakistani military offensive in the Swat Valley, which we appreciate and support, has created an enormous refugee problem, probably the most significant refugee problem since the partition of the 1940s in Pakistan. This may create problems of domestic instability if not handled correctly.

I also noticed a news story that Lashkar-e-Taiba, the terrorist group, the one that we associate with the Mumbai terrorist attacks, is already out offering humanitarian assistance to the refugees. There is no force in the world that is better able to operate in this circumstance than the U.S. military. That doesn't mean we can handle all of these crises.

But in this case, particularly mindful of what an extraordinary indigenous public reaction there was when we helped after the tsunami and after the earthquake in Pakistan in 2005, are we considering giving any assistance, humanitarian assistance to the Pakistani government in handling this refugee problem?

Secretary GATES. Yes, we are. The State Department, our Ambassador, and Admiral LeFevre in Islamabad are being proactive in this. They are working with the Pakistanis, and obviously, we are prepared to do everything we can to help them.

Senator LIEBERMAN. Thank you.

Let me go on to the budget now. You said in your opening statement that this is a reform budget. It is, and I appreciate the tough decisions you made. I support most of them. I don't support all of them. But you made some tough decisions, and it is really a reform budget. All the more difficult because though the number is large, in my opinion, you are still budget constrained. So it is hard to operate in that context.

I want to focus in particularly on the U.S. Army, which is bearing the largest burden of the wars we are involved in in Iraq and Afghanistan and to put it in this context. Both you and Admiral Mullen said that your top priority is to take care of our personnel, of our All-Volunteer Forces. In fact, I think in this budget, building on previous budgets, we are trying our best to take care of those personnel and their families. The problem is there are not enough of them. As a result, they are under stress, and so is our military in some ways.

I know that the dwell time is not where any of you want it to be. It is still about 1 year to 1 year. The repeated deployments—as Admiral Mullen said, I thought, quite eloquently—contribute to the stress that the Army and particularly the families are feeling.

I noticed that in the budget, the Army overall, combining the base budget and the OCO, actually drops from $231 billion to $225 billion. It is a lot of money, but it is a drop. I understand the base budget does go up some.

I note also that in moving from the supplemental budgets to moving expenses into the departmental budget, about $13 billion of

personnel costs are put into the baseline budget. To me, that means that the actual budget has been—at the base has been reduced by about 10 percent.

Just let me get beyond all the numbers to say that by any projection I have seen, we are going to need more personnel for at least the next 18 months, certainly through fiscal year 2010. I don't think we have given you enough personnel to make this happen. I hear concerns about competition for enablers between the war zones of Iraq and Afghanistan.

So I wanted to tell you that I have been working with members of the committee, on a bipartisan basis, to see if we can do two things, one on the supplemental next week. If we can raise the authorized end strength from 532,000 up to the 547,400 and maintain in that the 2 or 3 percent waiver that you and the Secretary of the Army have, to give you the option of going beyond the 547,400 in the remainder of this year. Then also seeing if we can increase by some number the end strength for fiscal year 2010 to try to reduce the kind of pressure I have talked about.

So, with that introduction, am I right that the dwell time at this point is not where you or Admiral Mullen would like it to be?

Secretary GATES. That is absolutely right. We hope that toward the end of this year and more likely into next that the dwell time will begin to increase, particularly as the drawdowns in Iraq take place. We will probably move in steps. We would like to see the Active Force at 1 year deployed, 2 years at home. The Guard and Reserve 1 year deployed and 4 or 5 years at home.

We are not there and probably not going to get there in the short term, but I would say late this year or early next, we will begin to see an increase perhaps to 15 months at home, a year deployed.

I would say, Senator Lieberman, that one of the things when I took this job was—one of my concerns was that the ground forces weren't big enough to do all the tasks that they had been given.

Senator LIEBERMAN. Right.

Secretary GATES. With certainly the strong support of Congress, we have added 92,000 men and women to the Army and the Marine Corps. 65,000 and 27,000, respectively. The Army is at and actually a little above the 547,000 at this point.

But in one sense, there are two indicators for me beyond all of the stress and other negative issues that we see that indicate the stress on the force or that we are short, and that is 13,000 men and women on stop-loss and the dwell time, as you pointed out.

But the question is whether an increase beyond where we already are or beyond where the Army and the Marine Corps already are is sustainable over the long term? When we moved the end strength coverage from the supplementals to the base budget, as you suggested, the cost of that was $11 billion. The Army's portion of that alone was $7 billion.

Senator LIEBERMAN. Right.

Secretary GATES. Just for the added end strength. As the Admiral pointed out at the outset, a third of this budget is the people cost. The question is, balancing everything else, whether we can really sustain even more in the ground forces than we already have.

Senator LIEBERMAN. I appreciate what you have said. I understand the challenge, and I think the pressure on the Army particularly over the next 18 months is going to be so severe with all the stress that comes with that, that we have to find a way to increase the end strength over that period of time, with an understanding that it will not go beyond that period of time because we are going to reach a point where we are going to be able to draw down in Iraq and, hopefully, in Afghanistan.

I wish I could hear, Admiral Mullen, your response, but I know I am out of time. So I will wait for the second round.

Thank you.

Chairman LEVIN. Thank you so much, Senator Lieberman.

Senator Sessions.

Senator SESSIONS. Thank you, Chairman Levin.

Thank both of you and Mr. Hale. Thank you for all your service to your country, and we are definitely challenged in DOD. I know you are up to that challenge.

I am concerned fundamentally about the budget. We are facing challenging times. The projected increases that you made and called for, Secretary Gates, I believe in 2007 at Kansas State University was a 4 percent annual increase. I see that the Office of Management and Budget (OMB) Director, Peter Orszag, who is the force behind the administration, is projecting 3.6 percent over the next 10 years.

Also one of the things I think we need to consider is the increase in end strength, the number of personnel in uniform. That number, I don't think we are at the maximum strength that we intend to reach, are we, Admiral Mullen? Are we still increasing personnel?

Admiral MULLEN. No, sir. I mean, we have arrived in the Marine Corps and in the Army, as well as we have stopped the reduction in the Air Force and the Navy. So we are literally today at about exactly where the targets that we had.

Senator SESSIONS. That is the targets that we were going to increase to?

Admiral MULLEN. Yes, sir. Just the Army and the Marine Corps got there a couple of years earlier.

Senator SESSIONS. So those numbers indicate to me that we are still pretty stressed in number of personnel. General Keane, I think, has called for instead of 500,000 plus, 700,000. Are you wrestling with that number?

Admiral MULLEN. If you talk to the Commandant of the Marine Corps, he is starting to see relief on dwell time and a relief in the force. He has been at 202,000 for the better part of the last 12 months.

The Army literally is just arriving at 547,000. This decision—or the recommendation, sorry, to go to 45 BCTs as opposed to 48 really gives us an opportunity to fill out forces with enablers and other capabilities that we just don't have. We would be too thin going to 48 BCTs. We can talk down the road about whether we should go back to 48 BCTs.

Overall, and particularly over the next couple of years, and I recognize the stress, there is some light in some units that are starting to be seen, and my question is how fast we could impact on this, quite frankly. It depends on levels, and if we keep coming

down in Iraq and we see some boundary, reasonable boundary in Afghanistan, I think it is about right right now, without being perfectly predicted. But I am nowhere close to saying we ought to add a couple hundred thousand to the Army.

Senator SESSIONS. I don't think we should go further than we need to, and I congratulate the military on their retention. It still remains high, does it not?

Admiral MULLEN. Yes, sir.

Senator SESSIONS. Recruitment is still doing well and even better in recent months. So I think we are in a healthy recruitment and retention environment. But I guess as you see those soldiers go and advance and as their salaries increase, don't you feel, Secretary Gates, that you have a responsibility to not only support the war effort we have, but to do your part during your watch to create the weapon systems that are going to be needed 10, 15, even 20 years from now?

There is a moral responsibility, isn't it, for any administration to not only take care of the present needs, but to invest in the long-term strategic needs that may not ripen during your tenure?

Secretary GATES. Absolutely.

Senator SESSIONS. So, I am looking with some concern at the reduction of so many of the big procurement programs. I will just tell you the one that I raise with you and have with some of your personnel earlier is the missile defense situation.

I think we could complete that system. We have spent 40 years developing it. We had a goal of 44 interceptors in the ground. Now you are talking about canceling a number of those, reducing that to, I think, it is 30 or 29, and that the advanced technology that would enhance that capability, the Multiple Kill Vehicle (MKV), has been canceled. So, some other things have squeezed that budget.

How do you feel—and that is just one part of it. I know there are other parts of missile defense that have gotten an increase, the theater-based missile defense. But this is the one system that protects the homeland from Intercontinental Ballistic Missiles that is completely on our land, our territory, that is under our control without having to ask permission to place it in a foreign nation.

How do you express your vision about that, and what confidence can you give us that the system is going to be sufficiently supported?

Secretary GATES. Senator Sessions, I have supported missile defense since President Reagan first announced his initiative in March 1983, and let me describe where I think we are in each of the three categories.

First of all, in terms of missile defense at the terminal phase. This budget increases, adds six Aegis-equipped missile defense ships. It adds—we max out the THAAD, which is a terminal defense. We max out the inventory build of Standard Missile 3.

I think we are in pretty good shape on the terminal side, and we are adding to those capabilities. Those also happen to be the capabilities that provide us a lot of support for our troops in terms of theater missile defense.

In terms of midcourse, you are discussing the ground-based interceptors. I think the judgment, the program, as you suggest,

was to grow from the 30 interceptors that we have now to 44, and the advice that I got is, first of all, that system really is only capable against North Korea.

The 30 interceptors at the level of capability that North Korea has now and is likely to have for some years to come, 30 interceptors, in fact, provide a strong defense against North Korea in this respect. That budget also includes robust funding for continued development and improvement of those GBIs.

The one area that is the hardest is boost phase, and it is the one where we have had the most difficulty over the last 25 years in trying to get at this problem. There have been a number of different attempts.

One such program was the airborne laser. I have kept the airborne laser test aircraft that we have and intend to invest in directed energy as a likely way to be able to deal with the boost phase.

The problem with the operational concept of the airborne laser as an operational system was that it would have required buying a fleet of about 20 747s, and the other difficulty is that they have to orbit close enough to the launch site so that if it were Iran, the orbit would be almost entirely within the borders of Iran. If it were against North Korea, it would be inside the borders of North Korea and China. I just think, operationally, that is not going to happen. So we will keep the research going.

On the MKV, the policy of the Bush administration and the policy of this administration has been to develop a missile defense against rogue nations, not against China and Russia. The MKV, in addition to schedule and cost and technology issues, was designed against a far more capable enemy than either North Korea or Iran are going to be for the next 10 to 15 years.

Finally, the Kinetic Energy Interceptor fundamentally was curtailed severely in the last administration, and we basically just took it off life support. That decision was made actually by the MDA and was not a part of this exercise.

There are also classified programs that are aimed at giving us the boost phase capability. So I am a strong defender and proponent of missile defense, but I want to spend the dollars on missile defense both on R&D and operationally where they will do us the most good.

Senator SESSIONS. Thank you.

I would say you were ready for that question. [Laughter.]

But I am worried about the numbers. It is a big cut overall, and we are increasing theater production, which is a good thing. But you are having some very significant cuts, and I am not sure all of that is so healthy.

Thank you, Mr. Chairman. My time is up.

Chairman LEVIN. Thank you, Senator Sessions.

Senator Reed.

Senator REED. Thank you, Mr. Chairman.

Secretary Gates, I think you have led not only a process that was productive, but the outcome of this budget is one that represents real change and I think matches the strategic threats and the strategic capabilities that we need. I commend you for that, as the Ad-

miral had. I think it is a testimony to your leadership, and thank you for that very much, sir.

Let me move to some questions with respect to the issues that were raised by some of my colleagues, Senator Lieberman in particular, about the stress on military units. I want to focus particularly on the enablers.

We have a situation where General Odierno needs to have enablers to come down, and General McKiernan did need and for the next few weeks does need, and then General McChrystal will need enablers to come up. That puts pressure on, I think, retraining some of the existing personnel because, in the short run, raising end strength or retaining senior people are not going to be able to deal with this issue.

So, Admiral Mullen, have you directed that the Army principally begin some significant retraining effort, taking units that might be Army units and make them combat engineer units and getting them ready to deploy?

Admiral MULLEN. Actually, the focus on enablers is intense and constant and has been for months because we are short. Some of them we had. Some of them we have learned that we needed through this war, and it covers a whole host of things, actually, that I mentioned in my statement, which is Intelligence, Surveillance, and Reconnaissance, helicopters, engineers, security, medical, linguists, civil affairs, intelligence, et cetera.

We have actually had to make some pretty difficult decisions about things that General Odierno has and move them to Afghanistan. That pressure is going to continue, and it is going to continue as we shift our weight.

A very specific example, for instance, are engineers for convey support, improvised explosive device (IED) surveys. We are actually going through a very intense discussion right now with all the services, but particularly the Army, what does it take to train? There is sort of a standard package that the Army uses that we think there might be ways around that. I am not trying to—I don't want to do General Casey's job, and that is not the intent.

But the focus in terms of getting those engineers out there is a priority, and we are looking at creative ways to do exactly that. I don't think increasing end strength over the next 18 months is going to help us a lot with that. What I am trying to do is reach inside the Services, all the Services that we have right now, to meet these needs. So it is a pretty intense effort.

Senator REED. I think you are right. I, like you and the Secretary, have just recently returned from Afghanistan and Pakistan, and we have a window that will close, and it is not indefinite. It is months, and we have to move very quickly.

I also commend your focus not just within the Army, but also Seabees, others who could be adapted to some of these missions, even though that is not a traditional mission. I think we have to do that. That would be faster and more effective. We need these units very quickly in both areas of operation.

Let me ask another question which is related, Mr. Secretary and Admiral Mullen, to the issue of collateral casualties, which is a hugely difficult political issue in Afghanistan. When we were there, we saw this connection between operations in the south and di-

rectly to the president. That is where his political tribal base is. He gets cell phone calls from people when they think there are accidental casualties.

Will the increase in forces help mitigate those and give us the ability to rely less upon air strikes? Is that part of what the build-up was about?

Secretary GATES. I think that the challenge for the new military leadership is finding the right balance between providing the necessary protection for our own forces and rethinking some of their operational planning in terms of a cost benefit analysis. It really boils down to are we on defense or are we on offense?

On defense, I don't think we should make any changes. We need to protect our troops. I might add that the last time I was briefed on this, I think about 40 percent of those air missions are actually flown to protect our allies, not us.

But if we are on offense, that is where I think we need to take a closer look at the operational concept and our planning and how we are going forward with this in a way to minimize the chance of innocent civilian casualties.

Senator REED. Let me just ask a related question to both of you in terms of our way forward in Afghanistan. General Rodriguez will now be a subordinate commander to General McChrystal. Will that be a NATO command, or will that be strictly an American command?

I think the point or at least the point that was told to me about an intermediate command was to unify the effort along the border from Regional Command (RC)-East all the way through RC South. So could you give me sort of your sense of what General Rodriguez's role will be either as an American commander alone or as a joint commander?

Secretary GATES. His role—and I invite the Admiral to comment—will be characterized, certainly at least initially, as deputy commander of U.S. Forces-Afghanistan. Whether that evolves into a corps commander like role but is still limited to U.S. forces, I think remains to be seen. But, Admiral?

Admiral MULLEN. I think specifically with McChrystal and Rodriguez getting there, they are going to have to assess what they need. There are various views on this, on what the need is, including the Iraq model. But certainly, initially, he is to go in as the deputy and then to assess this, and to look at what the overall requirements are.

I have put in significant efforts in recent weeks to strategically try to guide this force to say this is the main effort. We need our best people. We need people that are going back—that are going there who have been there before so our ramp time is somewhere around zero. A third of the 10th Mountain Division troops, when I was with them a couple of weeks ago, had almost zero ramp time because 30 percent of them had been there in Afghanistan before. That is what we need.

So it is going to be, I think, for Generals McChrystal and Rodriguez to assess this and then look structurally at what we should do in the future.

Senator REED. Thank you.

Thank you very much, gentlemen.

Chairman LEVIN. Thank you, Senator Reed.

Senator Inhofe.

Senator INHOFE. Thank you, Mr. Chairman.

First of all, I had to leave to go to the Environment and Public Works Committee hearing. So I don't know what was covered in all of the opening statements and other questions. But Secretary Gates, as you discussed in your speech to the Army War College, you had some tough decisions to make, and we all understand that. But you stated that the Army did not agree with your recommendations to cancel the FCS.

I understand that yesterday you reversed the policy of nondisclosure, which I thank you for. It is my understanding that some of the people were going to be hampered in terms of what they were going to be able to share with us.

But Tuesday, we will start the hearings of the service chiefs, and I would hope that you would encourage them to give us their independent opinion if it is different than the policy that has been articulated by you and by the President. That also I wanted to ask the question is I had sent a letter out to the service chiefs asking them for a list of the unfunded requirements that they were not able to fund in this budget, and I never heard back.

So a prudent two-part question would be are you going to encourage them to give their best independent judgment in responses to the questions that we ask on Tuesday? Second, how you want to handle this situation in terms of the unfunded requirements, whether or not we are going to receive something sometime? It would be very difficult before Tuesday's hearing, but are we going to receive something from the service chiefs?

Secretary GATES. First of all, what I have tried to do, Senator, is to bring some discipline to a budgetary process that, shall we say, lacked a certain measure of discipline in the past. As you indicate, when the President's budget came up here, any inhibitions created by the nondisclosure statement were eliminated, and I told everybody that at my staff meeting on Monday.

I am putting out a written notice to that effect today, encouraging everybody who comes up here to testify fully and candidly, and particularly for those in uniform to be prepared to give their best professional——

Senator INHOFE. Yes, I understand that, and I appreciate it.

Secretary GATES. So the answer to your first question is absolutely.

Senator INHOFE. All right.

Secretary GATES. The answer to the second question is with respect to their unfundeds, I decided to actually ensure that everybody followed the statute. I have no problem with them putting together a list of unfundeds, but the law requires them to inform me about that list before they send it up here.

I am having that meeting tomorrow. You all should get the Services list, hopefully, by Monday.

Senator INHOFE. Okay. That is good. I appreciate that very much, and I am curious about the decisions that may drastically change what we are doing here in altering the budget in relationship with the QDR. I know this is an awkward situation because

our QDR would not be received probably until December, and so it would be very difficult to do that.

But with the major changes that were made and the QDR being a very important part of that decisionmaking, I guess what I would ask is did you, since you couldn't use the current QDR, and these are major changes, did you use the previous QDR? On what did you base these changes that would substitute for information that would otherwise come from a QDR?

Secretary GATES. Sure. First of all, I did use the last QDR. One of the principal problems about QDRs, as I have been briefed, is a disconnect between what the QDR says and how the resources are actually allocated. So in some respects, many of these decisions implement recommendations or analysis that was done in the last QDR.

It also builds on the National Defense Strategy, which was issued last fall, behind which there was a great deal of analysis. It obviously also built on our experience in Iraq and Afghanistan and the experience of both the civilians and the uniformed folks. I would say in a unique situation, a combination of both appointees by President Obama and holdovers from President Bush were all involved in this process as well.

So I think that there is—and I would say another factor that was involved was a fair amount of common sense. Some of these were where it was clear in the briefings that the programs were out of control and we weren't going to get anything out of the programs. In some, it was that the requirements had changed or the requirements didn't take into account recent events.

Senator Inhofe. Okay. That is fine. Mr. Secretary, my clock is running too fast here.

There was another report that you referred to. Perhaps you could share that and find it so that we would have a chance to review that, too?

Secretary GATES. Sure. I am sure the committee got it last fall.

Senator INHOFE. Great. Great. Okay.

On the Army modernization, we are really concerned about that. I can remember going over this thing and very critical of President Bush back in 2002, when he axed the Crusader program. At that time, I remember Army Chief of Staff Shinseki got involved, and we reevaluated.

To me, the FCS program is the first major transition of ground capability that we have had in some 50 years, and we have gone through this thing. We have made decisions. We look at the various elements of the FCS, and I refer specifically to the non-line-of-sight (NLOS) cannon.

The NLOS cannon, we are further along with that than anything else right now. A lot of money has been invested in it, and we are still using and still will use, even on the previous schedule that we had on the NLOS cannon, the Paladin, which we all understand. The basic Paladin was World War II technology. We have gone through some PIMs. We are going through one now.

But I would just—in this case, I would just like to—I disagreed with your position to dismantle or to terminate the FCS program. But we do have some things written in the statutes saying that in

the particular case of the NLOS cannon, that that should go forward.

The question I would ask you is how do you plan to handle the fact that we have a law that says you are going to have to do something that you said you are not going to do?

Secretary GATES. Well, first of all, let me say that the front-end part, the first—Increment I of FCS not only stays in the budget, but is enhanced and accelerated. That is the networking, the unmanned aerial vehicles (UAVs), the unmanned ground vehicles, and so on.

All of that is not only going to be completed, but it is not going to be limited to just 15 BCTs but spread throughout the entire Army. So the whole front end, the networking part of FCS is being preserved and will be deployed.

My problem was with the ground vehicles, and the premise behind the eight vehicles in this program, including the cannon, was that they were all going to be based on a similar chassis. That chassis started out at 18.5 tons in 2003 or 2004, went to 26 tons in 2006, 27 tons in 2007. It is now at 30 tons, and it is likely to go to 35 tons. But they are still thinking about putting the cannon on a 30-ton chassis.

This thing has been filled with bandaids. What I am asking Congress to do is look at this thing, and it is the ground vehicle part of this that I think that I have taken an action and recommended to the President and is reflected in his budget. It is because the original design of this program, including the cannon, did not take into account the lessons we have learned in Iraq and Afghanistan.

The infantry fighting vehicle had a flat bottom, 18 inches off of the ground, clearly not taking into account anything. There is no provision made to use the MRAPs in which Congress has invested $26 billion. The contract was all messed up. You have eight vehicles divided between two manufacturers. Ninety percent of the performance guarantee—performance fee is guaranteed at critical design review. So there is little performance incentive left for the rest of the program, including prototyping and so on.

So I think between the failure of the program to be redesigned to take into account the lessons of the wars we were in and the shortcomings in the contract, that it was important for the Army to take a fresh look at all of the vehicles associated with this program and then move on.

I couldn't agree more that vehicle modernization is a high priority, the Army's highest priority, and I totally support it. But we have to get it right if we are going to spend $150 billion on it.

Senator INHOFE. Mr. Chairman, my time has expired. I am aware of that.

I would like to argue that point. As a matter of fact, as time went by and changes were made and the flat bottom and all of that, that shows that a lot of consideration was made and a lot of changes were made to update that to meet current needs.

Now I did want to get into a lot of other areas. I understand my friend from Georgia, I am sure, will talk a little bit about the F–22, and I will wait around for the next round because I do want to get into the missile defense part of this budget.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Inhofe.

Just to complete one thought of Senator Inhofe here. It fits directly here. I also understand that you said at the Army War College on this subject that all of the money for FCS in the out-years will be protected to fund the new vehicle modernization program. Is that an accurate quote?

Secretary GATES. Yes, sir.

Chairman LEVIN. Thank you.

Senator Akaka.

Senator AKAKA. Thank you very much, Mr. Chairman. I want to thank you for your leadership on this committee and that of the ranking member as well.

I want to welcome Secretary Gates and Admiral Mullen for being here to discuss the budget details. I am glad to hear you and the chairman mention that we are doing a budget for defense and getting away from the supplementals.

But here we are. Things have been changing. We are looking at reforms, and I want to thank both of you for your valuable and dedicated service to our country. Also, please express our gratitude to the servicemen and women, and especially their families, for their ongoing service and sacrifice for this grateful Nation. I look forward to working with you on this budget as well.

I would like to thank the chairman and Senator McCain for their leadership in the passage of the Weapon Systems Acquisition Reform Act. This legislation, combined with ongoing initiatives taking shape in the fiscal year 2010 budget, has set the stage for reform. I am really looking at this and looking at our ability to change the culture that has been in place for so long in the department.

So, Mr. Secretary, I guess that my first question is do you think that we have laid a foundation to change the culture within the Office of the Secretary of Defense (OSD) and across the Services from here on out to improve whatever we are doing for our country and its security?

Secretary GATES. I believe that the legislation that the two houses have passed are of significance in helping us move in that direction. Acquisition reform has been a decades-long aspiration in DOD and in Congress's oversight of DOD.

I would tell you that I think that there are three things that are required for a change in culture and for there to be genuine reform in acquisition in DOD. The first is the legislative and regulatory basis, which you all have provided. The second is discipline within the Services and within OSD. The third is leadership and the willingness to make tough decisions.

As Admiral Mullen discussed, too often the budget-building process at the DOD is everybody putting their wants into the hopper, and then everybody taking a haircut to get to the level required without making hard choices among programs.

I think without that third piece of it and without the discipline of the Services and OSD in applying all of these things, that acquisition reform will not go as we all would hope. I would also say, in all candor, that acquisition reform also requires the proper approach by Congress.

Senator AKAKA. Thank you for that. I am glad to hear you also mention the need to use our resources wisely, and this can be a part of that.

Admiral Mullen, DOD has made significant progress caring for our military heroes with mental health issues. But to do that, we must be able to identify those problems. One of the biggest issues we must address is reducing the stigma related to seeking counseling.

We somehow have to get the message across to our warriors that one of the most courageous acts that they can do is to reach out for help, and I think this must come from the top. You did mention the need for resources in this area, for PTSD and TBI.

My question to you, Admiral Mullen, is how would you assess DOD's efforts to reduce the stigma that still deters some from seeking treatment for problems like TBI and PTSD? Should there be a program that is done periodically to determine this after deployment or between missions or between assignments?

Admiral MULLEN. Senator Akaka, I am—the Secretary, I, and many others in leadership positions have certainly worked to address this from a leadership standpoint. But there is, oftentimes, a disconnect between the desires and the discussions and even the guidance in terms of these kinds of things, and in particular this area, and what we are actually doing in execution.

I think at the heart of this is a leadership commitment to it at every level from not just myself or the Secretary, but right down to the sergeant first class, the noncommissioned officers, our younger officers who are under also great pressure to get ready for deployment.

I am also seeing—actually, my wife and I are also seeing posttraumatic stress (PTS), quite frankly, in families. Spouses who raise their hand and say, "I have PTS." But they are also reluctant because of the stigma, and they are concerned about the impact it might have on the member's career as well.

We are short for psychiatric help for children. I think the leaders have to continue to focus on this. We have to continue to provide resources, and we have had some senior military officers step forward and say they have PTS and this is how they dealt with it.

We have a host of programs. We have made significant advances in the area of programs to support. Probably the biggest area that I would want to focus on right now is execution, and are we really executing what we are supposed to be doing?

I see the disconnect between what we say and see here and when I go in the field and talk to members, talk to families, talk to care providers and health providers of the continued disconnect? We are not anywhere close where we need to be, and we need to keep that pressure on.

Secretary GATES. Senator, I would like to add one other problem that we have, and that is a shortage of mental healthcare providers. It is particularly the case for our facilities that are in rural areas, but it is basically a national problem.

One of the things that I would like to work with the committee is to see if we could expand the DOD medical education program, where we train doctors all the time and train a lot of them, to see if we could expand that program to include mental healthcare pro-

viders, who are not necessarily doctors or psychiatrists but may have a master's degree in psychology and be sort of the front line mental healthcare provider.

To see if we could provide, if we could pay for that kind of specialized training and education, and then they would have a certain commitment in the military. Then they would go out and be able to provide that service to the country as a whole.

Senator AKAKA. Thank you so much for your response.

Mr. Chairman, my time has expired.

Chairman LEVIN. Thank you, Senator Akaka.

Senator Chambliss.

Senator CHAMBLISS. Thank you, Mr. Chairman.

As always, gentlemen, thank you for your service to our country. We can't state that enough.

I want to say publicly what I mentioned to you privately before the hearing, that I was in Afghanistan 4 weeks ago. I had an extensive conversation with General McKiernan and his staff, and while I am impressed with his leadership, the decision to replace him has been made.

Having known General Stan McChrystal for the last decade, it could not have been a better choice to replace him, and I commend you for that. We look forward to continuing to support that effort to make sure that we prevail in Afghanistan.

Secretary Gates, I want to talk to you about the budget. While I agree with a number of the major decisions that you had to make there and I support your attempts to rebalance our military toward one that better addresses today's threats, I take issue with your math when you talk about how 50 percent of the budget is for high-end conventional threats, 10 percent for asymmetric, irregular threats, and 40 percent is for a mix of the two.

For example, the B–52 was designed and used for decades in a conventional role. However, we are using it today for close air support in an irregular conflict and a conflict in Afghanistan. So there are few, if any, weapons in our inventory that cannot be applied to irregular warfare.

Regarding the F–22, you have previously said that you are not cutting the F–22 program, but that you are simply completing it and that DOD's plan to end procurement in fiscal year 2009 has been in place for two administrations. However, it shouldn't matter how long a current procurement plan has been in place. This is not a 1-year decision or a 2-year decision. This is a 30-year decision when you look at the legacy aircraft that we are flying today.

What matters is procuring the right number, based on today's assessment of the requirements as well as the threat. We had a hearing 2 weeks ago in which all the witnesses, two of whom worked at the Pentagon when the 183 number was set, stated that there has never been any analysis done to justify that number, and that it was purely budget driven. In fact, it was set during a Pentagon budget drill 2 days before Christmas in 2004.

In your April 6 announcement and in subsequent interviews, you said that the military advice you got was that there was no military requirement beyond 187 and that the Air Force agreed. General Schwartz has commented publicly three times on this issue since your April 6 statement, and quite frankly, none of his com-

ments really support that statement that the military requirement is 187.

Also I have spoken privately with General Schwartz on this issue, and he has told me that his military requirement is for 243 and that he will testify to that publicly, which I expect him to do next week, based upon particularly your comments to Senator Inhofe earlier.

In February of this year, General Schwartz went public with his desire for 60 more F–22s for a total of 243, calling that a moderate risk force. On April 13, Secretary Donley and General Schwartz wrote that since arriving at the 243 number, DOD is revisiting scenarios on which the Air Force based its assessment.

Well, last week, I found out what that meant. DOD is assuming that F–22s will only be required in one location, and that is the Pacific, and that every F–22 would be available for that scenario. The Air Force disagrees with that assumption and believes—correctly, in my opinion—that F–22s may very likely be required in another scenario, which drives a higher number.

Second, when directly asked the question on April 15, General Schwartz said 243 is the military requirement.

Third, I, along with six other Senators, wrote General Schwartz last week on this issue. In his response, he states that 243 F–22s is a moderate risk force and that 187 is a higher risk. He concludes by saying that while 60 more F–22s are desirable, they are unaffordable. Again, budget driven.

General Schwartz has consistently said that while more F–22s are required, they are unaffordable given current budget constraints. That stands in contrast with your statement that there is no military requirement for more than 187 F–22s.

The need for the F–22 from a national security perspective, Mr. Secretary, derives not just from the fifth generation aircraft in Russia and China, but at least as much from advanced surface-to-air missiles and their proliferation. It is clear that advanced surface-to-air missiles, which completely change the air dominance equation, are not going to be confined to Russia and China forever, and their proliferation is happening now.

The F–22 is more capable against these advanced air threats than any other aircraft, including the F–35. Just this past summer, the Russians parked an SA–20 near Georgia during the Russia-Georgia conflict, effectively prohibiting any airborne asset from operating within 100 nautical miles.

Only the F–22 could have entered that airspace. For the record, with a fleet of only 187 F–22s, none of them will be stationed in Europe or be available to support our NATO allies on that continent.

You have often commented that procuring large numbers of F–35s will sustain U.S. air superiority over the long term and that the F–35 is more affordable. Everyone hopes that the F–35 succeeds, including me. But in your plan, the F–35 is a single-point failure. Any delay to the F–35 results in even greater gap in our air dominance and greater risk.

A Government Accountability Office (GAO) report from 2 months ago was strongly critical of your plan for the F–35 and calls it a high risk. No one knows how much the F–35 will cost. It may be

cheaper, but the F–35s that we are procuring in this budget are going to cost $250 million per copy, and GAO has commented that the cost of the F–35 may end up being $140 million per copy, ironically the exact same figure that today we are procuring F–22s at.

The last study on this issue commissioned by your department in 2006, the Tactical Air (TACAIR) Optimization Study, concluded that 260 F–22s was the best option.

Now, Mr. Secretary, you and your staff made many of these budget decisions yourselves, and very few, if any, people in the Services knew what your decisions were until you announced them. My question is, irrespective of what previous administrations have budgeted for or even what the Air Force leadership recommends, what analysis did you do to arrive at the 187 number? Please describe for me the factors and threat assumptions you used to determine that that number was sufficient.

Secretary GATES. To get into a lot of that would take quite a while, and I am prepared to do that in writing for you.

[The information referred to follows:]

To determine how many F–22s we need, we assessed current and future strategic requirements and capabilities, taking into account complementary programs and potential opponents. We considered various fleet sizes of F–22 in combination with different mixes of Joint Strike Fighter (JSF) variants in the Office of the Secretary of Defense (OSD) Joint Air Dominance Study as well as the USAF Sustaining Air Dominance Study. Detailed analysis and modeling indicated that the programmed buy of 187 F–22 aircraft was appropriate for dealing with an advanced opponent with robust air-to-air capabilities. The key insight from the analysis was the importance of providing the Air Force, Navy, and Marine Corps with fifth generation capabilities—in the form of JSF—rather than concentrating fifth generation F–22 capabilities in one Military Service.

The buy of 187 F–22s is sufficient because there are so few nations that have large, capable air forces. Beyond the high-end scenario discussed above, a detailed analysis of the threat environment clearly indicates that the demand is for capability against surface-to-air missiles (SAMs) and other ground targets. JSF is made to order for these threats since it was designed to kill advanced SAMs. Its superior sensor suite and air-to-ground payload make it the platform of choice for finding, fixing, targeting, and killing SAMs and other ground targets.

As to the factors and threat assumptions used to determine that that number was sufficient:

The OSD Joint Air Dominance Study used the most current Defense Intelligence Agency projections of future threat environment. The threat was very robust and similar to the latest projections. In addition to the threat to our aircraft, the study also accounted for the threat to our airbases and our sea base. The contributions of supporting assets such as aerial tankers were also included.

Secretary GATES. But I would say that this was based on the input from the combatant commanders who are actually going to have to wage these conflicts. There was discussion with the Air Force, the Air Force leadership about this.

I would say that if you are only talking about the F–22, there may be merit to some of these arguments. But the fact is the F–22 is not going to be the only aircraft in the TACAIR arsenal, and it does not include the fact that, for example, we are going to be building, ramping up to 48 Reapers UAVs in this budget.

It doesn't take into account the F–35, and the fact is that based on the information given to me before these hearings, the first training squadron for the F–35 at Eglin Air Force Base is on track for 2011. The additional money for the F–35 in this budget is to provide for a more robust developmental and test program over the

next few years to ensure that the program does stay on the anticipated budget.

You can say irrespective of previous administrations, but the fact remains two Presidents, two Secretaries of Defense, and three Chairmen of the Joint Chiefs of Staff have supported the 183 build when you look at the entire TACAIR inventory of the United States.

When you look at potential threats, for example, in 2020, the United States will have 2,700 TACAIR, China will have 1,700. But of ours, 1,000 will be fifth generation aircraft, including the F–22 and the F–35, and in 2025, that gap gets even bigger. So the notion that a gap or a United States lead over China alone of 1,700 fifth generation aircraft in 2025 does not provide additional fifth generation aircraft, including F–22s, to take on a secondary threat seems to me to be unrealistic.

Senator CHAMBLISS. Well, my time has long expired. But I would simply say, Mr. Secretary, you noticeably did not mention surface-to-air missiles, which have changed the dynamics of air superiority and air dominance, and I hope I can stick around for a second round.

Thank you, Mr. Chairman.

Secretary GATES. I would just say the only defense against surface-to-air missiles is not something that has a pilot in it.

Chairman LEVIN. Perhaps, Secretary, you might want to expand, as you suggested, any answer for the record. Feel free to do that, and that would be true with other questions as well.

Thank you, Senator Chambliss.

Senator Ben Nelson.

Senator BEN NELSON. Thank you, Mr. Chairman, and thank you, gentlemen, for being here and for your service.

Mr. Secretary, you said that it is important in terms of Pakistan to make sure that it is clear that we are supporting their goals as opposed to asking them to support our goals. I hope that is a fair approximation of the statement.

As we have talked in the past, benchmarks or mission statements with measurements will help, I think, make that clear if we frame them in an appropriate fashion so that it is obvious to not only the Pakistanis, but to Americans what our mission truly is over there. I would hope that as they are all developed, that the so-called benchmark approach to Pakistan would make that clear so that we can measure that, they would understand it, and we will understand as well.

I am not going to ask you any questions on this subject. That is just a suggestion on my part.

I would like to go to end strength. My colleague and friend Senator Lieberman has been pointing out the importance of having sufficient end strength for at least some initial period of time, where it may be there may be greater stress on our military and greater requirements, ultimately, that might ratchet down just a little bit over time. As Iraq ratchets down as well, we may be able to smooth the relationship.

In the meantime, rather than adding Active Duty staff, is it possible that we could have a greater reliance? Considering the fact that stress is there for Active Duty, Guard, and Reserve units, but

could we find ourselves using in the shorter term more Guard and Reserve operational units to take care of those peak needs?

Admiral?

Admiral MULLEN. Sir, I think one of the decisions that Secretary Gates made when he first took over in January 2007 in terms of what I call the red lines for deployments as well as rotation, specifically with the Guard and Reserve to get out to a 1 year out, 5 years back, was a very, very important settling decision.

As we have moved toward that. On the Guard side, we are only out to about 1 and 3, while the goal is still to get out there to 1 and 5. So there certainly is room there, but I think it brings into question the overall balance on the Guard side that we need to support continuity, stability, obviously employment on the outside, all those things. We have been able to sustain ourselves pretty well at about 1 and 3, getting to that point.

Over the next couple of years, I don't see a projection that takes us far beyond that. So in terms of significant amount of room of adding additional units, you would have to come to the left. Right now, the balance seems about right from that perspective.

On the Reserve side, it is much the same story because that decision supported that as well. So there clearly is room there, although I would worry about adding a significant amount of stress if we started to increase that rotation as well at this point.

I am just not sure how much impact we could have over the next 18 to 24 months, which is a very, very tough time for us because of the deployments that we have, and we can see, again, as they start to come down overall, I can start to see the light at the end of the tunnel out there in 2010.

Senator BEN NELSON. We are faced with mental health challenges in the military, both prior to deployment and post-deployment. What we don't want to do is add further stress at the time we are trying to enforce stress reduction, or the goals will be at odds.

So it is going to be a challenge, and I don't know how this will all play out. But we are going to have to consider the stress implications.

One further question about Pakistan. In 2002, several of us went to Islamabad and met with President Musharraf shortly after the taking out of the Taliban in Afghanistan. At that time, we asked the question—and I have raised this before—how certain he was that they had the security of all of their nuclear weapons under control and how certain he was that it was under control? He said he was about 95 percent certain.

Now with what we have done since then, are we closer to 100 percent, Admiral Mullen, do you think, based on what you just said earlier?

Admiral MULLEN. Well, I wouldn't pick a number, Senator Nelson. But we have, in fact——

Senator BEN NELSON. Are you more comfortable now than you were before?

Admiral MULLEN. President Musharraf committed to a significant increase in resources from the United States and expertise, and his security force has increased dramatically in size and it has gotten a lot better. So that is why at this point, I am comfortable.

I also have discussed these issues with the military leadership, General Kiyani, and certainly received some comfort there.

But as I also indicated, we are limited in what we actually know. This is a sovereign country. They are very protective of those nuclear weapons, which I also understand. So I think we have to continue to move forward to assist, try to understand better.

They have a personnel reliability program that is 2 to 3 years old. I have been in the personnel reliability program in our own country for 4 plus decades, and so that really speaks to the beginning of their program. I think that has to continue to improve.

Senator BEN NELSON. Of course, it is fair for them to point out and ask us whether we are 100 percent certain where our weapons are at any one time as well, given the——

Admiral MULLEN. Sure.

Senator BEN NELSON. One further question. You and I have spoken about it, Admiral, Former Ambassador Durrani indicated that giving them money to help their military is appreciated, but that they really need some of the more sophisticated weapons that we have, UAVs and other kinds of higher, more technologically advanced weapons. We are sort of reluctant to turn over on technology grounds—that if they had that kind of technology, they could do a better job of routing the Taliban and the other forces up in the largely ungoverned areas.

Have we made any progress in being able to deal with General Kiyani and provide more sophisticated weapons?

Admiral MULLEN. We have a much more comprehensive program than we had a year ago. So we have improved in our support and focus on getting them maintenance support for their helicopters, which have lousy Full Mission Capable rates, flying rates, readiness rates, to support that.

We are working through night vision goggles and trying to get them into the night. We are also working on the training side so that when you get some of these capabilities, you actually know how to plan to be able to use them. I spoke a little bit to that earlier. We see that routinely.

So there is a much more comprehensive effort. It is going to take some time. I think we have to be more patient in getting there, but I am actually optimistic that it is improving. I don't think the solution is just turn over high-tech weapons because they are going to struggle in how to use them, and that is natural. That would be natural for any of us.

Senator BEN NELSON. Thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Nelson.

Senator Thune.

Senator THUNE. Thank you, Mr. Chairman.

Mr. Secretary, Admiral, Mr. Hale, thank you very much for all of your service to our country and performing difficult jobs in good times. These are difficult times, and we appreciate your great leadership.

Mr. Secretary, I want to raise an issue with you, which probably comes as no surprise. But on April 7 at a media roundtable, you said that the fiscal year 2010 defense budget recommendations that you announced on April 6 are "basically an outgrowth of the posi-

tions that I have been taking in speeches for the last 18 months" and that your decisions "didn't spring all of a sudden, full grown out of the brow of Zeus in the last 3 months."

But I think it is fair to say that the decision on the next-generation bomber must have sprung full grown out of the brow of Zeus in the last 3 months.

I want to point back to something that you said 8 months ago during a speech at the National Defense University, where you said that China's—and again, I quote—"investments in cyber and anti-satellite warfare, anti-air and anti-ship weaponry, submarines and ballistic missiles could threaten America's primary means to project power and help allies in the Pacific. This will put a premium on America's ability to strike from over the horizon, employ missile defenses, and will require shifts from short-range to long-range systems such as the next-generation bomber."

You used virtually the same language in an article for the first quarter 2009 edition of Joint Force Quarterly, as well as in a Foreign Affairs article in January of this year.

So, for several months prior to that April 6 announcement, you had established a clear record of support for the next-generation bomber. On April 6, you announced that the department would not pursue a development program for the follow-on Air Force bomber.

My question is what changed between January and April to make you question the need for the next-generation bomber, and how do you reconcile clearly positions that are contradictory with regard to that weapon system?

Secretary GATES. Actually, this is one of the issues, Senator, where I felt we did not have enough analysis to make a firm decision. So, it is one of the issues that will be addressed in both the QDR and the NPR.

My own personal view is we probably do need a follow-on bomber, but I think we need to see what—if you look at both of those studies, the QDR and the NPR, and you observe what is going on in the arms control negotiations with Russia in particular on nuclear forces, I think all of those things will shape what decision needs to be made with respect to a next-generation bomber.

One of the reasons that I said we would cancel the studies or the effort that was underway at the time was based on consultation with the chairman and the vice chairman and others, our concern was that if we didn't do that when these studies were done, there would be a linear projection of the thinking that had existed before the studies were done in terms of exactly what kind of plane should be built.

One of the things I think we need to think about is whether, for example, the follow-on bomber needs to have a pilot in it. So I think that this is one of those issues that I didn't make a decision against going forward with the next-generation bomber, but rather said let us wait and see what the result—let us examine this in the QDR and in the NPR and then make a decision on where we go with the next-generation bomber.

Senator THUNE. In response to a question that was posed by Senator Inhofe earlier, you said that the last QDR, the 2006 QDR shaped and informed a lot of your decisions. The 2006 QDR directed the Air Force to field a follow-on bomber by 2018. So I guess

my question is, what part of that QDR has been invalidated or what has changed in terms of the threat-based analysis that, in your mind, modifies or changes that requirement?

I mean, it is pretty clearly articulated in the 2006 QDR, and that is actually what helped shape many of your decisions with respect to some of these decisions that you made recently.

Secretary GATES. Well, the reality is that we have a lot more experience in the last 2 to 3 years with UAVs than they had at the time that the last QDR was put together. Also, we basically weren't going anywhere at the time of the last QDR in terms of significant potential further arms reductions with the Russians.

I think depending on where those numbers come out, it is going to affect how we shape the triad or raise the question whether we still need a triad, depending on the number of deployed weapons that—nuclear weapons that we need.

Senator THUNE. It doesn't seem that those discussions with Russia, though, ought to have an impact on whether or not we are developing a next-generation bomber. Second, you have had experience in some of those arms reduction negotiations in the past. If they are supposed to conclude by the end of this year, I would be very surprised that they will. This could extend sometime into the future.

So making a decision like this right now, to me, it becomes a question of whether or not this is driven more by budget decisions and trying to get under the top line of the defense budget or whether it is driven by requirements. I guess that would be my question. I mean, did OMB say you have to terminate this program?

Secretary GATES. No, I don't remember what their passback said. But frankly, I took some of their suggestions from the passback and didn't take a lot of others. So this actually wasn't a top-line or a budget-driven figure because the amount of money in the fiscal year 2010 budget for a next-generation bomber was very small.

Senator THUNE. What did the Air Force recommend on this for their Future Years Defense Program for 2010?

Secretary GATES. I——

Admiral MULLEN. Actually, I think they had it in, until these decisions were made.

If I could just speak a little to this, and this actually goes to Senator Chambliss' comments, as well. We're at a real time of transition, here, in terms of the future of aviation, and the whole issue of what's going to be manned, and what's going to be unmanned, and what's going to be stealth and what isn't. How do we address these threats?

This is all part, and it's changing, even from 2006. I think—from a warfighting perspective—I think this is at the heart of what we need to look at for the future, whether it's fighters or bombers, quite frankly, and I think that's been the essence of this discussion, despite analysis which may have been out there in the past, or some other requirement. The service requirement which, quite frankly, is a service requirement, doesn't make it a DOD requirement necessarily.

So, what the aviation side of this is, I think, is very much focused on this change, and I think we're at the beginning of this change. I mean, there are those that see JSF as the last manned

fighter—fighter-bomber—or jet. I'm one that is inclined to believe that.

I don't know if that's exactly right, but this all speaks to the change that goes out, obviously decades, including how much unmanned we're going to have and how it's going to be resourced.

Senator THUNE. We've had a lot of combatant commanders in front of this committee who have testified for the need for this capability, and also to the concern about the aging fleet, and the fact that half of our bombers are pre-Cuban Missile Crisis era bombers, and being able to persist and penetrate some of the more sophisticated air defense systems that we're expecting to encounter in the future. So, it seems like it's a very, very relevant, real-time question.

But I guess my final question is this—what I hear you saying is you are still analyzing and looking at this. What OMB's budget said was "terminated." So, is this delayed, is this terminated, what is the status?

Secretary GATES. The program that was on the books is terminated. The idea of a next-generation bomber, as far as I'm concerned, is a very open question, and the recommendation will come out of the QDR and the NPR.

I certainly don't want to leave the impression that the Russians are going to help us decide whether or not we have a next-generation bomber. What I was trying to say is, when we end up—if it looks like we're headed for a lower number of deployed nuclear weapons, then we will have to make a recommendation to the President and to you, how we allocate those weapons among missiles, submarines and aircraft.

Senator THUNE. Mr. Chairman, my time is up. Thank you.

Chairman LEVIN. Thank you, Senator Thune.

Senator Bayh.

Senator BAYH. Thank you, Mr. Chairman.

Gentlemen, thank you.

Mr. Secretary, I would like to congratulate you on submitting this reform budget. Frankly, it's about time we ended business-as-usual in this area. The country's security requires it, and the taxpayers deserve it. So, I want to express my gratitude to you.

It seems to me this submission is a lot more honest than some we've seen in the past, in terms of up-front and candidly addressing the security concerns we face, rather than to try to hide a lot of it in the supplemental. We're going to set priorities, find resources, allocate them. You're doing that, rather than sort of pretending that some of these things don't exist, and piling up the debts and the deficits through the previous mechanism, and so I thank you for that.

This seems like it's a lot more effective in terms of addressing the challenges of today and tomorrow, rather than the legacy challenges. I've listened to some of my colleagues—if we're going to ask the Pakistanis to do that then perhaps we should do that, as well. It seems to me a budget moves us in that direction.

Finally, I like the fiscal discipline that we've brought to this area. I think you're forthrightly recognizing the fiscal and economic challenges we face in making some of the hard decisions that are required. If these decisions were easy, they would have been made

a long time ago. Any time you make hard decisions, there are going to be some questions and concerns raised.

But, frankly, the whole procurement process and the acquisition process, too often in the past has verged on the scandalous. Not in terms of overt corruption, but in terms of delivering things too late, too far over budget, and that do too little to address our security needs.

So, this has been an issue that's been out there, it's just kind of been put off, and I salute you for addressing it, and I often remark to my constituents that if any business had been run the way the procurement and acquisition activities have been run, they would have gone out of business a long time ago. Yet, it's been kind of continuing on in this way. So, you're taking the bull by the horns, and I thank you for that.

I have a couple of questions. I think the overall funding was going to be up, what, 4.1 percent. Is that an accurate figure?

Secretary GATES. About 4 percent real growth is 2.1 percent.

Senator BAYH. Correct. Can you share with the public, the taxpayers, I mean, if we just kind of—without some of these hard decisions you've made, if we just kind of continued on with business-as-usual, what it would have been? Or, I guess, another way to put it, how much are we actually saving the taxpayers by instituting some of these reforms you've proposed? Is there any way to quantify that, Mr. Hale?

Mr. HALE. Roughly $20 billion, I would say, in fiscal year 2010 associated with the net effects. There were a number of adds, as the Secretary has said, for folks on irregular warfare, and we're down about $20 billion or so—a substantial amount of money.

Senator BAYH. That is 1 year, and then that would compound?

Mr. HALE. Yes. In our decisions we would make beyond fiscal year 2010.

Senator BAYH. Is it still true, Mr. Secretary, that the amount that we're spending next year will, in the aggregate, be more than all of our likely adversaries combined? It used to be that way, the reason I ask the question is, if that's true, what we're really facing is not a question of the amount of resources, but how we most effectively allocate them to meet the challenges we face. Is it still true that we appropriate more for national security and defense than all of our likely adversaries combined?

Secretary GATES. Yes, but let me just add two things to that. First of all, more than any other country, we have global interests and we have allies around the world who depend on us for their security. That's one of the reasons why we spend as much as do.

Senator BAYH. To be sure. I was just trying to put it in perspective, I don't think we're allocating low, we need to protect the country and take care of some of these other interests. It was by way of, again, saying we need to allocate the resources effectively to meet the likely threats and deal with some of the legacy issues and reform issues, and I think you've done that.

Secretary GATES. Let me just interject. Just to provide some perspective last summer, as the economy was deteriorating, I told Admiral Mullen that no matter who was elected, I thought we'd be lucky if we got the fiscal year 2009 number, plus inflation.

Senator BAYH. We have real growth.

Secretary GATES. We have 2 percent real growth.

Senator BAYH. Good. From time to time in the past, I've asked about the Predators and Reapers and that kind of thing, and not because we produce a whole lot out in Indiana, but because there was a weapons system that actually helping us in real time, facing some of the challenges we've had, and that some of my visits to the theater, some of the commanders have expressed that they would like a greater capacity in that area.

Admiral, for you and the Secretary, have we asked for everything we need in this area?

Secretary GATES. We can both answer. This is one of the significant growth areas in the budget. We will ramp to build 48 Reapers a year during this budget. We have maxed out the Predator line, mostly there's a transition here from the Predator to the Reaper and Warrior and so on, but in these areas they've played such a vital role in both Iraq and Afghanistan and have such application in so many other places that we are really placing a major bet in this area.

Admiral MULLEN. What is oftentimes now pacing this, and I want to give General Schwartz and the Air Force leadership a lot of credit, because you have to create pilots, people to fly, you have to have a training program, you have to have sites to do that, and so we're doing all of that as we're creating a significant additional capability in-theater.

As I go around the world, actually, there are now a lot of other countries asking for some of this.

Secretary GATES. I would have that tell you, in terms of motivating the workforce, it's not as much fun to fly a plane with a joystick, on the ground, as it is up in the air.

Senator BAYH. I was just going to say, my impression with regard to the pilot shortage, you get into the agency, and we're not experiencing quite the same shortage. It looked like it was a career path people wanted to be in, the cockpit that was leading to some of the shortage, which is understandable, but if we have a current need, and we have a real conflict going on today, well, perhaps some of that needs to be deferred, and we need to get people operating these things, until we can get more pilots. Please address that issue?

Secretary GATES. Yes, sir. General Schwartz really has shown a lot of leadership in this area.

Senator BAYH. My time is up, I would just encourage you to stay the course. You make hard decisions, and they are not without consequence, but I really like the path you're on, and I encourage you to stay with it.

Chairman LEVIN. Thank you, Senator Bayh.

Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

Secretary Gates, and Admiral Mullen, let me begin by first thanking you both for your extraordinary service. Our country is very fortunate to have you at the helm of the Pentagon.

I appreciate that your first priority is the well-being of our troops, because that's my priority, as well, and that is why I was troubled to read a press story last week that U.S. troops are being rushed to Afghanistan so quickly that they do not always have the

equipment that they need. One would think that the equipment and protection would precede the deployment of the troops, and this struck me, particularly, because I recently attended a send-off ceremony for a Maine National Guard Unit that is being deployed to Afghanistan.

Secretary Gates, you're quoted in this story as saying that, "the equipment delay is of considerable concern," and that you were going to pursue it upon your return. Could you tell us, first, how did this gap occur, and what kind of equipment are we talking about?

Second, what is being done to ensure that our brave men and women in uniform have the equipment and the protection that they need to accomplish this very dangerous mission?

Secretary GATES. I indicated, Senator, that at the outset, in my opening statement, that I listen a lot to troops and commanders in the field, and this impression that you quote of mine, came from first of all, a question and answer session I had with a couple of hundred soldiers at Camp Leatherneck. One young soldier put up his hand and said, "When am I going to get my communications equipment?" One of his superior officers nudged one of my staff and said, "It's sitting outside of the gate, we just haven't given it to him yet."

The larger concern that I had was in a lunch with captains and first sergeants, where they described a gap between the troops arriving on-scene and the equipment following behind them. It's not clear to me how big this problem is, or whether we have a problem.

What I've asked is for General Petraeus to look at this, and to give me a report on it, and see if there's anything we need to be doing. I think—and the Admiral may be able to provide some enlightenment on this—but my impression is that the equipment arrival is sequenced so that they get a lot of the personal equipment that they need pretty quickly after they get there, and then the vehicles are coming in about 1 week or 2 behind that. But I think they have it pretty well under control, given the magnitude of the logistical challenge.

There's also the issue of infrastructure, which is being built, as this stuff is coming in. So sequencing all of that, I think, is pretty complicated. But I'm expecting a report from General Petraeus on whether we have a real problem or not, or everything is pretty much going as planned.

Admiral MULLEN. Senator Collins, I was just out there a couple of weeks ago, and met with hundreds of soldiers, both in big bases, and out on the forward operating bases (FOBs), and this issue—it really didn't come up.

That being said, it has come up frequently enough in recent days to certainly warrant a look. General Petraeus' early cut on this is exactly like the Secretary said, that there is the plan, the equipment is arriving on a plan, shortly after they get there, whether it's personnel or the vehicles.

But we will take a very close look at it. I'm not familiar with the Maine Guard issue, I will go pull a string on that, specifically.

Senator COLLINS. I didn't mean to imply that there's a problem with the Maine Guard, in particular, it's just the issue is very

much on my mind because they've just been deployed, and I was concerned about this story.

Admiral, I know how concerned you are about the mental health needs of our troops, an issue we've discussed, and an issue many of use have brought up today. Can you tell me if we are now doing screening for both TBI and PTSD upon the return of our troops stateside?

Admiral MULLEN. The PTSD screening is routinely occurring, both on return—although I have less faith in that than I do the 90 to 120 days after they return, which seems to be about the right window. That is being done across the board. When I'm told that by all units and every unit I'm with, they ask that question—that's when it's going on.

The TBI issue occurs both in theater—every unit goes through an immediate assessment and then if someone goes through an explosion, and then decisions are made on the ground about whether they continue, or whether they go back to the FOB, and are there for a few days and then return to the fight or, in fact, get returned to higher medical care.

So, there is routine screening for that. I was taken the other day—I saw a piece where the Marine Corps is now looking at limiting after, I think, three IEDs or three explosions, and that's a very tough call. I mean, clearly, how many of these can you sustain without severe damage is a question everybody's focused on that. I think that this indicates what the Marine Corps, in specific, is doing. This indicates the seriousness with which we all take this.

We also don't have all of the answers. This is an area that we continue to need a lot of medical research on, and longer-term answer and care.

Senator COLLINS. Thank you.

Mr. Chairman, I know my time has expired, but I just wanted to reemphasize the point that Secretary Gates made about the need to have more mental health professionals providing this care. It's a particular problem in large rural States like mine.

Chairman LEVIN. Thank you, Senator Collins. I think you speak for every member of the committee in terms of the concern that we have on the need to provide adequate mental health screening and assistance. I think that reflects the views of every member of the committee, and probably every American.

Senator McCaskill.

Senator MCCASKILL. Thank you, Mr. Chairman.

First, Secretary Gates, before I argue with you, let me compliment you. I think you're a national treasure. The reason I think you're a national treasure is, I'm completely confident sitting here that the recommendations you're making today would have been the same regardless of who was elected. I think that's exactly what we need in our government and I'm going to compliment you for it.

I also want to compliment you for your acquisition decisions as it relates to this budget. We will never get a handle on the billions of dollars we have wasted in contracting until we make the investment in the personnel that have the skills and the ability to look over these contractors' shoulders.

It's like the wild, wild west, the way these contractors have been operating during our conflict in Iraq. The only way we're going to police them is by bringing some new sheriffs to town. I appreciate the fact that you're making a commitment to that.

Before I get into my arguing with you, I want to briefly also bring to your attention a story that concerned me yesterday in the New York Times about Dr. Kuklow. As we approach healthcare reform, there is this fuzzy line between pharmaceutical companies and the practice of medicine in the country as it relates to consulting fees and being paid. It was reported yesterday that one of our Army doctors at the Walter Reed Army Medical Center had fraudulently done surveys and studies on behalf of a private pharmaceutical company.

What really offends me about that is that potentially he was using data from our wounded warriors, and I urge you to look into that. Personally, I know you brought some accountability to Walter Reed after the last scandal there. I want to make sure that our doctors there are reflecting the finest, because I know they are the finest and I know they do great work, and so I'd ask you to look into that.

Okay, now what I want to argue with you about—I understand the decisions you're making as it relates to transition on stealth, and unmanned, and all of that, but I think I'm stating factually, we have a gap in fighters. If we're going to do 11 carriers, which is my understanding, you're recommending 11 carriers——

Secretary GATES. Until 2040.

Senator MCCASKILL. —until 2040, we have 11 carriers. We have a gap. We have the JSF, which is over cost, behind schedule, unproven. We have an F–18 that is around $15 million a copy, versus the JSF, which is around $135 million a copy now. Who's to say what it will end up being, but that is what it is now, and we have this gap of 200 or more fighters on our carriers. I'm curious—with my auditor's hat on, knowing the cost savings of a multi-year procurement. Knowing of that gap, knowing of the capability, and how used the F–18 is, why we would not be looking at a multi-year procurement to fill in that gap as we approach the JSF down the line.

Secretary GATES. Let me give an initial response and then invite Admiral Mullen and Mr. Hale to comment.

We have the money for 31 F–18s in the fiscal year 2010 budget. The TACAIR issue is one that is going to be looked at more broadly in the QDR and I think that will give us a better picture of how many, and for how many more F–18s that, particularly, the Navy wants to buy, and over what period of time.

So, we have not been prepared to go forward with multi-year contract, partly because under the present terms, as I understand it, the production line would shut down in fiscal year 2012. If the decision is made as a result of the QDR to continue the buy of F–18s beyond that, then a multi-year contract would make all kinds of sense.

So, I think it's just an issue of the longer-range question and it really goes to part of the answer that I gave to Senator Chambliss, and that is, how many TACAIR aircraft we need, and are required, depends on whether you're looking at it from a force structure

standpoint in terms of how many do we need to service the units that we have now—whether they're ships or Air Force units—or are you looking at it from a threat-based basis, in terms of how many, with what kind of aircraft are the Chinese, or the Russians, or the others prepared to have?

But basically, the reason we have simply delayed the idea of a multi-year contract until we see what comes out of the QDR.

Admiral MULLEN. Ma'am, the numbers are not consistent. The input I have is the shortfall somewhere between 60 and 120 is multi-years exactly right answer if you're going to keep the line open, that's a decision that hasn't been made. We've had multi-year buys with this airplane, it always wasn't $50 million. We got to multi-years to get it down to actually less than $50 million at one point in time, and so the tough question here is the one I know we're all dealing with, which is how long do you keep this line open?

There's a Growler piece of this, an EA–18G piece of this, as well—how many of those do we need? I think that's the subject of the review. Longer term we're going to transition to JSF, and certainly the projected cost down the road for JSF is a lot less than $135 million. I know where we are in the program, I know there's risk associated with it, and so we will see. But I don't see any—I don't see a program—a long-term JSF program that gets us to $150 million a copy. That just isn't where we've had the program before.

So, we're taking some risk now, that's been a decision that's associated with this, and we need to really do the analysis to see how we're going to fill up these decks right now for the next 7 or 8 or 9 years. We have enough airplanes to fill up those 10 carrier airings.

Senator MCCASKILL. I know the multi-year saves a billion dollars, that's real money. I want to make sure that we're not—if we know we're going to need more than 1 year, that we're not avoiding the multi-year, when we're going to come back and do it anyway.

Finally, the one overarching policy here, we're all arguing for jobs in our States, which is expected. Especially right now in this economy, I mean, the fact that the C–17 and F–18 are on the line in my State, with what we're going through in terms of manufacturing job loss is incredibly scary. I guess the overarching policy that you all have to figure out here is, do we want just one tactical aircraft company in America? That F–18 is driving the cost down of that JSF. It's keeping them honest.

I mean, we're going to fight between Lockheed and Boeing, Georgia and Texas and Missouri and Washington, and we're going to do that. But the bottom line is if we only have one, eventually, what does that mean for future costs, what does that mean for the possibility of future competition, and I think that's an overarching policy decision that you guys have to embrace right now as you look at this transition to the next generation.

Secretary GATES. The key question for us is, in order to keep a competitive base, how much stuff do we buy that we know we don't need?

Senator MCCASKILL. I understand completely——

Secretary GATES. Because everything I buy that I don't need takes a dollar away from someplace where I do need it.

Senator MCCASKILL. That is why I think these are the hard decisions. But ultimately, if we end up with just one tactical aircraft company in this country, your successor, 20, 30 years down the line and the people that sit in these chairs, then, are going to have much higher price tags, and I think ultimately have much more of a security risk.

So I understand the dilemma, but I want to make sure we're focused on both parts of it.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator McCaskill.

Senator Martinez.

Senator MARTINEZ. Gentlemen, thank you all very, very much. I sat in your chair and I understand about this time everybody wants to look for the exit door, but anyway, I'll be brief.

I want to associate myself with the comments from Senator Bayh. I think that he spoke eloquently and well. I wholeheartedly agree with the comments he had to make. So I want to ask you about the Joint Cargo Aircraft (JCA), and obviously, on the same theme of parochial interest, but I was also intrigued as to where we are in that.

It was to be utilized by the Air Force, as well as the Army, I know the Florida National Guard is keenly interested in this aircraft, and the decision to only procure as many as would be needed for the Air Force, but not procure those that would be used by the Army was made in this budget. I just wondered where we are on that issue, and what the thinking was behind it.

Secretary GATES. First of all, the decision for the buy of JCAs, C–27, to move from the Army to the Air Force, actually was an agreement that was reached between General Casey and General Schwartz. The Admiral and I were kind of witnesses to it, but not a part of it.

But, with respect to the JCA, again, it gets back to what is the need? The reality is, the C–27 is a niche player. It has half the payload of a C–130, it costs two-thirds as much as a C–130, it can use just 1 percent more air fields than a C–130. We have over 200 C–130s in the Air National Guard that are uncommitted and available for use for any kind of domestic need, or otherwise, out of a fleet of 424 of these C–130s.

So, the question is, then, how many JCA do you need? We budgeted for 38, which basically would recapitalize the Army's C–23 Sherpa aircraft. This mobility issue, though, is one we are going to look at in the QDR, in terms of the relative balance between heavy-lift helicopters, the C–27 JCA, and C–130s. All I know is that I have a great deal of unused capacity in the C–130 fleet, and how does that fit with the JCA? That is what we're going to be looking at.

Senator MARTINEZ. I thought that this—and not to argue the point, I appreciate what you're saying, precisely, I just wondered about that last tactical mile, and the Army seemed to be very excited about the utilization this aircraft would have. My impression was—and it appears to be wrong—is that there was a tremendously more versatile aircraft that could land in many more places

than the C–130. If it's only 1 percent, I fully understand your point.

Secretary GATES. The C–130s can land in about 99 percent of the air strips of a C–27. But there is one thing that does need to change, and happily General Schwartz fully understands it, and that is, if the Air Force is going to carry out this kind of support for the Army, their culture and their approach to the way they do it is going to have to change.

Their attitude, for example, it's kind of like a moving company—I'm not leaving the warehouse until I have a full load. Sometimes the Army needs a much shorter, or much less than a full load, but they need it and they need it promptly. Where the JCA works best is when there are like, three pallets left, basically small loads.

So, the whole Air Force approach to how they support the Army is going to have to change if they're going to take on this joint support role for the Army. General Schwartz is prepared to do that, I think. General Casey is prepared to have the Air Force do it, but they're going to have to work very closely together to figure out how to make it work, and that's regardless of how many C–27s we end up buying.

Senator MARTINEZ. Admiral Mullen, I wanted to ask you about shipbuilding. I met with Admiral Roughhead in the last couple of days. He still seems to be committed to a 313-ship fleet. Does that continue to be the case? What do you see in the 30-year out shipbuilding plan, as well as what is in this current upcoming budget?

Admiral MULLEN. He is very committed—as am I—and that is the standing analysis. When, actually, I did that analysis, my comments were, that was a floor. That was what we saw as sort of a minimum—clearly, he's changed strategies with respect to how he wants to get there. As the Chief Naval Officer, I understand his position with respect to that.

But I see—and again, I remain concerned about the industrial base and shipbuilding—to build any there, the strategic relationship between Congress, the contractors, DOD—is critical so that they can predict and build ships at a lower cost.

So, I'm concerned that we can't keep changing how we're going to do this. This budget, I think, has nine ships in it, including one for the Army, and Joint High Speed Vessel. Too often—as has been pointed out—you get two projections, the out-years, they never show up in the execution years. Although there's a considerable amount more money invested in shipbuilding than we've had in the past, and I think that's healthy.

So, I think we just need to continue to invest there, see if we can stabilize this production base and move forward to that number.

Senator MARTINEZ. Let me ask you about the number one requirement for the Navy and Marine Corps in the fiscal year 2009 which is big deck amphib. Apparently, the fiscal year 2010 budget delays the production of these ships and what is the thinking behind that?

Admiral MULLEN. The fiscal year 2010 budget, I think, puts advance procurement in the 11th Landing Platform Dock (LPD)—delays the 11th LPD until fiscal year 2011, and I supported that decision. I think one of the things we have to look at, we're going to look at in the QDR, is the whole issue of lift. The amphibious

ships support how we're going to fight in the future. I'm very supportive of—from a fighting perspective of a brigade, and the kind of force that the Commandant is talking about, I think there is a question, how much lift? How much ship support do you need to actually get there? The analysis that I think will be done in the QDR will help us form the answer to that.

Senator MARTINEZ. Thank you, my time is up.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Martinez.

Senator Udall.

Senator UDALL. Thank you, Mr. Chairman.

Good morning, gentlemen.

Secretary Gates, Admiral Mullen, it's wonderful to have you here today, and along with everybody else on the committee, I want to thank you for your service. It's clear we need steady leadership during these difficult and challenging times, and you're clearly providing it.

Secretary Gates, I would like to also thank you. I know the Joint Chiefs are there and the battalions and the brigades and divisions of people you have working for you over at the Pentagon, and creating the budget—some call it a reform budget—I know you've had to make some really tough choices, and I don't know that I agree with them, but I do admire your efforts, and I agree with your broad priorities, which I think you've listed as the following—and I agree with them—which is to focus on our people, rebalance to improve our capabilities to fight the wars of today, the 21st century, and reforming our acquisition process. So again, let me start with those general comments.

I would like to move to a question on rotary-wing aircraft, otherwise known as helicopters. I've been told we need more helicopters in Afghanistan. Secretary Gates, you indicate in your testimony that the problem is not the number of helicopters available, but inadequate personnel availability that affects the availability of helicopters.

Admiral Mullen, you were quoted last week as saying that we need more helicopters in the fight, but we're finding it very difficult for lots of reasons to generate more helicopters and figure out how to get more helicopters for operations in Afghanistan and Iraq. It must be determined by the creative genius of those in the services. Would you both be willing to discuss those comments, and your point of view on this important area?

Secretary GATES. Sure. Let me start.

First of all, there's $500 million more—a plus-up of $500 million for rotary lift in the fiscal year 2010 budget. It is not all for additional personnel, but a lot of it is to increase the training throughput.

The analysis that we were given during this budget process was that the principal—but not only—obstacle to getting more helicopters into the field was a shortage of both pilots and maintenance crews. I went down to Fort Rucker a couple of weeks ago, and I suspect that a fair amount, some considerable part of this money, is going to be spent in improving and expanding the school house for both crews and pilots at Fort Rucker and elsewhere for the Army, because the focus in this has been mainly on the Army.

There is additional money in the budget for helicopters, but I think frankly one of the challenges we face—and I don't know the exact percentage, but a huge percentage of the helicopters available to our forces are in the Reserves. I don't know for sure, because the Admiral and I haven't talked about it, but I would suspect that at least one consideration when he was talking about the creative genius of the services is, how do we access some of that capability.

Senator UDALL. Admiral, if you would comment—you used the term "lots of reasons"?

Admiral MULLEN. It speaks to the 200 C–130s that are back here when I have needs somewhere else. It speaks to my priority right now, and I've said this in my statement, is my number one operational priority is Afghanistan—that's people, training, equipment, everything I need, and so sometimes it's difficult to reconcile that priority with services who are a routine, and supportive in so many ways.

But when I have an extraordinary number, thousands of helicopters back here in the States, and many of them are in the Guard and in Reserves, as the Secretary said, "How can I access them?" Historically, I haven't been able to accept when I deploy a unit that goes to fly those helicopters, and they're clearly on the Guards side, State needs that have to be supported, so there's a balance there.

Can I get more Navy helicopters to displace Army helicopters that are doing something else in support that I can put in the fight, for example. The same would be true of the Air Force, so I've asked the Navy and the Air Force to look for ways to create—to become more creative about how we train—and take some risks in some areas back here in the services, so that we can support the fight.

The answer to me isn't always just, go buy more. It can't be. We have to use the ones we have. I can't buy a lot more helicopters over the next 12 to 18 months, I need them in the fight now.

Having been a service chief, I understand this, and my perspective now from the joint point of view is much different. So, how can I—how can the Services become more creative in how they're doing business to support the fight.

Senator UDALL. That is helpful. I don't know exactly the limits to what the committee can do, but the passion with which you both responded suggests it's important, and necessary, and needed.

I'm also reminded, on the House side, and I think it was repeated over here last year, that at one point we were saying we will do in Iraq what we must, and we'll do in Afghanistan what we can. Then I hear you, Admiral, saying, no, we have to do in Afghanistan what we must. Is that accurate?

Admiral MULLEN. Absolutely.

Senator UDALL. If I might, in the last couple of minutes, I have turned back to Pakistan and will direct a question to both of you. Congress is considering, and I know the chairman alluded to this in his questions and comments, what sorts of limitations and conditions we put on you as security assistance for Pakistan? I'm curious if either of you have an alternative approach, or other ideas about how we balance out our needs for benchmarks, for conditions, but also understanding the political situation we face in Pakistan.

Secretary GATES. Well, let me just comment briefly, because as I said earlier, Admiral Mullen is much more familiar with Pakistan than I am. The one thing that we both find ourselves saying to our colleagues in the executive branch, as well as to folks up here, is that we're going to have to be patient. Things are going—and it's not unlike both Iraq and Afghanistan—things are not going to develop or move in the direction we want, any of those places, as fast as we want it to move.

So, I think that going back to Senator Ben Nelson's comments on measures of effectiveness, we have to be able to measure, in fact, whether they are moving in the right direction, and take comfort from that, do what we can diplomatically, and in other ways, and frankly, all of you visiting places like Islamabad, and underscoring these needs in terms of what our expectations of them are, are helpful, but I think we have to be realistic about it, and understand that it's going to take longer.

I'm not speaking to any specific proposed restrictions, because I'm probably not familiar with the array that may be out there or that is being suggested up here, but I encourage you to give the President as much flexibility as you can in this, because we are in fact, dealing with a sovereign state with a history.

Admiral MULLEN. There's a growing recognition in Pakistan that more specific, visible accountability for the money that we are supplying and resourcing has to get better. My view is, it's not going to happen as quickly as we would like it, but they recognize that. I think, at the heart of all of this, is the question of whether we want a long-term relationship with Pakistan—how important is that?

As the Secretary said, I've argued for the patience—it's not going to happen as fast, it can be very frustrating. I think that relationship, in terms of that part of the world is absolutely vital. As I indicated earlier, they do ask the question, "You left before, are you going to leave again?" It's going to take us a while, I think, to convince them we're not. If, indeed, that in fact is our strategy.

Senator UDALL. Thank you very much, gentlemen.

Chairman LEVIN. Thank you, Senator Udall.

Senator Graham.

Senator GRAHAM. Thank you, Mr. Chairman.

Mr. Secretary, what are the NATO nations doing in terms of their defense spending over the next 5 years? Is there a general trend? Is it up or down?

Secretary GATES. I don't know about the next 5 years, Senator, but I know that at that point I think, there were only six NATO nations that meet the agreed NATO threshold of a minimum of 2 percent of gross domestic product (GDP) devoted to defense.

Senator GRAHAM. That's very disturbing because people accuse us of being unilateral at times, but they have to have the capacity to help us. Our budget, I think, needs to understand that we are the arsenal of democracy, like it or not. What is the current GDP spending on defense now, including all supplementals?

Mr. Hale, would you know?

Secretary GATES. 4.6 percent.

Senator GRAHAM. In historic terms, where does it rank us, Mr. Hale?

Mr. HALE. It depends upon how far back you want to go.

Senator GRAHAM. World War II.

Mr. HALE. World War II it was in the forties. In recent years it's certainly been below that in the nineties. It was down around 3 percent of GDP, and slightly under it. It has come back.

Senator GRAHAM. What would you say the average, post World War II, has been?

Mr. HALE. Oh boy, since World War II, maybe 10.

Senator GRAHAM. Well, my point is, in the next 5 years, do you—what dangers do we face out there? Mr. Secretary, and Admiral Mullen, are they less or more?

Secretary GATES. There is no question that while we don't face the catastrophic—potentially catastrophic—threat of a Soviet Union, we face, I think, in many ways, a more complex and more dangerous world than we faced during the Cold War.

Senator GRAHAM. Do you agree with that, Admiral Mullen?

Admiral MULLEN. Absolutely.

Senator GRAHAM. Around North Korea, the reason I mention it is we have to budget here, given the reality of the threats we face and what's going on in other places in the world. Our allies are not stepping up to the plate. That puts more pressure on us because we do have to take the lead on these issues.

So I would just encourage the committee and the administration—in their 10-year budget, defense spending in the 10th year is at 3 percent of GDP, and I just don't believe that's appropriate given what I think we're going to face in the next 10 years.

Interest on the national debt is at 3 percent of GDP. I think that's unsustainable, that we're going to have a debt we can't afford to pay, we're going to lose our AAA credit rating, and if we don't change our policies—and reducing defense is not the answer to our budget problems.

Secretary GATES. Senator, I would just interject, that it is my personal opinion, based on the briefings that I've gotten, that for us to hold steady, the program that we have in front of you, for fiscal year 2010, to hold that steady in the out-years, we will need at least 2 percent real growth in the defense budget.

Senator GRAHAM. Thank you, and that's something that we'll all consider, because I think we are bipartisan on this committee about national defense matters.

Now in Afghanistan, one thing that we have to look at in terms of our budget is—is it true, Mr. Secretary, Admiral Mullen, that the Afghan Army, the expense of 100,000 person Army—if we can ever get to that level—a 140,000 person Army, to maintain that is greater than the entire budget of Afghanistan?

Secretary GATES. Absolutely.

Senator GRAHAM. Who's going to pay for that?

Secretary GATES. The truth of the matter is, right now we are. We have this Afghan trust fund in NATO, and my hope had been, when this was set up a number of months ago, that those allies who were not prepared to send significant—allies and partners who were not prepared to send significant troops to Afghanistan would, in lieu of that, make substantial contributions to this trust fund. The last I checked, the trust fund had about $100 million in it.

Senator GRAHAM. Admiral Mullen, do you agree with General Petraeus's view that we need to grow the Afghan Army?

Admiral MULLEN. Yes, sir, absolutely.

Senator GRAHAM. The more capability they have, the less likely our soldiers will be in harm's way in the future.

Admiral MULLEN. Absolutely.

Senator GRAHAM. If the country generates less than a billion dollars of revenue and the Army costs $3 billion, I think this is a topic for the committee to consider. Not only are we going to be paying for our Army, which is going to be doing more and the world's going to be doing less, we're going to end up paying for the Afghanistan Army.

I actually, quite frankly, support that, doing our fair share, but I am very frustrated with our allies. If you're going to reduce your defense spending and reduce your capability, at least you could help us pay for the Afghan military that makes us all safer. So, I think we need to look at our budget in terms of what's going on throughout the world and future obligations. The future obligations of this country are going to be greater, not smaller, when it comes to defense spending. Our allies are doing less, not more. To win in Afghanistan, you have to have a big army, and they can't afford a big army, so somebody's going to have to pay for it.

Now, on Guantanamo Bay (GTMO), Mr. Secretary, do you believe it would help our national security interests to basically start over and come up with new detainee policy?

Secretary GATES. I think, Senator, to a considerable degree, the President has done that with his Executive order.

Senator GRAHAM. That would mean closing GTMO?

Secretary GATES. Yes, sir.

Senator GRAHAM. Admiral Mullen, do you think it would probably help us worldwide if we closed GTMO and got a new fresh start on detainee policy?

Admiral MULLEN. I have actually been supportive of closing GTMO for a considerable period of time, but I really—and significant steps, I think, have been taken with respect to the detainee policy.

Senator GRAHAM. I just want to end on this, Mr. Chairman.

Not releasing the photos is in our national security interest, and I applaud you for standing up for the troops. I want to applaud the President for making what I think was I think was a very reasonable decision. For the same reason we didn't need to release the photos, I think we need to start over with GTMO. I see both achieving the same goal. There's damage to be repaired out there, releasing the photos doesn't repair our damage, but starting over again with new detainee policy at a new location, I think will help repair some damage.

So, I'll look forward to working with you as we go forward on that issue.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Graham.

Now we're going to have to end after our next two Senators. We promised we'd be out of this room by 12:30 at the absolute latest. I don't see a need for a executive session. Unless I hear from col-

leagues in the next few minutes, we're not going to have such a session, today at least.

With that, I will call upon Senator Webb.

Senator WEBB. Thank you, Mr. Chairman.

Just one follow-up point. Having listened to Senator Graham, I think the challenge in terms of building an Afghani Army is not simply financial. As I mentioned to General Petraeus when he was before this Committee, I think you'd have to look really hard in the history of Afghanistan to find a time when they truly had a viable national army. That's probably even a greater challenge than the money.

Gentlemen, I'd like to start by expressing my support and respect for the leadership that both of you have brought to your positions. It's been very important, not only to DOD, but to the country. I thank you for the way that you've approached your jobs.

Secretary Gates, as somebody who spent 4 years on the Defense Resources Board with Cap Weinberger, I think you are uniquely positioned to set about the task that you're taking on. I know we're going to have a lot of debate. I'm going to participate in that debate at the right time, but I really do commend you for stepping forward and having taking this on.

I would like to make three quick observations and I have a specific set of questions that I would like to ask. The first is, I know you were summarizing, Mr. Secretary—I want to emphasize, because we're building a record here and we're going into these budget considerations, that the mission of the DOD is not simply to fight and win wars. It is also to deter wars, to manage strategic confrontations, to provide an umbrella under which those countries who are aligned with us are able to manage their own external security relationships and strategic systems that do that and will hopefully never be deployed.

I think the greatest example of that, really, is the Cold War, which was the most significant victory of the United States since World War II. I'd also like to interject a request. I said this the other day in the confirmation hearing of the individual who's going to be the Assistant Secretary for the Army for Manpower and Reserve Affairs—but I think it's very important. They're talking about the fact that if we don't get the people part of it right, we don't get any of it right. It's vitally important that we address the issue of stewardship to people who serve, beyond simply managing the Active-Duty Force, and beyond the issues of retention or even of the programs, which you have so eloquently discussed today.

Seventy-five percent of the Army, 70 percent of the Marine Corps leave on or before the end of their first enlistment, and these are the people who have been doing, really the heavy lifting in terms of all the rotational cycles. I don't hear the same level of articulate concern from DOD witnesses that I do on these other areas. We talk about the tenet you recruit soldiers, you retain a family. At the same time, these people are coming in, doing two or three pumps, they're getting out, they're returning to civilian, and they're bringing a lot of long-term challenges in terms of mental health and other areas with them. That's why I introduced a dwell time amendment twice, 2 years ago, and that's I why I introduced the GI Bill. Both of those amendments were opposed by DOD and were

opposed by previous administrations, and I think we're seeing, in many cases, the consequences of those challenges.

One of the things that I think could be looked at is putting the same type of discipline that you're putting into your procurement policies, into the management of the force, in terms of examining the requests that are coming from combatant commanders, to see if people can't be used more efficiently. That's something that I was saying 2 years ago, talking about the dwell time amendment.

The questions that I have really relate to Pakistan. I have written reports in the general news area, but from reputable commentators, that Pakistan is at the moment increasing its nuclear program, that it may be actually adding on to weapons systems and warheads. Do you have any evidence of that?

Admiral MULLEN. Yes.

Senator WEBB. That strikes me as something that we should be approaching with enormous concern. We're spending a lot of time talking about the potential that Iran might have nuclear weapon capability, and this is regime that's far less stable, and that should be a part of our debate.

Do we have any idea of the percentage of the $12 billion, since 2001, that has gone to Pakistan that has ended up with their security interest toward India or other non-terrorist or Taliban-related threats?

Secretary GATES. Senator, as best I understand it, the coalition—the only figure that I'm aware of the Coalition Support Fund, and I think that has been about $6.8 billion for Pakistan. That has always been a reimbursement to them, and they basically have had the freedom to spend it pretty much as they liked. So, I would suspect that that money went for a wide-range of things, including their military phasing.

Senator WEBB. That's one of the concerns that I have and we have begun focusing on Pakistan simply as—the way that it would address the Afghani situation when, as we all know, if you—if you examine this from a Pakistani point of view, India is their greatest threat.

Do we have any type of control factors that would be built in, in terms of where future American money would be going as it addresses what I just asked about?

Secretary GATES. I'm not aware about the future. I know that beginning—that we've had procedures with the Coalition Support Fund. There were problems with accountability in that and those procedures were tightened up last June, June 2008.

It basically is a three-step process—the Pakistani request for reimbursement for military activities in the western part of the country, which is of course of interest to us, and for keeping our supply lines open and so on, first as evaluated by the embassy. Second, it's evaluated by Central Command (CENTCOM) and the CENTCOM commander is the person held accountable for it. That had been absent before, a single person being held accountable. Then it's evaluated by the Comptroller's office in DOD.

So there's a three-step validation process on Pakistani requests for reimbursement. Now, if there are new programs of economic assistance and so on, I assume there will be a different procedure established for those.

Senator WEBB. We certainly don't have the same ability to assess these programs on the ground, as we do in places in Afghanistan and Iran.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Webb.

Senator Begich.

Senator BEGICH. Thank you very much, Mr. Chairman.

To all of you, thank you for being here today.

Thank you for the work that you're doing in Fort Wainwright and Fort Richardson regarding the Warrior Transition Units. Those will be completed with monies from the fiscal year 2010 budget and have a great impact.

The mental health clinic, which is going to be at Elmendorf, is a very incredible need and a positive need. To the Joint Chiefs for the work around the Wounded Warrior Task Force, I think that's a great effort and I really applaud you for it. If there is anything that I can do to help support that, I will be there for you. The MILCON project, with about $400 million, is going to be a positive for Alaska.

I have a couple issues. One is the ground-based missile defense system. I don't necessarily agree, obviously, with your position at this point. I recognize, tough decisions, you have to make programmatic changes, and I understand that. However, based on what my briefings have been—and I appreciate your comments, Mr. Secretary, I have questions in regards to robust testing. I think that's important for a system of this magnitude.

But if you go through that process, and assuming that this system is a 15- to 20-year system at minimum, and you have about 14 missiles still to be completed and a group of them, about 10 or so, will be available for missile testing, by about 4th or 5th year you'll be out of the testing capacity. The assumption is, that will tell you if this system is going to continue forward. But if it is a 15-, 20-year lifespan, and you only test for that short period of time, then you're going to have this gap for many, many years without testing. How do you address that part of the equation? I mean, I just can't imagine a system for 10-, 12-, or 15-years with nothing happening other than just in the silos and no full-range testing.

Secretary GATES. No, we haven't discussed the long out years on this or it has not been a part of our process. But I will tell you that my view of it is, that the situation with the GBIs in Alaska and in California needs to continue to be a dynamic process. I think that we not only need continued testing, but we need continued develop. We need to be able to develop as—as North Korea, for example, becomes more sophisticated in their capabilities, we need to be more sophisticated in our defense.

So the capabilities of those GBIs are going to have to improve over time. So I see this as a dynamic—not a static process where we have a finite testing period and then stop and just have the status quo for an extended period of time, but rather a dynamic process where we are continually updating and improving the capabilities of those GBIs.

The decision not to go to 44 interceptors at this point, does not mean we'll never go to 44 interceptors or at least more than 30. It's

just that over the period of the next few years, we don't see the need to go to the additional interceptors, given the pace at which North Korea is developing its program. But I don't think anybody's kind of drawing a line at 30 and saying no more ever, anymore than we're saying we're going to have a static program after a few years of additional testing.

Senator BEGICH. Thank you for that. Thank you for those comments. I guess the other piece would be, I should not read in then that after this period of time of testing that the program—I don't want to say—use the word, I'll use the word carefully here—becomes dormant, meaning that it just kind of disappears over time. I shouldn't read that into it.

Secretary GATES. That certainly was not my view. I believe that this capability is very important for the security of the United States, and I think we need to—I'm comforted that we have one that we think works now, that we have some confidence could handle the North Korean threat right now. Those threats will continue to become more sophisticated and I think we need to continue to improve our capabilities.

Senator BEGICH. Thank you, thank you for that reassurance.

I want to follow up on the C–27s. Alaska is unique, we use Sherpas up there a lot. We had anticipated, obviously, those Sherpas, which are fairly old, to be replaced with the C–27s because of how they can operate in the Alaska terrain. However, the planned procurement of C–27s has decreased with the fiscal year 2010 budget. This will impact stationing decisions. How do you see the allocation of where those aircraft, the 38 in production, go? C–130s are great in Alaska, but the Sherpas are really beneficial to our Guard.

Secretary GATES. The Admiral may know more about this than I do, I don't know. But—because we haven't discussed the lay-down of these things, but I would just tell you that—that the 38 that are in the budget, the 38 C–27s that are in the budget, are characterized for me as a recapitalization of the C–23 Sherpa program. I don't know what the lay-down, though, is.

Senator BEGICH. Okay. But that helps, that gets us halfway there. So I'll be working with your folks on how that will work, in the sense of your whole deployment throughout the country with regards to Sherpas, but I know in Alaska the terrain requires these—the Sherpas—and they really are a real workhorse back there. So I just wanted to put that on the record for us here.

Two global areas, and I'm very intrigued by this—and my time is about up. One is, I was intrigued by the comment about the overall $20 billion savings this year. I'd be curious if you can analyze—if there's a number over this 5-year period—if you didn't cut that $20 billion and that was employed into the program, and assumed the status of those programs, what would be that actually cost avoidance? I think it would be probably a significant number, if that makes any sense. You don't have to answer now, I'm not putting you on the spot—I see you looking, trying to calculate quickly in your mind. I don't want you to calculate that. But these programs have actually downstream, large numbers attached to them in some R&D work. So, I'm just curious how big that number is. I'm assuming it's big and that's, in one way, kind of what you're looking at, is this long-term picture, and I give you a lot of credit

for that. So I just will ask you that, and you can provide a written answer.

[The information referred to follows:]

Senator Begich, you noted that our DOD leadership estimated savings from my decisions announced on April 6 to be about $20 billion for fiscal year 2010, and asked me to estimate our cost avoidance for those decisions over the 5-year period of fiscal years 2010–2014.

I do not think it would be meaningful or valid to make such an estimate of future savings. Let me explain what some of the difficulties would be.

- My April 6 decisions were not discrete or static such that they can simply be projected forward to the out years. Instead, my decisions launched a dynamic process, including my ongoing QDR, that will include both cost avoidance and new investments. For example, my Future Combat Systems (FCS) decision included termination of current manned ground vehicle efforts, which would have some out year cost avoidance. However, I also directed creation of a new FCS combat vehicle, whose costs—not yet known—would offset the termination savings.
- For some terminations—such as VH–71 and combat search and rescue helicopters—we still have a requirement to be addressed and funded, but no estimate of costs, which again would offset the cost avoidance of the terminations.
- Our refocusing of the Missile Defense Program does not necessarily mean that savings in fiscal year 2010 should be assumed in the out years.

Senator BEGICH. Then, the second, and I'll just leave you on this as more a thought. I'll be very curious for more discussion on manned versus unmanned operations. I think this is an interesting new technology development in all areas of aircraft. I can imagine a pilot who says, "No you're not going to go fly, you're going to use a joystick instead, in a room," may be hard to retain.

This is an interesting transformation and it's one that, if you look 5, 10 years out, I can see by the discussion today, that is a part of the equation of the new military. So I'd be very interested, at a later time, Mr. Chairman, through our discussion as we go through this process, how you see that and how we make that transformation and deal with personnel. It's very interesting and the technology is powerful. I'm a supporter of this type of technology, I want to put that on the record for you.

Thank you very much, thank you for your time and your service.

Chairman LEVIN. Thank you, Senator Begich.

We are now at the end, and I would just summarize with one thought. I think you gentlemen have really grasped a very fundamental point, that we have to both change the way we buy weapons, which we're doing in a reform bill that hopefully will get to the President in the next week or so. But given the new threats, we also must make changes in what we are buying not just how we are buying. Just guiding the ship, the USS *Pentagon*, is a huge task in ordinary times, but to change the direction of that ship, in the way that you are proposing, takes special skills, special tenacity. You gentlemen have a very healthy dose of those characteristics and we're grateful that you do and we commend your efforts. I hope that you're going to find in Congress the kind of thoughtful and reasonable and nation-viewing response that you have taken, that our mission here is to give our Nation the strength that it deserves and needs, and that that is going to take some courageous decisions on our part. I hope we're up to it, and look forward to responding in kind to the kind of courage and direction that you have set for us.

Thank you for being here today. The committee is adjourned.
[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR CARL LEVIN

LAW OF THE SEA CONVENTION

1. Senator LEVIN. Secretary Gates and Admiral Mullen, what are your views on the United States joining the Law of the Sea convention?

Secretary GATES and Admiral MULLEN. We strongly support U.S. accession to the Law of the Sea Convention. The United States should be at the forefront of promoting the rule of law, including in the world's oceans. As a party to the Convention, we would send a clear signal to all nations that we are committed to advancing the rule of law at sea. Additionally, the Convention provides the firmest possible legal foundation for the navigational rights and freedoms needed to project power, reassure friends, deter adversaries, respond to crises, sustain combat forces in the field, and secure sea and air lines of communication that underpin international trade and our own economic prosperity.

Joining the Convention will give the United States a seat at the table when rights vital to our national interests are debated and interpreted, including the rights affecting the maritime mobility of our Armed Forces worldwide. America has more to gain from legal certainty and public order in the world's oceans than any other country. More than 150 nations are parties to the Convention. By becoming a party, the United States will be better positioned to work cooperatively with foreign air forces, navies, and coast guards to address the full spectrum of 21st century security challenges.

SUPPORT FOR MISSILE DEFENSE DECISIONS

2. Senator LEVIN. Admiral Mullen, do you support the proposed changes to the missile defense program?

Admiral MULLEN. I fully support the priorities for missile defense in this budget submission. This budget proposal reflects a collaborative effort which included participation from the Joint Chiefs, the combatant commanders, and senior decision-makers from the Services.

The proposed budget allocates approximately $7.8 billion for missile defense in fiscal year 2010 in response to Secretary Gates' budget guidance. It also allows for programmatic flexibility to respond to the Quadrennial Defense Review (QDR) and the Ballistic Missile Defense Review.

The proposed budget request for ballistic missile defense increases the support to our regional combatant commanders for defense of deployed forces, allies, and friends against the short- and medium-range threat. It provides sufficient numbers of Ground-Based Interceptors (GBIs) for defense against the rogue nation threat to the United States while continuing to test and improve its capability. Finally, as a hedge against future threat growth, it continues to invest in research and development of advanced technologies that have promise of delivering affordable, operationally-viable capabilities.

GROUND-BASED MIDCOURSE DEFENSE PROGRAM

3. Senator LEVIN. Secretary Gates and Admiral Mullen, does a force of 30 deployed GBIs meet our military requirement for defending the United States against the limited threat, both current and forecast?

Secretary GATES and Admiral MULLEN. Yes. Thirty operational GBIs will provide the United States with a substantial inventory of interceptors considering the limited number of intercontinental ballistic missile (ICBM) launch complexes in North Korea and Iran and the long development time required for additional launch complexes. In addition to the 30, the Missile Defense Agency (MDA) will procure 14 more GBIs of which most will go to the replacement of the 14 oldest interceptors to improve the operational readiness of the fleet. Moreover, MDA also will fund continued ground missile defense (GMD) development to sustain and improve the capability we have. The U.S. inventory of operational GBIs may be expanded in the future should the threat grow. For these reasons, we believe that the operational force of 30 GBIs is sufficient to meet the current and forecasted long-range ballistic missile threat to the United States.

4. Senator LEVIN. Secretary Gates and Admiral Mullen, were the relevant combatant commanders involved in the process that led to your recommendation?

Secretary GATES and Admiral MULLEN. The answer is yes. Secretary Gates presided over a comprehensive and collaborative process to arrive at his decisions. Every service chief and combatant commander had a voice, and every one of them used it. We know we speak for all of them when we say we are prepared to execute each and every recommendation.

MISSILE DEFENSE COOPERATION WITH RUSSIA

5. Senator LEVIN. Secretary Gates, do you still believe there is "real potential" for missile defense cooperation with Russia, and do you believe that such cooperation could send a strong signal to Iran, and possibly persuade Iran to think twice before pursuing a nuclear weapon and long-range missiles?

Secretary GATES. In my discussions with Prime Minister Putin and others, I concluded that there is interest in partnering with us on missile defense. In the past, Russia has expressed interest in cooperating with us on things like joint use of radars. We have also conducted theater ballistic missile defense exercises with the North Atlantic Treaty Organization (NATO) and the Russians.

Missile defense cooperation with Russia would not only please our NATO allies, but could send a very powerful signal to Iran that the U.S. and Russia view its ballistic missile programs as an area of deep concern and that we are determined to defend our interests, and those of our friends and allies in the region.

PROSPECTS FOR POLITICAL RECONCILIATION IN IRAQ

6. Senator LEVIN. Secretary Gates, the Iraqi Government must still enact important legislation to achieve meaningful and lasting political reconciliation and stability. What is your assessment of the prospects that the Government of Iraq (GOI) will be able to enact legislation this year that will continue the resolution of constitutional issues regarding the powers of the central and provincial governments?

Secretary GATES. Legislation to resolve constitutional issues regarding the powers of the central and provincial governments is unlikely to be enacted by the Council of Representatives (COR) this year. The most important legislation that addresses the powers of the central and provincial governments is the Provincial Powers Law (PPL), passed by the COR in February 2008. The PPL went into effect with the standing up of the new Provincial Councils (PC) following the January 2009 Provincial Elections. The PPL defines PCs as the highest legislative and oversight authority in each province, and grants increased authority to provincial governments such as the ability to dismiss senior provincial officials, approve provincial budgets, and administer provincial security forces. The new PCs' ability to implement the PPL will take time, but marks a significant step in establishing central and provincial governments' roles and responsibilities.

The GOI's 29-member Constitutional Review Committee (CRC) is responsible for undertaking Iraq's constitutional review. Though the original deadline for completion of the CRC's work was March 2007, it did not issue a report until August 2008. The report provided 60 recommended changes to the Constitution, but failed to address the most important issues on federalism and the GOI has not moved to implement the CRC's recommendations or reexamine unresolved issues.

7. Senator LEVIN. Secretary Gates, what about the prospects to establish authorities for the control and management of the Iraqi oil and gas industry and the fair distribution of revenues?

Secretary GATES. While Iraq has made limited progress on the package of four comprehensive hydrocarbon laws since February 2007, there is a growing sense among senior Iraqi leaders that reforms are needed to halt falling oil production and improve management of the oil sector. The new Speaker of the COR, Ayad al-Samarraie, has made passage of the hydrocarbon legislation package a top legislative priority and has asked that the current proposed bills be reintroduced as a starting point for debate. U.S. Embassy Baghdad is engaging key leaders to overcome the political challenges.

In recent months, Arab and Kurd leaders have made small, initial steps to compromise on oil management, export, and revenue sharing that do not require legislation. Most significantly, in May 2009 the GOI and the Kurdistan Regional Government (KRG) reached an agreement allowing, for the first time, the legal export of crude oil from select fields in the Kurdistan Region through GOI-owned pipelines.

8. Senator LEVIN. Secretary Gates, what about the prospects to settle the internal boundary issues in northern Iraq with respect to the Iraqi Arabs, Turkmen, and Kurds?

Secretary GATES. On April 22, 2009 the United Nations Assistance Mission to Iraq (UNAMI) delivered a comprehensive report on Disputed Internal Boundaries (DIBs) to the GOI and KRG. The UNAMI DIBs report took into account the history, demography, and current administrative structure in 15 disputed districts. It also included interviews with Iraqi Arab, Turkmen, and Kurdish citizens, and offered recommendations for confidence-building measures to provide a framework for settling DIBs. UNAMI has proposed that its report be used as the basis for discussion between GOI and KRG officials on a high-level DIBs task force, to which both sides have agreed in theory. Multi-National Forces-Iraq (MNF–I) and Embassy Baghdad are actively encouraging participation in the UNAMI-sponsored task force as a mechanism for moving forward on settling DIBs.

NUCLEAR WEAPONS STOCKPILES AND THE COMPREHENSIVE TEST BAN TREATY

9. Senator LEVIN. Secretary Gates, as the Department of Defense (DOD) will be a key part of the efforts to reduce the stockpile and to achieve a Comprehensive Test Ban Treaty (CTBT), how do you reconcile the President's goals and your statement of October 2008?

Secretary GATES. In his Prague speech, President Obama stated that "we will reduce the role of nuclear weapons in our National security strategy, and urge others to do the same. Make no mistake: As long as these weapons exist, the United States will maintain a safe, secure and effective arsenal to deter any adversary, and guarantee that defense to our allies." I fully support the President's position. In this regard, the Department, in the Nuclear Posture Review (NPR), is seeking to sustain our nuclear deterrent while improving the long-term confidence in the safety, security and reliability of the stockpile without nuclear testing. The NPR is taking a close look at the relationship between our nuclear stockpile, our nuclear infrastructure, and the appropriate size of the U.S. "hedge," consistent with the President's goals.

QUESTIONS SUBMITTED BY SENATOR EVAN BAYH

JOINT STRIKE FIGHTER ALTERNATE ENGINE PROGRAM

10. Senator BAYH. Secretary Gates and Admiral Mullen, the Government Accountability Office (GAO) has said on numerous occasions that based on lessons learned in the great engine wars, including funding for the Joint Strike Fighter's (JSF) alternate engine program will save taxpayers money over time, and improve both contractor responsiveness and engine performance. However, this budget once again cuts funding for this congressionally mandated initiative. In light of your desire increase efficiency in the acquisition process, doesn't the exclusion of funds for this program represent short-term savings at the expense of long-term benefits?

Secretary GATES and Admiral MULLEN. The Department believes that the near-term costs to complete development of a competitive engine, as well as procure the required engines to achieve true competition, are considerable. The Department reviewed all aspects of the competitive engine program and the impact to the JSF program in preparing the fiscal year 2010 Defense budget. The Department submitted a budget that provides the best value to the taxpayers and funds the most critical capabilities required by our warfighters.

11. Senator BAYH. Secretary Gates and Admiral Mullen, what analysis was used to determine that one engine is the best course, and if you believe that to be the case, where did GAO go wrong?

Secretary GATES and Admiral MULLEN. Fundamentally, the decision to not include funding for the JSF alternate engine was based on the requirement to fund the most critical Department priorities given a constrained budget. The GAO recently estimated that investment in a competitive engine program could be recouped if competition generated 9 to 11 percent in procurement savings, a reduction of 2 percent from their 2007 assessment. Both the Department's Cost Analysis Improvement Group (CAIG) and the Institute for Defense Analyses, in their 2007 assessments, determined that savings on the order of 20 percent would be required, which they considered unlikely.

ENERGY

12. Senator BAYH. Secretary Gates, last year Section 902 of the National Defense Authorization Act created the position of a Director of Operational Energy Plans and Programs, who would report directly to you and the Deputy Secretary of Defense. That position has yet to be filled. Under the law, the Director would establish a unified operational energy strategy across all of the Services as well as a comprehensive policy regarding training, transportation, and sustaining power for our military forces and weapons platforms. As chairman of the Readiness and Management Support Subcommittee, I am particularly interested in learning where you are in the process of filling this position. It is acutely important, as our Armed Forces continue to be plagued by a lack of strategic depth, face enormous debt with the fully burdened cost of fuel, and risk the lives of our servicemen and women with lengthy logistical requirements. Do I have your assurance that you will direct your attention to filling this position and ensuring the office is fully funded?

Secretary GATES. The Department remains committed to establishing the Office of the Director of Operational Energy Plans and Programs (DOEP&P) within the Office of the Secretary of Defense, to include the timely vetting and nomination of a qualified individual, and instituting a unified and comprehensive operational energy strategy across DOD. The Department has completed an analysis of options for the most effective and efficient organizational placement of the Office of the DOEP&P, aligned to the statutory provision. However, selection of the preferred option and establishment of the Office has been delayed in order to better understand and address two issues related to the new position.

First, section 902 of the Duncan Hunter National Defense Authorization Act (NDAA) for Fiscal Year 2009 did not identify an Executive Schedule level for the DOEP&P position. The Department, at the next opportunity, will forward a legislative proposal to add the position to section 5315, "Positions at level IV," of title 5, U.S.C. If a nominee for the position is confirmed by the Senate, prior to the required amendment to title 5, we will recommend that the President place the position in level IV at the time of appointment, as authorized under section 5317 of title 5.

The second issue relates to the reporting relationship of the DOEP&P. The recommendation of the organizational placement analysis is to place the DOEP&P administratively under the Under Secretary of Defense for Acquisition, Technology, and Logistics (USD(AT&L)), aligned as a peer to three other Presidentially Appointed, Senate-confirmed (PAS) officials, who currently report to the USD(AT&L). These PAS officials, respectively, are responsible for emerging technologies, acquisition, and sustainment, all of which have critical influence on the Department's energy consumption. As provided in section 902, the DOEP&P, as the principal advisor to the Secretary on operational energy plans and programs, may communicate related views without obtaining the approval or concurrence of any other official. While section 902 is prescriptive regarding this communication relationship, it is not prescriptive regarding the organizational placement of the position in the Office of the Secretary of Defense. The analysis indicates that this placement offers the best combination of focused leadership, stature, and accountability and takes the best advantage of the existing energy infrastructure under the USD(AT&L). Importantly, it does not obviate or constrain the critical matter constrain the critical matter of access to the Secretary.

IRAQ

13. Senator BAYH. Secretary Gates and Admiral Mullen, I have seen press reporting that al Qaeda in Iraq's foreign fighter pipeline sending suicide bombers into Iraq via Syria has again picked up steam, as has a recent uptick in violence and high-profile bombings. At the same time, General Odierno said last Friday that one-fifth of American combat troops would stay behind in Iraqi cities even after the June 30 deadline that the United States and Iraq had set for their departure from cities, and that "There'll always be some sort of low-level insurgency in Iraq for the next 5, 10, 15 years." How dependent are the Army and Marines on the continued drawdown in Iraq to fulfill the personnel requirements of the new Afghanistan strategy?

Secretary GATES and Admiral MULLEN. The troop level draw down in Iraq is not directly connected to fulfilling personnel requirements in Afghanistan, but a reduction in requirements for Iraq will reduce the strain on the system as a whole. As always, troop levels in Iraq and Afghanistan continue to be a function of the ground commander's assessment and their needs to handle the tactical situation.

14. Senator BAYH. Secretary Gates and Admiral Mullen, do you remain confident in the ability of Iraqi forces to handle the increased violence, especially as U.S. forces draw down?

Secretary GATES and Admiral MULLEN. I remain confident in the ability of Iraqi Security Forces (ISF) as U.S. forces draw down. In the near term, the Multinational Forces-Iraq (MNF–I) Commander has judged that the ISF are ready to accept responsibility for the security of Iraq's cities by 30 June 2009 as stipulated in the security agreement. MNF–I has noted, however, that the withdrawal of U.S. combat forces from those cities must be followed by a period of deliberate assessment to determine whether the withdrawal can be sustained in areas of continued violence such as Mosul, Kirkuk, or areas of Diyala.

15. Senator BAYH. Secretary Gates and Admiral Mullen, what mitigation strategies are in place to enable the U.S. to continue the drawdown?

Secretary GATES and Admiral MULLEN. From the outset, our drawdown planning was predicated on a period of increased risk during the national elections in Iraq, to include the months immediately following the elections as the Iraqi parliament is seated and the various ministers are appointed. Our drawdown plan maintains sufficient forces to assist the ISF in managing their security needs. By August 2010, U.S. forces will have completed the transition from a combat and counterinsurgency (COIN) environment to the accomplishment of primarily stability tasks that focus on training and assisting the ISF, providing force protection for U.S. military and civilian personnel and facilities, assisting targeted counterterrorism operations, and supporting civilian agencies and international organizations in their capacity-building efforts. The pace of the drawdown will take into consideration Iraq's improved, yet fragile, security gains and provide U.S. commanders sufficient flexibility to assist the Iraqis with emerging challenges. Complementing the efforts of our U.S. forces, the United States will continue to pursue other aspects of its strategy, including sustained diplomacy with a more peaceful and prosperous Iraq.

QUESTIONS SUBMITTED BY SENATOR CLAIRE MCCASKILL

C–17 AIRCRAFT PROCUREMENT

16. Senator MCCASKILL. Secretary Gates, the C–17 is a proven, capable aircraft that has operated at over 150 percent of its original intended capacity since the wars in Iraq and Afghanistan began. It has served our warfighters under the toughest combat conditions around the world at an impressive 86 percent reliability rate. However, current DOD planning indicates that the C–17 production line will end in fiscal year 2010 with a final inventory of 205 planes. This decision comes before the results of the Mobility Capability Study (MCS) and the QDR have been made available to inform the number and mix of C–17s and C–5s required for our strategic airlift capacity. Current modernization programs to the aging C–5 have run over cost and schedule, are of unproven reliability, and serve primarily to extend the life of an already old 40-year-old aircraft to as much as 70 years of use. Now indications are that we need to not only recapitalize the C–5 line, but also some of the older C–17s, making it all the more essential that we keep this line open to maintain strategic airlift expertise for our country. With the MCS and the QDR pending, how can you make a truly informed decision now that 205 is the right number of C–17s without having all the facts from the MCS and QDR?

Secretary GATES. Preliminary results from the Department's ongoing mobility study are due this summer. While important, the Mobility Capability and Requirements Study (MCRS) represents only one input to the decision process. The Department's decision to end C–17 procurement was based on comprehensive assessments of the following:

Fleet Capacity

There is no indication, either from prior studies, or the ongoing mobility study, or from analysis of ongoing operations, that the Department needs additional strategic airlift capacity above that which is already programmed (205 C–17s, 111 C–5s). An early indication from MCRS analysis—which has been in progress for a year—supports the conclusion that additional strategic airlift is not necessary to meet the mobility demands of the defense strategy into the next decade.

Fleet Mix

Analysis of C–5 fleet viability does not support the need to retire C–5s and replace them with another aircraft (e.g., C–17s) within the next 15–30 years. The De-

partment has determined that the C–5 fleet will remain viable through 2025 to 2040.

C–17 Recapitalization

Additional procurement will not be needed to replace existing C–17s for many years. C–17s have been designed to remain operational for twice their estimated service life of 30 years or 30,000 flight hours. The current average age of the C–17 fleet is between 9–10 years and 8,000–9,000 hours. Additionally, at current use rates, the oldest C–17 is not expected to reach 30,000 flight hours before fiscal year 2019. Before a decision is made concerning additional procurement, the Department will likely consider Service Life Extension Programs, which could add 15,000 to 30,000 hours of service life to existing aircraft.

C–17 Usage

- C–17s are not flying at over 150 percent of their original intended capacity. The Air Force uses a planning figure for C–17 usage of 1000 flight hours per aircraft per year. This is based on specifications in the procurement contract which state that the C–17 aircraft has a useful life of 30 years when the service life of 30,000 flight hours has not been exceeded. The contract also states that C–17s shall be designed for twice the service life of 30,000 hours. The current average age of the C–17 fleet is approximately 9–10 years and 8,000–9,000 hours.
- Current usage of the C–17 fleet is in line with the service life planning figure of about 1,000 flying hours per aircraft per year. In fiscal year 2008, the C–17 fleet flew an average of 1,087 hours per aircraft—with some aircraft flying more than 1,000 hrs/yr and some aircraft flying less than 1,000 hrs/yr. In fiscal year 2007 the fleet average was 1,101 hours per aircraft. Going back to 1998, the Air Force has programmed flying hours and operated the C–17 fleet at over 1,000 hrs/aircraft/yr. This is due in large part to the requirement to keep the five crews per C–17 trained. The Air Force has, in recent years, implemented training options which include the use of more simulator hours to reduce flying hours required for crew training.
- At current usage rates, the oldest C–17 will reach its service life of 30,000 hours at 28 yrs in 2019. The Department's investment decision will be to either fund a service life extension program, which could extend existing aircraft service life by another 15,000 to 30,000 hours (in line with the aircraft design specifications), or to fund new aircraft procurement.

C–5 Usage

- An extensive Air Force Fleet Viability Board assessment of C–5As was conducted in 2004. The board determined that the aircraft had at least 25 years of service life remaining. These conclusions remain valid today—nothing has occurred in the last 5 years to alter these findings. Furthermore, the consensus of the Air Force and Lockheed Martin is that all C–5s will likely remain viable through 2040. While the original design goal was 30,000 hours, modernization efforts to include re-winging the C–5As in the 1980s have extended the service life forecast to 45,000 hours.
- At current use rates (550 hrs/yr for C–5Bs and 300 hrs/yr for C–5As based on fiscal year 2008 data) the C–5 fleet will age out in years long before it reaches the service life projections.
- At current use rates, C–5Bs will average approximately 35,000 flying hours in 2040 and C–5As will average approximately 30,000 hours. (C–5As currently have an average of 20,500 flying hours, and C–5Bs have an average of 17,900 flying hours.
- Finally, the C–5 reliability enhancement and re-engining program (RERP) has been restructured and is meeting its objectives of improved performance and greater system reliability.

17. Senator McCaskill. Secretary Gates, in addition, if the C–17 line shuts down, are you comfortable with accepting the risk that having no industrial strategic airlift capability poses to our economy and national security?

Secretary Gates. Yes, the risk is being actively managed by balancing our strategic airlift capability with a mix of modernized C–5 and new acquisition C–17 aircraft and ensuring key industrial capabilities are maintained.

18. Senator McCaskill. Secretary Gates, has DOD conducted analysis of the costs—which some experts estimate could be as high as $6 billion—that could result from restarting the C–17 production line once it shuts down? If so, what are those cost estimates?

Secretary GATES. The decision to begin funding C–17 line shutdown as part of the fiscal year 2010 President's budget was based on DOD analyses which support the conclusion that programmed capabilities are sufficient to meet the needs of the National defense strategy. Additionally, the recent "Study on Size and Mix of Airlift Forces" conducted by the Institute for Defense Analysis (IDA), as directed by the 2008 National Defense Authorization Act, and reported to Congress in February 2009, determined that given the Department's projected requirements for strategic airlift, "immediate full closure is the lowest cost [option]" and "continued production, even at low rates, is expensive relative to restart costs."

If the Department needed to restart C–17 production, either to increase strategic airlift capacity or to recapitalize the existing fleet, Air Force preliminary cost estimates for restarting the line range from approximately $550 million for minimal line disruption to $4.2 billion for a complete restart at a new location. A minimal line shutdown is a situation where either production equipment is mothballed as a hedge against possible future production, or a decision to restart the line is made before the transition to sustainment activities is accomplished. The higher cost estimate reflects a restart decision made after the production line is completely dismantled and facilities are divested—requiring the need to re establish a production facility.

19. Senator MCCASKILL. Secretary Gates, if you could retire C–5As now, would you do so and replace them with C–17s?

Secretary GATES. No, the Department would not retire C–5As and replace them with C–17s. An analysis conducted by the IDA in accordance with the 2008 National Defense Authorization Act and reported to Congress in February 2009 entitled "Study on Size and Mix of Airlift Forces" determined that "retiring C–5As to free funds to buy and operate more C–17s would.not be cost effective." The IDA report further states that the "C–17 total life cycle cost is higher than additional C–5 RERP and higher than the savings from retiring C–5As." These findings are consistent with an analysis performed by the Department's CAIG that found that retiring C–5As and recapitalizing them with C–17s was among the most costly fleet options. However, if Congress continues to add C–17 procurements over the Department's requirement, the Department will consider C–5A retirements to limit sustainment expenses for the strategic airlift fleet.

20. Senator MCCASKILL. Secretary Gates, the size and mobility of both the Marine Corps and the Army have increased substantially since the last MCS (2005), which called for a strategic airlift fleet of between 292 to 383, and the 2006 QDR, which indicated 292. How can this change occur but the airlift fleet remain at the low end of that scale?

Secretary GATES. Analysis conducted by the Department supports the conclusion that the current strategic airlift fleet of 316 aircraft (205 C–17s and 111 C–5s) is sufficient to support the strategy with acceptable risk. The Department has assessed the potential mobility impacts related to increases in the size of the Army and Marine corps, and determined that there is not a corresponding increase in demand for strategic airlift. This is because the end strength was added primarily to relieve stress on the ground forces by increasing the size of the rotation base, thereby enabling the Army and marine Corps to lengthen the time servicemembers remain at home station between deployments. The additional forces were not intended to support additional operational requirements which would generate the need for more airlift. Instead, they will enable the Department to mitigate the impact of multiple deployments on individual servicemembers.

21. Senator MCCASKILL. Secretary Gates, what is DOD doing to encourage foreign partner nations to purchase C–17s in order to increase commonality?

Secretary GATES. DOD personnel may encourage foreign governments to purchase U.S. defense-related products when such sales are consistent with U.S. national security and foreign policy interests and the products have been authorized by the U.S. Government for international marketing or export. However, U.S. Government personnel must maintain strict impartiality between U.S. competitors. As a result, theater security cooperation guidance may recommend a country procure an airlift capability, but does not specify as to what type of airlift platform. The Security Cooperation Offices (SCOs) in the host countries should provide assistance to industry in marketing their products, in accordance with established DOD guidance.

During many international trips, including air shows, the U.S. Air Force has regular contact with leadership of foreign air forces. Airlift capability in general, and the C–17 in particular, are regular subjects of these meetings. Also, the U.S. Air Force has the expertise available to assist other countries in developing and exe-

cuting airlift programs. Specifically, the U.S. Air Force has worked with Australia, Canada, European partners, and countries in the Middle East and Gulf regions seeking to build a robust airlift capability, including the C–17.

Among its efforts in this regard, DOD has been encouraging participation in the Strategic Airlift Capability (SAC) Program, which was established under a twelve-nation Memorandum of Understanding. The SAC currently is comprised of three C–17 aircraft which will be based in Papa, Hungary. If additional partners join the SAC Program, and depending on the number of flight hours required, this could result in procurement by the SAC Program of additional aircraft.

REPLACEMENT OF THE C–23 SHERPA

22. Senator MCCASKILL. Admiral Mullen, previously, when the Army and the Air Force both expressed a need for a small in-theater cargo aircraft to replace the aging C–23 Sherpa, the Joint Requirements Oversight Council (JROC) opted for a joint procurement solution to purchase of 78 C–27A Spartan aircraft to meet the demands of dual service mission sets in the Continental United States and abroad. There are currently 42 C–23 Sherpas in the U.S. inventory and, on average, 12–18 of these are being flown in Iraq, largely by the Army National Guard. Sherpas have carried over 180,000 troops and 62 million tons of cargo in Iraq alone and are widely used in humanitarian/disaster response missions (i.e., Hurricane Katrina, where virtually the entire C–23 fleet was deployed).

Nevertheless, DOD's fiscal year 2010 budget recommendation indicates that the C–27 Spartan procurement program, which is meant to replace the C–23, will be cut from 78 to 38 aircraft. There have been no further studies since the initial JROC evaluation to show whether a reduction of C–27s meets the service needs for Guard components at home and abroad. Moreover, executive agency of the C–27 program will be transferred from the Army to the Air Force. Missouri was slated to receive four C–27s, but the proposed fiscal year 2010 budget cuts cast doubt on whether this is still the case.

On what basis did the DOD determine that an inventory of just 38 C–27s adequately addresses mission sets abroad and domestically for the Services and components?

Admiral MULLEN. I appreciate your concerns and will continue to work with the National Guard Bureau (NGB) to balance basing and personnel considerations with our homeland security needs. The adjustments made to the fiscal year 2010 President's budget request are designed to maximize the robust capabilities of our current airlift fleet and to ensure that the Department meets our intra-theater requirements. With regards to aircraft quantity, the proposed procurement of 38 C–27s was based on the number the aircraft needed to recapitalizing the Army's aging, operational Sherpa fleet. We currently have over 420 C–130s in the total force, with half of them here at home and available to support other operations. Furthermore, by assigning the Air Force with greater responsibility for delivering Army time-sensitive, mission-critical cargo, we free up other Army assets such as CH–47 helicopters and crews that are critically needed for tasks that only rotary aircraft can perform. Based on this knowledge, we will continue to review the balance between the heavy lift helicopters, C–27s, and C–130s to maximize usage of the Department's intra-theater airlift assets and to continue to improve joint synergy.

C–27 FIELDING

23. Senator MCCASKILL. Admiral Mullen, is there a plan for fielding C–27s to Air National Guard components and, if so, what is the projected outlay of resources by State?

Admiral MULLEN. The plan for fielding the C–27 aircraft is in development between Headquarters, United States Air Force (HQ USAF) and the Air National Guard, as a result of Secretary of Defense guidance in his resource management decision 802. The program is pure Air Force /Air National Guard and to be executed at a revised level of 38 aircraft, however courses of action and the basing footprint are in the process of being worked out.

24. Senator MCCASKILL. Admiral Mullen, will Missouri still receive four aircraft as planned?

Admiral MULLEN. A decision has not been made regarding basing of the aircraft. Specific courses of action and basing details are currently in development between the NGB and HQ USAF and will be ready for a report to the House and Senate Armed Services Committees in the first quarter of calendar year 2010.

QUESTIONS SUBMITTED BY SENATOR JOHN MCCAIN

FUTURE YEARS DEFENSE PLAN

25. Senator MCCAIN. Secretary Gates, the administration's out-year budget plan is to grow the defense budget at about the rate of inflation. With personnel costs increasing at a significant rate and medical costs eating up larger portions of the budget combined with your proposal to grow the civilian workforce, and a continued high cost of new weapon programs, do you believe the Pentagon will be able to meet all requirements within the currently proposed Future Years Defense Plan (FYDP) levels?

Secretary GATES. DOD will be working through exactly how to meet requirements first in the QDR, and then in preparation of the fiscal year 2011 budget and the associated FYDP. It will take hard choices that I intend to discuss with the President.

26. Senator MCCAIN. Secretary Gates, how far apart is your current fiscal year 2011 and FYDP from the out-year projections adopted in the budget resolution?

Secretary GATES. We did not do a complete FYDP because out-year programs and funding will not be settled until completion of QDR later this year. In conjunction with the fiscal year 2011 budget request in February 2010, we will submit a FYDP with all the appropriate out-year data.

27. Senator MCCAIN. Secretary Gates, where are you looking for additional significant program cuts to be able to meet the administration's budget goal for 2011 and beyond?

Secretary GATES. In the QDR and preparation of the fiscal year 2011 budget, we do not want to exclude any programs from possible cuts or changes based on principles that guided my recent program decisions and I expect will guide additional program changes. I will be looking for cuts to programs that:

- Rely on as yet unproven technologies.
- Do not reflect our experience in combat operations since September 11.
- Are a service centric approach for a mission that is joint.
- Are a "99 percent exquisite service-centric" solution when an "80 percent multi-service" solution could be produced on time, on budget, and in significant numbers.
- Do not reflect the need for a better balance between irregular and conventional war. We need capabilities with the maximum possible flexibility to deal with the widest possible range of conflict.

28. Senator MCCAIN. Secretary Gates, do you plan to provide Congress with a FYDP concurrent with the budget request for fiscal year 2010 in order for Congress to be able to assess the impact of your proposed fiscal year 2010 program changes to future year budgets?

Secretary GATES. DOD is not producing a FYDP with data for fiscal year 2011–2015 because out-year programs and funding will not be settled until completion of the QDR later this year. In conjunction with the fiscal year 2011 budget request in February 2010, we will submit a FYDP with all the appropriate outyear data.

29. Senator MCCAIN. Secretary Gates, Section 123 of Public Law 104–196 establishes a continuing permanent requirement for the Army National Guard and the Air National Guard to present the FYDP to Congress concurrent with the President's budget submission for each fiscal year. Will you comply with this statutory requirement for the current budget submission?

Secretary GATES. At present, there is no plan beyond fiscal year 2010, consistent with the administration's policy. The NGB is participating in the QDR and the Program Budget Review, which will form the basis of the fiscal year 2011 President's budget request and fiscal years 2011–2015 FYDP. These processes are expected to lead to determinations which will allow the Department to submit funding justification material beyond fiscal year 2010 with the fiscal year 2011 President's budget request.

30. Senator MCCAIN. Admiral Mullen, are you concerned that reducing the proposed amounts for overseas contingency operations (OCO) in fiscal year 2011 and beyond to $50 billion per year will require the Services to fund reset and reconstitution costs from their base budgets?

Admiral MULLEN. The administration has always recognized the $50 billion level included in the President's budget blueprint as a "placeholder" that will be updated

to meet the requirements of drawing down our forces in Iraq and expanding our efforts in Afghanistan. OCO funding requirements will be significantly impacted by: (1) the extraordinary logistical mission of redeploying our troops and equipment from Iraq, and resetting that equipment so that our fighting forces retain a high level of readiness; and (2) the buildup of our efforts in Afghanistan and the increase in funding required for the Afghan Security Forces.

The department will prepare and submit the fiscal year 2011 OCO request along with the baseline fiscal year 2011 budget in February 2010. I fully expect the actual request to include future reset and reconstitution requirements.

31. Senator MCCAIN. Admiral Mullen, do we run the risk of hollowing out the force by underfunding readiness accounts to pay for personnel and modernization in 2011 and beyond?

Admiral MULLEN. The current strategic context necessitates a balanced approach to funding readiness, personnel, and modernization in 2011 and beyond. The Department cannot meet the threats of tomorrow by simply maintaining today's readiness and requirements. Nor can the Department focus solely on preparing for the wars of the future while jeopardizing our current readiness. The fiscal year 2010 budget request strikes an improved balance in prevailing in current conflicts and preparing for a complex future, in institutionalizing proven wartime adaptations and preserving this nation's existing conventional and strategic advantages, and in accelerating acquisition and management reform while retaining proven best practices.

This budget request supports readiness operating requirements for the Army, Navy, Air Force, and Marine Corps, is consistent with fiscal year 2009 levels, and sustains critical readiness to ensure we can respond to military contingencies. It provides for 550 Army tank miles per year, 45 Navy deployed steaming days per quarter, and 14 Air Force fighter flying hours per crew per month. We believe this is the proper balance to support the troops in the field while taking care of our people and reshaping and modernizing the force for the future.

The fiscal year 2011 budget request will be informed by ongoing analysis, including the QDR, NPR, Ballistic Missile Defense Review, and Space Posture Review. Like the fiscal year 2010 budget request, the fiscal year 2011 budget request must be balanced while addressing emerging challenges, bringing focus to under-emphasized missions, and aligning force structure to strategic realities. In short, the fiscal year 2011 budget request and FYDP will strike the proper balance between readiness, personnel, and modernization.

QUADRENNIAL DEFENSE REVIEW

32. Senator MCCAIN. Secretary Gates, you mention in your statement that many decisions contained in the fiscal year 2010 budget request "are less about budget numbers than they are about how the U.S. military thinks about and prepares for the future." Many of these issues have historically been assessed during the QDR. You state that you still plan to analyze further these decisions during the QDR, the NPR, and other studies. How do your budget decisions address the emerging threats to our national security as you see them?

Secretary GATES. The fiscal year 2010 budget reflects the approach I set forth in the 2008 National Defense Strategy to address current and future threats and reform the way we do business. The QDR will build on this foundation to reshape further the priorities of America's defense establishment. The fiscal year 2010 budget and the reviews the Department is undertaking will serve to shift the Department in a direction that reflects the principle of balance-balance between winning current conflicts and preparing for future contingencies, and between institutionalizing capabilities such as counterinsurgency and foreign military assistance and maintaining the United States' existing conventional and strategic edge against other military forces.

The security environment is highly complex, with a multiplicity of actors leveraging wide-ranging tools to challenge our conventional strengths. We anticipate that U.S. forces in the future may face conventional threats from nation states, irregular threats from non-state actors, asymmetric threats from a rising challenger, or a hybrid approach from a combination of actors. Our fiscal year 2010 budget decisions are consistent with a full-spectrum approach that balances capability requirements to provide maximum flexibility across the broadest possible range of threats. Focusing exclusively on a single weapons system designed to do a specific job or confront a single adversary ignores what a truly joint force can and must do in the 21st century.

33. Senator MCCAIN. Secretary Gates, you've been able to assess the viability and priority of a full range of programs, and to propose program changes prior to the completion of the QDR and other studies. Will the QDR still be an effective process for you to make further decisions?

Secretary GATES. The QDR is a tool in linking strategy to programs. This linkage is a continuous process, beginning with defense strategy and evolving through each budget we produce. Fiscal year 2010 was a critical first step in that evolution; the QDR is our next opportunity to refine both our strategy and our supporting programs and activities. This fiscal year 2010 budget did not defer hard choices but made them, choosing to reduce funding in some areas while increasing resources in others to better position the Department to defend against the most likely threats. Other decisions required further analysis and examination to ensure a complete assessment of capabilities, capacity, requirements, and risks for the purpose of enabling the QDR to further adjust the Department's investment strategy in order to balance the force.

SAVINGS FROM IN-SOURCING

34. Senator MCCAIN. Secretary Gates, in briefing material provided by the Office of the Secretary of Defense Comptroller for the budget request, the Department anticipates a projected savings in fiscal year 2010 of $900 million by reducing the reliance on service contracts and hiring 13,800 government employees. The goal is to roll back the use of contractor support as compared to the DOD civilian workforce to pre-2001 levels. Aside from a request to increase the acquisition workforce by 4,000 in fiscal year 2010, which I support, what is driving this decision?

Secretary GATES. The Department is reviewing its contracted functions as part of a broad DOD initiative that would significantly reduce the role of the private sector in support services. This review will help meet fiscal constraints and ensure work is not done by contractors that would more appropriately be assigned to government employees in compliance with 10 U.S.C. § 2463.

35. Senator MCCAIN. Secretary Gates, have you concluded that the use of service contracts to perform administrative and advisory services is more expensive than hiring and retaining a DOD civilian workforce?

Secretary GATES. No. The Department does not believe all service contracts are more expensive than hiring and retaining a DOD civilian workforce. However, the Department has had success in saving money for specific contract services that have been insourced. These were average savings for insourced contracts, including contracts insourced for cost or due to reasons of legality or policy, such as positions closely associated with inherently governmental or recently identified as inherently governmental.

36. Senator MCCAIN. Secretary Gates, please provide a review of the economic analysis used to derive the anticipated savings.

Secretary GATES. The Department has had success in saving money for specific contract services that have been insourced, and has based the projected average savings on this experience. Although functions that are determined to be inherently governmental or exempt from private sector performance (e.g., high risk core functions and unauthorized personal services) are insourced regardless of cost, cost is a factor in other insourcing decisions.

For those insourcing decisions where cost is the only factor, the Department is developing a set of common business rules to support insourcing decisions by ensuring all costs, both direct and indirect, are included in the cost of employing government personnel. Prior to the decision to insource a function based solely on cost, a cost estimate will be developed using these business rules. In these decisions, cost estimates for contractor performance will be based on the costs of the current contract.

MISSILE DEFENSE

37. Senator MCCAIN. Secretary Gates, this committee for some time now has urged the Department to increase its focus to the rogue state in-theater threats. I applaud the decision to increase funding for both Theater High-Altitude Area Defense and standard missile-3 (SM–3). However, funding for the system that protects the United States from threats has been cut almost $800 million from what the last administration allocated for fiscal year 2010. How will this reduction in funding for

ground-based midcourse defense affect our ability to protect the United States from emerging threats within reach of the United States?

Secretary GATES. The increase in focus to the rogue-state threat was not done at the expense of long-range defenses. PB10 provides funding for a force structure of 30 operationally deployed GBIs as well as funding for upgrades and improvements to existing interceptors. Given current shot doctrine, 30 highly ready operational GBIs provide sufficient fire power to protect the United States from ICBMs launched from North Korea and Iran. The MDA plans to spend $765 million in fiscal year 2010 on GMD research, development and testing. MDA will undertake a number of system improvements, including upgrades to increase the robustness and reliability of GMD communications; initial development work to enable system queuing with persistent overhead sensors; refurbishment of older GBIs to flight test configuration; and models and simulations improvements to increase confidence in flight test predictions and assessments. We have allocated $195 million in fiscal year 2010 to operate and sustain GMD fielded capabilities. Additionally, the Ballistic Missile Defense System is an integrated system leveraging multiple sensor elements and a unifying command, control, battle management and communications infrastructure. There is approximately $650 million in other development work on sensors and battle management and in testing that will upgrade the performance and improve the reliability of our long-range missile defenses.

38. Senator MCCAIN. Secretary Gates, North Korea and Iran are certainly not reducing their funding to develop missiles capable of hitting the United States; why should we reduce funding in protecting against such threats?

Secretary GATES. We are restructuring our missile defense program to focus on the rogue threat. States like Iran and North Korea continue development of longer-range ballistic missiles with which to coerce the United States and our allies and friends. In addition, our forces are increasingly threatened by shorter-range ballistic missiles and the proliferation of weapons of mass destruction among rogue regimes.

Our fiscal year 2010 budget request reflects a decision to continue, and in some cases increase funding for, programs that offer capabilities we need in the near term to counter shorter-range threats. For example, we will add $700 million to field more of our most capable regional missile defense interceptors, such as the SM–3 and the Terminal High Altitude Area Defense system. We also requested funding for an additional six Aegis Ballistic Missile Defense ships.

Our fiscal year 2010 budget request would hold GBI deployments to a total of 30. However, we have requested funding to continue procurement of 14 more GBIs. Most of these 14 GBIs will go to the replacement of the 14 oldest interceptors to improve the operational readiness of the fleet. Moreover, MDA also will fund continued GMD development to sustain and improve the capability we have. This GBI inventory level is sufficient to counter the current and forecasted long-range ballistic missile threat to the United States.

The programs identified for reductions, such as the Kinetic Energy Interceptor, Airborne Laser and Multiple Kill Vehicle, have significant affordability and technology problems. Despite the lower overall budget request, I believe we are improving our ability to defend against the current and near-term threats that we face.

39. Senator MCCAIN. Secretary Gates, what has changed in the threat to warrant a more than 30 percent reduction (from 44 to 30) in GBIs?

Secretary GATES. Given current shot doctrine, 30 highly ready operational GBIs provide sufficient fire power to protect the United States from ICBMs launched from North Korea and Iran. The few existing North Korean and Iranian ICBM launch complexes limits the number of ICBMs that may be launched at any one time, and the long-lead time required for construction of additional ICBM launch complexes will allow the United States to maintain this inventory of GBIs for many years. The U.S. inventory of operational GBIs may be expanded in the future should the threat grow.

GUANTANAMO BAY

40. Senator MCCAIN. Secretary Gates, the administration requested $80 million in the supplemental and $100 million in the fiscal year 2010 base appropriations bill for closure of Guantanamo Bay (GTMO) with no details on how the funds will be spent. When will the administration provide Congress a plan for detainees after GTMO closes and how this money will be used?

Secretary GATES. In accordance with the January 22, 2009 Executive orders, DOD is working with departments and agencies across the U.S. Government to conduct

a case-by-case review of detainees held at Guantanamo and develop a plan for closure of the JTF–GTMO detention facilities. When the interagency task force completes its review and the President approves a decision regarding plans for the closure of the detention center, we will provide Congress with a plan for the detainees held at GTMO.

41. Senator MCCAIN. Secretary Gates, what progress can you report on efforts to work out transfer and rehabilitation for the 100 Yemini detainees at GTMO?

Secretary GATES. We are exploring the possibility of transferring some of the Yemeni detainees with links to Saudi Arabia to rehabilitation centers in Saudi Arabia. The Saudi rehabilitation program appears to be successful in rehabilitating many former terrorists. Discussions are ongoing, and Congress will be informed of any progress we make with transfer and rehabilitation efforts in Saudi Arabia or elsewhere. The Department of State has the lead in finding destination countries for the GTMO population, and Ambassador Fried has been appointed as the special envoy to lead this effort.

RESTART OF MILITARY COMMISSIONS AND OVERALL DETAINEE POLICY

42. Senator MCCAIN. Secretary Gates, I understand that the White House will soon announce its plan to restart military commissions later this year after making a relatively small number of administrative changes to the rules and procedures that apply in military commission trials. While I am pleased that the administration has agreed with my long-held position, and that of bipartisan majorities in the House and Senate that passed the Military Commissions Act (MCA) in 2006, that military commissions are the right venue for trying terrorists for war crimes, I don't think that restarting military commissions will solve all our detainee policy issues. What can you tell me about the plan to restart military commissions?

Secretary GATES. The President and the administration have determined that reformed military commissions should be available for prosecution of those who have violated the law of war. As he explained in his speech at the National Archives, "Military commissions have a history in the United States dating back to George Washington and the Revolutionary War. They are an appropriate venue for trying detainees for violations of the laws of war. They allow for the prosecution of sensitive sources and methods of intelligence-gathering; they allow for the safety and security of participants; and for the presentation of evidence gathered from the battlefield that cannot always be effectively presented in Federal courts." Currently, pursuant to Executive Order 13492, a review is in progress to evaluate cases for potential prosecution, as well with the Military Commissions that enhance the rights of the accused at military commissions and bring military commission rules and procedure more in line with the court-martial rules and procedure. The administration is also exploring other changes to the MCA, and is working with Congress on amendments to the MCA that were recently reported out of the SASC as part of the NDAA. In the meantime, Office of Military Commissions prosecutors have requested continuances to allow the administration time to complete the work of evaluating cases, and to complete the steps required to reform military commissions.

43. Senator MCCAIN. Secretary Gates, where will the trials be held?

Secretary GATES. Pursuant to Executive Orders 13492 and 13493, the President directed that the detention facility at Guantanamo Bay be closed by January 2010, and the administration is weighing options for alternate detention and trial locations.

44. Senator MCCAIN. Secretary Gates, where will terrorists be incarcerated if they are convicted?

Secretary GATES. Incarceration of convicted terrorists is one of the issues currently being reviewed by the interagency task force created by the President's January 22, 2009 Executive orders. The review is ongoing and no final decisions have been made. However, if terrorists are convicted in Federal court, they will be incarcerated in Federal prisons.

45. Senator MCCAIN. Secretary Gates, will the administration delay the closure of GTMO if necessary to complete the trials and arrange for transfers of the remaining detainees?

Secretary GATES. The administration remains committed to the 1 year timeframe for closure of the detention facility at Guantanamo Bay.

46. Senator MCCAIN. Secretary Gates, would you support such a delay in the closure of GTMO?

Secretary GATES. As part of the comprehensive review of U.S. detention policy, planning for the closure of the detention center at Guantanamo Bay is ongoing. In recent speeches the President has reaffirmed his commitment to close GTMO.

47. Senator MCCAIN. Secretary Gates, what is the plan for reviewing the status of detainees held at Bagram in Afghanistan, particularly those who have been captured outside Afghanistan and Pakistan?

Secretary GATES. DOD is currently reviewing its procedures for assessing the status of detainees held at Bagram in Afghanistan. All those detained in Afghanistan, including those captured outside Afghanistan, continue to have their status regularly reviewed by the unlawful enemy combatant review board.

48. Senator MCCAIN. Secretary Gates, should those detainees at Bagram who were captured outside Afghanistan and Pakistan have the right to go to court to challenge their detention through habeas corpus? If not, is some other sort of administrative or independent court review appropriate?

Secretary GATES. So far, one district court judge has ruled that certain detainees at Bagram captured outside Afghanistan and Pakistan should be accorded habeas rights. The U.S. has appealed that ruling. As explained in that appeal, habeas litigation for those detained at Bagram would have significant operational implications, and would require the diversion of scarce military resources to prepare for such proceedings and protect and accommodate lawyers visiting Bagram. We believe that periodic yet thorough administrative review is both appropriate and sufficient for detainees at Bagram.

49. Senator MCCAIN. Secretary Gates, what do we intend to do with terrorists who we capture outside of Afghanistan and Pakistan in the future?

Secretary GATES. In accordance with the January 22, 2009 Executive orders, DOD is working with departments and agencies across the U.S. Government to conduct a comprehensive review of our detention policy, including for future captures outside of Afghanistan and Pakistan. The Attorney General is coordinating this ongoing review, which is considering all appropriate courses of action. We will continue to work with Congress toward final decisions on this and other detention-related issues.

50. Senator MCCAIN. Secretary Gates, do you support the long-term detention of terrorists we determine are too dangerous to release, but who are not suitable for trial?

Secretary GATES. As the President stated in his National Archives address, although we are going to exhaust every avenue that we have to prosecute those at Guantanamo who pose a danger to our country, there may ultimately be a category of Guantanamo detainees "who cannot be prosecuted for past crimes," but "who nonetheless pose a threat to the security of the United States" and "in effect, remain at war with the United States." For the detainees at Guantanamo, the President has stated that "[w]e must have clear, defensible, and lawful standards" and "a thorough process of periodic review, so that any prolonged detention is carefully evaluated and justified." Also, any detention of Guantanamo detainees should be based on authorization from Congress, i.e., the 2001 Authorization for Use of Military Force (AUMF). As the Supreme Court held in *Hamdi* v. *Rumsfeld*, 542 U.S. 507 (2005), and as the administration has explained in its filings in recent habeas cases, the detention authority Congress has conferred under the AUMF should be informed by the laws of war, which have long permitted detention of enemy forces for the duration of the armed conflict to ensure that they do not return to the fight.

EQUIPMENT FOR FORCES IN AFGHANISTAN

51. Senator MCCAIN. Secretary Gates, I have seen press reports that during your visit last week to Afghanistan, you talked to marines that had arrived in theater without all the equipment they needed to conduct their missions against an emboldened Taliban enemy. The press reports quoted you as having "a considerable concern" at a base in south Afghanistan, where some 200 marines and sailors arrive each day in a 21,000-troop buildup. What types of equipment are our marines lacking?

Secretary GATES. At the time of my visit to Afghanistan in early May, the marines were in the process of completing their Reception, Staging, Onward Movement, and

Integration (RSOI) process. Some equipment was still in the transportation flow at that time, but all items were on schedule to meet or exceed the Required Delivery Date (RDD) programmed into the Force Flow, even with potential Pakistani Ground Lines of Communication (GLOC) disruptions. Transportation over GLOCs was being closely monitored, and equipment had already arrived by that time and had been staged in the Arrival and Assembly Operations Group (AAOG) awaiting transfer to the using units. Priorities were set on a daily basis for issue and transfer of equipment to the units closest to their Fully Mission Capable (FMC) date or having a greater requirement. The AAOG had responsibility to identify, opcheck and distribute more than 70,000 pieces of equipment on the Equipment Density List. Additionally, 2nd Marine Expeditionary Battalion (MEB) was replacing units still utilizing equipment that could not be transferred until the Transfer of Authority (TOA) was complete. Conscious decisions were made to deploy marines early to help with Forward Operating Base (FOB) construction, knowing they would be there 4 to 6 weeks ahead of their combat gear.

As of 29 July 2009, the marines report that they have the equipment they need to execute their mission. They are currently engaged in operations against the enemy. Even with the potential disruptions due to recent Taliban activity, Marine Corps equipment flowed well.

52. Senator McCAIN. Secretary Gates, is this delay in equipment arrival putting marines at risk?

Secretary GATES. There is no increased risk. The expeditionary force is operating in an area of Southern Afghanistan that is underdeveloped with limited exposure to U.S. or coalition forces prior to the deployment of the MEB. The notion that the marines are either under-resourced or that they are experiencing a "delay" is a factor of two realities.

1. The decision to deploy the MEB came late (17 Feb 09) in relation to their mandated latest arrival date (31 May 09). The scope of the MEB, as it was originally planned by the deploying commander was reduced when Marine Corps authorization to deploy was limited to 10,672 personnel. Much of the equipment for the 13,350 man planned MEB was already in motion at the time of this decision. A small amount of this equipment is still arriving. Bottom line, 2d MEB was required to be mission capable on 31 May 2009. TOA was completed on 31 May to include arrival of all personnel and mission essential equipment with operations in AO Tripoli occurring immediately, followed by operations in Southern Helmand commencing 2 July 2009.

2. Young Marine Officers, many Staff Noncommissioned Officers (NCOs), and junior NCOs have only previously deployed to a mature Iraq theatre with services comparable or better than military installations in the United States. Marine Commanders remain focused on affording the best possible welfare for marines conducting combat operations. Given the austere environment, this will not equate to conditions experienced by many of our marines in Iraq.

Additional Background

On 31 May 2009, the MEU Commander reported that his unit completed the transition of authority in TRIPOLI operational area and was both in full control of the battle space and ready to accomplish the mission.

53. Senator McCAIN. Secretary Gates, is this delay impeding their ability to conduct missions?

Secretary GATES. Context provided in the submission to question number 52.

No. The Commander's assets required to conduct operations in Afghanistan were received on latest arrival date per the 2nd MEB Commanding Generals comments upon TOA 31 May 2009. Operation Khanjari commenced 2 Jul 2009 as reported frequently in open source. The time from 31 May 2009 until 2 July 2009 allowed time for aircraft assembly, theatre rehearsals, interpreter integration, and coordination with Afghan National Security Forces (ANSF)/Task Force Helmand (UK). As evidenced by MEB operational successes, no mission impacting shortfalls exist.

Efficient and timely arrival and assembly of U.S. forces will continue to improve in Afghanistan. Significant improvements continue on operational support infrastructure in Afghanistan that speed delivery of units and supplies to various operational areas. This includes expanded and improved road networks, maturing the Northern Distribution Network (NDN), increasing the flow of supplies through Pakistan by expanding operations through the Torkham and Chaman border crossings, and expanding theater direct-delivery and intra-theater airlift. Increasing logistics flow across the Chaman border crossing particularly will improve delivery of units and supplies in RC(S).

54. Senator MCCAIN. Secretary Gates, do we have a long-term transportation and supply problem for our forces in Afghanistan?

Secretary GATES. We continue making excellent progress developing alternate lines of communication through the NDN to support the full spectrum of current and future operations in Afghanistan. We began booking substantial supplies from the north via train through Europe, the Caucasus and Central Asia, and have explored additional opportunities to engage regional partners to further expand sustainment alternatives. As we increase force levels over the next few months in Afghanistan, we will gain greater fidelity on the capacity of the NDN, but early indications are that we should be able to increase the load from the north more than previously estimated. This will provide an excellent alternative route with which to support our overall Afghanistan logistics requirements. The two supply routes in Pakistan do remain vulnerable to attack, but to date, loss due to pilferage, theft and damage have been negligible. Flow of U.S. supplies through the Chaman and Torkham border crossings from Pakistan into Afghanistan are at historically high levels and are currently meeting U.S. Central Command (CENTCOM) requirements. Additionally, we project that combined with the flow of supplies through the NDN, these two routes through Pakistan will be able to support the requirements associated with the increase in U.S. force levels in Afghanistan.

55. Senator MCCAIN. Secretary Gates, we have heard a number of reasons for why the Afghan National Army (ANA) is not increasing in size at a faster rate, ranging from a lack of equipment to insufficient numbers of Afghan army officers, to a lack of foreign trainers. Having just returned from Afghanistan, can you tell us definitively what the obstacle has been to increasing the size of the ANA at a faster rate, and what the Pentagon or this committee can do to accelerate that growth?

Secretary GATES. The President's decision to increase the number of trainers in Afghanistan will result in the ANA reaching its target of 134,000 forces by December 2011. Expanding the ANA more quickly than this is primarily limited by the lack of qualified officers and NCOs. We are working to increase the number of Officers and NCOs, but development of qualified and capable leadership takes time. Additionally, speeding up the development of the ANA may require additional funding.

I have asked CENTCOM to conduct a study to look at future growth of the ANSF to meet the goals of the President's strategy. As part of this study they will recommend what resources are required to expand the ANA as quickly as possible while ensuring effective leadership.

56. Senator MCCAIN. Secretary Gates, there is a pending request for an additional 10,000 U.S. troops that would be deployed to Afghanistan next year. You have recently suggested that you are inclined not to approve the request. Can you explain why you believe that our operations in Afghanistan will not require this number of additional troops next year?

Secretary GATES. The administration's new strategy includes a requirement to regularly track measures of effectiveness of our efforts in Afghanistan. Before committing the additional 10,000 troops, it is necessary to assess the initial impact of the first increase of U.S. forces in fiscal year 2009. Once that assessment is made, it will be possible to determine whether the additional requested forces are necessary. As the newly-appointed ISAF and United States Forces Afghanistan (USFOR–A) commander, General Stanley McChrystal is conducting an assessment of the status of U.S. efforts in Afghanistan. Once that assessment is complete, the findings will inform decisions concerning the deployment of increased forces to Afghanistan.

57. Senator MCCAIN. Secretary Gates, do you believe that some different number of troops will be required, or that levels as they will stand at the end of 2009 will be adequate to the mission?

Secretary GATES. Only after assessing the initial impact of the increases in U.S. forces in fiscal year 2009 will it be possible to determine the necessary level of U.S. forces for the mission in Afghanistan. As the newly-appointed ISAF and USFOR–A commander, General Stanley McChrystal is conducting an assessment of the status of U.S. efforts in Afghanistan. The findings of General McChrystal's assessment will inform decisions regarding the deployment of additional forces, and consequently, long-term U.S. force levels in Afghanistan.

58. Senator MCCAIN. Secretary Gates, the Multinational Corps-Iraq (MNC–I) was very effective under General Odierno and then under General Austin in overseeing the day-to-day operations of our forces in Iraq and in conducting operational planning. In order to carry out these tasks, the generals had a fully staffed corps in

place. No such corps exists in Afghanistan today. Will General Rodriguez have a fully staffed and resourced corps to carry out such tasks in Afghanistan?

Secretary GATES. General McChrystal has proposed a three-star intermediate headquarters that NATO refers to as the Intermediate Joint Command (IJC). The IJC will be a Corps-like organization that oversees the day-to-day operations of our forces in Afghanistan and in conducting operational planning. Although the IJC is not an organic Corps when it deploys, it will possess the same capabilities. The strength of this headquarters will be in the integration and continuity of the staff. The IJC will remain in Afghanistan for the duration and retain corporate knowledge throughout since rotations will be on an individual rotation basis. Entire sections of the IJC will not rotate at once, allowing for stability in maintaining staff experience. The IJC will leverage the international expertise that our NATO partners will bring to the staff. NATO is in full support of the proposed IJC. On 22 July, the NATO military committee approved the IJC proposal for forwarding to a full North Atlantic Council (NAC) vote, which was passed by the NAC on 2 August.

DRAWDOWN IN IRAQ

59. Senator MCCAIN. Admiral Mullen, its been 2½ months since the President announced his plan to reduce combat forces in Iraq. As you mention in your opening statement, the majority of the drawdown will be conducted after the Iraqi election period. Are you confident that a plan exists and the resources are in place for an orderly and efficient withdrawal and redeployment of forces from Iraq?

Admiral MULLEN. I am confident a good plan exists and will be properly resourced for an orderly and efficient withdrawal and redeployment of forces from Iraq. MNF–I and U.S. CENTCOM continue refinement and further planning. The drawdown planning is being conducted in two parts. The first part leads to the establishment of the transition force and the initial withdrawal from Iraq that will be complete 31 August 2010. This plan is complete, though refinements over time may be necessary as conditions on the ground warrant. The second part of planning, now ongoing, covers the final military withdrawal from Iraq by 31 December 2011.

60. Senator MCCAIN. Admiral Mullen, when do you anticipate that a plan will be developed for the composition, basing, and sustainment of the 35,000 to 50,000 troops comprising a transition force in Iraq?

Admiral MULLEN. General Odierno has a plan to establish the transition force. We will continue to refine this plan based on his assessment of the situation as we pass key milestones, such as the National Elections.

61. Senator MCCAIN. Admiral Mullen, continued tensions between Kurds and Arabs have recently led to continued violence in northern Iraq. Are our plans for troop withdrawal flexible enough that General Odierno can add additional troops to parts of the country that may need it?

Admiral MULLEN. Our troop withdrawal plans do provide sufficient flexibility for General Odierno to shift combat forces as necessary based on his assessment of the security conditions in Iraq, as well as the capabilities of the ISF in a given area. We continue to closely coordinate with the GOI in terms of the disposition and strength of U.S. forces in a manner which will complement the ISF"s capabilities.

While we assess that Arab-Kurd tensions over the status of Kirkuk, position of Kurdish Regional Government security forces, and DIBs remain high, we have not seen an increase in violence in northern Iraq directly linked to Arab-Kurd tensions. We do believe that al Qaeda and insurgent groups seek to rekindle sectarian violence in various provinces, and Arab-Kurd tensions may be a potential avenue for AQI to exploit.

62. Senator MCCAIN. Admiral Mullen, in your opinion, is the desire to withdraw combat forces from Iraq by a specific date changing the strategy of our enemies or constraining our ability to pursue terrorists?

Admiral MULLEN. The President's 19-month drawdown plan to withdraw all combat forces from Iraq by December 31, 2011, has not, in my view, caused our enemies to change or modify their strategies. If anything, our adherence to our obligations under the Security Agreement, and the general sense of a return to normalcy in Iraq, is causing al Qaeda and other insurgent elements in Iraq to struggle for viability. A successful national election process in Iraq, coupled with a peaceful transition of power, will be a significant setback to our adversaries.

To the second point of the question regarding our ability to pursue terrorists, we continue to conduct targeted counterterrorism operations jointly with the ISF, and

these efforts will continue as we transition to the Advisory and Assistance Brigade concept post August 2010.

IRAQI SECURITY FORCES

63. Senator MCCAIN. Secretary Gates, we have witnessed isolated increases in violence in some parts of Iraq recently, especially in the Mosel area and south of Baghdad. Maliki insists he will not need coalition help in these areas once forces withdraw from the cities as required by the strategic agreement. All of us understand that the remarkable gains we have seen in Iraq remain fragile. Please give your assessment regarding the recent uptick in violence there, and the threat that this may pose to overall stability in the government.

Secretary GATES. The ISF have seen steady growth in their capacity, capabilities, and professionalism. Nevertheless, they continue to rely heavily on coalition forces for supporting enablers. In the run-up to national elections, it will become increasingly important for Prime Minister Maliki to demonstrate his determination to reduce U.S. force presence in Iraq, and thus, his insistence on not needing coalition help does not surprise me. Under the Security Agreement, Prime Minister Maliki can ask for our assistance under Article 27, and we stand ready to provide such assistance.

64. Senator MCCAIN. Secretary Gates, do you feel as confident as Maliki that Iraqi forces are now sufficiently capable?

Secretary GATES. ISF are demonstrating increasing professionalism and effectiveness, which continues to foster the trust and confidence of the Iraqi populace. However, they continue to rely on U.S. forces for enablers, such as logistics, fire support, engineers, communications, planning assistance, and intelligence, surveillance, and reconnaissance capabilities. This may impact the ability of the ISF to become self sufficient and fully counterinsurgency capable.

65. Senator MCCAIN. Secretary Gates, for political reasons, is Maliki distancing himself from the coalition by not asking for continued help?

Secretary GATES. The GOI's actions reflect an increasingly capable government-not one that is distancing itself from the United States, but one that works with the United States as a sovereign partner.

Iraqi leaders recognize that the long-term success of a stable, sovereign, and self-reliant Iraq is in the hands of Iraqi leaders, Iraq's citizens, and the ISF. Accordingly, Prime Minister (PM) Maliki and the GOI are working to develop the ISF and the capacity of its ministries in order to ensure Iraq's security. The ISF's increasing ability to execute significant operations as well as provide for the security of the Iraqi people demonstrate its readiness to take the security lead.

MNF–Is are fully coordinating plans for a responsible drawdown of U.S. forces from Iraq with PM Maliki and GOI officials, as specified in the U.S.-Iraq Security Agreement.

66. Senator MCCAIN. Secretary Gates, in addition, there are reports that the pipeline of suicide bombers that runs through Syria to Iraq has been turned back on. Why do you believe this is the case and what steps can we take to arrest it?

Secretary GATES. Progress has been made in stemming the flow of foreign fighters through Syria, due to improved U.S. and Iraqi intelligence and operations, as well as to pressure on the Syrian Government. However, some foreign fighters continue to transit Syria and conduct attacks in Iraq. While this does not represent a "turning on" of the pipeline or reversal of gains made to date, it does constitute a real and persistent challenge.

MNF–I continues to partner with the ISF to address this problem, both at the borders and inside Iraq. The challenge to stem the free passage of these terrorists rests also with the Government of Syria. The administration is engaging with Syria on the foreign fighter issue. Initial talks have been positive and constructive.

RUSSIAN INFLUENCE AND GEORGIA

67. Senator MCCAIN. Secretary Gates, Russia is asserting greater pressure on its neighbors, such as Kyrgyzstan, which has tentatively evicted U.S. forces from the Manas base, greatly hampering our supply routes to Afghanistan. What is the U.S. defense posture with respect to Russia?

Secretary GATES. We are working to renew relations with Russia. There are significant areas of potential cooperation with Russia which we will continue to de-

velop, particularly Afghanistan. President Medvedev and Foreign Minister Lavrov have referred to Afghanistan as our common cause and we welcome the upcoming summit with Russia as a venue to define more concrete areas of cooperation. Manas notwithstanding, we appreciate the Russian decision allowing nonlethal transit through their territory to assist international efforts in Afghanistan. This cooperation provides the United States and Russia a common ground to work together constructively in the future.

We also see the potential for cooperation in the area of missile defense and we will continue to seek discussions on how to move forward. The Russians have offered the use of their radar at Armavir and proposed discussing with the Government of Azerbaijan a possible shared use of Qabala, which could give us early warning of a launch of an Iranian ballistic missile. Other areas of cooperation include counterpiracy and counterterrorism.

Russia is a strategic relationship that we must get right, and one that the Russians must demonstrate that they value in both words and deeds. There is great opportunity in the U.S.-Russia relationship as well as great challenge. I look forward to working in support of overall U.S. national security objectives to help forge a constructive, reliable, and predictable relationship with Russia.

68. Senator MCCAIN. Secretary Gates, what steps should we take to avoid reverting back to an era when Russia was free to bully its neighbors?

Secretary GATES. We look to our "reset" of relations with Russia as an opportunity to reinvigorate a relationship that can positively impact European security. We should work closely with our European allies on this approach, all the while ensuring that we remain steadfast in our support of promoting a peaceful, united, and democratic Europe. We will continue to strongly support the sovereignty, independence, territorial integrity and defense reform process in all European states, including those that emerged from the former Soviet Union. We will also continue to support the right of countries to choose their alliances and remain fully supportive of Ukraine and Georgia's Euro-Atlantic aspirations.

69. Senator MCCAIN. Secretary Gates, last September, Russia signed a ceasefire agreement with Georgia that required all parties to end hostilities and withdraw to pre-conflict troop levels in South Ossetia and Abkhazia. However, to date, Moscow remains in violation of this agreement. What do you believe can be done to bring Russia into compliance?

Secretary GATES. Working with our European allies, we call upon Russia to implement the commitments President Medvedev made when he signed the ceasefire document and the supplementary September 8 agreement. We agree that Russia has still not lived up to the requirements of the ceasefire agreement. We will continue to work with our international partners—including the United Nations (U.N.), Organization for Security Cooperation in Europe and European Union—to improve the security and humanitarian situation throughout Georgia and to increase international access to the separatist regions of South Ossetia and Abkhazia. We will maintain solidarity with the international community in refusing to recognize the independence of these separatist regions of Georgia.

70. Senator MCCAIN. Secretary Gates, NATO allies suspended formal meetings of the NATO-Russia Council following Moscow's invasion of Georgia last summer. Earlier this year, however, despite clear Russian violations of the French-brokered ceasefire, the United States supported restarting the NATO-Russia Council process. Why was this step taken, and what other means do you envision to urge Russian compliance with the ceasefire?

Secretary GATES. The NATO-Russia Council was designed to be a forum for Allies and Russia to discuss not only cooperation, but also to air grievances. Restarting the NATO-Russia Council will allow constructive discussions on areas of mutual cooperation, as well as provide an opportunity to voice disagreements.

CYBERSPACE THREATS

71. Senator MCCAIN. Admiral Mullen, I'm troubled by the recently-reported acts of espionage committed against us via our computer networks and I'm particularly concerned after it was leaked to the press that large amounts of data were stolen from the $300 billion JSF program. In your testimony, you assert that "we cannot conduct effective military operations without freedom of action in cyberspace." Are you confident that the Department has total freedom of action in cyberspace to support its missions?

Admiral MULLEN. Similar to the dependency of overseas peacekeeping and stability operations on high seas freedom of navigation, military operations in all domains depend upon preserving access to the legitimate use of cyberspace. Cyberspace is a contested domain in which DOD networks are continuously probed and under constant risk of attack. While the Department's network defenses currently enable military unfettered access and freedom to operate within the cyberspace domain, it is a constant challenge to maintain due to the dynamic nature of the domain, new and evolving threats, and improving adversarial tactics and capabilities. We have a long way to go in this critical domain.

72. Senator MCCAIN. Admiral Mullen, with regard to information security, what specific steps has the Department taken to protect classified information held by defense contractors?

Admiral MULLEN. The National Industrial Security Program Operating Manual (NISPOM) provides standards for the protection of classified information (both electronic and hard copy) released or disclosed to industry in connection with classified contracts under the National Industrial Security Program (NISP). Chapter 8 of this manual addresses information system security that must be in place. The Defense Security Service administers the NISP for 23 Federal agencies by providing oversight, advice, and assistance to over 11,000 contractor facilities that are cleared for access to classified information. Defense contractors and any other company or organization that has access to classified information must comply with the NISPOM.

73. Senator MCCAIN. Admiral Mullen, how is our ability to prosecute conflict in Afghanistan threatened by cyber attack?

Admiral MULLEN. Cyberspace is a contested domain in which DOD networks are continuously probed and under constant risk of attack. This risk is mitigated through detailed military contingency planning and vigilant defense of our networks. The threat of cyber attack has not impacted mission execution in Afghanistan. To date, most of the threats to our networks and their operations have taken the form of user errors, improper use and handling of data, and adversary attempts to monitor operational activity. Recent events have shown that we are vulnerable when security standards and procedures are not strictly adhered to. To limit these vulnerabilities, the Department has restricted use of transferrable media and taken steps to enforce compliance with existing standards and procedures.

ARMY FUTURE COMBAT SYSTEMS

74. Senator MCCAIN. Secretary Gates, you recommend restructuring of the Army Future Combat Systems (FCS) program, which has suffered from an unsuccessful acquisition strategy and as you have said, is not responsive to lessons learned in the last 8 years. The Army, however, is left without a discernable equipment modernization plan. Since your announcement of the President's budget request last month, what guidance have you given the Army with regard to modernizing their combat forces?

Secretary GATES. Guidance provided to the Army with regard to modernizing its current force, relative to the FCS acquisition program changes, includes:

- Continue the Spin-Out Early-Infantry Brigade Combat Team (SO E–IBCT) acquisition to provide FCS-developed products to seven IBCTs as currently scheduled;
- Plan the follow-on acquisition programs necessary to provide the unmanned systems, sensors, and networking capability to modernize the remaining combat brigades by 2025;
- Conduct a joint combat vehicle capability review leading to a ground combat vehicle program based on revised requirements reflecting the needs of the full spectrum of operations; and
- Leverage the FCS network investments to frame increments of improved battle command and ground tactical networking capability for development and delivery to the ground combat force.

ACQUISITION REFORM

75. Senator MCCAIN. Secretary Gates, in the budget blueprint that supports the fiscal year 2010 presidential budget request, the President committed to "set[ting] realistic requirements and stick[ing] to them and incorporat[ing] 'best practices' by not allowing programs to proceed from one stage of the acquisition cycle to the next until they have achieved the maturity to clearly lower the risk of cost growth and

schedule slippage." What steps do you intend to take to help ensure that the Department does this?

Secretary GATES. I am committed to strengthening the front-end of the process and starting programs right. We have instituted a mandatory acquisition process entry point, the Materiel Development Decision (MDD) review led by the Under Secretary of Defense (Acquisition, Technology and Logistics), for each major defense acquisition program prior to program initiation. One of the primary purposes of the MDD is to review the basis for and analysis supporting the need for a material solution and the requirements to be met. We also implemented a requirement for competitive prototyping at either a key sub-system or full system level to demonstrate technology maturity.

We have also strengthened the execution oversight phase of our weapons development programs. To maintain requirements stability, we established Configuration Steering Boards (CSB) in each DOD component to review all requirements changes and any significant technical configuration changes that have the potential to destabilize programs, increase cost, or extend schedule. CSBs are charged to reject such changes, deferring them to future increments of capability. We are also conducting more frequent program reviews to assess progress. Two key engineering reviews, the Preliminary Design Review and the Critical Design Review, have been identified as additional acquisition process decision points to provide the opportunity to assess progress and direct remedial action when required.

76. Senator MCCAIN. Secretary Gates, I understand that on or about April 6, 2009, you sent the White House a plan to reform the defense procurement process, which identified 25 initiatives aimed at eliminating cost and schedule delays resulting from the requirements process and the defense acquisition system. While some of those initiatives have already been institutionalized, others represent future opportunities for reform. Please describe those initiatives and provide a copy of your plan for the record.

Secretary GATES. The Department is engaged in three groups of activities (acquisition workforce reform, tactical acquisition reform, and strategic reform) which are in various stages of maturity. These initiatives are being carried out across the Department and are being executed in a number of venues. Additionally, some of these initiatives are being adjusted to incorporate the requirements of the Weapon Systems Acquisition Reform Act of 2009.

C–17 FLEET

77. Senator MCCAIN. Secretary Gates, the budget request proposes to complete production of the C–17 Starlifter in 2010. You state quite firmly in your written statement that "our analysis concludes that we have enough C–17s with the 205 already in the force and currently in production to meet current and future needs." Please provide that analysis for the record.

Secretary GATES. Congress received the results of the Mobility Capabilities Study in 2005. Additionally, the IDA conducted a study, in accordance with the 2008 National Defense Authorization Act, entitled "Study on Size and Mix of Airlift Forces." The results of that analysis were provided to Congress in February 2009. The Department is currently reviewing the preliminary analysis from the MCRS. Additional work may be required in support of the QDR. We expect the analysis will be complete by late summer/early fall, and the study report will be completed by December 2009.

78. Senator MCCAIN. Secretary Gates, is it prudent to stop production before completion of the QDR or an updated mobility requirements study and an analysis of alternatives?

Secretary GATES. While the QDR is currently in progress, there is no indication that strategic requirements will drive a need for more airlift. The Department's position that its fleet of 316 strategic airlift aircraft is sufficient to support the strategy is based on years of comprehensive analyses. Preliminary indications from the current mobility study, which is co-chaired by U.S. Transportation Command, are that the programmed fleet remains sufficient.

NAVAL STRIKE FIGHTER GAP

79. Senator MCCAIN. Secretary Gates and Admiral Mullen, the continued presence of U.S. Navy aircraft carriers is required to protect and defend the interests of America and its allies. But, it appears that the Navy is facing a naval aviation

strike fighter shortfall that may exceed 240 aircraft by 2018. This shortfall has been caused primarily by delays in the F–35 JSF program and the challenges associated with extending the life of older strike fighters. Are you concerned about the Navy's strike fighter shortfall and its effect on future carrier warfighting capability?

Secretary GATES and Admiral MULLEN. The Department intends to examine this issue in the upcoming QDR. Assertions of future Naval Aviation strike fighter shortfalls vary widely and are generally predicated on historical assumptions concerning threat assessments, concept of operations, and force structure requirements. The QDR will examine the assumptions that underlie the current force and make recommendations accordingly. Projections of the future Department of Navy inventory will be based on a number of variables that are being assessed. These include the amount of desired forward presence, future size of the carrier air wing, peacetime concept of operations, number of carriers, remaining life of the existing F/A–18 fleet, and the procurement rate of the F–35.

80. Senator MCCAIN. Secretary Gates and Admiral Mullen, the Navy has little recourse to address the looming 240 aircraft naval strike fighter shortfall. The carrier version of the F–35 JSF (currently set to be initially operable by 2015) cannot be sped up and the Navy's plan to extend the life of the older legacy Hornets will be both costly and high-risk. The only viable solution left appears to be buying more F/A–18 Super Hornets. There appears to be a large discrepancy between the 9 F/A–18 Super Hornets in the fiscal year 2010 budget request, and the 240 aircraft shortfall being briefed to Congress. How do you expect to solve the shortfall?

Secretary GATES and Admiral MULLEN. The fiscal year 2010 President's budget requests procurement of 9 F/A–18E/F aircraft, as well as 22 EA–18G aircraft produced on the same production line. The Department will examine the appropriate mix and quantity of strike fighter aircraft during the upcoming QDR. The Department will examine the Department of the Navy's (DoN) future strike fighter inventory and compare it to the overall joint warfare requirements, as well as the need for the unique forward presence provided by carrier aviation. Results from the QDR will assist the Department in planning for the fiscal year 2011 budget and form the basis for strike fighter aircraft procurement in future budget requests. There are a number of mitigation options for managing the DoN inventory; buying additional F/A–18 E/Fs is one of many choices that will be analyzed.

F–35 JOINT STRIKE FIGHTER PROGRAM

81. Senator MCCAIN. Secretary Gates, the Services are planning on purchasing approximately 2,450 JSFs at a cost of $300 billion, a sum that reflects a cost growth of over 40 percent beyond original 2002 estimates. Last winter, the GAO issued a report on the JSF program that was critical of its past cost overruns and schedule slips, and predicted that development will cost more and take longer than what has been reported to Congress. In November 2008, a Pentagon Joint Estimating Team (JET) reportedly said the JSF program would require an additional 2 years of testing and would need another $15 billion to cover new development costs. Are you concerned about the cost and schedule challenges of this program?

Secretary GATES. The Department is concerned about cost and schedule challenges for all acquisition programs and the JSF program is no exception. In 2008, the Department did charter a JET to provide an independent assessment of the program cost and schedule. The JET identified F–35 development and production risks and estimated an additional $3.6 billion, excluding the alternate engine, would be required to complete development. Through rigorous reviews, DOD and our international partner leaders are tracking those risks and making recommendations on how to appropriately address those risks. In the fiscal year 2010 budget request, additional development funding was added as a result of these reviews. The development schedule remains on track with some risk to completing the test schedule on time. The additional funding budgeted in fiscal year 2010 will help address those risks, and the Department will review the progress again in preparation for the fiscal year 2011 budget submission. The performance is tracking to projections and meeting all requirements. The test aircraft are exhibiting unmatched reliability for this stage of testing. Static and durability testing of ground test aircraft are providing excellent results and the engine performance is providing more thrust than required. By the end of fiscal year 2010, we expect to have all of the development and Low Rate Initial Production (LRIP) Lot 1 aircraft delivered. The program recently awarded the third LRIP lot for 14 U.S. aircraft with the costs at the Department's budgeted figure. The costs for the engine have increased over the last year,

and the program is taking steps to work with the engine contractor to reduce those costs.

82. Senator MCCAIN. Secretary Gates, is there a concern about the continued commitment of international partners to this aircraft? If so, what impact could a withdrawal of a major international partner have on the defense budget for this aircraft?

Secretary GATES. The Department is confident in the continued commitment of the JSF program's international partners. The United Kingdom and the Netherlands are procuring aircraft in the recently negotiated LRIP Lot 3. All eight of the international partners attended the most recent Chief Executive Officer conference on April 16, 2009. The international partners have continued their active involvement in the completion of the development program and are firming up their procurement and post-development plans. Withdrawal of an international partner from the cooperative program at this stage would result in fewer total aircraft being procured. The consequence could likely be higher unit costs, depending on when the withdrawal occurred and how many aircraft would be affected. In addition to the international cooperative partners, there is also significant interest in Foreign Military Sales (FMS) of the F–35 from countries other than the cooperative partners. FMS sales have the potential to reduce unit costs.

83. Senator MCCAIN. Secretary Gates, based on your experience over many years, both in and out of government, is it your sense that the DOD has a good handle on the JSF program's cost, schedule, and performance?

Secretary GATES. The Department constantly monitors the JSF program's development through an unmatched oversight structure, befitting the largest single acquisition program in the Department. The program recently awarded the third LRIP lot for 14 U.S. aircraft with the costs at the Department's budgeted figure. The costs for the engine have increased over the last year, and the program is taking steps to work with the engine contractor to reduce those costs. In 2008, the Department chartered a JET to provide an independent assessment of program cost and schedule. The JET identified F–35 development and production risks. Through rigorous reviews, DOD and our international partner leaders are tracking those risks and making recommendations on how to appropriately address those risks. In the fiscal year 2010 budget request, additional development funding was added as a result of these reviews. The development schedule remains on track with some risk to completing the test schedule on time. The additional funding budgeted in fiscal year 2010 will help address those risks, and the Department will review the progress again in preparation for the fiscal year 2011 budget submission. The performance is tracking to projections and meeting all requirements. The test aircraft are exhibiting unmatched reliability for this stage of testing. Static and durability testing of ground test aircraft are providing excellent results, and the engine performance is providing more thrust than required. By the end of fiscal year 2010, we expect to have all of the development and LRIP Lot 1 aircraft delivered.

84. Senator MCCAIN. Secretary Gates, with reference to your budget request, exactly how does the Department intend to better manage this risk going forward?

Secretary GATES. The Department is actively managing the JSF program through a variety of measures designed to identify and mitigate risk. The Program Executive Officer is working closely with the aircraft and propulsion prime contractors to ensure that the development, production, and test schedules are realistic and manageable. The Department formed a JET, led by the CAIG which provided a cost and schedule assessment. The JET will periodically update its assessment to provide the Department information required for budgetary and programmatic decisions. The development schedule remains on track with some risk to completing the test schedule on time. The additional funding requested in the fiscal year 2010 budget submission will help address those risks, and the Department will review the progress again in preparation for the fiscal year 2011 budget submission. At present, the performance is tracking to projections and meeting all requirements. The test aircraft are exhibiting unmatched reliability for this stage of testing and durability testing of ground test aircraft is providing excellent results.

85. Senator MCCAIN. Secretary Gates, if the F–35 program costs continue to increase significantly and development of that aircraft does not go as planned, what actions can be taken to remedy strike fighter shortfalls and preserve the limited procurement base for those aircraft?

Secretary GATES. The F–35 program is making solid progress and the Department is confident that it will deliver the desired capability in the required quantities to meet the joint warfighter's needs. Development of the three variants is progressing

well, and the decision by the Department to add development funding in fiscal year 2010 was to address identified risk areas in the test schedule. The Department will continue to assess the F–35 program's health. In addition to ensuring the health of the F–35 program, the Department will examine the appropriate mix and size of strike fighter aircraft in the upcoming QDR. The current strike fighter shortfall figures are generally based on maintaining the existing force structure requirements. The QDR will examine the assumptions that underlie the current force and make recommendations on the requirements for the future. The Department is confident that the procurement base is adequate to address those recommendations.

FIGHTER REDUCTIONS

86. Senator MCCAIN. Admiral Mullen, in recent visits with various combatant commanders, I've asked about the impact of the degraded readiness condition of our ground combat units on their operational plans. They've always responded with the assurances that they would be able to compensate for the delayed arrival of ground units by relying to a greater degree on Air Force and Navy capabilities. Now, the Air Force is proposing in this budget request to accelerate the retirement of 250 fighter aircraft in 2010. Have you assessed the impact of these aircraft cuts on war plans, given the current degraded state of the readiness of our ground units?

Admiral MULLEN. In line with DOD's guidance to eliminate excessive overmatch in force structure, the Air Force assessed the threat environment and analyzed combat air force capabilities. Studies show the Air Force has a window of opportunity to: (1) reshape our aging fighter force via accelerated retirements; (2) redistribute funding to modernize and equip a smaller, more flexible, capable and lethal force; and (3) redistribute manpower to support expanding areas of critical national priority missions.

Although the fighter fleet will be smaller, the effects provided by the newer modifications, preferred munitions, and critical enablers create a capabilities based bridge from our fiscal year 2009 legacy dominated force to a fifth generation enabled fighter fleet. These actions will ensure the proper mix of platforms to meet combatant command (COCOM) mission requirements. It will also allow the Air Force to invest in the future.

87. Senator MCCAIN. Admiral Mullen, are you comfortable that the Air Force will still be able to respond to combatant commander requirements with the tactical fighter force they have remaining after 2010?

Admiral MULLEN. Yes. The Air Force's advantage over potential adversaries is eroding, endangering both air and ground forces alike unless there is significant investment in bridge capabilities and fifth-generation aircraft. Fighter restructuring contributes to the solution.

Following DOD's guidance to eliminate excessive overmatch in force structure, the Air Force took a holistic look at the fighter force structure and determined it was in the best interest of national defense to adjust the number of aircraft world-wide to increase flexibility, versatility, and lethality to meet the needs of the COCOMS and the total force. By accepting short-term risk, we can convert our inventory of legacy fighters into a smaller, more flexible and lethal bridge to the fifth-generation F–35. The Air Force will also add capabilities needed now for operations across the spectrum of conflict. What we're looking for is a force mix that meets the current mission requirements of combatant commanders while providing a capable force to meet tomorrow's challenges.

This initiative cuts across all Combat Air Forces (CAF) commands, the active Duty, Guard, and Reserves, and allows the Department to re-program $355 million in fiscal year 2010 and 4,119 manpower positions to higher national defense, Joint, and Air Force priorities. It complies with all national, DOD, and Air Force level guidance to include the Guidance for Development of the Force (GDF). The Air Force will use a combination of permanently based and rotational forces to mitigate risk. In essence, the Air Force is using this window of opportunity to: (1) reshape our aging fighter force via accelerated retirements; (2) redistribute funding to modernize and equip a smaller, more flexible, capable and lethal force; and (3) redistribute manpower to support expanding areas of critical national priority missions.

CHINESE SEA ACTIVITIES

88. Senator MCCAIN. Secretary Gates, earlier this month, Chinese fishing vessels again got dangerously close to one of our surveillance ships, the USNS *Victorious*,

as it was operating in the Yellow Sea. These incidents are becoming increasingly frequent; what are we doing to address this troubling behavior with the Chinese?

Secretary GATES. The U.S. Government is addressing this issue through diplomatic channels. Within DOD, the topic was on the agenda of our June 23–24, 2009 Under Secretary of Defense for Policy-led U.S.-China Defense Consultative Talks. In addition, we have a mechanism in place—the Military Maritime Consultative Agreement (MMCA)—to discuss military maritime safety concerns with the PRC. We are prepared to meet with the PRC within the MMCA context at the earliest opportunity to discuss the specific issue of the recent activities, as well as the broader question of ways to invigorate these mechanisms to avoid miscalculation and improve the safety of our sailors and airmen.

NORTH KOREA

89. Senator MCCAIN. Secretary Gates, North Korea has withdrawn from the Six-Party Talks and Kim Jong-Il has threatened another nuclear test. What role do you believe DOD should play in our negotiations with North Korea?

Secretary GATES. DOD has now and should maintain in the future an active role in the U.S. Government's efforts, including coordination with our allies, to resolve the current situation with North Korea diplomatically. This role includes close consultations with allies and partners in the region on counterproliferation, missile defense, and other security efforts necessary for addressing North Korea's proliferation and missile threats, while maintaining support for the international community's continued goal of complete and verifiable denuclearization of the Korean Peninsula. DOD has participated in recent U.S. interagency delegation visits to the region, consulting with Japan and the Republic of Korea, as well as with China, Russia, and others, to address recent DPRK provocations, and in particular to ensure full, responsible, and collaborative implementation of relevant U.N. Security Council Resolutions.

COSTS OF RESETTING THE FORCE

90. Senator MCCAIN. Secretary Gates, the President has signaled his intention to move away from the use of supplemental spending bills to a regular budgeting process. Given the enormous strain placed on our servicemembers and equipment by current operations, significant time and resources will be required to reset our forces. What do you estimate to be the long-term costs associated with resetting our forces to an adequate level of readiness, specifically the Army and Marine Corps, who have borne the brunt of operations in Iraq and Afghanistan?

Secretary GATES. The Department has examined long-term reset requirements resulting from contingency operations, and the reset liabilities are influenced by many factors. These factors include the specific breaks between the amount of equipment replaced versus equipment that is still economically viable to cycle through depot maintenance to return to standard, as well as the time it takes to move equipment out of the theater of operations. Also transportation costs, typically not included in the Department's yearly reset costs, will continue to be included in the cost of operations. In addition, the scope and cost of reset is currently under review. With these caveats, the Department previously estimated the approximate post-combat equipment reset liability to be approximately $40 billion, with such reset predicted to take at least 2 years from the end of operations. However, this does not include continuing reset costs during the remainder of combat operations, which has been averaging close to $20 billion on an annual basis. The overall cost and schedule of remaining reset is fluid, given the factors discussed.

91. Senator MCCAIN. Secretary Gates, given that the defense budget is slated to grow by the annual rate of inflation over the FYDP, is it realistic to believe that the Army and Marine Corps can be properly reset without the use of supplemental funding?

Secretary GATES. Yes. Each year with submission of the annual defense budget request, DOD should be able to include in its request for OCO the funding needed for Army and Marine Corps reset. There is no inherent reason why our reset request would need to be in a supplemental, rather than—as President Obama has pledged—in our regular budget request for OCO.

DWELL TIME

92. Senator MCCAIN. Secretary Gates, you stated during testimony in February the Department's goal for the Army to increase dwell time to approximately 1 year deployed and 15 months at home by the end of 2009; 1 year deployed and 2 years at home by fiscal year 2010; and by fiscal year 2011, 1 year deployed and 30 months at home. Where are we in achieving this goal?

Secretary GATES. The deployment length versus home station time, or the boots on the ground (BOG) to dwell ratio, is driven by global demand versus the supply of available forces. The Army's long-term sustainable goal is to allow Active component units and soldiers three times the amount of time home as they are deployed (1:3 ratio), but demand and available forces will ultimately drive the dwell.

On average, Army Active component BCTs currently deploy for a year and receive approximately 15 months at home, although dwell will slightly decrease due to an additional Army BCT deployment to Afghanistan prior to further reductions in Iraq in fiscal year 2010. The Reserve component is currently operating at 1:3 BOG to dwell ratio. By the end of fiscal year 2010, given projected demands, the Army anticipates average Active component BCT dwell improving to approximately 20 months at home, improving to 24 months early in fiscal year 2011. By the end of fiscal year 2011, the Army expects the average Active component BCT dwell to improve to about 29 months and the Reserve component achieving ~48 months dwell.

93. Senator MCCAIN. Secretary Gates, given the current plans for a drawdown of brigades in Iraq and a sustained force in Afghanistan, do you still believe this is an achievable goal?

Secretary GATES. Based on refined plans for the Iraq drawdown, current rate of deployments for both the Active component and Reserve component, and the additional Active component BCT deployment to Afghanistan, the Army will experience a temporary downward trend in dwell until the end of September 2010, falling to an average of about 14 months dwell. As drawdown continues, and if force levels in Afghanistan remain constant, the Active component will achieve an average unit dwell of 29 months in September 2011 and Reserve component should be at ~48 months.

94. Senator MCCAIN. Secretary Gates, besides the demands of current operations in Iraq and Afghanistan, are there any factors that will affect the Army's ability to meet and maintain this dwell time plan?

Secretary GATES. Any impact to the Army's Brigade Combat Team supply, both Active and Reserve component, will impact the average unit dwell length. Additional demands would also impact dwell length. There are other demands for Army forces outside of Iraq and Afghanistan. Some of these demands are validated combatant commander requirements, such as Theater Security Cooperation, but are unsourced due to the heavy demand and higher prioritization of Operation Enduring Freedom/Operation Iraqi Freedom. Finally, any contingency outside of Iraq and Afghanistan which requires Army forces will further affect dwell improvement.

RISING PERSONNEL COSTS

95. Senator MCCAIN. Secretary Gates, while I have long been supportive of increasing the size of our Army and Marine Corps to meet the growing demands of the current security environment, the long-term costs associated with such an increase are significant. How can the Department balance these rapidly rising personnel costs with the need to field and sustain a force able to respond to both irregular and conventional threats, particularly given that the "spigot of [defense] spending is closing," as Secretary Hale recently was quoted?

Secretary GATES. We can and must achieve a balance by rigorously analyzing our strategy and the capabilities needed to support that strategy, which is our plan for the QDR, and then making the hard choices needed to sustain a wise balance. Our hard choices likely will include some measures to moderate rising personnel costs. But mostly, our choices will need to be restructuring or curtailing acquisition programs to ensure that we have the right mix of programs to respond to both irregular and conventional threats.

INCREASED DEMAND ON SPECIAL OPERATIONS FORCES

96. Senator MCCAIN. Secretary Gates, given the increasing demand for the unique capabilities Special Operations Forces (SOF) can provide in a security environment

dominated by irregular warfare, this relatively small force is facing significant strains as they seek to balance operations in Iraq and Afghanistan with other commitments around the globe.

The President's budget request calls for funding to sustain a 4 percent increase in SOF personnel in the area of rotary aircraft operations. Do you believe this to be a sufficient increase to meet the growing demands on our SOF? If not, do you plan to continue to grow the size of SOF in the FYDP?

Secretary GATES. Demand for the unique capabilities of our SOF is increasing, but the force is, by its nature, limited in its ability to expand rapidly. I believe that SOF can expand by 3 to 5 percent per year in areas that are internal to SOF's organizational structures and training pipelines. This is the maximum increase we can sustain without adversely affecting the quality of the force, but this rate does not meet all current and projected needs. While I intend to continue to grow the force, I also support optimizing current SOF units by establishing habitual and dedicated support to SOF commands at home station while ensuring theater commanders provide critical General Purpose Forces assets in direct support to SOF commanders deployed in their Areas of Responsibility.

97. Senator MCCAIN. Secretary Gates, are you concerned that exceeding this target could potentially degrade the quality of this elite force?

Secretary GATES. U.S. Special Operations Command (SOCOM) assessments indicate that SOF can grow by 3–5 percent per year with current organizational structures and training pipelines without degradation to the quality of the force. The Commander, SOCOM is on record that 5 percent is the maximum annual growth rate at which SOF can grow without compromising standards or the overall quality of SOF.

PAKISTAN COUNTER-INSURGENCY CAPABILITY FUND

98. Senator MCCAIN. Secretary Gates, the OCO budget request for 2010 includes $700 million to be carried out with the concurrence of the Secretary of State and to build Pakistan's counterinsurgency capabilities. We are considering providing the Pakistani Frontier Corps (FC) a great deal of financial and training support in the coming years. The FC has not had a stellar history of performance over the last number of years. Please tell me how you see this force becoming effective in the short training time available and how optimistic are you in its future.

Secretary GATES. Successful COIN operations require a legitimate government supported by the populace and able to address the fundamental causes of insurgency. Key to this task is an effective host-nation security force. The Frontier Corps is uniquely suited to providing security in Pakistan's Federally Administered Tribal Areas (FATA) because its forces are locally recruited, speak Pashto, and understand the local culture (Pashtunwali). The Frontier Corps has been achieving some success in the FATA under the leadership of LtGen Tariq Khan. The Pakistan Counter-insurgency Fund (PCF) will build on these recent successes by helping the Pakistanis to train and equip the Frontier Corps so that it can better conduct COIN operations. Given the Frontier Corps' recent efforts, and the resolve demonstrated by the Pakistanis with their recent operations in Swat, we believe that these funds will help make the Frontier Corps a more effective fighting force. Initiatives of this type are especially important because they help to facilitate a doctrinal shift in the military that complements the National shift in existential threat perception away from India and to extremism.

99. Senator MCCAIN. Secretary Gates, a recent GAO report came out titled "Securing, Stabilizing and Developing Pakistan's Border Area with Afghanistan." It basically said that after 6 years of efforts by the United States and Pakistani Governments and over $12 billion in military and developmental assistance, al Qaeda has regenerated its ability to attack the United States and continues to maintain a safe haven in the border area. Has Pakistan accounted for the $12 billion already given them? If not, are we still pressing them for a full accounting?

Secretary GATES. The $12.3 billion figure quoted in the GAO report consists of spending on law enforcement, diplomacy, economic development, Foreign Military Financing (and other similar programs), and reimbursements to Pakistan for support to U.S. military operations. This last category of spending refers specifically to Coalition Support Funds (CSF), which is not a security assistance program, but rather a reimbursement for expenses incurred in operations that the Pakistanis undertake in support of U.S. military operations. The United States has reimbursed Pakistan approximately $6.8 billion in CSF over the past 7 years. CSF reimburse-

ments to the Government of Pakistan have enabled the Pakistani military to maintain more than 100,000 security force personnel in the border region and to undertake multiple operations in support of U.S. and coalition forces in Afghanistan. More than 3,000 Pakistani security force personnel have been killed or wounded in these operations. Pakistan is the main transit route for fuel, water, and supplies for U.S. forces in Afghanistan, and CSF allows Pakistan both to protect these supply lines and battle extremists on a daily basis. All CSF reimbursed to Pakistan is based on documentation provided by Pakistan and is subject to a multi-layered DOD approval process that also requires concurrence from the Department of State and the Office of Management and Budget, as well as notification to the congressional defense committees, before payments can be made to Pakistan. The Department has addressed all the GAO recommendations set forth in the GAO's 2008 report on CSF.

100. Senator MCCAIN. Secretary Gates, are the Pakistanis convinced that the United States is committed to a long-term commitment to work with them toward a solution to this problem, or do you get the sense they still believe we will leave precipitously like they often accuse us of doing when the Soviets were defeated?

Secretary GATES. The chief impediments for United States-Pakistan relations are a lack of trust that contributes to Pakistani anticipation of eventual abandonment, and a still too-short track record by the U.S. of commitment. The President in announcing the administration's new policy for Pakistan and Afghanistan said "The United States must overcome the 'trust deficit' it faces in Afghanistan and Pakistan, where many believe that we are not a reliable long-term partner. . . . We must engage the Pakistani people based on our long-term commitment to helping them build a stable economy, a stronger democracy, and a vibrant civil society."

There are an array of efforts under way to buttress this policy statement with deeds. The recent passage of the PCF is one important aspect of this in the military sense, as are the ongoing efforts to provide Pakistan with Mi–17 helicopters and other items of military equipment. Through these efforts, our goal is to reduce the "hedging" that Pakistan has historically engaged in through maintenance of relationships with extremists, limiting military actions against extremists, and limiting the U.S. military presence in Pakistan. Although the mindset of the entire Pakistan Government and military is impossible to discern, this administration has made a concerted effort in both word and deed to assure Pakistan that the United States stands shoulder-to-shoulder with Pakistan in its fight against extremism. We have also sought to acknowledge the significant sacrifices that Pakistan has made—including the loss of more than 2,000 security forces personnel to acts of political violence, and the assassination of former Prime Minister Benazir Bhutto. Pakistan's recent efforts in battling extremists in Swat, Dir, and Buner suggest that Pakistan's leaders understand the depth of this commitment.

101. Senator MCCAIN. Secretary Gates, how important is this commitment to Pakistan?

Secretary GATES. The PCF is DOD's initiative to establish a fully resourced COIN initiative in Pakistan—a key commitment of President Obama's Afghanistan-Pakistan strategy. In fiscal year 2009, PCF supports the Security Development Plan. It will also provide funds that can be used to expand U.S. support for elements of the Pakistan Army as it seeks to establish COIN doctrine, train its personnel, and outfit its soldiers with necessary equipment. The funds that DOD seeks in the fiscal year 2009 supplemental and in fiscal year 2010 are critically important to improving the COIN capabilities of Pakistan's security forces.

PAKISTAN NUCLEAR ARSENAL

102. Senator MCCAIN. Secretary Gates, there has been a great deal of speculation, and some assurances from the administration, about the security of Pakistani nuclear weapons at this time of turmoil. What is your assessment of the situation with respect to instability in Pakistan and the security of its nuclear arsenal?

Secretary GATES. I am extremely concerned about the whole issue of nuclear weapons in the region. The United States has invested a significant amount of resources in Pakistan through the Department of Energy in the last several years, and security has improved dramatically. Although there is room for improvement, we believe that the controls that the Pakistanis have over their nuclear weapons are currently adequate. I should add that my concerns generally apply to all nations with nuclear stockpiles—ensuring the security of these weapons is a paramount national security interest for the United States and the world.

103. Senator MCCAIN. Secretary Gates, what forms of assistance do you believe are most urgent in order to help the Government of Pakistan get control of the security situation within its own borders?

Secretary GATES. The forms of assistance that are most urgent to help the Government of Pakistan are those that best assist Pakistan to conduct effective counter-insurgency operations and will provide security to its populace, help to legitimize the government, and enable the government to address the fundamental causes of extremism. Flexibility is important, as is speed. We recognize the importance of Congressional notification periods, but encourage Congress to limit the length of those periods so our personnel in the field can adapt quickly to changing situations. Presently, our priority is for the PCF to be enacted into law so we can ensure Pakistan's military and paramilitary forces have the right training and resources to be decisive in their battles with extremists.

104. Senator MCCAIN. Secretary Gates, how do you assess the degree of political will within the Pakistani military—not just at the top but throughout the ranks—to deal with extremist insurgents on their own soil, rather than simply focusing on the perceived threat from India?

Secretary GATES. It is impossible to speak to the mindset of the entire Pakistan military. However, Pakistan's recent efforts in battling extremists in Swat, Dir, and Buner demonstrate both that Pakistan's leaders understand the threat of extremism and that the political will exists to address this threat. I note that Pakistan has done a number of things that show the seriousness of their commitment, from raising new Frontier Corps wings; to staffing the first Border Coordination Center and committing to establish a Border Coordinating Center on their territory; to working with the United States on our joint Frontier Corps train-and-equip program.

HEALTH CARE REFORM

105. Senator MCCAIN. Secretary Gates, does DOD have a seat at the table in the administration's planning for health care reform?

Secretary GATES. DOD has not been asked directly to participate in the administration's planning for health care reform. However, the Military Health System (MHS) has brought together thoughtful leaders from the health care industry and academia to share ideas on how to implement innovative health care solutions within the military's health system. We have formed constructive relationships and hope to work side-by-side with our civilian colleagues sharing best practices and learning from one another. We believe the MHS, as an integrated health delivery system, can be optimized to deliver even higher quality outcomes at lower cost; serving as an example of successful health care reform for the country. We look forward to playing a more active role as reform initiatives mature.

106. Senator MCCAIN. Secretary Gates, should Congress agree to permit modest health care fee increases for retirees?

Secretary GATES. Yes. The military health care benefit now entails nearly $45 billion. While some of the increases are due to normal health care cost growth, a significant portion can be attributed to the fact that the TRICARE benefit cost structure has not changed since the program was implemented in the mid-1990s. For non-Medicare eligible retirees, enrollment fees (annual: $230 per person/$460 per family) for Prime; $12 per visit co-pays; $300 deductibles, and pharmacy co-pays have remained the same while the catastrophic cap was lowered from $7,000 to $3,000. As a result, out of pocket costs in 1995 were approximately $27 for every $100 spent on health care by military retirees. Currently, retirees contribute only $12 for every $100 spent on health care. Thus, DOD is paying an increasing share of each beneficiary's health care costs. In addition, this flat lining of fees has resulted in an increasing percentage of retirees using TRICARE, even when offered health insurance by their post-retirement employer.

The bottom line is military health care costs are now over 8 percent of the Department's 'top-line' (vice 6 percent in 2001) and projections indicate this will grow to nearly 12 percent by fiscal year 2015. The cost growth places considerable stress on other high priority funding requirements. The Department must enter into a dialog with Congress on how to address this pressing issue.

107. Senator MCCAIN. Secretary Gates, what additional reform measures are or should be under consideration within DOD?

Secretary GATES. As with civilian health care, the MHS is challenged by escalating health care costs and the need to continually provide the highest quality care.

In addition, the MHS must serve the needs of the warfighter during a prolonged period of high operational tempo. To meet this challenge, the MHS has been actively transforming operations to improve both effectiveness and efficiency. Recent analyses, such as the 2006 QDR and the Task Force on the Future of Military Health Care, have allowed us to initiate reforms of our own health care system consistent with broader health care reform for the country.

The Department is using the tools of system engineering to continuously improve health delivery processes, reducing waste, reducing errors, and improving outcomes for our patients. The entire Department is implementing a program of Continuous Process Improvement, and the MHS is an active participant.

The Department is also implementing pay for performance, rewarding quality outcomes not just medical outputs. During the first 2 years of the pay for performance program we have seen significant improvement in adherence with Healthcare Effectiveness Data and Information Set quality standards for preventive services across the entire MHS.

With the support of Congress, the Department has implemented several active pilot programs that encourage healthy behaviors such as smoking cessation, reduction in problem drinking, proper nutrition, and an active lifestyle. In this way, and many others, the Department is embracing the military culture of health readiness and moving from health care to health.

Our electronic health record (AHLTA) is now globally deployed allowing us to share information and coordinate care from the battlefield to clinics and with our partners at the Department of Veterans Affairs. DOD is working hard to improve AHLTA's function and interoperability.

Finally, one of the tenets of true health care reform in the United States is an effort to transform from a disconnected cottage industry to a truly integrated system that promotes health throughout life. The MHS is ideally suited to lead in this regard since all members of the MHS team work for the same employer and serve the same mission. The goal of an integrated system is the delivery of care that is truly patient centered. As one part of this effort to become more integrated, the MHS is conducting pilot tests at the Patient Centered Medical Home; a model that shows great promise in allowing us to deliver consistently high quality care and coordinated medical activities across time and space.

108. Senator McCain. Secretary Gates, Health and Human Services Secretary Sebelius, reacting to the not unexpected news that the Social Security and Medicare trust funds will run out of money to pay retirement and health care benefits to deserving Americans sooner than expected, reiterated the administration's position that the best way to fix Medicare is to, as she put it, "fix what's broken in the rest of the health care system." The urgency of reform was reitereated by the President yesterday morning. Would this apply to TRICARE as well?

Secretary Gates. I agree with Secretary Sebelius, and over the past several years the MHS has been actively transforming operations to improve both effectiveness and efficiency as a means of "bending the curve" of rising health care costs. Recent analyses, such as the 2006 QDR and the Task Force on the Future of Military Health Care, have allowed us to initiate reforms of our own health care system consistent with broader health care reform for the country.

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109. Senator MCCAIN. Secretary Gates, what are your thoughts on health care reform?

Secretary GATES. I will speak to military health—health care costs are eating deeper into the Department's budget. Today the MHS consumes 8 percent of DOD's budget and is predicted to grow to 12 percent by 2015. It is imperative this issue be addressed, because it threatens the long-term health of DOD. In addition, I believe we have an opportunity to contribute meaningfully to national health care reform by serving as a crucible and incubator for innovation; the MHS is an integrated system serving over 9 million beneficiaries and could demonstrate the value of integrated implementation of some of the key elements of health care reform such as the patient centered medical home, clinical decision support tools in the context of an electronic health record, pay for performance, and health delivery system reengineering. The men and women of the MHS have contributed to major advances in medicine in the past and it is only fitting they do so again.

CAMP LIBERTY MASSACRE

110. Senator MCCAIN. Secretary Gates, like all Americans, I was shocked and mortified by the loss of life at Camp Liberty this past week of five brave Americans serving their country. Are there any lessons to be drawn from this tragedy?

Secretary GATES. There are always lessons to be learned and the Department is in the process of conducting all the necessary investigations and assessments to better prevent future incidents by studying and reconstructing the days, weeks, and months leading up to this horrifying event. It is premature to speculate what the lessons learned have been until we have completed the investigation.

111. Senator MCCAIN. Secretary Gates, do we have adequate mental health resources?

Secretary GATES. Recent assessments by the Services suggest that we have an adequate number of mental health providers in Iraq based on the numbers and locations of the deployed forces. However, as the units get smaller (maneuver units, companies, ships, and the flight line), servicemembers are less likely to have the same level of access to mental healthcare when compared to the larger units that have dedicated mental health providers. Along with the Services, we continue to look at how many mental health providers we have and where we have them.

112. Senator MCCAIN. Secretary Gates, are they effectively deployed in the theater?

Secretary GATES. In general I believe that our mental health assets are effectively deployed throughout the theater, the Service components, task forces, bases, and smaller units. However, units who are "outside the wire" (e.g., maneuver brigades) have less access to combat stress control units than those who are located on the forward operating bases. Brigade Combat Teams have their own organic behavioral health providers. As the location of our forces shift the Department continually reviews the distribution and most effective deployment of our behavioral health assets. The forthcoming Mental Health Advisory Team (MHAT) report (MHAT 6) will address this in more detail.

HEALTH CARE COSTS

113. Senator MCCAIN. Secretary Gates, health care costs in the military continue to grow and are estimated to be 12 percent of the budget in 6 years. Aside from attempting to have military health care provided as efficiently as possible in military facilities, is there anything that can be done to relieve some of this pressure on military budgets?

Secretary GATES. As the QDR nears completion the Department will be looking at a number of initiatives to increase cost effectiveness and reduce opportunity costs. Some of these initiatives have the potential to generate savings in the delivery of health care. Health care costs are consuming a growing proportion of the Defense

budget, and I look forward to an open dialogue with Congress on alternatives to reduce the Government share of health care costs.

114. Senator MCCAIN. Secretary Gates, is health care reform likely to help or worsen this problem?

Secretary GATES. Assuming the problem you are referring to is the unsustainable and escalating increase in health care costs, I can speak to the MHS which has been actively transforming operations to improve both effectiveness and efficiency. Recent analyses, such as the 2006 QDR and the Task Force on the Future of Military Health Care, have allowed us to initiate reforms of our health care system.

In essence, analyses by organizations such as the Institute of Medicine that state up to 40 percent of health care spending is waste appear to be accurate; true health care reform must reduce that waste. Some of the waste consists of over utilization of expensive tests and medical services which are not only costly but dangerous, in addition, some of our key healthcare processes are inefficient. The Department is implementing programs to increase evidence based practices to ensure that the right care is delivered and unnecessary tests and procedures are avoided, and continuous process improvement across our system is ongoing to make our health care processes safer and more cost effective.

This kind of health care reform has the potential to both improve quality and reduce costs.

115. Senator MCCAIN. Secretary Gates, is DOD involved in the administration's discussion on health care reform?

Secretary GATES. DOD has not been asked directly to participate in the administration's planning for health care reform. However, the MHS has brought together thoughtful leaders from the health care industry and academia to share ideas on how to implement innovative health care solutions within the military's health system. My Department's personnel have formed constructive relationships and we hope to work side-by-side with our civilian colleagues sharing best practices and learning from one another. I believe that the MHS, as an integrated health delivery system, can be optimized to deliver even higher quality outcomes at lower cost; serving as an example of successful health care reform for the country. I look forward to playing a more active role as reform initiatives mature.

HEALTH CARE FRAUD AND FINANCIAL CONTROLS

116. Senator MCCAIN. Secretary Gates, a year ago, a Federal judge found that DOD's health care program had erroneously paid more than $100 million due to TRICARE paying fraudulent health care claims in the Philippines. In addition, the DOD Inspector General has identified a material management control weakness in that military hospitals are not properly identifying and billing patients with other health insurance. What is being done to prevent fraud, and what measures have been put in place to address the Inspector General's concerns about third party collections?

Secretary GATES. The TRICARE Management Activity (TMA) has taken aggressive action to prevent payments for fraudulent healthcare claims submitted from overseas locations. TMA has implemented partial price caps in two overseas locations (Philippines and Panama), implemented claims processing enhancements to identify duplicate claims, enhanced provider certification processes, is phasing in a proof of payment requirement for beneficiary submitted claims, and has implemented several other cost control initiatives.

A Philippine Task Force was established which implemented a fee schedule in the Philippines (November 2008) and Panama (February 2009) to place prices caps on non-ancillary professional services and set inpatient per diem amounts. Efforts are currently under way to expand the fee schedule to include areas that are currently reimbursed at whatever amount is billed. Fee schedules will be implemented in other countries as determined necessary to control payment of excessive "as billed" charges. Consideration is also being given to adopting Medicare's payment methodology for United States territories, i.e., Guam and the Virgin Islands.

Enhancements have been implemented that automatically identify duplicate payments during the processing of a claim. The automated edits look for claim similarities—beneficiary, provider, procedure codes, and dates of service. These enhancements allow for the flagging of a claim for closer inspection even when not all fields are an exact match. Example: multiple providers performing a CT scan on the same day.

All TRICARE Standard beneficiaries living in the Philippines must use a TRICARE certified provider for medical care in order to have their TRICARE claims paid. Certification verifies the physician has valid credentialing and a physical facility location. Certification does not mean these claims will automatically be paid. Claims are paid only if the services or supplies were determined to be medically necessary, a covered benefit, and the beneficiary was eligible for care on the dates of service. The certification process has recently been improved to identify the provider type, as well as if the provider(s) are co-located with other providers or within an inpatient facility. Initiatives to further enhance the certification process to control the number of certified providers in the Philippines are currently under review.

Providers located in the Philippines, Panama, and Costa Rica exceeding yearly pharmacy caps are required to submit National Drug Codes (NDC) for pharmacy claims and are subject to cost control measures. Implementing this requirement has allowed TMA to control an area that was vulnerable to fraud. Savings as a result of requiring NDC coding for the higher volume Philippine providers totaled approximately $21.2 million for fiscal year 2007.

The overseas claims processing contractor has been directed to discontinue mailing benefit payments to third party billing agencies that submit claims for Philippine providers. Payments may only be sent to the location where service was provided. This prohibition will be expanded to other countries as determined necessary to curb fraudulent third party billing agency activity.

TMA profiles patients and providers for aberrant practices and individually reviews each of the claims that appear to be outside the norm. Once these outliers are identified, TRICARE will individually review each of their claims for medical necessity and appropriateness and attempt to validate services were provided and pay at the appropriate level. TMA will be implementing a requirement that all overseas beneficiary submitted claims include proof of payment. This should further decrease the number of fraudulently submitted claims and further tighten controls.

Actions have been taken to correct the material management weakness identified in the DOD IG report issued in July 2007 which found military hospitals were not properly identifying and billing patients with other health insurance. The Assistant Secretary of Defense (Health Affairs) issued a February 28, 2008 memorandum which implemented the DOD IG recommendation by requiring military treatment facilities (MTFs) to include certain "tests" in their compliance audits tests. Specifically, MTFs must test to ensure they have billed insurance providers for patient encounters where other health insurance exists in the Composite Health Care System (CHCS); and adequately followed up on collections from insurance providers.

The memorandum also directed MTFs to correct deficiencies found in the Third Party Collection Program during the compliance audit. These requirements will be included in Chapter 2, Compliance, in the next revision of the Uniform Business Office Manual, DOD 6010.15–M, "Military Treatment Facility Uniform Business Office Manual," dated November 9, 2006.

Additional actions have been taken to improve MTF performance in collecting funds from insurance companies for care provided to patients with other health insurance. These efforts have included making improvements to existing billing and collections systems, adopting healthcare commercial best practices regarding billing and collections, and outsourcing portions of the revenue cycle.

117. Senator McCain. Secretary Gates, have you ordered an external audit of eligibility of health care users, prevention of fraud by civilian providers and contractors, and financial controls for DOD's health care programs as recommended in 2007 by the congressionally directed Task Force on the Future of Military Health Care?

Secretary Gates. A focused audit of the Defense Integrated Military Human Resources System (DIMHRS)—Defense Enrollment Eligibility Reporting System (DEERS) interface should be directed after implementation and initial testing of DIMHRS. We have deferred a decision on additional focused or sample audits of DEERS pending receipt of information on recent audits by the DOD Inspector General of Defense Manpower Data Center/DEERS, which is expected to be released soon.

TRICARE Management Activity (TMA) has a Program Integrity (PI) office, responsible for all anti-fraud activities worldwide for the Defense Health Program. The TRICARE contract design has very strong requirements to include the use of artificial intelligence software to detect fraud, referrals of identified cases to the government, the continuous education of providers, anti-fraud onsite training programs, and the application of post-payment duplicate claim software designed as a retrospective auditing tool to detect possible or suspect duplicates. The members of this office aggressively monitor contractor program integrity activities to ensure compliance, coordinate with DOD and external investigative agencies on all health care

fraud investigations involving TRICARE, and initiate administrative remedies as required.

To encourage early identification of fraud, TMA PI engages in multiple proactive activities designed to focus on various scenarios in the areas of health care and claim submissions that may be vulnerable to fraudulent and abusive billing. TMA PI develops areas of focus and mines claims data to identify outliers, which are then shared with contractors responsible for the geographical areas where the outliers occurred. The contractors then pursue further development.

To ensure appropriate oversight and compliance, TMA PI has a special team of subject matter experts. These experts monitor the contractor's work product to ensure compliance in the following major areas: submission of identified fraudulent or abusive cases meeting a dollar threshold; pre- and post-payment review of claims; utilization of automated computer edit software programs such as rebundling software designed to detect and correct billing practices known as unbundling, fragmenting, or code gaming; and routine use of anti-fraud data mining in order to identify potentially fraudulent and abusive behavior.

TMA PI prepares monthly "Spotlights" and "Fraud Alerts" for the contractors to promote early identification of fraud scams to minimize the loss of government dollars. TMA PI also publishes an annual Operation Report, providing awareness of DOD's anti-fraud efforts for the year.

To monitor contractor performance in terms of proper claims processing, TMA has implemented payment performance standards for military health benefit claims processing for many years. Over-payments found in the annual audit process are projected to the audit universe and the managed care support contractor is liable for the total amount. This contractual design, combined with numerous pre-payment and post-payment controls that effectively minimize improper payments, helps ensure the Government is not at risk for improper payments for military health benefits. The external, independent audit process helps protect TMA from being victimized by contract fraud.

Finally, TMA PI is an advocate for the issuance of explanation of benefits by all contractors, which is mandatory for the next round of contracts. Beneficiaries are a valuable partner with the Government in ensuring the appropriate expenditure of government funds. Many fraud cases have been initiated because of the military beneficiary population reviewing their explanation of benefits and reported services were not received.

The TRICARE Claims Audit Review Services Contract currently performs quarterly and annual audits on TRICARE health care contracts to include validation of TRICARE eligibility and validation of coding and payment accuracy. These validations include reviews of any contract negotiated discounts or agreements which would reduce Government liabilities for specific medical claims. This is an external, independent contractor who reports to TMA and whose findings are also reviewed by the Government for quality assurance.

In addition, the TRICARE Operations Manual—Chapter 1, Sections 4–6, identify the contractors' responsibilities for internal audits and management control programs. The Department has included these management control programs in the next generation of contracts.

QUESTIONS SUBMITTED BY SENATOR JAMES M. INHOFE

FIGHTER REDUCTIONS IN THE BUDGET REQUEST

118. Senator INHOFE. Admiral Mullen, in recent visits with various combatant commanders, I've raised the question about the impact of the degraded readiness condition of our ground combat units on their operational plans. They've always responded with the assurances that they would be able to compensate for the delayed arrival of ground units by relying to a greater degree on Air Force and Navy capabilities. Now, the Air Force is proposing in this budget request to accelerate the retirement of 250 fighter aircraft in 2010. Have you assessed the impact of these aircraft cuts on war plans, given the current degraded state of the readiness of our ground units?

Admiral MULLEN. In line with DOD's guidance to eliminate excessive overmatch in force structure, the Air Force assessed the threat environment and analyzed combat air force capabilities. Studies show the Air Force has a window of opportunity to: (1) reshape our aging fighter force via accelerated retirements; (2) redistribute funding to modernize and equip a smaller, more flexible, capable and lethal force; and (3) redistribute manpower to support expanding areas of critical national priority missions.

Although the fighter fleet will be smaller, the effects provided by the newer modifications, preferred munitions, and critical enablers create a capabilities based bridge from our fiscal year 2009 legacy dominated force to a fifth generation enabled fighter fleet. These actions will ensure the proper mix of platforms to meet COCOM mission requirements. It will also allow the Air Force to invest in the future.

119. Senator INHOFE. Admiral Mullen, are you comfortable that the Air Force will still be able to respond to combatant commander requirements with the tactical fighter force they have remaining after 2010?

Admiral MULLEN. Yes. The Air Force's advantage over potential adversaries is eroding, endangering both air and ground forces alike unless there is significant investment in bridge capabilities and fifth-generation aircraft. Fighter restructuring contributes to the solution.

Following DOD's guidance to eliminate excessive overmatch in force structure, the Air Force took a holistic look at the fighter force structure and determined it was in the best interest of national defense to adjust the number of aircraft world-wide to increase flexibility, versatility, and lethality to meet the needs of the COCOMS and the total force. By accepting short-term risk, we can convert our inventory of legacy fighters into a smaller, more flexible and lethal bridge to the fifth-generation F–35. The Air Force will also add capabilities needed now for operations across the spectrum of conflict. What we're looking for is a force mix that meets the current mission requirements of combatant commanders while providing a capable force to meet tomorrow's challenges.

This initiative cuts across all CAF commands, the Active Duty, Guard, and Reserves, and allows the Department to reprogram $355 million in fiscal year 2010 and 4,119 manpower positions to higher national defense, joint, and Air Force priorities. It complies with all national, DOD, and Air Force level guidance to include the GDF. The Air Force will use a combination of permanently based and rotational forces to mitigate risk. In essence, the Air Force is using this window of opportunity to: (1) reshape our aging fighter force via accelerated retirements; (2) redistribute funding to modernize and equip a smaller, more flexible, capable and lethal force; and (3) redistribute manpower to support expanding areas of critical national priority missions.

QUESTION SUBMITTED BY SENATOR SAXBY CHAMBLISS

RESERVE AND NATIONAL GUARD SERVICE INCENTIVES

120. Senator CHAMBLISS. Admiral Mullen, in your written statement you ask for the committee's continued support for incentives for Reserve and National Guard service to provide flexibility and enhanced retirement benefits. I appreciate your comment in that regard. You may be aware of my work on the issue of expanding the retirement benefit for Guard and Reserve personnel based on the time they spend deployed. Senator Kerry and I have filed a bill on this issue that would expand the current provision to allow credit for deployments performed back to September 11, 2001. What are your thoughts on this issue and how do you think that enhanced retirement benefits for Guard and Reserve personnel help to shape and motivate our Reserve component personnel for continued service?

Admiral MULLEN. This office supports the proposed change to section 12731 of title 10 of the U.S.C. "Age and Service Requirements" as modified by section 647, National Defense Authorization Act for Fiscal Year 2008. It is appropriate that servicemembers who are activated in lieu of increasing Active component end strength should be eligible to retire earlier than age 60, as the law now allows. Beyond achieving true parity for active duty service in support of the Nation's contingency operations, the evolution of the Reserve components from a Strategic Reserve into an Operational Force has driven—and will continue to drive—fundamental change in the manner in which we train and employ this capability. As a consequence, it also blurs the distinction between "Active" and "Reserve" service. We now acknowledge that a new paradigm exists, and it will be sustainable, in part, by establishing an appropriate retirement plan to foster this continuum of service. This should include a review of Active component service performed by future or current Reserve component personnel encouraging continued participation of trained professionals who leave the regular service.

With this said, specific to the current legislation the following items need to be addressed:

(1) The periods of service used to calculate reduced retirement age eligibility should include authorized active duty tours by Reserve component personnel served on or after September 11, 2001. (Accountable Service);

(2) Periods spent as captive personnel (12301(g)) and on medical hold (12301(h)) should also count towards calculation of reduced retirement age eligibility. (Accountable Service);

(3) The requirement that 90-day aggregate periods of service must occur in a single fiscal year should be removed. (Fiscal Year Requirement); and

(4) Retirees under this program should have immediate medical coverage upon receiving retirement pay. (Medical Shadow Area).

QUESTIONS SUBMITTED BY SENATOR DAVID VITTER

NUCLEAR STOCKPILE MODERNIZATION

121. Senator VITTER. Secretary Gates, the administration has called for dramatic reductions in U.S.-Russian nuclear stockpiles and to ratify the CTBT. In your October 2008 Carnegie Endowment speech, you said "there is absolutely no way we can maintain a credible deterrent and reduce the number of weapons in our stockpile without either resorting to testing our stockpile or pursuing a modernization program." How will the administration address modernization of the nuclear stockpile which must be a prerequisite for further reductions in the inventory?

Secretary GATES. The ongoing NPR is being accomplished in consultation with the Department of Energy's National Nuclear Security Agency. One of the objectives of the NPR is to evaluate the requirements for a revived infrastructure. While the review is still underway, we anticipate modernization of our existing warhead inventory will be needed to maintain a safe, secure and reliable stockpile without a need for testing.

122. Senator VITTER. Secretary Gates, are you concerned with the lack of requested funding for a modernization program?

Secretary GATES. The President has clearly stated that as long as we have nuclear weapons, "the United States will maintain a safe, secure and effective arsenal."

Maintaining a credible nuclear force for the Nation will require partnership between the executive branch and Congress. We will work to ensure our budget submissions adequately support the conclusions of the NPR.

JOINT STRIKE FIGHTER ALTERNATE ENGINE

123. Senator VITTER. Secretary Gates, last week the President forwarded some of the details of the budget request and identified a few of the programs he cut or terminated to achieve savings. In particular, he identified the JSF Alternate Engine as an unnecessary defense program. To explain his reasoning, he said "the Defense Department is already pleased with the engine it has. The engine it has works." What part of this do you think is working well and which part are you pleased with?

Secretary GATES. The F135 engine has completed more than 11,600 of 14,730 planned ground test hours. The F135 also has 99 flight tests with a total of 129 flight test hours. In both ground and flight tests, the engine is demonstrating excellent reliability and performance. Recently, the F135 demonstrated critical Short Take-off and Vertical Landing operation in "Hover Pit Testing," validated functionality of the integrated aircraft/propulsion system control, and demonstrated expected hover thrust meeting the requirements for initial flight test.

[Whereupon, at 12:40 p.m., the committee adjourned.]

DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 2010

TUESDAY, MAY 19, 2009

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC,

DEPARTMENT OF THE ARMY

The committee met, pursuant to notice, at 9:36 a.m., in room SH–216, Hart Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Lieberman, Reed, Akaka, Webb, Udall, Hagan, Begich, McCain, Inhofe, Sessions, Chambliss, Thune, Burr, and Collins.

Committee staff member present: Richard D. DeBobes, staff director; and Leah C. Brewer, nominations and hearings clerk.

Majority staff members present: Jonathan D. Clark, counsel; Michael J. Kuiken, professional staff member; Gerald J. Leeling, counsel; Michael J. Noblet, professional staff member; John H. Quirk V, professional staff member; and William K. Sutey, professional staff member.

Minority staff members present: Joseph W. Bowab, Republican staff director; Adam J. Barker, research assistant; Paul C. Hutton IV, professional staff member; Michael V. Kostiw, professional staff member; David M. Morriss, minority counsel; and Richard F. Walsh, minority counsel.

Staff assistants present: Mary C. Holloway, Jessica L. Kingston, Christine G. Lang, and Breon N. Wells.

Committee members' assistants present: Christopher Griffin, assistant to Senator Lieberman; Christopher Caple, assistant to Senator Bill Nelson; Jon Davey, assistant to Senator Bayh; Jennifer Barrett, assistant to Senator Udall; Roger Pena, assistant to Senator Hagan; Anthony J. Lazarski, assistant to Senator Inhofe; Lenwood Landrum and Sandra Luff, assistants to Senator Sessions; Clyde A. Taylor IV, assistant to Senator Chambliss; Brian W. Walsh, assistant to Senator Martinez; Erskine W. Wells III, assistant to Senator Wicker; Kevin Kane, assistant to Senator Burr; and Rob Epplin, assistant to Senator Collins.

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good morning, everybody. Today Secretary Geren and General Casey will testify before the committee on the

plans and programs of the United States Army as part of our review of the fiscal year 2010 annual budget and overseas contingency operations request.

Gentlemen, we are thankful to you for your dedicated service to our country. We are grateful to your families for their support of your service. The committee deeply appreciates the service of the men and women of the Army and their families who have given so much of themselves to this Nation and for this Nation, particularly in a time of war. Please convey that to the men and women in the Army, if you would, for us.

We also note the presence of several noncommissioned officers (NCOs) behind our witnesses, and we look forward to your introducing them.

I am going to put the balance of my statement in the record because we have votes at 10 o'clock this morning. So that means that we have even less time than usual.

[The prepared statement of Senator Levin follows:]

PREPARED STATEMENT BY SENATOR CARL LEVIN

Good morning. Today, Secretary Geren and General Casey testify before the committee on the plans and programs of the United States Army as part of our review of the fiscal year 2010 annual budget and overseas contingency operations request. Gentlemen, we are thankful to you for your dedicated service to the Nation and to your families for their support of that service. The committee deeply appreciates the service of the men and women of the Army and their families, who have given so much of themselves in their service to this Nation in a time of war. Please convey that for us.

I also note the presence of several noncommissioned officers (NCOs) behind our witnesses; we look forward to their introduction. The Army has made 2009 the "Year of the NCO" but everyone knows that every day of every year really belongs to the Army's sergeants. The United States Army has long been the envy of armies around the world and one of the greatest sources of that envy is the NCO Corps. Thank you, sergeants, for all that you do to take care of our soldiers—and please continue to keep an eye on the officers too.

Each year the committee meets to review the posture of the Army and each year we find ourselves profoundly impressed by what our soldiers have accomplished and what they continue to do. The chapter written in American history by today's soldiers is as great as any other in the Army's nearly 234 years of service to the Nation. Great service, however, always seems to come with great sacrifice and that is no less true today as our Army remains globally committed, in combat, stressed and over stretched.

Large numbers of soldiers are still engaged in operations in Iraq. Although the Department's plans for Iraq will hold current force levels stable through this year's Iraqi elections cycle, I am encouraged by the Chairman of the Joint Chief's statement to the committee last Thursday that two more combat brigades will depart Iraq without replacement by the end of September. I am hoping for, at a minimum, the scheduled withdrawal of additional units from Iraq through this year and next. Much depends on the ability and willingness of the Iraqis themselves to preserve our hard-fought gains, and, in turn, that will depend in large measure on whether the political steps Iraqi leaders promised to take long ago will be completed.

At the same time we begin to see the drawdown of forces in Iraq, the administration is shifting its strategic emphasis, and therefore resources, to the counterinsurgency campaign in Afghanistan and increasing support to help Pakistan confront the Taliban threat. An additional 21,000 troops, mostly Army, will deploy through this summer for operations in Afghanistan to help meet the needs of the counterinsurgency campaign, help defeat al Qaeda and the Taliban, and build up more quickly the capabilities of Afghan security forces.

The demands of the wars continue to affect the Army in many ways. In order to meet and sustain the necessary higher readiness levels in our deployed forces, the readiness of our nondeployed forces has steadily declined and is at historic lows. Equipment and people are worn out. Most of our nondeployed Army units are not ready to be deployed for an unforeseen contingency. Consequently, getting those units reset and ready for their next rotation to Iraq or Afghanistan is that much

more difficult and risky. The continued level of commitment to Iraq and the increase of forces to Afghanistan put even more pressure on an already strained Army readiness situation. This Nation faces substantially increased risk should the Army be required to respond to other contingencies.

The Army is also working hard to cope with the sometimes heartbreaking individual soldier and family strains associated with the trauma of combat and multiple deployments with short periods of time at home to rest and reconstitute. Indicators of an Army under stress are apparent in increasing rates for divorce, substance abuse, and suicide. The fiscal year 2010 budget request continues the Department's major commitment to expand and improve programs for wounded soldiers and their families as well as for the prevention, identification, and care of soldiers and their families suffering from the stress of ongoing operations. I commend the Army for that commitment and look forward to the witnesses' discussion of these programs today.

Another issue of concern to the committee, and related to the strain on the force, is the size of the Army. General Casey was asked in 2007 if growing to 547,000 soldiers would be adequate to meet the Army's needs. General Casey replied that he had been told by the Army Staff that 547,000 were sufficient, but that the Army would continue to analyze its end strength requirements. The Secretary of Defense's decision to limit combat brigade growth from 48 to 45 is related to that end strength and intended to address the Army's challenges with being over-structured and undermanned. That is, the Army has more combat brigade and supporting unit requirements than it has enough people to fill them. The Secretary's decision, therefore, will help address that problem. The soldier shortages in units getting ready to deploy is also compounded by the large, and unfortunately growing number of soldiers not otherwise available due to illness or wounds, as well as the demand for soldiers serving as cadre in Wounded Warrior Transition Units. The people problem is further complicated by the requirement for the Army to fill hundreds of ad hoc, temporary deployed staffs and units such as a headquarters staff for Multi-National Forces-Iraq and U.S. Forces-Afghanistan, Military and Police Training Teams, and the forthcoming Advise and Assist Brigades for Iraq.

The Secretary's decision to limit combat brigade structure could also have consequences for the Army's rotation plans in support of operations in Afghanistan and Iraq. Since the decision to grow end strength in 2007, the Army has planned for additional combat brigades to stabilize rotation cycles, increase dwell time at home for troops to rest and reset, and rebuild readiness and strategic depth in non-deployed units. We'd like our witnesses to address this decision and update the committee on the Army's efforts to achieve "balance," stabilize rotations, increase at-home time for troops, and end the use of "Stop Loss" to meet the needs of deploying units.

Nothing in our defense establishment is as important or as expensive than people, and the Department's fiscal year 2010 budget request makes a strong commitment to ensure that we are taking care of service members and their families. Much of the defense budget's growth can be attributed to significant and necessary increases in the pay and benefit accounts. The question of additional Army end strength, as well as additional unit structure, therefore, needs to be carefully considered in light of the inevitable and heavy near- and long-term budgetary pressures such increases will put on the Department's investment and modernization accounts. We'd like the witnesses to address the Army's analysis of its current and future end-strength and unit structure requirements, and their ideas on how best to manage the growth of personnel costs.

As challenging as it is today to get units fully manned, equipped, trained, and ready to deploy, the Army must also ensure that it remains technologically dominant and assure our future security. Army modernization, however, has proven difficult. In just the last 10 years the Army has pursued modernization concepts called Digitization, Army-After-Next, Objective Force, and today's Future Combat Systems (FCSs). Each of these modernization evolutions essentially sought to provide the Army with technical capabilities to see more, know more, and do more—fundamentally changing the nature of ground operations—exactly what Army modernization should be trying to achieve. To be sure, some technologies from these efforts—such as Blue Force Tracking, Unmanned Aerial Vehicles (UAVs), and the Stryker combat vehicle—have made significant contributions to successful operations in Afghanistan and Iraq. However, Army technical modernization, as part of a broad transformational effort, appears consistently to fall short of plans and promises.

The Army's fiscal year 2010 budget request presents another turning point in Army modernization. Secretary Gates' decision to restructure the FCS program, is another change in the Army's overarching approach to modernization. We look forward to the witnesses' views on this decision and their thoughts on establishing an

Army modernization program that is comprehensive, relevant, technologically achievable, manageable, affordable, and enduring.

Finally, many of the issues that come up this morning will be subject to analysis and deliberation over the next several months with the Defense Department's Quadrennial Defense Review (QDR). For the Army, the QDR process is expected to consider tough questions that deal with current and future full-spectrum requirements and capabilities, end-strength, permanent unit structure, and modernization.

Secretary Geren, General Casey, we look forward to your testimony.

Chairman LEVIN. Now I will call on Senator McCain.

STATEMENT OF SENATOR JOHN MCCAIN

Senator MCCAIN. Thank you, Mr. Chairman. I will also ask that my statement be made a part of the record in the interest of time.

I would just like to say, Secretary Geren, I commend you for your long and distinguished career and your service to the country.

General Casey, you and I have had policy differences on occasion. I would like to take this opportunity to recognize your years of devoted service and sacrifices made by your family.

I know we are going to discuss a list of failed development programs that have delayed modernization efforts and cost taxpayers billions of dollars. I hope our witnesses will discuss the lessons learned from the aborted acquisition programs like the Armed Reconnaissance Helicopter and Future Combat Systems (FCSs).

I look forward to addressing, on the personnel side, that the Army is facing a budgetary shortfall of some $2 billion, having met authorized recruiting and retention targets years ahead of schedule, which is, by the way, a great success story.

I thank you, Mr. Chairman. I would ask that my complete statement be made part of the record.

[The prepared statement of Senator McCain follows:]

PREPARED STATEMENT BY SENATOR JOHN MCCAIN

Thank you, Mr. Chairman. I join you in welcoming our witnesses here today.

Secretary Geren, I commend you for your long and distinguished career and your service to our country. Since your confirmation 2 years ago, you have guided the Army with a steady hand during some turbulent times.

General Casey, while you and I have had our policy differences on occasion, I would like to take this opportunity to recognize your years of devoted service and the sacrifices made by your family.

As we consider the budget request for the Army and the implications of our decisions, I hope that my colleagues will agree that our most pressing need is to prevail in Afghanistan while sustaining and furthering our gains in Iraq.

The Army is at the vanguard of the civil-military effort in Afghanistan, and the effort there requires the full spectrum of its capabilities. To that end, I have supported President Obama's adoption of a new team and strategy and the additional deployment of 21,000 troops.

I also believe that we must take other, vital steps as soon as possible, to include developing an integrated civil-military campaign plan for the entire Afghan theatre; establishing a fully-resourced corps under General Rodriguez that can carry out operational planning; and accelerating the expansion of the Afghan security forces. In these, as in so many other aspects of the war in Afghanistan, the Army will have a critical role to play.

As the operational Army engages our enemies overseas, the institutional Army is working hard to sustain, prepare, reset, and transform its force. Noticeable improvements have been made in recent years, in the form of new equipment and doctrine, increased end strength, and additional force structure.

But a list of failed development programs has delayed modernization efforts and cost taxpayers billions of dollars. I hope that our witnesses will discuss the lessons learned from aborted acquisition programs like the Armed Reconnaissance Helicopter and Future Combat Systems (FCS).

The 2010 budget request represents an important course correction for the entire Department of Defense, including the Army. It has long been necessary to shift spending away from weapon systems plagued by cost and scheduling overruns to ones that prioritize the needs of our deployed forces while meeting the requirements for the emerging threats of tomorrow. I believe that the series of tough decisions Secretary Gates has made on such programs will take our forces in the right direction.

For example, I strongly support Secretary Gates' recommendations to restructure major programs like FCS, to realign the Joint Cargo Aircraft program to the Air Force, and to focus resources on urgent operational needs like helicopter training and readiness. FCS, which has received past support from this committee, has cost the taxpayer some $18 billion since 2003, but is only now demonstrating the technological maturity required of an early developmental program. I would suggest to my colleagues and to the witnesses that we can and must do better.

On the personnel side, the Army is facing a budgetary shortfall of some $2 billion, having met authorized recruiting and retention targets years ahead of schedule. We have a responsibility to ensure that our Army is adequately resourced in both the personnel and modernization dimensions, but there are some hard decisions that lie ahead. I look forward to our witnesses' testimony regarding the implications of sustaining 547,000-strong Active-Duty Force, whether that size is sufficient for all the tasks we require of it, and how the Army's force generation process has been adapted to optimize it.

Finally, I am pleased to see a budget request that emphasizes care of Army families, our wounded, and the fallen. To paraphrase George Washington, the willingness of the next generation of soldiers to serve is proportional to the treatment of the last generation.

I look forward to our witnesses' testimony. Thank you Chairman Levin.

Chairman LEVIN. Thank you very much, Senator McCain.

Secretary Geren?

STATEMENT OF HON. PRESTON M. "PETE" GEREN III, SECRETARY OF THE ARMY

Secretary GEREN. Mr. Chairman, Senator McCain, and members of the committee, it is truly a privilege for General Casey and me to appear before you and discuss our United States Army.

The partnership between the Army and Congress goes back to a year before our country even began, and it is a partnership that has certainly served our soldiers and their families well.

We have provided the committee the full posture statement, and I ask that it be included in the record.

Chairman LEVIN. It will be.

Secretary GEREN. Mr. Chairman, the President's budget for fiscal year 2010 is before Congress and it recommends $142 billion for the Army.

The Army budget is mostly about people and the operation and maintenance (O&M) accounts to support them. Our personnel and O&M accounts make up two-thirds of the Army budget, reflecting General Abrams' axiom that people are not in the Army, people are the Army. Our Army, our soldiers, families, and civilians, is stretched by this long war, but remains the best led, best trained, best equipped force we have ever fielded, and this committee's ongoing support has a lot to do with that.

The NCOs are the backbone of this great Army, and we have designated 2009 as the Year of the Noncommissioned Officer. At the front of every Army mission, you will find an NCO. NCOs lead the way in education, training, discipline, and they are empowered and entrusted like no other NCO in any army in the world today. We have three great Army NCOs here with us today, and I would like to introduce them to the committee.

Sergeant Aaron Aus is from northern Minnesota. Sergeant Aus is a light-wheeled vehicle mechanic and has deployed to Iraq and Afghanistan, and he is currently assigned to the Old Guard.

Sergeant Joel Dulashanti from Cincinnati, OH. He is an infantryman who graduated top of his class at Advanced Individual Training in sniper school and was serving as a sniper in Afghanistan when he was shot through both knees and his stomach. He is an above-the-knee amputee. He is still on active duty, and he is eager to continue to serve our country in the United States Army.

Sergeant 1st Class Sherman Wiles of Crockett Mills, TN, he is a decorated infantryman in the Old Guard with tours to the Balkans, Iraq, and Afghanistan.

Mr. Chairman, I would also like to recognize a former NCO who serves on this committee, Senator Akaka. This year we honor all NCOs past and present, and this afternoon at 5 o'clock we are going to have a parade at Fort Myer at Whipple Field in which we are honoring all Members of Congress who are former NCOs, and we once again extend an invitation to all members of this committee to join us there. It is going to be a great occasion. We are going to recognize their great service.

Chairman LEVIN. Thank you, Mr. Secretary. Gentlemen, you honor us by your presence, and thank you for your fabulous service to this country. We will pass along to Senator Akaka your greetings as well, but I think we will just give you all a round of applause for everything that you do. [Applause.]

Secretary GEREN. Mr. Chairman, currently the Army has over 710,000 soldiers serving on active duty, with 243,000 deployed in 80 countries around the world. We have 258,000 Army civilians working at home and abroad to support them.

Our National Guard and Reserves continue to shoulder a heavy load for our Nation. Since September 11, we have activated over 400,000 reservists and guardsmen in support of Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF). Our citizen soldiers continue to answer the call here at home for domestic emergencies.

We are truly one Army. Our Army National Guard and Reserves are transitioning from a Strategic Reserve to an operational force, and I would like to talk about some of the progress we have made in that regard.

In 2001, we spent $1 billion on National Guard equipment. We are now spending $4 billion a year and that continues under this budget. As a result, we anticipate that the last Huey helicopter, the venerable workhorse from the Vietnam era, will leave Guard service by the end of this year. At that time, the Guard will have 40 light utility helicopters and over 800 Blackhawks. The famous "deuce-and-a-half" truck will soon follow the Huey out of the Guard.

I am pleased to report that this hurricane season will be the first since 2004 in which the Guard has the equipment to meet its mission and will not have to borrow from the Active or Reserve components to meet those needs.

We also have made good progress in implementing the recommendations of the Commission on National Guard and Reserves. Of the 19 Army-led implementation plans, 14 are completed,

among them and most importantly, ensuring that units are provided with notice of selection for mobilization 2 years out and with orders in hand no later than 6 months out. Furthermore, we are working with the Office of the Secretary of Defense to improve the transparency of procurement funding for the Guard and Reserves.

Soldiers are our most valuable assets. The strength of our soldiers depends upon the strength of their families, and that support is a top priority in this budget. From fiscal year 2007 to fiscal year 2009, with your support, we have more than doubled support for our family programs. In this fiscal year 2010 budget, we have $1.7 billion in family support in the base budget. Responding to the direction we received from Army families, we provided full-time personnel to family readiness groups down to the battalion level, lending a helping hand to our volunteer spouses who carry such a heavy load during this era of multiple deployments. We are providing reduced and no-cost child care for families of deployed soldiers and families with special needs children.

The budget maintains Facilities, Sustainment, Restoration, and Modernization at a level that will ensure that we provide our soldiers and their families a quality of life equal to the quality of their service. This budget continues improvement in the care of our wounded, ill, and injured soldiers, including additional medical personnel, infrastructure, and support for family members. We thank this committee for its leadership in that regard.

We initiated programs to better diagnose and treat the invisible wounds of this war, post-traumatic stress disorder (PTSD) and traumatic brain injury (TBI). With congressional leadership, we are investing unprecedented amounts in brain injury research.

The fiscal year 2010 budget also will help us move towards a seamless transition from the Department of Defense (DOD) to the Veterans Affairs (VA) for those wounded, ill, and injured soldiers who choose to return to private life.

After 7 plus years of war with an All-Volunteer Force, we are in uncharted waters. Our soldiers and families are carrying a heavy burden for our Nation. We are working to reverse the tragic rise in soldier suicides. It is a top priority throughout our Army, with the Vice Chief of Staff of the Army leading our efforts. We have partnered with the National Institute of Mental Health on a 5 year, $50 million study to incorporate their world-renowned expertise in mental health research into our suicide prevention efforts, and we are educating literally every soldier in our Army about suicide risk, identification, and intervention. Every NCO knows how to recognize the symptoms of heat stroke and knows what to do about it. Our goal is for every soldier to be able to identify the signs of a possible suicide and know what to do about it as well.

We have also launched new initiatives to attack the problem of sexual assault and harassment. As we work to prevent sexual assault and harassment, we are working to become the Nation's best in the investigation and prosecution of this crime. We have used the highly qualified expert authority you have given us to hire national experts to work with our investigators and our prosecutors. We want to be the Nation's model for the prevention, investigation, and prosecution of sexual assault.

To meet the health care needs of a growing force, U.S. Army Medical Department has increased behavioral health care providers by 40 percent since 2007, and we will continue to grow that under this budget. In theater, we have increased the number of behavioral health providers at fixed sites and we are providing support to disburse troops with mobile teams. However, even with these increases, we do not have the mental health providers that we need, reflecting the shortage in the country as a whole, and we continue to work with Congress to address this shortage.

But whether the problem is post-traumatic stress, suicidal ideation, the trauma of sexual assault, or any mental or emotional health issue, the perception of stigma remains a barrier to care in our Army, and we are working to eliminate that barrier.

We have instituted major reforms in our contracting and acquisition processes while continuing to provide equipment and support to our soldiers. We have stood up a two-star Army contracting command with enhanced training and career opportunities for contracting officers. Last year you authorized five new contracting general officer positions. We thank you for that. It provides us the opportunity to grow the bench in that regard. We are adding this year 600 plus military billets and over 1,000 civilian billets to our contracting workforce so that we can provide the oversight that our contracting requires.

Being a good steward is more than just money. Our goal is to lead the Department and the entire Federal Government in protecting the environment and saving energy. Our energy security strategy reduces energy consumption in carbon dioxide emissions by using innovative technologies. Currently we generate over 19,000 kilowatts of energy from nonfossil fuel sources. We have solar projects at 29 locations on installations. We are planning for a 500 megawatt solar project at Fort Irwin, which would be the largest in the country compared to what exists today. Over at Fort Myer, you can see in operation some of the 4,000 electric cars we are in the process of acquiring, cars and light trucks. We plan to invest over $54 billion in green buildings by 2012, and I am pleased to report that we are on track to finish Base Realignment and Closure (BRAC) in 2011.

In 2008, nearly 300,000 men and women either joined or reenlisted in the United States Army. They are volunteer soldiers with volunteer families. They are proud of what they do and they are proud of who they are.

In summary, Mr. Chairman, we are a busy, stretched, and stressed Army with soldiers, civilians, and Army families doing the extraordinary as ordinary every day. For the past 7½ years, I have watched soldiers go off to war and I have watched families stand with them, and I watched this Congress stand with the Army every step of the way. Mr. Chairman and members of this committee, thank you for your support of soldiers and their families and for the resources and support that you provide every year. Thank you, Mr. Chairman.

[The joint prepared statement of Mr. Geren and General Casey follows:]

JOINT PREPARED STATEMENT BY HON. PETE GEREN AND GEN GEORGE W. CASEY, JR., USA

Our Nation is in its eighth year of war, a war in which our Army—Active, Guard, and Reserve—is fully engaged. The Army has grown to more than 1 million soldiers, with 710,000 currently serving on active duty and more than 255,000 deployed to nearly 80 countries worldwide. Our soldiers and Army civilians have performed magnificently, not only in Afghanistan and Iraq, but also in defense of the homeland and in support to civil authorities in responding to domestic emergencies.

Much of this success is due to our noncommissioned officers (NCOs). This year, we specifically recognize their professionalism and commitment. To honor their sacrifices, celebrate their contributions, and enhance their professional development, we have designated 2009 as the "Year of the Army NCO." Our NCO Corps is the glue holding our Army together in these challenging times.

Today, we are fighting a global war against violent extremist movements that threaten our freedom. Violent extremist groups such as al Qaeda, as well as Iran-backed factions, consider themselves at war with western democracies and even certain Muslim states. Looking ahead, we see an era of persistent conflict—protracted confrontation among state, non-state, and individual actors that are increasingly willing to use violence to achieve their political and ideological ends. In this era, the Army will continue to have a central role in providing full spectrum forces necessary to ensure our security.

The Army remains the best led, best trained, and best equipped Army in the world, but it also remains out of balance. The demand for our forces over the last several years has exceeded the sustainable supply. It has stretched our soldiers and their families and has limited our flexibility in meeting other contingencies. In 2007, our Army initiated a plan based on four imperatives: Sustain our soldiers and families; prepare our forces for success in the current conflicts; reset returning units to rebuild readiness; and transform to meet the demands of the 21st century. We have made progress in all of these and are on track to meet the two critical challenges we face: restoring balance and setting conditions for the future.

Our Army is the strength of this Nation, and this strength comes from our values, our ethos, and our people—our soldiers and the families and Army civilians who support them. We remain dedicated to improving their quality of life. We are committed to providing the best care and support to our wounded, ill, and injured soldiers—along with their families. Our commitment extends to the families who have lost a soldier in service to our Nation. We will never forget our moral obligation to them.

We would not be able to take these steps were it not for the support and resources we have received from the President, Secretary of Defense, Congress, and the American people. We are grateful. With challenging years ahead, the soldiers, families, and civilians of the United States Army require the full level of support requested in this year's base budget and Overseas Contingency Operations funding request. Together, we will fight and win the wars in Afghanistan and Iraq, restore balance, and transform to meet the evolving challenges of the 21st century. Thank you for your support.

INTRODUCTION

Our combat-seasoned Army, although stressed by 7 years of war, is a resilient and professional force—the best in the world. The Army—Active, National Guard, and Army Reserve—continues to protect our Nation, defend our national interests and allies, and provide support to civil authorities in response to domestic emergencies.

The Army is in the midst of a long war, the third longest in our Nation's history and the longest ever fought by our All-Volunteer Force. More than one million of our country's men and women have deployed to combat; more than 4,500 have sacrificed their lives, and more than 31,000 have been wounded. Our Army continues to be the leader in this war, protecting our national interests while helping others to secure their freedom. After 7 years of continuous combat, our Army remains out of balance, straining our ability to sustain the All-Volunteer Force and maintain strategic depth. The stress on our force will not ease in 2009 as the demand on our forces will remain high. In 2008, the Army made significant progress to restore balance, but we still have several challenging years ahead to achieve this vital goal.

As we remain committed to our Nation's security and the challenge of restoring balance, we remember that the Army's most precious resources are our dedicated soldiers, their families, and the Army civilians who support them. They are the strength of the Army—an Army that is the strength of the Nation.

STRATEGIC CONTEXT

An Era of Persistent Conflict

The global security environment is more ambiguous and unpredictable than in the past. Many national security and intelligence experts share the Army's assessment that the next several decades will be characterized by persistent conflict—protracted confrontation among state, non-state, and individual actors that are increasingly willing to use violence to achieve their political and ideological ends. We live in a world where global terrorism and extremist ideologies, including extremist movements such as al Qaeda, threaten our personal freedom and our national interests. We face adept and ruthless adversaries who exploit technological, informational, and cultural differences to call the disaffected to their cause. Future operations in this dynamic environment will likely span the spectrum of conflict from peacekeeping operations to counterinsurgency to major combat.

Global Trends

Several global trends are evident in this evolving security environment. Globalization has increased interdependence and prosperity in many parts of the world. It also has led to greater disparities in wealth which set conditions that can foster conflict. The current global recession will further increase the likelihood of social, political, and economic tensions.

Technology, which has enabled globalization and benefited people all over the world, also is exploited by extremists to manipulate perceptions, export terror, and recruit people who feel disenfranchised or threatened.

Population growth increases the likelihood of instability with the vast majority of growth occurring in urban areas of the poorest regions in the world. The limited resources in these areas make young, unemployed males especially vulnerable to anti-government and radical ideologies. The inability of governments to meet the challenges of rapid population growth fuels local and regional conflicts with potential global ramifications.

Increasing demand for resources, such as energy, water, and food, especially in developing economies, will increase competition and the likelihood of conflict. Climate change and natural disasters further strain already limited resources, increasing the potential for humanitarian crises and population migrations.

The proliferation of weapons of mass destruction (WMD) remains a vital concern. Growing access to technology increases the potential for highly disruptive or even catastrophic events involving nuclear, radiological, chemical, and biological weapons or materials. Many terrorist groups are actively seeking WMD. Failed or failing states, lacking the capacity or will to maintain territorial control, can provide safe havens for terrorist groups to plan and export operations, which could include the use of WMD.

These global trends, fueled by local, regional, and religious tensions, create a volatile security environment with increased potential for conflict. As these global trends contribute to an era of persistent conflict, the character of conflict in the 21st century is changing.

The Evolving Character of Conflict

Although the fundamental nature of conflict is timeless, its ever-evolving character reflects the unique conditions of each era. Current global trends include a diverse range of complex operational challenges that alter the manner and timing of conflict emergence, change the attributes and processes of conflict, require new techniques of conflict resolution, and demand much greater integration of all elements of national power. The following specific characteristics of conflict in the 21st century are especially important.

Diverse actors, especially non-state actors, frequently operate covertly or as proxies for states. They are not bound by internationally recognized norms of behavior, and they are resistant to traditional means of deterrence.

Hybrid threats are dynamic combinations of conventional, irregular, terrorist, and criminal capabilities. They make pursuit of singular approaches ineffective, necessitating innovative solutions that integrate new combinations of all elements of national power.

Conflicts are increasingly waged among the people instead of around the people. Foes seeking to mitigate our conventional advantages operate among the people to avoid detection, deter counterstrikes, and secure popular support or acquiescence. To secure lasting stability, the allegiance of indigenous populations becomes the very object of the conflict.

Conflicts are becoming more unpredictable. They arise suddenly, expand rapidly, and continue for uncertain durations in unanticipated, austere locations. They are

expanding to areas historically outside the realm of conflict such as cyberspace and space. Our nation must be able to rapidly adapt its capabilities in order to respond to the increasingly unpredictable nature of conflict.

Indigenous governments and forces frequently lack the capability to resolve or prevent conflicts. Therefore, our Army must be able to work with these governments, to create favorable conditions for security and assist them in building their own military and civil capacity.

Interagency partnerships are essential to avoid and resolve conflicts that result from deeply rooted social, economic, and cultural conditions. Military forces alone cannot establish the conditions for lasting stability.

Images of conflicts spread rapidly across communication, social, and cyber networks by way of 24-hour global media and increased access to information through satellite and fiber-optic communications add to the complexity of conflict. Worldwide media coverage highlights the social, economic, and political consequences of local conflicts and increases potential for spillover, creating regional and global destabilizing effects.

Despite its evolving character, conflict continues to be primarily conducted on land; therefore, landpower—the ability to achieve decisive results on land—remains central to any national security strategy. Landpower secures the outcome of conflict through an integrated application of civil and military capabilities, even when landpower is not the decisive instrument. The Army, capable of full spectrum operations as part of the Joint Force, continues to transform itself to provide the prompt, sustainable, and dominant effects necessary to ensure our Nation's security in the 21st century.

GLOBAL COMMITMENTS

In this era of persistent conflict, the Army remains essential to our Nation's security as a campaign capable, expeditionary force able to operate effectively with Joint, interagency, and multinational partners across the full spectrum of conflict. Today, the Army has 255,000 soldiers deployed in nearly 80 countries around the world, with more than 145,000 soldiers in active combat theaters. To fulfill the requirements of today's missions, including defending the homeland and supporting civil authorities, the Army has over 710,000 soldiers on active duty from all components. Additionally, 258,000 Army civilians are performing critical missions in support of the Army. More than 4,100 of our civilians and more than 33,000 U.S. contractors are forward-deployed, performing vital missions abroad.

The Army's primary focus continues to be combined counter-insurgency operations in Iraq and Afghanistan, while training each nation's indigenous forces and building their ability to establish peace and maintain stability. Our Army is also preparing ready and capable forces for other national security requirements, though at a reduced rate. These forces support combatant commanders in a wide variety of military missions across the entire spectrum of conflict. Examples of Army capabilities and recent or ongoing missions other than combat include:

- Responding to domestic incidents by organizing, training, and exercising brigade-sized Chemical, Biological, Radiological, Nuclear, and high yield Explosive Consequence Management Reaction Forces—the first in 2008, the second in 2009, and the third in 2010
- Supporting the defense of South Korea, Japan, and many other friends, allies, and partners
- Conducting peacekeeping operations in the Sinai Peninsula and the Balkans
- Supporting the establishment of Africa Command, headquartered in Germany, and its Army component, U.S. Army Africa, headquartered in and Italy
- Providing military observers and staff officers to United Nations peacekeeping missions in Haiti, Iraq, Liberia, the Republic of Georgia, Israel, Egypt, Afghanistan, and Chad
- Conducting multinational exercises that reflect our longstanding commitments to our allies and alliances
- Supporting interagency and multinational partnerships with technical expertise, providing critical support after natural disasters
- Continuing engagements with foreign militaries to build partnerships and preserve coalitions by training and advising their military forces
- Supporting civil authorities in responding to domestic emergencies
- Participating, most notably by the Army National Guard, in securing our borders and conducting operations to counter the flow of illegal drugs

- Supporting operations to protect against WMD and prevent their proliferation
- Protecting and eliminating chemical munitions

Current combat operations, combined with other significant demands placed on our forces, have stressed our Army, our soldiers, and their Families. While we remain committed to providing properly manned, trained, and equipped forces to meet the diverse needs of our combatant commanders, we face two critical challenges.

TWO CRITICAL CHALLENGES

While fully supporting the demands of our Nation at war, our Army faces two major challenges—restoring balance to a force experiencing the cumulative effects of 7 years of war and setting conditions for the future to fulfill our strategic role as an integral part of the Joint Force.

The Army is out of balance. The current demand for our forces in Iraq and Afghanistan exceeds the sustainable supply and limits our ability to provide ready forces for other contingencies. Even as the demand for our forces in Iraq decreases, the mission in Afghanistan and other requirements will continue to place a high demand on our Army for years to come. Current operational requirements for forces and insufficient time between deployments require a focus on counterinsurgency training and equipping to the detriment of preparedness for the full range of military missions. Soldiers, families, support systems, and equipment are stressed due to lengthy and repeated deployments. Overall, we are consuming readiness as fast as we can build it. These conditions must change. Institutional and operational risks are accumulating over time and must be reduced in the coming years.

While restoring balance, we must simultaneously set conditions for the future. Our Army's future readiness will require that we continue to modernize, adapt our institutions, and transform soldier and leader development in order to sustain an expeditionary and campaign capable force for the rest of this century.

Modernization efforts are essential to ensure technological superiority over a diverse array of potential adversaries. Our Army must adapt its institutions to more effectively and efficiently provide trained and ready forces for combatant commanders. We will continue to transform how we train soldiers and how we develop agile and adaptive leaders who can overcome the challenges of full spectrum operations in complex and dynamic operating environments. We also must continue the transformation of our Reserve components to an operational force to achieve the strategic depth necessary to successfully sustain operations in an era of persistent conflict.

Through the dedicated efforts of our soldiers, their families, and Army civilians, combined with continued support from congressional and national leadership, we are making substantial progress toward these goals. Our continued emphasis on the Army's four imperatives—Sustain, Prepare, Reset, and Transform—has focused our efforts. We recognize, however, that more remains to be done in order to restore balance and set conditions for the future.

RESTORING BALANCE: THE ARMY'S FOUR IMPERATIVES

Sustain

We must sustain the quality of our All-Volunteer Force. Through meaningful programs, the Army is committed to providing the quality of life deserved by those who serve our Nation. To sustain the force, we are focused on recruitment and retention; care of soldiers, families, and civilians; care for our wounded warriors; and support for the families of our fallen soldiers.

- Recruit and Retain
  - Goal—Recruit quality men and women through dynamic incentives. Retain quality soldiers and civilians in the force by providing improved quality of life and incentives.
  - Progress—In 2008, nearly 300,000 men and women enlisted or reenlisted in our All-Volunteer Army. In addition, the Army created the Army Preparatory School to offer incoming recruits the opportunity to earn a General Equivalent Diploma in order to begin initial entry training. All Army components are exceeding the 90 percent Tier 1 Education Credential (high school diploma or above) standard for new recruits. In addition, our captain retention incentive program contributed to a nearly 90 percent retention rate for keeping experienced young officers in the Army.
- Care of Soldiers, Families, and Civilians
  - Goal—Improve the quality of life for soldiers, families, and civilians through the implementation of the Soldier and Family Action Plan and the

Army Family Covenant. Garner support of community groups and volunteers through execution of Army Community Covenants.

• Progress—The Army hired more than 1,000 new Family Readiness Support Assistants to provide additional support to families with deployed soldiers. We doubled the funding to family programs and services in 2008. We began construction on 72 Child Development Centers and 11 new Youth Centers and fostered community partnerships by signing 80 Army Community Covenants. Our Army initiated the "Shoulder to Shoulder, No Soldier Stands Alone" program to increase suicide awareness and prevention.

The Army also committed to a 5-year, $50 million study by the National Institute for Mental Health for practical interventions for mitigating suicides and enhancing soldier resiliency. In addition, the Army implemented the Intervene, Act, Motivate (I A.M. Strong) Campaign with a goal of eliminating sexual harassment and sexual assault in the Army. To enhance the investigation and prosecution of criminal behavior, the Army's Criminal Investigation Command and Office of The Judge Advocate General have taken new measures to support victims, investigate crimes and hold offenders accountable. The Army also has provided better access to quality health care, enhanced dental readiness programs focused on Reserve component soldiers, improved soldier and family housing, increased access to child care, and increased educational opportunities for soldiers, children, and spouses.

- Warrior Care and Transition

  • Goal—Provide world-class care for our wounded, ill, and injured warriors through properly resourced Warrior Transition Units (WTUs), enabling these soldiers to remain in our Army or transition to meaningful civilian employment consistent with their desires and abilities.

  • Progress—The Army established 36 fully operational WTUs and 9 community-based health care organizations to help our wounded, ill, and injured soldiers focus on their treatment, rehabilitation, and transition through in-patient and out-patient treatment. We initiated programs to better diagnose and treat Post-Traumatic Stress Disorder, Traumatic Brain Injury and other injuries through advanced medical research. We also have made investments in upgrading our clinics and hospitals including a $1.4 billion investment in new hospitals at Forts Riley, Benning, and Hood.

- Support Families of Fallen Comrades

  • Goal—Assist the families of our fallen comrades and honor the service of their soldiers.

  • Progress—The Army is developing and fielding Survivor Outreach Services, a multi-agency effort to care for the Families of our soldiers who made the ultimate sacrifice. This program includes benefit specialists who serve as subject matter experts on benefits and entitlements, support coordinators who provide long-term advocacy, and financial counselors who assist in budget planning.

PREPARE

We must prepare our force by readying soldiers, units, and equipment to succeed in the current conflicts, especially in Iraq and Afghanistan. We continue to adapt institutional, collective, and individual training to enable soldiers to succeed in combat and prevail against adaptive and intelligent adversaries. We are equally committed to ensuring soldiers have the best available equipment to both protect themselves and maintain a technological advantage over our adversaries. To prepare our force, we continue to focus on growing the Army, training, equipping, and better supporting the Army Force Generation (ARFORGEN) process.

- Grow the Army

  • Goal—Accelerate the end strength growth of the Army so that by 2010 the Active component has 547,400 soldiers and the National Guard has 358,200 soldiers. Grow the Army Reserve to 206,000 soldiers by 2012 even as the Army Reserve works an initiative to accelerate that growth to 2010. Grow the Army's forces to 73 Brigade Combat Teams (BCTs) and approximately 227 Support Brigades with enabling combat support and combat service support structure by 2011. Simultaneously develop the additional facilities and infrastructure to station these forces.

  • Progress—With national leadership support, our Army has achieved our manpower growth in all components during 2009. The Army grew 32 Modular Brigades in 2008 (7 Active component brigades and 25 brigades in the

Reserve component). This growth in the force, combined with reduced operational deployments from 15 months to 12 months, eased some of the strain on soldiers and families.

- Training
  - Goal—Improve the Army's individual, operational, and institutional training for full spectrum operations. Develop the tools and technologies that enable more effective and efficient training through live, immersive, and adaptable venues that prepare soldiers and leaders to excel in the complex and challenging operational environment.
  - Progress—The Army improved training facilities at home stations and combat training centers, increasing realism in challenging irregular warfare scenarios. Army Mobile Training Teams offered career training to soldiers at their home station, preventing them from having to move away for schooling and providing more time for them with their families. Our Army continues to improve cultural and foreign language skills.
- Equipment
  - Goal—Provide soldiers effective, sustainable, and timely equipment through fully integrated research and development, acquisition, and logistical sustainment. Continue modernization efforts such as the Rapid Fielding Initiative and the Rapid Equipping Force, using a robust test and evaluation process to ensure the effectiveness of fielded equipment.
  - Progress—In 2008, the Army fielded more than 1 million items of equipment including over 7,000 mine-resistant, ambush-protected vehicles, providing soldiers fighting in Iraq and Afghanistan the best equipment available.
- Army Force Generation (ARFORGEN) Process
  - Goal—Improve the ARFORGEN process to generate trained, ready, and cohesive units for combatant commanders on a rotational basis to meet current and future strategic demands. Achieve a degree of balance by reaching a ratio of 1 year deployed to 2 years at home station for Active component units, and 1 year deployed to 4 years at home for Reserve component units by 2011.
  - Progress—Recent refinements in the ARFORGEN process have increased predictability for soldiers and their families. When combined with the announced drawdown in Iraq, this will substantially increase the time our soldiers have at home.

RESET

In order to prepare soldiers, their families, and units for future deployments and contingencies, we must reset the force to rebuild the readiness that has been consumed in operations. Reset restores deployed units to a level of personnel and equipment readiness necessary for future missions. The Army is using a standard reset model and is continuing a reset pilot program to further improve the effectiveness and efficiency of the ARFORGEN process. To reset our force, we are revitalizing soldiers and families; repairing, replacing, and recapitalizing equipment; and retraining soldiers.

- Revitalize Soldiers and Families
  - Goal—Increase the time our soldiers and families have together to reestablish and strengthen relationships following deployments.
  - Progress—In the reset pilot program, units have no readiness requirements or Army-directed training during the reset period (6 months for the Active component and 12 months for the Reserve components). This period allows units to focus on soldier professional and personal education, property accountability, and equipment maintenance, and also provides quality time for soldiers and their families.
- Repair, Replace, and Recapitalize Equipment
  - Goal—Fully implement an Army-wide program that replaces equipment that has been destroyed in combat and repairs or recapitalizes equipment that has been rapidly worn out due to harsh conditions and excessive use. As units return, the Army will reset equipment during the same reconstitution period we dedicate to soldier and family reintegration.
  - Progress—The Army reset more than 125,000 pieces of equipment in 2008. The maintenance activities and capacity at Army depots increased to their highest levels in the past 35 years.
- Retrain Soldiers, Leaders, and Units

- Goal—Provide our soldiers with the critical specialty training and professional military education necessary to accomplish the full spectrum of missions required in today's strategic environment.
- Progress—The Army is executing a Training and Leader Development Strategy to prepare soldiers and units for full spectrum operations. The Army is 60 percent complete in efforts to rebalance job skills required to meet the challenges of the 21st century.

- Reset Pilot Program
  - Goal—Provide lessons learned that identify institutional improvements that standardize the reset process for both the Active and Reserve components and determine timing, scope, and resource implications.
  - Progress—In 2008, the Army initiated a 6-month pilot reset program for 13 units (8 Active component and 5 Reserve components). The Army has learned many significant lessons and is applying them to all redeploying units to allow units more time to accomplish reset objectives at their home stations.

TRANSFORM

We must transform our force to provide the combatant commanders dominant, strategically responsive forces capable of meeting diverse challenges across the entire spectrum of 21st century conflict. To transform our force, we are adopting modular organizations, accelerating delivery of advanced technologies, operationalizing the Reserve components, restationing our forces, and transforming leader development.

- Modular Reorganization
  - Goal—Reorganize the Active and Reserve components into standardized modular organizations, thereby increasing the number of BCTs and support brigades to meet operational requirements and creating a more deployable, adaptable, and versatile force.
  - Progress—In addition to the 32 newly activated modular brigades, the Army converted 14 brigades from a legacy structure to a modular structure in 2008 (5 Active component and 9 Reserve component brigades). The Army has transformed 83 percent of our units to modular formations—the largest organizational change since World War II.
- Advanced Technologies
  - Goal—Modernize and transform the Army to remain a globally responsive force and ensure our soldiers retain their technological edge for the current and future fights.
  - Progress—The Army will accelerate delivery of advanced technologies to Infantry BCTs fighting in combat today through "Spin-outs" from our Future Combat Systems program. This aggressive fielding schedule, coupled with a tailored test and evaluation strategy, ensures soldiers receive reliable, proven equipment that will give them a decisive advantage over any enemy.
- Operationalize the Reserve Components
  - Goal—Complete the transformation of the Reserve components to an operational force by changing the way we train, equip, resource, and mobilize Reserve component units by 2012.
  - Progress—The Army continued efforts to systematically build and sustain readiness and to increase predictability of deployments for soldiers, their families, employers, and communities by integrating the ARFORGEN process.
- Restationing Forces
  - Goal—Restation forces and families around the globe based on the Department of Defense's (DOD) Global Defense Posture and Realignment initiatives, Base Realignment and Closure (BRAC) statutes, and the expansion of the Army directed by the President in January 2007.
  - Progress—To date, in support of BRAC, our Army has obligated 95 percent of the $8.5 billion received. Of more than 300 major construction projects in the BRAC program, 9 have been completed and another 139 awarded. The Army has also completed 77 National Environmental Policy Act actions, closed 1 active installation and 15 U.S. Army Reserve Centers, terminated 9 leases, and turned over 1,133 excess acres from BRAC 2005 properties. The Army is on track to complete BRAC by 2011.
- Soldier and Leader Development

- Goal—Develop agile and adaptive military and civilian leaders who can operate effectively in joint, interagency, intergovernmental, and multinational environments.
- Progress—The Army published Field Manual (FM) 3–0, Operations, which includes a new operational concept for full spectrum operations where commanders simultaneously apply offensive, defensive, and stability operations to achieve decisive results. Additionally, the Army published FM 3–07, Stability Operations and FM 7–0, Training for Full Spectrum Operations and is finalizing FM 4–0, Sustainment. The doctrine reflected in these new manuals provides concepts and principles that will develop adaptive leaders to train and sustain our soldiers in an era of persistent conflict.

SETTING CONDITIONS FOR THE FUTURE: SIX ESSENTIAL QUALITIES OF OUR ARMY

In an era of persistent conflict, our Army is the primary enabling and integrating element of landpower. The Army's transformation focuses on distinct qualities that land forces must possess to succeed in the evolving security environment. In order to face the security challenges ahead, the Army will continue to transform into a land force that is versatile, expeditionary, agile, lethal, sustainable, and interoperable.

Versatile forces are multipurpose and can accomplish a broad range of tasks, moving easily across the spectrum of conflict as the situation demands. Our versatility in military operations—made possible by full spectrum training, adaptable equipment, and scalable force packages—will enable us to defeat a wide range of unpredictable threats.

Our Army must remain an expeditionary force—organized, trained, and equipped to go anywhere in the world on short notice, against any adversary, to accomplish the assigned mission, including the ability to conduct forcible entry operations in remote, non-permissive environments. Working in concert with our force projection partners, the United States Transportation Command and sister services, we will enhance our expeditionary force projection and distribution capability to provide rapid, credible, and sustainable global response options for the Joint Force.

Agile forces adapt quickly to exploit opportunities in complex environments. Our Army is developing agile soldiers and institutions that adapt and work effectively in such environments.

A core competency of land forces is to effectively, efficiently, and appropriately apply lethal force. The lethal nature of our forces enables our ability to deter, dissuade, and, when required, defeat our enemies. Because conflicts will increasingly take place among the people, the Army will continue to pursue technological and intelligence capabilities to provide lethal force with precision to minimize civilian casualties and collateral damage.

Our Army must be organized, trained, and equipped to ensure it is capable of sustainable operations for as long as necessary to achieve national objectives. In addition, we will continue to improve our ability to guarantee the logistical capacity to conduct long-term operations while presenting a minimal footprint to reduce exposure of support forces.

The extensive planning and organizing capabilities and experience of U.S. land forces are national assets. These capabilities are essential to preparing and assisting interagency, multinational, and host nation partners to execute their roles in conflict prevention and resolution. Our force needs to be increasingly interoperable to effectively support and integrate the efforts of joint, interagency, intergovernmental, multinational, and indigenous elements to achieve national goals.

As we look to the future, our Army is modernizing and transforming to build a force that exhibits these six essential qualities in order to meet the challenges of the security environment of the 21st century. The Army's adoption of a modular, scalable brigade-based organization provides a broad range of capabilities that are inherently more versatile, adaptable, and able to conduct operations over extended periods.

Another critical transformation initiative to enhance the Army's capabilities is the modernization of our global information network capabilities through integration of the Global Network Enterprise Construct (GNEC). The GNEC will enable network warfighting capabilities, dramatically improve and protect the LandWarNet, improve both efficiency and effectiveness of the network, and ensure Army interoperability across DOD.

As part of our transformation, the Army is adapting as an institution principally in three areas: streamlining the Army Force Generation (ARFORGEN) process, implementing an enterprise approach, and establishing a more effective requirements

process. A streamlined ARFORGEN process more efficiently mans, equips, and trains units to strengthen our expeditionary capability. The enterprise approach—a holistic method to improve the effectiveness and efficiency of the Army's policies and processes—will make our institutions more efficient and more responsive to the needs of the combatant commanders. An improved requirements process will provide more timely and flexible responses to meet the needs of our soldiers. In transforming our training and leader development model, we produce more agile soldiers and civilians who are capable of operating in complex and volatile environments.

The Army's modernization efforts are specifically designed to enhance these six essential land force qualities by empowering soldiers with the decisive advantage across the continuum of full spectrum operations. Modernization is providing our soldiers and leaders with leading-edge technology and capabilities to fight the wars we are in today while simultaneously preparing for future complex, dynamic threats. The Army is improving capabilities in intelligence, surveillance, and reconnaissance; information sharing; and soldier protection to give our soldiers an unparalleled awareness of their operational environment, increased precision and lethality, and enhanced survivability.

The Army also is addressing the capability gaps in our current force by accelerating delivery of advanced technologies to soldiers in Infantry BCTs. For example, more than 5,000 robots are currently in Iraq and Afghanistan, including an early version of the Small Unmanned Ground Vehicle (SUGV). Soldiers are using the SUGV prototype to clear caves and bunkers, search buildings, and defuse improvised explosive devices. In addition, an early version of the Class I Unmanned Aerial Vehicle (UAV) is currently supporting soldiers in Iraq with reconnaissance, surveillance, and target acquisition. The Class I UAV operates in open, rolling, complex, and urban terrain and can take off and land vertically without a runway. It is part of the information network, providing real time information that increases soldier agility and lethality while enhancing soldier protection.

Overall, Army modernization efforts provide a technological edge for our soldiers in today's fight and are essential to the Army's efforts to empower soldiers with the land force qualities needed in the 21st century.

Stewardship/Innovations

The Nation's Army remains committed to being the best possible steward of the resources provided by the American people through Congress. We continue to develop and implement initiatives designed to conserve resources and to reduce waste and inefficiencies wherever possible.

The recent establishment of two organizations highlights the Army's commitment to improving efficiencies. In 2008, the Secretary of the Army established the Senior Energy Council to develop an Army Enterprise Energy Security Strategy. The Senior Energy Council is implementing a plan that reduces energy consumption and utilizes innovative technologies for alternative and renewable energy, including harvesting wind, solar and geothermal energy, while leveraging energy partnerships with private sector expertise. The Army is replacing 4,000 petroleum-fueled vehicles with electric vehicles. We also are underway in our 6-year biomass waste-to-fuel technology demonstrations at six of our installations.

As part of the Army's efforts in adapting institutions, we also established the Enterprise Task Force to optimize the ARFORGEN process for effectively and efficiently delivering trained and ready forces to the combatant commanders.

In addition, in order to increase logistical efficiencies and readiness, the Army is developing 360 Degree Logistics Readiness—an initiative that proactively synchronizes logistics support capability and unit readiness. This new approach will allow the Army to see, assess, and synchronize enterprise assets in support of our operational forces. The 360 Degree Logistics Readiness bridges the information system gaps between selected legacy logistics automation systems and the Single Army Logistics Enterprise. It will improve visibility, accountability, fidelity, and timeliness of information to facilitate better decisions at every managerial level.

Finally, the Army is committed to reforming our acquisition, procurement, and contracting processes to more efficiently and responsively meet the needs of our soldiers. A streamlined requirements process based on reasonable requirements with adequately mature technology will produce a system with greater urgency and agility and guard against "requirements creep." The Army also will continue to grow its acquisition workforce and provide disciplined oversight to its acquisition programs.

ACCOMPLISHMENTS

The Army has been fully engaged over the past year. We remain focused on prevailing in Iraq and Afghanistan, while concurrently working to restore balance and

transforming to set the conditions for success in the future. Despite the high global operational tempo and our continuing efforts to restore balance and prepare for future contingencies, we have accomplished much in the last year:

- Manned, trained, equipped, and deployed 15 combat brigades, 34 support brigades, and 369 military and police transition teams in support of Iraq and Afghanistan
- Deployed more than 293,000 soldiers into or out of combat in Iraq and Afghanistan
- Repaired more than 100,000 pieces of Army equipment through the efforts at the Army's depot facilities
- Invested in the psychological health of the Army by investing over $500 million in additional psychological health providers, new facilities, and world-class research
- Reduced the on-duty soldier accident rate by 46 percent in 2008 through soldier and leader emphasis on Army safety measures
- Reduced the Army's ground accidents by 50 percent and the Army's major aviation accidents by 38 percent in 2008 through leader application of the Army's Composite Risk Management model
- Implemented Family Covenants throughout the Army and committed more than $1.5 billion to Army family programs and services
- Improved on-post housing by privatizing more than 80,000 homes, building 17,000 homes, and renovating 13,000 homes since 2000 at 39 different installations through the Residential Communities Initiative
- Reduced energy consumption in Army facilities by 10.4 percent since 2003 through the implementation of the Army's energy strategy
- Won six Shingo Public Sector Awards for implementing best business practices
- Destroyed more than 2,100 tons of chemical agents, disposed of 70,000 tons of obsolete or unserviceable conventional ammunition, and removed 163,000 missiles or missile components from the Army's arsenal
- Fostered partnerships with allies by training more than 10,000 foreign students in stateside Army schools and by executing over $14.5 billion in new foreign military sales to include $6.2 billion in support of Iraq and Afghanistan
- Saved $41 million by in-sourcing more than 900 core governmental functions to Army civilians
- Improved soldier quality of life by constructing or modernizing 29,000 barracks spaces

AMERICA'S ARMY—THE STRENGTH OF THE NATION

The Army's All-Volunteer Force is a national treasure. Less than 1 percent of Americans wear the uniform of our Nation's military; they and their families carry the lion's share of the burden of a Nation at war. Despite these burdens, our soldiers continue to perform magnificently across the globe and at home, and their families remain steadfast in their support. Our civilians remain equally dedicated to the Army's current and long-term success. They all deserve the best the Nation has to offer.

America's Army has always served the Nation by defending its national interests and providing support to civil authorities for domestic emergencies. Seven years of combat have taken a great toll on the Army, our soldiers, and their families. To meet the continuing challenges of an era of persistent conflict, our Army must restore balance and set the conditions for the future while sustaining our All-Volunteer Force. We must ensure our soldiers have the best training, equipment, and leadership we can provide them. Our Army has made significant progress over the last year, but has several tough years ahead. With the support of Congress, the Army will continue to protect America's national security interests while we transform ourselves to meet the challenges of today and the future. America's Army—The Strength of the Nation.

Reserve Component Readiness Data

Sections 517 and 521 of the National Defense Authorization Act (NDAA) 1994 require the information in this addendum. Section 517 requires a report relating to implementation of the pilot Program for Active Component Support of the Reserves under Section 414 of the NDAA 1992 and 1993. Section 521 requires a detailed presentation concerning the Army National Guard (ARNG), including information relating to implementation of the ARNG Combat Readiness Reform Act of 1992 (Title XI of Public Law 102-484, referred to in this addendum as ANGCRRA). Section 521 reporting was later amended by Section 704 of NDAA 1996. The U.S. Army Reserve Information is also presented using Section 521 reporting criteria.

Section 517(b)(2)(A). The promotion rate for officers considered for promotion from within the promotion zone who are serving as Active Component advisors to units of the Selected Reserve of the Ready Reserve (in accordance with that program) compared with the promotion rate for other officers considered for promotion from within the promotion zone in the same pay grade and the same competitive category, shown for all officers of the Army.

	AC in RC*	Army Average**
FY07		
Major	100% (6 of 6)	94.9%
Lieutenant Colonel	100% (2 of 2)	91.0%
FY08		
Major	0% (0 of 1)	92.8%
Lieutenant Colonel	100% (1 of 1)	89.1%

*Active Component (AC) officers serving in Reserve Component (RC) assignments at time of consideration.
**Active Component officers not serving in Reserve Component assignments at the time of consideration.

Section 517(b)(2)(B). The promotion rate for officers considered for promotion from below the promotion zone who are serving as Active Component advisors to units of the Selected Reserve of the Ready Reserve (in accordance with that program) compared in the same manner as specified in subparagraph (A) (the paragraph above).

	AC in RC*	Army Average**
FY07		
Major	50% (1 of 2)	9.0%
Lieutenant Colonel	0% (0 of 1)	9.7%
FY08		
Major	0% (0 of 4)	4.9%
Lieutenant Colonel	0% (0 of 0)	13.5%

*Below the zone Active Component officers serving in Reserve Component assignments at time of consideration.
**Below-the-zone Active Component officers not serving in Reserve Component assignments at time of consideration.

Section 521(b).

1. The number and percentage of officers with at least two years of active-duty before becoming a member of the ARNG or the U.S. Army Reserve Selected Reserve units.

ARNG officers: 14,659 or 37.8 percent
Army Reserve officers: 18,116 or 54.6 percent

2. The number and percentage of enlisted personnel with at least two years of active-duty before becoming a member of the ARNG or the U.S. Army Reserve Selected Reserve units.

ARNG enlisted: 91,853 or 28.6 percent

Army Reserve enlisted: 57,391 or 35.6 percent

3. The number of officers who are graduates of one of the service academies and were released from active duty before the completion of their active-duty service obligation and, of those officers:

a. The number who are serving the remaining period of their active-duty service obligation as a member of the Selected Reserve pursuant to Section 1112(a)(1) of ANGCRRA:

In FY08, no graduates of a service academy were released to the Selected Reserve to complete their obligation.

b. The number for whom waivers were granted by the Secretary of the Army under Section 1112(a)(2) of ANGCRRA, together with the reason for each waiver:

In FY08, no waivers were granted by the Secretary of the Army.

4. The number of officers who were commissioned as distinguished Reserve Officers' Training Corps (ROTC) graduates and were released from active duty before the completion of their active-duty service obligation and, of those officers:

a. The number who are serving the remaining period of their active-duty service obligation as a member of the Selected Reserve pursuant to Section 1112(a)(1) of ANGCRRA:

In FY08, no distinguished ROTC graduates were released before completing an active-duty service obligation.

b. The number for whom waivers were granted by the Secretary of the Army under Section 1112(a)(2) of ANGCRRA, together with the reason for each waiver:

In FY08 no waivers were granted by the Secretary of the Army.

5. The number of officers who are graduates of the ROTC program and who are performing their minimum period of obligated service in accordance with Section 1112(b) of ANGCRRA by a combination of (a) two years of active duty, and (b) such additional period of service as is necessary to complete the remainder of such obligation served in the ARNG and, of those officers, the number for whom permission to perform their minimum period of obligated service in accordance with that section was granted during the preceding fiscal year:

In FY08, one ROTC graduate was released early from their active-duty obligation. This officer is completing the remaining obligation through service in the ARNG.

6. The number of officers for whom recommendations were made during the preceding fiscal year for a unit vacancy promotion to a grade above first lieutenant, and of those recommendations, the number and percentage that were concurred in by an active duty officer under Section 1113(a) of ANGCRRA, shown separately for each of the three categories of officers set forth in Section 1113(b) of ANGCRRA (with Army Reserve data also reported).

In FY08, 2,170 ARNG officers from units were recommended for position-vacancy promotion and promoted. This number consists of 296 U.S. Army Medical Department, 1,845 Army Promotion List and 29 Chaplains.

In FY08, 43 Army Reserve officers from units were recommended for position-vacancy promotion and promoted.

7. The number of waivers during the preceding fiscal year under Section 1114(a) of ANGCRRA of any standard prescribed by the Secretary establishing a military education requirement for non-commissioned officers and the reason for each such waiver.

In FY08, the ARNG had a total of 559 Noncommissioned Officers receive a military education waiver. As of September 30, 2008 those waiver recipients were eligible for promotion to the next rank, but have not obtained the military education requirement that was previously waived.

In FY08, the Army Reserve had a total of 375 receive a military education waiver.

The Secretary of the Army has delegated the authority for the waivers referred to in Section 1114(a) of ANGCRRA to the Director, ARNG and to the Commander, U.S. Army Reserve Command. A majority of these waivers were approved due to the Soldiers being deployed and/or performing operational missions. Headquarters, National Guard Bureau and U.S. Army Reserve Command maintain the details for each waiver.

8. The number and distribution by grade, shown for each State, of personnel in the initial entry training and non-deployability personnel accounting category established under Section 1115 of ANGCRRA for members of the ARNG who have not completed the minimum training required for deployment or who are otherwise not available for deployment. (A narrative summary of information pertaining to the Army Reserve is also provided.)

In FY08, 67,623 ARNG Soldiers were considered nondeployable because of incomplete initial entry training, officer transition, medical issues, nonparticipation, or restrictions on the use or possession of weapons and ammunition under Public Law 104-208, 18 United States Code (U.S.C.) §922 (g)(9) (an amendment to the Omnibus Consolidated Appropriations Act of 1997 - Lautenberg Amendment). The National Guard Bureau maintains the detailed information.

In FY08, 36,974 Army Reserve Soldiers were considered nondeployable because of incomplete initial entry training, officer transition, medical issues, nonparticipation, or restrictions on the use or possession of weapons and ammunition under the Lautenberg Amendment. The Army Reserve maintains the detailed information.

9. The number of members of the ARNG, shown for each State, that were

discharged during the previous fiscal year pursuant to Section 1115(c)(1) of ANGCRRA for not completing the minimum training required for deployment within 24 months after entering the ARNG. (Army Reserve data also reported.)

The number of ARNG Soldiers discharged during FY08 for not completing minimum training requirements for deployment was 167 officers and 12,866 enlisted Soldiers from all U.S. states and territories. The breakdown by each State is maintained by the National Guard Bureau.

The number of Army Reserve Soldiers discharged during FY08 for not completing minimum training requirements for deployment was 42 officers and 295 enlisted Soldiers.

10. The number of waivers, shown for each State, that were granted by the Secretary of the Army during the previous fiscal year under Section 1115(c)(2) of ANGCRRA of the requirement in Section 1115(c)(1) of ANGCRRA described in paragraph (9), together with the reason for each waiver.

In FY08 the Secretary of the Army granted no waivers to ARNG or Army Reserve Soldiers.

11. The number of ARNG members, shown for each State, (and the number of Army Reserve members), who were screened during the preceding fiscal year to determine whether they meet minimum physical profile standards required for deployment and, of those members: (a) the number and percentage that did not meet minimum physical profile standards for deployment; and (b) the number and percentage who were transferred pursuant to Section 1116 of ANGCRRA to the personnel accounting category described in paragraph (8).

a. The number and percentage who did not meet minimum physical profile standards required for deployment:

In FY08, 215,792 ARNG Soldiers underwent a screening. Of these personnel, 14,700 or 6.8 percent were identified for review due to a profile-limiting condition or failure to meet retention standards.

In FY08, 65,209 Army Reserve Soldiers underwent a screening. Of these personnel 3,572 or 5.4 percent were identified for review due to a profile-limiting condition or failure to meet retention standards.

b. The number and percentage that were transferred pursuant to Section 1116 of ANGCRRA to the personnel accounting category described in paragraph (8).

In FY08, 10,536 ARNG Soldiers were transferred from deployable to nondeployable status for failing to meet medical deployability standards. This number includes Soldiers returning from a mobilization with a new medical condition and reflects an increase in the use of electronic databases.

In FY08, 9,128 Army Reserve Soldiers were transferred from deployable to nondeployable for failing to meet medical deployability standards. Many of the 9,128 Soldiers considered non deployable for failing to meet medical deployability standards in FY08 are carry-overs from a previous fiscal year due to temporary medical conditions.

12. The number of members and the percentage total membership of the ARNG shown for each State who underwent a medical screening during the previous fiscal year as provided in Section 1117 of ANGCRRA.

Public Law 104-106 (NDAA 1996), Div A, Title VII, Section 704(b), February 10, 1996, repealed Section 1117 of ANGCRRA.

13. The number of members and the percentage of the total membership of the ARNG shown for each State who underwent a dental screening during the previous fiscal year as provided in Section 1117 of ANGCRRA.

Public Law 104-106 (NDAA 1996), Div A, Title VII, Section 704(b), February 10, 1996, repealed Section 1117 of ANGCRRA.

14. The number of members and the percentage of the total membership of the ARNG shown for each State, over the age of 40 who underwent a full physical examination during the previous fiscal year for purposes of Section 1117 of ANGCRRA.

Public Law 104-106 (NDAA 1996), Div A, Title VII, Section 704(b), February 10, 1996, repealed Section 1117 of ANGCRRA.

15. The number of units of the ARNG that are scheduled for early deployment in the event of a mobilization, and of those units, the number that are dentally ready for deployment in accordance with Section 1118 of ANGCRRA.

Public Law 104-106 (NDAA 1996), Div A, Title VII, Section 704(b), February 10, 1996, repealed Section 1118 of ANGCRRA.

16. The estimated post-mobilization training time for each ARNG combat unit (and Army Reserve unit), and a description, displayed in broad categories and by State of what training would need to be accomplished for ARNG combat units (and Army Reserve units) in a post-mobilization period for purposes of Section 1119 of ANGCRRA.

Information on the type of training required by units during post-mobilization is maintained by First United States Army. The states do not capture or provide this data.

In 2008, Army Forces Command (FORSCOM) led a comprehensive review of lessons learned from pre and post-mobilization preparation. The review initially focused on the five ARNG Brigade Combat Teams (BCTs) (known as the 4+1 Comprehensive Review). Those Brigades are the 27th from New York, 37th from Ohio/Michigan, 39th from Arkansas, 45th from Oklahoma, and 76th from Indiana. The review produced key findings for improving the mobilization process and delivering combat ready Soldiers and units to combatant commanders on time.

From this review, we learned that effectively linking pre- and post-mobilization training and minimizing post-mobilization training requires early identification of the mission, organization, and mission essential equipment to build an effective deployment plan. Early manning and stabilization of the Deployment Expeditionary Force unit is necessary for efficient use of training time and building a cohesive force. Predictability in pre-mob provides predictability in post-mob, and an extended training period, close to, or contiguous with mobilization station arrival, enables the commander to attain the highest levels of readiness and unit capability. These lessons, coupled with the 12 month mobilization policy, confirm the value of collaboratively developing a synchronized, pre-deployment training plan spanning both pre- and post-mobilization, allowing

commanders to develop a period of intense, mission-focused, homestation training conducted contiguous with mobilization, if required.

The amount of post-mobilization training time is dependent upon the size and type of the unit which is mobilizing, as well as its assigned mission. The minimum planning time for post-mobilization is 15 days to accomplish administrative tasks and required training. Based on mission requirements, readiness of the unit, and the original unit Modification Table of Organization and Equipment, the number of training days can extend to 60 days (or beyond) to complete required collective training for larger units deploying to Iraq and Afghanistan. A result from the 4+1 Comprehensive Review was the development of four deployment training models for different categories of mobilizing units: Category 1 – Base Camp Units (i.e., functional and sustainment units); Category 2 – Base Camp Units with Travel Off Base Camp (i.e., Civil Affairs, Engineer units, Truck Companies, Combat Support Hospitals); Category 3 – Conduct Mission Off Base Camp (i.e., Provisional Reconstruction Teams, Security Forces, Military Police, Military Intelligence, Aviation); Category 4 – Maneuver Units with an Area of Operations, new units, constrained timeline (i.e., counterinsurgency Brigade Combat Teams, Aviation Brigades).

17. A description of the measures taken during the preceding fiscal year (FY08 only) to comply with the requirement in Section 1120 of ANGCRRA to expand the use of simulations, simulators, and advanced training devices and technologies for members and units of the ARNG (and the Army Reserve).

During FY08, the ARNG continued to synchronize the requirements of the Army Force Generation (ARFORGEN) training model with live, virtual, and constructive training aids, devices, simulations, and simulators (TADSS). Some of the ARNG's most significant uses of TADSS devices included:

• The ARNG continued the fielding of the Advanced Bradley Full-Crew Interactive Simulation Trainer, the Tabletop Full-fidelity Trainers, and the Conduct of Fire Trainer XXI for M1A1 Abrams Main Battle Tank and M2A2 Bradley Fighting Vehicle. When fully fielded, these devices, in addition to the Abrams Full-Crew Interactive Simulation Trainer XXI, will be the primary simulation trainers to meet the virtual gunnery requirements of M1A1 and M2A2 crews.

• The Close-Combat Tactical Trainer (CCTT), the Rehosted Simulations Network (SIMNET) XXI, and the Rehosted SIMNET CCTT Core provide a mobile training capability to our dispersed heavy (armor) units.

• The Virtual Convoy Operations Trainer provides commanders a unique and critical mission rehearsal tool to train ARNG units on the tactics, techniques, and procedures (TTPs) of convoy operations.

• The Engagement Skills Trainer (EST 2000), currently being fielded to the ARNG, is the Army's approved marksmanship-training device. The ARNG is also continuing use of its previously procured Fire Arms Training System (FATS) until EST 2000 fielding is complete. The EST 2000 and FATS also provide unit collective tactical training for dismounted Infantry, Special Operations Forces, Scouts, Engineer, and Military Police squads, and combat support and combat service support elements. These systems also support units conducting vital homeland defense missions.

• The Laser Marksmanship Training System (LMTS) supplements ARNG marksmanship-training. The LMTS is a laser-based training device that replicates the firing of the Soldier's weapon without live ammunition. It is utilized for developing and sustaining marksmanship

skills, diagnosing and correcting marksmanship problems, and assessing basic and advanced skills.

• The Call for Fire Trainer, currently being fielded to the ARNG, assists units to meet the pre-mobilization training requirement for all Soldiers to become familiar with the TTPs to call for indirect fire support.

The ARNG's Battle Command Training Capability Program (BCTCP) continues providing support for digital systems training and battle staff digital systems integration training and battle staff proficiency. The BCTCP has three designated Battle Command Training Centers (BCTC); at Fort Leavenworth, KS; Camp Dodge, IA; and Fort Indiantown Gap, PA; and the Distributed Battle Simulation Program (DBSP). The BCTCs provide the backbone of the program as collective hubs in the battle command training strategy. The DBSP provides Commanders assistance from Commander's Operational Training Assistants, TADSS facilitators, and Technical Support Teams. The BCTCs and the DBSP collectively help units in the planning, preparation, and execution of simulations-based battle staff training that augments the Department of the Army-directed Warfighter Exercises and greatly enhances battle staff and unit proficiency.

The ARNG continues to execute the Exportable Combat Training Capability (XCTC) which is the critical culminating company level training event. The XCTC program is a theater immersion collective training event of combined arms training in the contemporary operating environment. It incorporates current TTPs and theater-specific lessons learned for units conducting pre-mobilization training in preparation for deployment. The XCTC provides a method to certify ARNG units on company-level collective training tasks and demonstrated battle staff proficiency prior to mobilization. The XCTC incorporates the use of advanced live, virtual, and constructive training technologies (Deployable Force-on-Force Instrumented Range System that allow for full instrumentation of the training area, individual Soldiers, role players, civilians on the battlefield, and opposing forces. By full instrumentation of the units, Soldiers, and training areas, units receive an After-Action Review (AAR) complete with two-dimensional, three-dimensional, and video playback of the actual XCTC training exercise. This AAR allows Commanders and Soldiers to see what occurred during the training exercise from every perspective, which further enhances the training experience.

In FY07 the Army Reserve efforts centered on acquiring the major Live-Virtual-Constructive enablers needed to conduct major collective events (e.g., Warrior Exercises, Battle Command, Combat Support Training Centers) planned for years three and four of the ARFORGEN process. In FY08, the effort expanded to include the TADSS support for the reserve center portion of "home station" training.

The Army Reserve initiated an effort to create "capabilities based" reserve centers to support full spectrum operations individual-crew-squad-team training requirements. Under this initiative, reserve centers would have Digital Training Facilities and Weapon Simulator Training Rooms. In FY08, the Army Reserve established 53 digital training facility locations and 3 weapons simulator training rooms. These locations do not currently have all of the enablers necessary to support training activities. The capabilities based reserve centers include a plan to provide an array of the following enablers depending upon the training needs of the local unit populations:

- LMTS

- EST 2000
- Virtual Simulators
- Multi-user classrooms w/Computers (Non-Secure Internet Protocol Router Network-Army Reserve Network, Training Local Area Network, Training and Doctrine Command (TRADOC) Distance Learning capable)
- Language Lab

The Army Reserve obtained the licenses for DARWARS to be used for training in digital training facilities during FY08. DARWARS delivers both "off-the shelf" experiential training packages as well as comprehensive enterprise solutions that focus on the needs of a particular organization. These systems offer immersive practice environments to individuals and teams, with on-target feedback for each trainee. DARWARS provides advanced infrastructure and tools which delivers engaging training to increase readiness.

18. Summary tables of unit readiness, shown for each State, (and for the Army Reserve), and drawn from the unit readiness rating system as required by Section 1121 of ANGCRRA, including the personnel readiness rating information and the equipment readiness assessment information required by that section, together with:

a. Explanations of the information:

Readiness tables are classified. This information is maintained by the Department of the Army, G-3 and is not captured by State.

b. Based on the information shown in the tables, the Secretary's overall assessment of the deployability of units of the ARNG (and Army Reserve), including a discussion of personnel deficiencies and equipment shortfalls in accordance with Section 1121:

Summary tables and overall assessments are classified. This information is maintained by the Department of the Army, G-3 and is not captured by State.

19. Summary tables, shown for each State (and Army Reserve), of the results of inspections of units of the ARNG (and Army Reserve) by inspectors general or other commissioned officers of the Regular Army under the provisions of Section 105 of Title 32, together with explanations of the information shown in the tables, and including display of:

a. The number of such inspections;

b. Identification of the entity conducting each inspection;

c. The number of units inspected; and

d. The overall results of such inspections, including the inspector's determination for each inspected unit of whether the unit met deployability standards and, for those units not meeting deployability standards, the reasons for such failure and the status of corrective actions.

During FY08, Inspectors General and other commissioned officers of the Regular Army conducted 169 inspections of the ARNG, including 711 ARNG units. The bulk of these

inspections were executed by Regular Army officers assigned to the respective states and territories as Inspectors General. Additionally, other inspections were conducted by First Army, Department of the Army Inspector General, FORSCOM, TRADOC, Army Audit Agency, and National Guard Bureau. Because Inspector General Inspections focus on findings and recommendations, the units involved in these inspections were not provided with a pass/fail rating. Results of inspections conducted by Inspectors General may be requested for release through the Inspector General of the Army.

The Commanding General, United States Army Reserve Command, directed the Inspector General to conduct Special Assessments in FY08 to focus on compliance with the Commanding General's guidance on issues affecting the Army Reserve. During the third and fourth quarters of FY08, the Inspection Team conducted a Special Assessment of the Organizational Inspection Program, which evaluated the program to determine if Commanders were using it to assess readiness and reinforce goals and standards within their commands. The focus of the assessment was to determine if battalion and higher-level units within the Army Reserve understood Army and U.S. Army Reserve Command Organizational Inspection Program guidance and policies, and to determine if those units conducted inspections in accordance with U.S. Army Reserve Command guidance. The U.S. Army Reserve Command Inspector General Inspection Teams assessed the Army Reserve Organizational Inspection Program process at 16 Battalion Headquarters, 6 Group Headquarters, 6 Brigade Headquarters, and 10 Direct Reporting Units.

Another Special Assessment was a Follow-Up Inspection of Soldier Support in Army Reserve Units. The focus of this Follow-Up Assessment was to determine if Army Reserve Units took corrective action on recommendations offered in the 2006 Special Assessment Report of Soldier Support. The Follow-Up Assessment also: examined E6 to E7 promotion procedures for the Troop Program Unit Noncommissioned Officers at the Regional Readiness Command level; assessed compliance with Post Deployment Health Risk Assessment requirements; assessed completion of Line of Duty Investigations within the U.S. Army Reserve Command; and provided an annual regulatory review of compliance with and effectiveness of the Army Voting Assistance Program, a program of special interest to the Department of the Army.

The U.S. Army Reserve Command Inspector General also conducted five Intelligence Oversight Inspections. These regulatory inspections were conducted as part of the U.S. Army Reserve Command's Organizational Inspection Program and provided Intelligence Oversight of intelligence components and activities within the Army Reserve.

In accordance with U.S. Army Reserve Command Regulation 1-201, *Organizational Inspection Program,* the U.S. Army Reserve Command conducts training on the Automated Inspection Program. This automated program is available to all units' and provides checklists and allows users to tailor those checklists to ensure units' processes and programs are inspected to standards. It also provides each higher headquarters the ability to analyze findings and develop trends within their commands. The U.S. Army Reserve Command Inspector General Office conducted training on the Automated Inspection Program at 25 units in FY08.

20. A listing, for each ARNG combat unit (and US Army Reserve Force Support Package units) of the active-duty combat units (and other units) associated with that ARNG (and US Army Reserve) unit in accordance with Section 1131(a) of ANGCRRA, shown by State,

for each such ARNG unit (and for the US Army Reserve) by: (A) the assessment of the commander of that associated active-duty unit of the manpower, equipment, and training resource requirements of that National Guard (and Army Reserve) unit in accordance with Section 1131(b)(3) of the ANGCRRA; and (B) the results of the validation by the commander of that associated active-duty unit of the compatibility of that National Guard (or US Army Reserve) unit with active duty forces in accordance with Section 1131(b)(4) of ANGCRRA.

Active Component/ Reserve Component associations no longer exist due to operational mission requirements and deployment tempo.

First U.S. Army and U.S. Army Pacific (USARPAC) for Pacific based Reserve Component units, executes the legislated active duty associate unit responsibilities through premobilization training assistance and postmobilization training and unit validation for conventional Reserve Component units. When Reserve Component units are mobilized they are initially assessed in terms of manpower, equipment, and training by the appropriate chain of command and that assessment is approved by First Army or USARPAC as part of the validation for unit deployment.

Validation of the compatibility of the Reserve Component units with the active duty forces occurs through the mobilization functions with the direct oversight of First Army, USARPAC, and FORSCOM at the Mobilization Stations.

21. A specification of the active-duty personnel assigned to units of the Selected Reserve pursuant to Section 414(c) of the NDAA for FY92 and FY93 (10 U.S.C. 261 note), shown (a) by State for the ARNG (and for the US Army Reserve), (b) by rank of officers, warrant officers, and enlisted members assigned, and (c) by unit or other organizational entity of assignment.

Title XI (FY08) Authorizations				
	OFF	ENL	WO	TOTAL
U.S. Army Reserve	13	18	0	31
TRADOC	50	12	0	62
FORSCOM	1061	2165	101	3327
USARPAC	30	49	1	80
TOTAL	1154	2244	102	3500

Title XI (FY08) Assigned				
	OFF	ENL	WO	TOTAL
U.S. Army Reserve	32	34	3	69
TRADOC	0	8	0	8
FORSCOM	619	1965	97	2681
USARPAC	23	53	1	77
TOTAL	674	2060	101	2835

In FY06, the Army began reducing authorizations in accordance with the NDAA 2005 (Public Laws 108-767, Section 515). As of September 30, 2008, the Army had 2,835 Active Component Soldiers assigned to Active Component Advisor positions. Army G-1 and U.S. Army Human Resources Command carefully manage the fill of these positions. The data is captured at the command level. The actual duty location for each position is not captured down to the State level of detail.

Chairman LEVIN. Mr. Secretary, thank you for that wonderful statement. Thank you for your great service.

General?

STATEMENT OF GEN GEORGE W. CASEY, JR., USA, CHIEF OF STAFF OF THE ARMY

General CASEY. Mr. Chairman, thank you. Senator McCain and members of the committee, nice to be here with you today.

Before I talk about the 2010 budget and the progress we have made in the last year, I would like to introduce someone who represents another important group of our Army family. Seated directly behind me is Kristen Fenti. Her husband, Joe Fenti, was

killed in Afghanistan 3 years ago. Since then, she has served on an advisory panel for me so that we can improve our services to our surviving spouses. She has done that while managing her 3-year-old daughter, Lauren, who is quite a handful. So, Kristen, thank you very much for what you do.

Chairman LEVIN. We join you in your admiration. Thank you for being with us. [Applause.]

While we are making introductions, Senator Akaka has joined us. We paid tribute to NCOs, current and former, and you came just about 2 minutes late to hear the applause. But there was a lot of applause for you. Thank you, Danny.

Secretary GEREN. There is a great picture of Sergeant Akaka with his hat rakishly placed on the back of his head back in Hawaii a long time ago.

Chairman LEVIN. He is still rakish. [Laughter.]

General CASEY. Mr. Chairman, last year, I think you will recall, in my testimony I said that the Army was out of balance, that we were so weighed down by our current commitments that we could not do the things we know we need to do to sustain this All-Volunteer Force and to provide the strategic flexibility to do other things. I can tell you that we have made progress over the last year in putting ourselves back in balance, but we are not out of the woods yet.

I also told you last year that we centered our plan to put ourselves back in balance on four imperatives. We felt we had to sustain our soldiers and families, the most critical part of our force. We had to continue to prepare soldiers for success in the current conflict. We had to reset them effectively when they returned, and we had to continue to transform for an uncertain future.

Now, let me just give you some data points here on our six major objectives to give you some indication of how we are doing to get back in balance.

Our first objective was to finish our growth, and the administration directed in January 2007 that we increase the size of the Army by 74,000. Originally we were going to do that by 2012, and with the Secretary of Defense's help, we advanced that to 2010. As of this month, all of our components—Active, Guard, and Reserve—have met the end strength targets that were originally set for 2012. So that gives us a big lift.

One of the reasons it gives us a lift is because it allows us to begin coming off of Stop Loss this year, and several months ago, the Secretary of Defense announced the plan where the Reserve component will begin deploying units without Stop Loss in August, the National Guard in September, and the Active Force in January 2010. Now, this puts us on track to achieve our goal of being able to deploy our modular formations without Stop Loss by 2011.

Now, the second key objective was to increase the time our soldiers spend at home. I will tell you after 2 years in this job, I am more and more convinced that this is the single most important element of putting ourselves back in balance. It is important from several perspectives.

One is so that the soldiers have time to recover from these repeated combat deployments. What we are seeing across the force are the cumulative effects of repeated deployments.

Second, it gives them a more stable preparation time for their next mission. When you are only home for a year, you barely have time to take your leave before you are preparing to go back again.

Third, it gives soldiers time to begin training for other things, to do things beyond the irregular warfare training that they are doing for Iraq and Afghanistan.

Now, I will tell you that back in 2007, I did not think we would quite get to 1 year out to 2 years back by 2011. With the President's drawdown plan, if it is executed as has been laid out, we will actually do a little better than that. So I am quite hopeful that if we execute that plan, we will make a big difference here in putting ourselves back in balance.

The third element of balance is moving away from our Cold War formations. We are 85 percent finished converting all of the brigades in the Army to modular formations, and that will be some 300 brigades that will be converted by 2011.

The other element of moving away from Cold War formations is we are balancing, and we have moved almost 90,000 soldiers from skills that were more relevant in the Cold War to skills more needed today. For example, since 2003, we have stood down about 200 tank companies, artillery batteries and air defense batteries, and we have stood up a corresponding number of military police companies, engineer companies, civil affairs companies, and special forces companies. That has been a huge transformation for us.

Fourth, we are moving to put the whole Army on a rotational cycle, much like the Navy and the Marine Corps have been on for some time. We are doing this so that we can provide a sustained flow of trained and ready forces to combatant commanders and to do that on a predictable cycle for soldiers and families. We will be in that position by 2011.

Fifth, as the Secretary said, we are about halfway through our rebasing effort, and between BRAC, global reposturing, and the growth of our new formations, we will move about 380,000 soldiers, families, and civilians between now and the end of 2011. With the funding that we have been provided, we are on track to do that, and the construction on our installations will greatly improve the quality of life for our soldiers and families.

Lastly, Mr. Chairman, is our goal to restore strategic flexibility, and as we increase the time that our soldiers spend at home, we can increase the time that they devote to training for other things. We will gradually rekindle the conventional skills that have atrophied here over the past several years.

So bottom line, we have made progress, but we are not out of the woods yet. The next 12 to 18 months will continue to be difficult because we will actually increase the total number of forces we have deployed before we start coming down as we start moving forces out of Iraq. So not out of the woods yet.

Now, if I could just say a few words about each of the imperatives and how the budgets help here.

First of all, sustaining our people. This budget contains money for housing, barracks, child care and youth centers, warrior transition units (WTUs), and operational facilities. Critically important to providing our soldiers and families an adequate quality of life.

It also includes more than $1.7 billion for soldier and family programs, and that is very important to us because I can tell you, just having returned from visits to installations in the United States over the last 6 or 7 weeks, that the families remain the most stretched part of the force. I mean, God bless them. They are driving on with a stiff upper lip, but it is very raw under the surface. We are asking them to do an awful lot, and so we are paying an awful lot of attention to our family programs.

On the prepare side, probably the most significant element that we have done in the last year was the fielding of about 10,000 mine-resistent ambush-protected vehicles into Iraq and Afghanistan, and these systems have made a difference. When you talk to the soldiers, they will tell you, well, they are a little hard to drive sometimes offroad, but anyone who has been in one when an improvised explosive device (IED) blew up and has survived is a huge supporter of them.

Third, on reset, there is $11 billion in the base in the Overseas Contingency Operation parts of this budget for reset. It is critical because we are consuming our readiness as fast as we build it. That money is essential to our ability to continue to deploy ready forces.

Lastly, Mr. Chairman, transform. We believe that we are in and will continue to be in an era of persistent conflict, and I believe that in that era we need land forces that can: (1) prevail in a protracted global counterinsurgency; (2) engage with others to build capacity for them to deny their countries to terrorists; (3) provide support to civil authorities at both home and abroad; and (4) deter and defeat hybrid threats and hostile state actors. We are building an Army to do that. It is an Army that is based on a versatile mix of tailorable organizations, and it is organized on a rotational cycle so we can provide a steady stream of trained and ready forces to combatant commanders and hedge against the unexpected. The budget before you today has put us on a path to do that.

Now, I would like to close with a story about a NCO because, as the Secretary said, our NCOs are providing the glue that is holding this force together at a difficult period, and we are recognizing them over the course of this year.

In April 2007 in Baghdad, Staff Sergeant Christopher Waiders was riding in a Stryker on a patrol when the Bradley in front of him was struck by an IED and burst into flames. Sergeant Waiders realized that there were soldiers still on the Bradley, and he fought his way across 100 yards to the Bradley, pulled out two of the soldiers, took them back to his Stryker, and gave them medical care. They told him that there was another soldier still on the Bradley.

He went back across the open area to the Bradley, went inside, as the ammunition was beginning to cook off, found the soldier, but the soldier was already dead. He went back to his Stryker, grabbed a body bag, and returned and recovered the fallen soldier. That is the type of NCOs we have in our Army today, Senators, and it is an Army that you can be very proud of.

So thank you very much for your attention, and we look forward to taking your questions.

Chairman LEVIN. We are truly proud of them. Thank you for that reminiscence.

Let us try 6 minute rounds because we have, again, a couple of votes coming up, we expect.

First, I want to talk to you, Mr. Secretary, about the planning assumptions for future force requirements in Afghanistan because we have such serious challenges there. We have lack of clarity about future allied contributions. We have uncertainties about the pace and success of further development of the Afghan National Security Forces. What are the current planning assumptions for the future requirements of U.S. forces in Afghanistan?

Secretary GEREN. Mr. Chairman, I would like also to ask General Casey to join me in this response.

The planning assumptions—based on the drawdown that is projected in Iraq and based on the growth of forces in Afghanistan, we believe that from the Army perspective, we will be able to continue to meet the demand from theater. We will see over the course of the next several months the actual number of soldiers who will be deployed will go up, not go down. It will not be until several months from now where we will actually start seeing any reduction in the demand on our forces. But with our current mix of soldiers and with this 1 to 1.3 ratio of deployment to dwell, we can provide about 19 brigade combat teams (BCTs) on a steady-state basis going forward. That is the max that we are able to deliver under these circumstances.

I would like General Casey to add to that.

Chairman LEVIN. What is the total number of personnel in 19 BCTs, approximately?

Secretary GEREN. About 3,500 soldiers per BCT, a little more for a Stryker brigade.

Chairman LEVIN. Thank you.

General, do you want to add anything to that?

General CASEY. No. Senator, the administration has laid out the strategy there, and I think we have provided sufficient forces to accomplish that strategy and train the Afghan Security Forces to gradually assume the mission, and it is just going to take some time.

Chairman LEVIN. At the posture hearing last week here, Admiral Mullen said that he wants to get more access to helicopters for the fight in Afghanistan. He has indicated that buying more helicopters was not the solution. Secretary Gates pointed out that the challenge with respect to the availability of more helicopters is related to personnel, more pilots, and more mechanics.

General, what is the problem of getting more helicopter support for operations in Afghanistan?

General CASEY. I think you know that as a part of the troop buildup there in Afghanistan now, we have added a second combat aviation brigade. It is already on the ground there and begun flying missions. So they needed another combat aviation brigade.

Chairman LEVIN. So all the requirements for helicopters are going to be met?

General CASEY. Now they will be with the new combat aviation brigade.

Chairman LEVIN. All right.

Now, General, I want to ask you about the FCS and Army modernization, but specifically about the FSC program, including the cancellation of a manned ground vehicle. Secretary Gates made this decision, he said, because he concluded that the design of FCS ground vehicles would be inadequate in light of the vehicle survivability lessons learned in Iraq and Afghanistan.

He acknowledged that the modernization program is essential. He intends to reevaluate the Army's requirements and is committed to protect the resources that are needed or fenced in some way.

I also note that the fiscal year 2010 Army budget request includes $100 million for a new start manned ground vehicle program but not under the FCS structure.

First of all, General, did you support the Secretary of Defense's decision on this matter?

General CASEY. Mr. Chairman, I support it. I did not agree with it.

Chairman LEVIN. Why did you not agree with it?

General CASEY. The fundamental point of disagreement between the Secretary of Defense and myself was that as you just said. He believed that we had not sufficiently accommodated the lessons of the current fight into a redesign of the manned ground vehicle. I believe we have.

One of the points that we talked with the Secretary about was the original design of the vehicle. We need to be upfront with this. When we started designing the FCS program, it was designed to fight conventional wars. We thought conventional war would be fought in the 21st century. That has clearly changed. But the original design was a flat-bottom vehicle that was 18 inches off the ground, and that was clearly not survivable in this environment.

So we built a V-shaped hull kit, and we added onto the vehicle the capability to raise it and lower it so that you could get it on an airplane, but still, if you needed to get some space off the ground, you could raise it and operate in an IED environment. There were several things like that that we had incorporated into the system.

But when it came down to the end of it, I could not convince the Secretary that we had done enough. So he directed that we halt the FCS program, cancel the manned ground vehicle program, and develop from a blank sheet of paper a new design.

We have already begun building a new design, and we have directed that the vehicle should be fielded in 5 to 7 years, which tells us, one, we are certainly going to learn from what we got out of the current fight, but we are also going to learn from the technologies that we have developed as part of the FCS program because we know where vehicle technology is because we pushed that envelope to get it there. So the combination of those things I believe will allow us to meet that objective.

Chairman LEVIN. Is it your understanding that there is a commitment to protect the resources which are necessary for a new competitively based program?

General CASEY. The Secretary has said that publicly several times.

Chairman LEVIN. To you personally.

General CASEY. To me personally.

Chairman LEVIN. Mr. Secretary, did you want to add anything to that?

Secretary GEREN. Yesterday the new Under Secretary for Acquisition, Technology, and Logistics, Dr. Carter, reemphasized the commitment to the Army modernization program. Dr. Gates has emphasized inside DOD and outside of the DOD that it will remain one of his top priorities.

Chairman LEVIN. Including the ground vehicle portion?

Secretary GEREN. Yes, sir.

Chairman LEVIN. Senator McCain?

Senator MCCAIN. Thank you, Mr. Chairman. I thank the witnesses.

Just to follow up what Senator Levin was asking, General Casey, what became of great concern to many of us was the cost overruns associated with the FCSs. General, as I recall, it went from roughly $90 billion to $120 billion. As important, it was a 45 percent cost overrun before we got the first piece of equipment. Now, it may be the best and it may need to be lifted up, but with those kinds of cost overruns, we will not be buying many of them.

Did that not concern you at some point in this acquisition process that you have a 45 percent cost overrun?

General CASEY. It absolutely did, Senator. In fact, over the last 6 or 8 months, we went through a complete relook of every part of the program, and the cost overruns that you speak about were largely generated by us increasing the requirements.

Senator MCCAIN. With all due respect, General, if we keep generating changes that result in 45 percent cost overruns, it is either bad planning or bad management of the program and at some point, becomes unaffordable.

General CASEY. I agree with you.

The third thing it could be, Senator, is that we are adapting to what we are learning in the current fight, and that is the challenge. Frankly, we had a program that had been drawn out over a decade, and technology is changing so fast. We have been at war for 7 years. We had to learn things from what we were doing.

So we are treating this, Senator, as an opportunity to clean up the management aspects of the program as well. As I said, we are focusing on a 5 to 7 year production of this manned ground vehicle, and I think that will cause us to be more efficient in our management of the program.

Senator MCCAIN. Well, again, I do not mean to be too repetitive, but hopefully with legislation we are passing and with new leadership in the Pentagon, certainly at the acquisition level, and both at Secretary Geren's level and the Secretary of Defense's level, we will get these costs under control. Particularly in light of, as I read in the base budget, a 4 percent increase over 2009. Obviously, personnel is a 12 percent increase, but other Army accounts actually decrease from 2009 levels. I think you have pointed that out. Procurement decreases by almost 5 percent. Research, development, testing, and evaluation decreases by almost 13 percent; Military Construction (MILCON) by 15 percent.

I guess my point is if you have a decrease in procurement and an increase in costs of 45 percent, somewhere along the line you

are on a collision course, which is either going to make it unaffordable or not in sufficient numbers that you deem necessary to start with.

I would be glad to listen to both General Casey and Secretary Geren.

Secretary GEREN. I would like to just make one point. We recognized a few years ago that we did not have the personnel, either military or civilian, in the contracting and acquisition workforce within the Army. If you look at what we did in the 1990s, when we shrunk the Army about 40 percent, we shrunk the contracting and acquisition force more than that. When we started seeing our acquisition and contracting budgets going up, both the logistical support contracts, as well as modernization, we did not have the personnel within the Army to adequately support that. We lost many of our outstanding officers, as well as civilians, to the private sector. We did not offer the career opportunities that we needed, and a couple of years ago, we did the Gansler Commission, and he did an in-depth look at our acquisition and contracting.

With the help of this committee, we have added five contracting general officers. We are adding literally thousands of people in our contracting and acquisition, and we are enhancing the training. We are trying to provide career opportunities to keep the people in the Army and do not have them go outside. So we are rebuilding a depleted acquisition and contracting workforce. We are going to be in a better position going forward to properly oversee it and manage these programs, and we look forward to working within the new legislation.

Senator MCCAIN. Again, I want to emphasize if you decrease procurement funding by 5 percent and you continue to have cost overruns, then we are on an unsustainable course. I hope that we can work together to address that.

General CASEY. I agree with you and we have to do better in managing our acquisition programs, and we are committed to doing that.

Senator MCCAIN. Thank you. I am sorry to belabor the point, but I really believe that if you look at the submitted budgets, there are going to be decreases in actual procurement over a period of time. It makes these cost overruns, which are bad, even worse.

General Casey, press reports last month indicate that units arriving in Iraq were diverted to Afghanistan after only a few weeks. I think we are very aware of the different conditions that prevail in Afghanistan as opposed to Iraq. Are the units that are deploying to Afghanistan receiving the training that is tailored to the mission there? Does it concern you?

General CASEY. By and large, yes, Senator, and there are two groups. This is the vast preponderance of the soldiers going to Afghanistan. They find out they are going before they leave the United States, and so they have time to train on Afghanistan skills before they go.

There is a much smaller group—and this is in the low thousands, around 1,000 or 2,000 I believe—that have actually been in Iraq and have had to move to Afghanistan. Those have been primarily engineer units, units that are not necessarily out conducting counter-insurgency operations. They are more in a supporting role.

So I am comfortable that we are giving our soldiers the training that they need to make the transition from Iraq to Afghanistan.

Senator MCCAIN. So the ones that are experiencing this rapid transition, given the nature of their mission, it is not a big problem.

General CASEY. I do not see it as a big problem, Senator.

Senator MCCAIN. Thank you very much.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator McCain.

The votes are now expected to begin at 10:30. By the way, the acquisition reform legislation that Senator McCain referred to we are actually now scheduling a conference for, as Senator McCain and I hope all the members of the committee know, for 4:30 this afternoon. We hope to get a bill approved before the Senate and the House in the next 2 days. Thank you.

Senator Lieberman.

Senator LIEBERMAN. Thanks, Mr. Chairman.

Mr. Secretary, General, thanks for your continuing service.

Secretary Geren, you said today that the Army is busy, stretched, and stressed, and I agree with you. I know you and I both agree that the Army is doing an extraordinary job for our country in two active wars, and a lot more.

General Casey, you said this morning that the Army is still out of balance. We made some progress in the last year, but it remains out of balance. That dwell time, which is increasing dwell time, you said is the single most important element in putting ourselves back in balance. I agree with you on that too.

Am I right, General Casey, that on several occasions over the last several months, you have said that you could not foresee a significant increase in dwell time, that is, the time that our Army soldiers can be home at base retraining, et cetera, because of the increased call for deployments over that period of time?

General CASEY. That is true. What I say is that dwell time is a function of supply and demand.

Senator LIEBERMAN. Right.

General CASEY. We have to finish our growth, and the demand has to come down.

Senator LIEBERMAN. Right.

Your goal for the Army for dwell time would be what?

General CASEY. My short-term goal for 2011 is 1 year out-2 years back. I would like to ultimately get the Army to a point where it was 1 year out-3 years back for the Active Force and 1 year out-5 years back for the Guard and Reserve.

Senator LIEBERMAN. So by the fiscal year beginning October 1st, 2010, which would be fiscal year 2011, you would like to see us get to 1 year out-2 years back. Is that right?

General CASEY. That is correct, Senator.

Senator LIEBERMAN. What are the numbers now, just to have it on the record? What is the dwell time now?

General CASEY. Right now, for the Active Force, we are sitting right between 1 to 1.5 and a little less.

Senator LIEBERMAN. So we are well below.

Am I correct that we expect for the rest of this year to have to increase deployments? In other words, the path we are on in Iraq

and Afghanistan together, the net effect, will be an increase in deployments for the remainder of this year.

General CASEY. Correct, Senator, by about 10,000 before we start to come down.

Senator LIEBERMAN. That is a significant number. So in that sense, there will be more pressure on dwell time from now until the end of the year just because of the supply and demand that you talked about.

As I understand it, incidentally, to say something very briefly. I think you are so right when you see dwell time as the key because it is so clear that you and we are trying our best, and I think doing better at the quality of life of the people in our Army and their families, housing, benefits, et cetera. But if the supply of the Army is less than the demand for the Army, then this critical factor of how long our soldiers are going to be home, it simply cannot go up from the military point of view of retraining, et cetera, rest, and of course, for the human element of being with their families.

Now, I understand that we are in a very unusual moment here, which is that because recruitment is going so well and reenlistments are so high, that the authorized end strength of the Army is 547,000 plus. We actually have an Army now that is about 549,000. Is that correct?

General CASEY. It is, and actually, Senator, for this year, 2009, it is actually 532,000.

Senator LIEBERMAN. Yes. It is 532,000 authorized, plus the waiver of about 3 percent. So it takes us up to 547,000. But we have more than that now. If I understand it correctly, unless we do something about that in the supplemental, you are going to be under very odd pressure. As the demand goes up, because of the increasing deployments, you are actually going to have to come back to the 547,000 and therefore attrite so that the supply is even less. Am I understanding that correctly?

General CASEY. You are, Senator, but that is a fairly natural function that goes on all year long as people come and go across the Army.

Senator LIEBERMAN. So I am working with some members of the committee. We have a bipartisan group on offering an amendment which would basically bring the authorized end strength up to 547,000, but then leaving the 2 percent waiver that the Secretary has to basically enable from now until the end of September. This fiscal year, this costs about $400 billion, for the Secretary to give you some latitude not to have to attrite people in that period of time. In your personal military judgment, would that be of assistance to the Army?

General CASEY. It would be, Senator. We actually have the authorities. We just need the money.

Senator LIEBERMAN. The money, exactly right, and that is what I am going to try to do.

Let me take it to the next step, which is the fiscal year 2010 budget. I noticed that your Vice Chief, General Peter W. Chiarelli, testified at a hearing, I believe, at Senator Bayh's Readiness and Management Support Subcommittee, that in fact the Army is actually 30,000 below the numbers we have been talking about because of wounded warriors and all the rest. He felt the Army needed

30,000 more during the coming fiscal year to fulfill its responsibilities and hopefully take some pressure off of the dwell time. Do you agree?

General CASEY. It certainly would be easier if we had a temporary increase in end strength that was funded to get us through the next 12 to 18 months that I have said is a critical period.

What I am not ready to sign up for just yet is whether we need to increase the active Army beyond 547,000 because with an active Army that size, plus the Guard and Reserve, that is 1.1 million folks. If the demand comes down, we should be able to provide the country a sustainable capability at appropriate deployment ratios at 1.1 million.

Senator LIEBERMAN. So let me just understand, and then my time is up. You are saying you could use 30,000 extra, but you would see it as temporary.

General CASEY. It would have to be temporary, and I would tell you I have discussed this with the Secretary of Defense over the past months, and we have decided not to go forward with that. But as we continue to watch how our units are manned as they go out the door, if I feel the need to readdress that with him, I will.

Senator LIEBERMAN. Well, I hope that we will give you that authority and that flexibility in our DOD authorization bill for fiscal year 2010.

Thanks, General.

Thanks, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Lieberman.

We are going to try to work through these votes somehow or other.

Senator Inhofe.

Senator INHOFE. Thank you, Mr. Chairman.

I want to go back. We spent quite a bit of time on FCS. There are some differing opinions sitting at this table. I would like to pursue another line of questioning on it.

First of all, I have the map of the United States showing the States that would be economically impacted by terminating the FCS, and Oklahoma is way down. So there is nothing parochial about my concern.

There is this concern, though. I have been on here for quite some time on both the Senate Armed Services Committee (SASC) and the House Armed Services Committee (HASC). General Shinseki said back in 2000—I am going to read this quote. Talking about the FCS, he said, "This is the most significant effort to change the Army in 100 years. Our aim is not a single platform swap-out, but a systemic change and full integration of multi-dimensional capabilities, space, air, sea, land. Not since the beginning of the last century has such a comprehensive transformation been attempted."

Then General Schoomaker said about one specific element of the FCS and non-line-of-sight (NLOS) cannon. He said, "The NLOS cannon is the lead element of our platforms with the FCS, the NLOS cannon that we can bring forward because we know we need to help and shape the future."

If there is time, I am going to go back and talk a little bit about the Bradley and the Abrams too.

But the Paladin is probably the oldest relic that we have of all the systems that are in there. For that reason, there has been a lot of effort to try to get that upgraded. The Paladin was, I think, 1963. There have been several Paladin Integrated Management since then. It has been upgraded and needs to be upgraded.

But in the meantime, there has to come a time when the studying is over and we actually get into a new system, and that is what the two generals were talking about. It just seems to me that when we go along, we make decisions, we finally are going to upgrade, and then we want to go back and study longer. There has to be a time when all this fun is over.

I think that is one of the reasons that in the last defense authorization bill, we have some language in there that says that we are going to pursue the FCS. Specifically, it says that in the event that, on the NLOS cannon, to terminate, that would require legislative language change. So what would be your intent if we were to meet, the HASC and the SASC, if we do not change the law?

General CASEY. Senator, you are exactly right. We are quite cognizant of section 216 of the 2003 National Defense Authorization Act, and we are working with the DOD and intend to come to Congress and basically figure out a way through this.

I will tell you, and for all the members, the FCS program was not terminated. It was the manned ground vehicle portion of the program that was terminated. Everything else continues to go forward, and so there is an impression that we have "wasted a lot of money," but the technology that we have developed is going to empower all of the Army BCTs and not just the original 15 that we had go out there. So the rest of the program is going to continue to go forward. It will be restructured.

We fully recognize that we need to come to you here with a proposal to figure out how we get past the law on the NLOS cannon.

Senator INHOFE. I understand that, but at some point, we have to get to the point where we are going to go forward with something, get it done. We have to give these kids, in the field, something that is better than prospective opponents might have. I mean, as we all know, right now there are five countries that make a better NLOS cannon, including South Africa, than we have.

So I am just saying that in this process, of course, the President makes the recommendation on the budget. The Secretary of Defense decides where this should go, and then it gets down to you guys trying to make this happen.

But the other process is we have a committee here. There is a committee over in the House, and they may disagree with some of the things that are said.

Let me quickly mention one other thing. When we had Secretary Gates before this committee last week, we talked about the so-called gag order at one point. Then he made it very clear that he was accepting the fact that the chiefs would come forward with a list of unfunded priorities. So we are waiting for those unfunded priorities right now. Do you have those yet for the United States Army, the unfunded priorities?

General CASEY. I do, and I have signed the letter back to Congressman McHugh, and I will be happy to provide you a copy of that.

Senator INHOFE. Okay, that is good. Thank you.

[The information referred to follows:]

Senator, I have attached the Army's fiscal year 2010 unfunded requirements for your information.

Item	APPN	[In thousands of dollars]
Aviation Support Equipment	ACFT	$ 36,200
Field Feeding	OPA	30,700
Force XXI Battlefield Command Brigade and Below	OPA	179,000
Information System Security COMSEC	OPA	44,800
Liquid Logistics Storage and Distribution	OPA	2,000
Military Satellite Communications Global Broadcast Service (GBS)	OPA	13,000
Movement Tracking System	OPA	28,000
Standard Army Test Sets (SATS)	OPA	13,700
Test, Measurement and Diagnostic Equipment	OPA	47,000
Army Test Infrastructure	OPA	31,600
Common Remotely Operated Weapon System (CROWS)	WTCV	100,000
Long-Range Advanced Scout Surveillance System (LRAS3)	OPA	47,300
Thermal Weapon Sights (TWS)	OPA	41,500
Large Vehicle Inspection System (LVIS) aka Z-Backscatter	OPA	17,500
Intrusion Detection System (IDS)	OPA	40,000
Automated Installation Entry (AIE)	OPA	10,500
Army Knowledge On-line	OPA	24,600
Force Provider	OPA	245,400
TOTAL		$952,800

Secretary Geren, you and I served together in the House. When did you leave the House?

Secretary GEREN. 1997.

Senator INHOFE. Well, you were there in 1994 when you and I sat on the HASC and heard some testimony that in 10 more years we would not need to have ground troops anymore. I think none of us took that too seriously.

But the point is still there, that we try to anticipate what our needs are going to be in the future, and we try to do a good job. No matter how many smart generals and advisors we have, we are going to guess wrong. So we do not really know 10 years from now. When you start preparing right now for something in the future, it is 10 years before it becomes a reality.

Have you thought about that, either one of you? Have you pretty much fixed in your own mind what our needs are going to be 10 years in the future?

Secretary GEREN. In the period of time that I have either been involved in or watching public policy carefully, I have learned that the most important lesson is a lesson of humility as far as our ability to predict the future. We have consistently not gotten it right. When we look at the Army and try to figure out how we properly position the Army going forward, we need to be humble about our ability to predict the future, and we have many examples in recent history to remind us of how bad we are at predicting the future.

That is why we believe that this full spectrum capability is our goal. The term is thrown around loosely, I think, misunderstood by some. Some people here, when we say full spectrum, think we are talking about concentrating on the high end of the conflict spectrum. Our new policy commits us to being able to do offensive operations and defensive operations and stability operations. We want

to truly be in a position to operate across the full spectrum. I think that is the only way that we can be properly prepared for whatever.

Senator INHOFE. My time has expired, but I would say this is not just the Army. All services have the same problem. I know the attitude with what is happening right now with the F–22 and some of the other things of concern. It just seems to me that at some point we are going to have to look into the future and say that perhaps it is going to require a larger percentage of our budget. We are going to be down close to 3 percent at the end of this budget cycle.

Thank you, Mr. Chairman.

Senator LIEBERMAN [presiding]. Thank you, Senator Inhofe.

Senator Reed.

Senator REED. Well, thank you very much, Mr. Chairman.

First, Secretary Geren, let me commend you for your extraordinary service to the Army. I think you have set the standard as far as service Secretary in terms of your integrity and your commitment and your devotion to the men and women of the Army. So thank you very, very much, sir. Thank you.

Secretary GEREN. Thank you, Senator.

Senator REED. General Casey, you have significant responsibilities to provide the appropriate manpower for the combatant commands, combat commanders. One of the issues in particular, the shortage of, and you alluded to it before, combat engineer units for road clearing operations, both in Iraq and Afghanistan, particularly as we build up. What are you and General Martin E. Dempsey and others doing to transform units, that may be not technically engineering units, into those that are capable of doing these missions because they become sort of the critical enablers?

General CASEY. You are exactly right, Senator. In fact, when I spoke earlier, I talked of tank companies converting to engineer companies. We have had a concerted effort to increase the number of these enablers that are particularly effective in the stability operations aspects of our doctrine. Just for example, in 2003, we had 171 construction companies. By 2011, we will have 212, and you have similar increases in military police, civil affairs, and psychological operations. So we are very attentive to making sure that we have the capabilities to execute the doctrine and not just having the doctrine.

Senator REED. Are you confident at the pace, from your statistics you have begun to make this transformation? Is it fast enough? Many of my colleagues have traveled recently out to both Iraq and Afghanistan. These are the critical assets that both commanders need, one to go down, one to go up. We have a window in Afghanistan of perhaps 18 months to 2 years to turn this tactical operational situation around. Do you think you are at the fastest possible pace to get these units in the field?

General CASEY. I think we all would like to go faster, but with the conversions of the units, the conversions to modular organizations, the rebasing, and the continued deployment of 140,000–150,000 folks every year, I do not see how we could do it much faster than we are doing it now. I do believe that, to the best of my

knowledge, we have covered the engineer requirements in Afghanistan with the forces we have now.

Senator REED. Let me ask you another aspect of this whole issue of personnel, which you are responsible for. Again, given the changing missions in both theaters, Iraq and Afghanistan, there is going to be the requirement for individual small training teams, not BCTs, but small groups of trainers. Are you preparing for this increased demand, particularly in Iraq? Two, selecting individuals, men and women, who are well qualified, not just technically but also in terms of operating in the culture in small units, is there going to be a problem effectively supplying these trainers? Because that becomes the great force multiplier for us as we get the Iraqi forces and the Afghani forces truly in the fight.

General CASEY. I have seen an interesting change here over time. When we first started the transition team mission back in late 2004 or early 2005, the conventional forces were not really skilled in operating with indigenous forces? So we have grown in that knowledge over time.

Now what we are seeing in both Iraq and Afghanistan is the desire by the commanders to use BCTs as the nucleus of the training effort. We are augmenting them with additional trainers so that that brigade commander can partner with military police and border forces in their sector and provide trainers with each of them. This allows them to provide the security and the logistic support for the teams. So it is a transition that is going on right now.

I just visited the 4th Brigade of the 82nd Airborne Division who was down in Fort Polk doing their training. They are the brigade that is going to Afghanistan to take on the training mission in the south. With the commanders there, I asked them is there something additional we should be doing to help you learn how to train these indigenous forces, and one of the battalion commanders raised his hand and looked at me and said, "General, that is what we have been doing for the last 3 years." So the skills are up in the conventional force, and I think that is extremely positive.

Senator REED. How does this work in Iraq? As you pull out BCTs, you no longer have that brigade structure. You will have embedded training teams that will not be operating with their brigade. They will be with the Iraqi brigades. That is a different sort of species.

General CASEY. You are right, Senator. As the drawdown comes, there will be a mix of units that have external teams and then units that have their own teams. Then that will gradually evolve down to the six advise and assist brigades that will be remaining in 2010.

Senator REED. One other question. This is just reflecting decades ago. The incentive structures for the very best people to go into these training billets versus a BCT, a battalion. You and the Secretary have to make sure that you are properly incentivizing, properly recognizing, and properly rewarding. That was not done, I think, in the mid to late 1960s when the advisors, particularly in Vietnam, were not given the credit nor the support which was necessary to get the very best people in there.

General CASEY. We very much agree. Last year, I allowed key developmental credit for officers serving on transition teams. This

year we began selecting people from the battalion command lists to command transition teams. So we are committed to making sure the quality gets there.

Senator REED. Thank you very much.

Thank you, Mr. Chairman.

Chairman LEVIN [presiding]. Thank you, Senator Reed.

Senator Chambliss.

Senator CHAMBLISS. Thank you, Mr. Chairman.

Gentlemen, as always, thanks for your service. Pete, I mentioned to you before the hearing, I do not know whether this may be your last hearing or not, but I hope we have an opportunity to brag on you even more. But I just cannot overstate the value of the service that you have rendered to your country during your years in Congress, as well as at the Pentagon. You and I were good friends in our House days, and I have always admired and respected you, but never more so than now because you have made great sacrifices. Your family has made great sacrifices to serve your country, and we thank you for that.

Secretary GEREN. Thank you, Senator.

Senator CHAMBLISS. Gentlemen, as I understand it, you have come to an agreement with the Air Force concerning the Joint Cargo Aircraft (JCA) program to reduce the overall quantity of aircraft from 78 to 38. This decision also makes it a single-service mission, as opposed to a joint program.

As I understand it, there is still a strong need for an aircraft that can close that last tactical mile. So I am concerned about this decision. As I understand it, the Sherpa is an aging aircraft that lacks the capabilities required to operate in Afghanistan, and additionally, we are still utilizing private contractors in Afghanistan to fly our troops from forward-operating base to forward-operating base.

These facts seem to be at odds with the decision, and I wonder if you can explain what led to this decision and how the Army will be supported by this new course of action with respect to this decrease in numbers.

Secretary GEREN. Let me speak to the numbers and the Chief can talk to the roles and missions issue.

When the Secretary made the decision to go to 38 aircraft of the JCA, he explained that what he was attempting to do there is replace the Sherpas. He has told us since then that the right number is somewhere or he is open to consider whether the right number is somewhere between 38 and 78. He wants to have the Air Force look at the proper mix of C–130s and JCA going forward and see if there is a way to better utilize the inventory of C–130s in this mission, recognizing that there will be parts of this mission, subsets of this mission, that the C–130 cannot meet because of their ability to access certain runways. So the number is 38 at this point, but the Secretary has left open the door to reconsider that issue after we have done a better job of looking at the potential contribution of the C–130 to that mission.

As far as the roles and the mission, I would ask the Chief to speak to that.

General CASEY. Senator, I have been working with the last two Chiefs of Staff of the Air Force, and basically what I have told them is it is not my core competency to fly fixed-wing cargo air-

craft. I needed the capability. I needed the last tactical mile that you talked about in your opening statement. So I said, when you are ready, take this program. It makes more sense for the Air Force to have this than it does for the Army. General Schwartz and I reached an agreement in principle a couple of months ago. So we agreed to go forward.

Now, we have not worked out the modalities of how that will happen, and we have a team that involves Craig McKinley, the Director of the Guard Bureau. They are helping us work through the details of this. We have been directed in the budget to have a report back to the Department by the end of this month, and we will do that.

Senator CHAMBLISS. Well, I am told the Army aviation assets are being used at about five times their peacetime operational tempo and that we have flown nearly 3 million flight hours since the beginning of OIF and OEF. We have done that by putting a lot of pressure on our rotary wing assets, particularly the CH–47. That is very expensive and probably not nearly as efficient as the JCA would be. So as you go through this, we look forward to working with both you, as well as the Secretary of Defense on that particular issue.

Secretary Geren, you talked about the issue of suicide in your opening statement. This is, rightfully so, a number one issue on the minds of folks in your position and others. Are you seeing any common thread or causal relationship between the rise in suicides in the Army today?

Secretary GEREN. We are looking for patterns in the increasing numbers of suicides. What we are finding, as far as the immediately contributing factors to the decision to commit suicide, the factors that lead to that tend to be the same factors you see outside of the military. The number one factor is a shattered personal relationship, loss of a spouse, loss of a loved one, or divorce. Then the second is some type of workplace humiliation, disappointment, or serious financial problem. Then you have the occasional medical problem. But by and large, the precipitating event we find is the same inside the military as outside of the military.

We have seen the group that commits suicide more than any other is younger than 25. It is male. It is white. The majority use a weapon, a rifle or a pistol. We are working with the National Institute of Mental Health to see if there are some patterns there that we have not been able to spot.

But I think it is unquestionably true that the stress that the force is under puts relationships under a stress and leads to increased divorce rates. The studies that are produced for the Chief and me every month, we look at the divorce rates. We look at other indicators of stress on the families. So we have families under stress, soldiers under stress. The pressure that everybody in the Army is under certainly contributes to that stress.

We have found that as far as the deployment history, about one-third of the people that commit suicide have never deployed. One-third commit suicide during a deployment, and then one-third commit suicide who are back from a deployment. We have found that the soldiers who deployed more often, the suicide rate actually goes down. It appears that they develop a resiliency, and multiple de-

ployments, as some might suspect, are not a direct contributor to higher incidence of suicide.

We are also looking at all the different waiver categories to see if there is any sort of trends or patterns there.

General Chiarelli is leading this effort. We are looking across the many different people in our Army that are part of the suicide prevention efforts, the chaplains, the mental health providers, the psychiatrists, the individual soldiers, and the small group leaders.

Our big focus on suicide prevention is to try to take it down to the grassroots, and we have undertaken a chain-teach. We had a stand-down in February and March, and we are doing a chain-teach over the course of the summer. Literally every single soldier in the Army has to participate, it is required, in this suicide prevention training.

But your first question. There are patterns there, but there are no patterns that we have seen that have led to any breakthrough. We are hopeful that this partnership with the National Institute for Mental Health will allow us to see some patterns there and discover something about suicide prevention that has escaped us so far.

Senator CHAMBLISS. I know both of you are going to continue to work hard on this issue. We have developed a great working relationship on other health care issues in Augusta at Fort Gordon with the Eisenhower Army Medical Center, the VA, and the Medical College of Georgia. This may be another way that you can use that model to try to incorporate some private sector physicians in helping us deal with this issue too.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Chambliss.

We now have a quorum, so we are going to be able to consider a list of 2,425 pending military nominations. All of these nominations have been before the committee the required length of time.

Is there a motion to favorably report these 2,425 military nominations?

Senator CHAMBLISS. So moved.

Chairman LEVIN. Is there a second?

Senator REED. Second.

Chairman LEVIN. All in favor, say aye?

[A chorus of ayes.]

Any opposed, nay?

[No response.]

The motion carries. Thank you all.

[The list of nominations considered and approved by the committee follows:]

MILITARY NOMINATIONS PENDING WITH THE SENATE ARMED SERVICES COMMITTEE WHICH ARE PROPOSED FOR THE COMMITTEE'S CONSIDERATION ON MAY 19, 2009.

1. In the Navy, there is one appointment to the grade of commander (Deandrea G. Fuller) (Reference No. 52).

2. In the Navy, there are six appointments to the grade of captain (list begins with Daniel G. Christofferson) (Reference No. 57).

3. In the Air Force, there are 12 appointments to the grade of lieutenant colonel (list begins with William A. Bartoul) (Reference No. 239).

4. In the Air Force, there are 2,398 appointments to the grade of major (list begins with Peter Brian Abercrombie II) (Reference No. 240).

5. MG Charles B. Green, USAF, to be lieutenant general and Surgeon General of the Air Force (Reference No. 283).
6. LTG Joseph F. Dunford, Jr., USMC, to be lieutenant general and Commanding General, I Marine Expeditionary Force; Commander, U.S. Marine Corps Forces Central Command (Reference No. 396).
7. MG Herbert J. Carlisle, USAF, to be lieutenant general and Commander, 13th Air Force (Reference No. 406).
8. Gen. William M. Fraser III, USAF, to be general and Commander, Air Combat Command (Reference No. 411).
9. LTG William L. Shelton, USAF, to be lieutenant general and Assistant Vice Chief of Staff and Director, Air Staff, U.S. Air Force (Reference No. 412).
10. LTG Daniel J. Darnell, USAF, to be lieutenant general and Deputy Commander, U.S. Pacific Command (Reference No. 413).
11. VADM Richard K. Gallagher, USN, to be vice admiral and U.S. Military Representative to the North Atlantic Treaty Organization Military Committee (Reference No. 414).
12. MG Terry G. Robling, USMC, to be lieutenant general and Commanding General, III Marine Expeditionary Force; Commander, Marine Corps Bases, Japan; and Commander, Marine Forces Japan (Reference No. 415).
Total: 2,425.

Chairman LEVIN. Senator Udall.

Senator UDALL. Thank you, Mr. Chairman.

Welcome, gentlemen. Thank you for service to the country, and I also wanted to note to Ms. Bennett her work is an inspiration. Thank you for what you do.

I have a number of Colorado-specific questions that I would like to ask, but first I would like to make a comment. You are both aware that Colorado Springs has been counting on another BCT at Fort Carson as a part of the Grow the Army Initiative. I know the stationing plan has not been finalized yet, but I want to note for the record that costs have been incurred in anticipation of the new BCT both on the part of the community and Fort Carson itself. I do not have the precise dollar figures just yet, but it seems to me that for a community that has been in support of the Army, we need to give some thought to those investments already made. I just wanted to note that for the record.

If I might, I would like to move to my first question.

You both are familiar with the Pinon Canyon maneuver site, which is an important training asset for Fort Carson, other installations, and Guard and Reserve units from service branches across the country. Secretary Geren, I know you took time to come out to Fort Carson recently.

As you both know, when expansion of the existing site was first revealed in 2006 and then formally proposed in 2007, the plan was quickly rejected by the ranchers and land owners in the area. Opposition has only grown over the intervening years. I think the Governor has agreed to sign legislation restricting State lands for any expansion use, and the Army has also scaled back its original proposal and also agreed that eminent domain authority will not be used. Moreover, for 2 years running, Congress has prohibited the use of funds for Pinon Canyon expansion in the MILCON appropriations bill, and while that has not closed the book on the potential expansion, it has limited the Army's ability to conduct an environmental impact statement (EIS) in furtherance of the acquisition plan.

So given all these developments, gentlemen, I have a series of questions, and then I will let you answer them. What is the purpose of an EIS in the case of Pinon Canyon? What would you ex-

pect an EIS to uncover that we do not already know about the underlying purpose for potential expansion, particularly on the question whether this particular acreage offers unique advantages for training that are already not met at Fort Carson and other facilities around the country? Can you also reconfirm that the Army only intends to proceed on the basis of willing sellers or lease arrangements and will not use eminent domain? That is a series of questions, Mr. Secretary.

Secretary GEREN. Let me start with the last one first. We have committed that we only want to work with willing sellers. We will not use eminent domain.

You did make a number of points. I know the Governor is considering signing legislation that would block the use of any State lands. I would hope that would not happen. That would be unfortunate.

We got off on the wrong foot with the landowners in the Pinon Canyon area, and I acknowledge that. I would like us to be able to punch the reset button and start over. The expansion of Pinon Canyon is important to us long-term. The original number, in excess of 400,000 acres, I think we no longer consider that as a goal or even desirable, and we are talking about a number considerably less than that. The Government Accountability Office has recently looked at our methodology in assessing what are our training needs. They have, at least preliminarily, validated that. But Pinon Canyon long-term, we would like to grow it. The exact number of acres still remains to be determined, heavily influenced by the number of willing sellers or lessors that would be willing to forward.

But the Army has a great, long, rich history of working together with the State of Colorado. You all have been full partners in the growth at Fort Carson. The points you made for the record about the BCT issue, I am very cognizant of the investment that the community is making there. I am very mindful of that.

I would like to see us take a pause and do a better job of listening to the landowners and see if we cannot figure out a way to move ahead in a win-win fashion.

The development of Pinon Canyon, properly done, could bring some economic development to a part of the State that is economically depressed. We see an opportunity to make a contribution in that regard.

Fort Carson, when you look at the training range available to it, does not meet our doctrinal requirements. Now, there are many other installations that fall in that same category. But that means that brigades at Fort Carson often have to travel elsewhere. That is expensive in order to accomplish that training.

We have decided to hold off on doing an EIS. We use O&M money for EIS, not MILCON money, but in an effort to demonstrate our commitment to cooperate with the spirit of the congressional interests, as well as the landowners, we are holding off on moving ahead on an EIS.

We want to work together with the State on this. We would like to work together with the State government, and most importantly, respect the wishes of the landowners. Keith Eastin, who recently left, who was our Assistant Secretary, had devoted considerable

time in there to try to repair some of the damage that was done the way we started out. It is part of our long-term plan, but we want to be a good neighbor. We want to have this willingly embraced by the landowners. That is the only way it works long-term.

Senator, we would like to continue to work with you. I appreciate the leadership you have shown on it, as have many other members of your delegation. I think we can make this work, but it is going to require some time and we are going to have to do some good listening in order to bring it off.

Senator UDALL. Thank you, Mr. Secretary.

If I might, General, move to another question about Fort Carson. The 4th Infantry Division (ID) is in the process of moving up to Colorado. We are really excited about that opportunity. We have seen over the past several decades the critical role that the Army aviation function plays in military operations. It provides a range of combat multipliers, everything from airborne attacks to aeromedical evacuation.

The 4th ID already has an Apache battalion, but the remainder of their aviation brigade is not slotted to join the rest of the division at Fort Carson. So I have a few questions about that situation I would like to direct to you.

Are there plans to add an aviation brigade to the 4th ID in the near future? In the interim, what are the Army's plans for providing the 4th ID with aviation assets for training and combat operations? Will the lack of an aviation brigade interfere with the 4th ID's ability to rapidly deploy with aircraft and crew that have trained with the division?

General CASEY. Senator, a couple things. First of all, I mentioned modular organizations in my opening statement, and our aviation brigades are assigned to support three to five brigades. While there will not likely be an aviation brigade moved to Fort Carson, if the division deploys and the mission called for it, they would have an aviation brigade to provide them the support they needed.

With respect to training, the battalion that has just arrived back there from Korea will provide some training support for their rotations, and then for additional needs, particularly at the combat training centers, they will be supported by aircraft from other aviation units around the country. So their aviation needs will be met, but probably not an aviation brigade at Fort Carson.

Senator UDALL. I see my time has expired, but I would also make a final note on the High-Altitude Aviation Training Site facility which is up in the mountains in Colorado. We will continue to work with you to see if we cannot get some birds permanently assigned to that site. The training opportunities there are so similar to what we face in Afghanistan, in particular, that we would like to be able to do even more there. So thank you for your attention to that opportunity as well.

Chairman LEVIN. Thank you, Senator Udall.

Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

Secretary Geren, first let me join in the praise of my colleagues for your service. We do appreciate your outstanding service as Secretary of the Army. I fear this may be your last time before our

committee, and I want you to know that I join my colleagues in saluting your service.

Secretary GEREN. Thank you very much, Senator.

Senator COLLINS. General Casey, I want to associate myself with the line of questioning of Senator Lieberman. It is my understanding that there are currently about 20,000 troops that are unavailable due to injuries and wounds for combat operations. Very troubling, it is my understanding that that is a record number of troops since the wars in Afghanistan and Iraq began.

First of all, is my number correct, that it is approximately 20,000 troops?

General CASEY. Your number is correct.

Senator COLLINS. Furthermore, we are ramping up deployments to Iraq and Afghanistan, as Senator Lieberman has pointed out, before we begin the drawdowns. That puts a great deal of pressure on our troops for the next 10 months. I am particularly concerned about whether we are going to be able to increase dwell time, which is of great concern to all of us.

I am also concerned that the situation in Iraq may not go as well as we hope, and thus the schedule for moving troops out of Iraq, which is key to our ability to deploy more troops to Afghanistan, may not be realized.

What would be the impact on the National Guard, in particular, if we continue to have a large number of troops sidelined because of wounds and injuries, plus we see setbacks in Iraq that make it less likely that we can redeploy troops as quickly as hoped?

General CASEY. Senator, I will respond to a couple of the questions there.

The impact on the National Guard directly of a large number of nondeployable soldiers is not significant and not direct. There will be individuals who will not be able to go to their units, but it is not a significant impact.

If the Iraq drawdown is not executed, as it has been programmed, we would not get to the level of dwell which I feel is both necessary and appropriate for a force that will, at that time, have been at war for 8 years. So we would not meet our targets of 1 year out-2 years back for the Active Force, 1 year out-4 years back for the Guard and Reserve if we did not execute that plan.

I would say that Secretary Gates has left the door open to go back and reconsider building those three brigades that we will not build now if the situation in the future looks like that was not a good decision. So the door is open for us to go back and to do that.

As I mentioned in response to Senator Lieberman's question, we watch the deploying units all the time. We watch the strengths and everything that they go out at. I will tell you, because of the nondeployables, we are having difficulty getting all of our units out at a minimum of 90 percent, which is where we want to be. We have had a handful that have gone out less than that over the last several years. So that is not a good position to be in and it is the personnel situation you are highlighting.

Senator COLLINS. That is my concern. Thank you.

General Casey, are you involved in establishing the metrics for measuring the effectiveness of the administration's new policy for Afghanistan?

General CASEY. I am not directly involved in developing them. We will review them as they are prepared in the tank with the Joint Chiefs.

Senator COLLINS. Do you know who is involved in establishing those? This is an issue I have raised at previous hearings and we are still waiting for a response from the administration's policy.

General CASEY. I do not know which Department of the Government has been charged to develop those.

Senator COLLINS. What do you think would be valuable metrics for measuring the success of the administration's new approach in Afghanistan?

General CASEY. It is interesting. Having been involved in this in another job, there are two approaches. One is to pick a handful, five to seven really big things that need to happen.

Senator COLLINS. Such as a decrease in violence?

General CASEY. Decrease in violence, elections, growth of the army, growth of the police, those kinds of things.

But it is the political side that is very difficult to measure, and that is where the progress has to be made for both Iraq and Afghanistan to succeed. So finding the right political metrics has always been something that we wrestled with. Elections, reconciliation agreements, those kinds of things I think are big-ticket items that we should pay attention to.

The other approach is to develop a laundry list of 100 things. I found that is not necessarily as useful as focusing on a few big things.

Senator COLLINS. Secretary Geren, do you have any guidance for us on what we should look for to evaluate the effectiveness of the new strategy for Afghanistan?

Secretary GEREN. Senator, I really do not have anything to add to what General Casey has said.

Senator COLLINS. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Collins.

Senator Webb.

Senator WEBB. Thank you, Mr. Chairman.

Secretary Geren, I would also like to add my thanks to you for the job that you have done and wish you well.

I would like to particularly express my appreciation for the answer you gave earlier about the indicators on suicides. I spent a good bit of time as a committee counsel on the House side on the Veterans Committee early on when we were examining issues of post-traumatic stress with respect to the Vietnam War. I would submit that whatever patterns we are seeing in this issue, they do boil down to stress and personal stress is accentuated by the stress of the force and that suicides are only one part of this examination. The long-term emotional well-being of people who have served is a critical factor in how we are using our people. Those are in many cases situations that you are not going to see manifested in the present day, but we saw them very clearly when we were doing the early work on post-traumatic stress. I have a great deal of concern about that, and General Casey, you know that from the conversations that you and I have had over the past couple of years.

Your comments about dwell time being of your utmost concern. I recall the conversation that you and I had more than 2 years ago

when you called me to tell me that the Army was going to go to 15 month deployments with 12 months at home, which I think is a .75 dwell time ratio. You will recall that I expressed my strongest concern about that, as someone who had grown up in the military, as did you, and watched my father go through multiple deployments, someone who had served in Vietnam when the Marine Corps tour was 13 months and someone who had had a son and a son-in-law deployed as enlisted marines in extended tours in Iraq.

Last week, I said this to the Secretary of Defense and Admiral Mullen, "I am very encouraged about programs that are in place to treat those who are experiencing emotional difficulties and the removal of stigma in the Active Forces and that sort of thing. But I am still concerned about measures that should be taken and could be taken to prevent these sorts of situations, which was the basis really of my conversation with you 2 years ago."

It was the reason that I introduced the dwell time amendment twice in 2007. If we are going to put greater discipline into, say, the procurement process, as has become a big focus, maybe we should be putting the same sort of discipline in our combatant commanders' request for troops.

Certainly one of the parameters in terms of troop availability or in terms of how we use troops is the stewardship that we all should feel about length of deployments versus time back here, all these things that you were talking about at the beginning, which I was talking about on the Senate floor a couple of years ago.

So what do you think about that?

General CASEY. Senator, I could not agree more. In fact, one of the points of discussion that I hope to have in the Quadrennial Defense Review is whether or not we need to move toward a capabilities-based strategy versus a war plan-based strategy because, as I said, we are organizing the Army on a rotational cycle so that we can provide a sustained level of capabilities to combatant commanders but at a sustainable deployment cycle.

Senator WEBB. Certainly the rotational cycles should be on the table when we are talking about the number of troops that should be deployed. It is something that you and I were discussing 2 years ago. In your defense, I will say that you were saying you have to feed the strategy when you went to the 15 month. It was your obligation to find the troops to feed the strategy.

General Petraeus comes and testifies, and I asked him about the dwell time thing, and he said, well, I just state my requirements. There was sort of a disconnect in the middle.

It would seem to me that, particularly in this transitional period, we ought to be taking a pretty tough look at the well-being of the force as a component in terms of how we are using them to deploy in Afghanistan.

General CASEY. I agree with you, and I am not articulating it well I do not think. But once you have arranged the force into bins for the rotational cycle, that is what is available to the country. It is available at a sustainable deployment cycle for the families and the soldiers. It is a strategy that is constrained by means which all strategies should be, rather than strategy driving requirements.

Senator WEBB. I think we are rushing to agree on this. At the same time, the difficulty really is that there seems to be such a deference to a combatant commander, and there should be something of a deference, but there seems to be such a deference when they say, I need 30,000 troops, rather than where this decision is now being made, saying, wait a minute. This is going to be going on for a long time, and how are we going to protect the health and our long-term sustainability in terms of feeding these troops?

General CASEY. We are beginning to have those kinds of discussions in the tank.

Senator WEBB. I am very glad to hear that.

I want to give you the opportunity to clarify one statistic, since it was a question that you were responding to with Senator Lieberman. I think he cut you off in mid-sentence when you said you have a lot of units that are 1.5 to 1 dwell-time ratio. Right now, Army-wide with the troops actually deployed, what is the ratio and dwell time right now?

General CASEY. We are between 1.3 and 1.5 is the average.

Senator WEBB. Thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Webb.

Senator Akaka.

Senator AKAKA. Thank you, Mr. Chairman.

I want to add my welcome to Secretary Geren and General Casey and again would want to add my thank you to you for your great service to our country and distinguished service to our country.

I also want to thank all of our men and women in the Service for their service to our country and their sacrifices and also their families which is so important to their quality of service.

I would also like to send my aloha to all the present, as well as the past, NCOs as we celebrate the Year of the Noncommissioned Officer.

I am particularly interested in mental health care in DOD and in the Service. Last week in his testimony before this committee, Secretary Gates discussed the shortage of mental health care providers across the DOD and particularly for DOD facilities in rural areas like we have in the State of Hawaii. To address this issue, he recommended expanding the DOD medical education program to include mental health care providers who can provide front-line mental health care support.

Secretary Geren and General Casey, how would you assess the current level of health care providers in the Army personnel, and can you offer what plans may be in any expansion?

Secretary GEREN. Secretary Gates has talked about innovative programs to try to bring more mental health professionals into the Services, and I wholeheartedly endorse that. We see in the Army what you see in the private sector. It is generally an under-resourced capability. It is made more acute for the Army because so many of our installations are in rural areas, as you note. When you look at the mental health support for soldiers and families, you have the active duty Army. You have Army civilians, but then we also rely very heavily on the TRICARE network in order to provide support around our installations. Most Army installations are in areas that are a good distance from any large metropolitan area.

Exceptions around here are at Fort Belvoir. But you look in Hawaii, you look at Fort Sill, you look at Fort Bragg, you look across the Army, Fort Irwin, Barstow, CA, generally areas that are underserved by mental health professionals as far as the TRICARE network.

So we have to expand our vision on how we bring mental health professionals into the Army. We are using the capabilities that you all have given us, the critical skills retention bonus, loan forgiveness for mental health education. We are using the tools that we currently have in the tool kit, but I think Secretary Gates is very much on the right track. We are going to have to look at innovative ways to provide incentives for people to pursue extended education in the mental health area, along with incentives for them to provide those capabilities to the Army either in uniform or as Army civilians.

But every year I have been in the Army, we have laid out what our goals are in that regard. We have put resources against it. We have used all the different programs, including a new pilot that we started to try to bring non-citizens, legal aliens that are non-citizens that are health care providers, into the Army as well. So we have some work to do in order to come up with an approach that meets the needs. We are not there yet, and I think Secretary Gates' approach is excellent.

General CASEY. Can I tell you about something we are doing internally, Senator, that I think is going to help us here? This summer we will kick off what we call the Comprehensive Soldier Fitness Program. It is a program designed to build resilience into all of our soldiers and to bring mental fitness to the level that we now give to physical fitness. As a part of that program, we will train master resilience trainers. We have had for years master fitness trainers who teach you how to do pushups. But these resilience trainers will be in our units and they will be able to help the soldiers and the leaders craft programs to deal with mental fitness. I am actually going tomorrow to the University of Pennsylvania where we have our first group of sergeants going through the training to become resilience trainers.

The other aspect of the program is we will have a self-diagnostic test that a soldier will take at different times in his career, and it will give them some preliminary feedback on how they are doing and then it will link them to self-help modules that they can use to enhance their performance. We already have what we call battlemind training that we give at varying times in the deployment cycle, and we will be introducing the comprehensive mental fitness into all of our professional development schools. So we are trying to combat this from a preventive approach, not just trying to fix things after they go awry.

Senator AKAKA. Mr. Chairman, let me finish with this. Last week I met with General Ray Mason who is the commanding general of U.S. Army Hawaii. Among other things, we discussed a suicide intervention program called ACE. I was very encouraged to hear what he had to say about the program where soldiers—and ACE is for "ask"—ask their fellow soldiers how they are doing; C, "care" about the soldier and E, "escort" the soldier to a source of additional help if needed. He said every soldier has to do this with

his buddies. He said that the "escort the soldier to a source of additional help" was the most difficult part of the ACE program. He said in some cases it was to take his buddy to a place where he can get help. They have found that this has been working well. This sounds like a great buddy system to use as part of a broader suicide prevention program. I just want to mention this is a program that they are using in Hawaii.

Thank you.

Chairman LEVIN. Thank you, Senator Akaka.

Senator Hagan.

Senator HAGAN. Thank you, Mr. Chairman. Following up on Senator Akaka's question and Senator Webb's on suicide, I know that I believe it was just last week in Baghdad when we lost a number of soldiers in a horrific incident at Camp Liberty. One man killed was Commander Charles Springall from Wilmington, NC, who was actually, I believe, a clinical social worker there, 52 years old. Obviously, we have concerns on the soldiers and the stress level and whatever is happening in their daily lives and back home.

But what about the actual mental health professionals that you need to have staffed overseas in theater? Is that an area that you feel comfortable about? I mean, I cannot imagine that you have enough psychiatrists or mental health professionals.

Secretary GEREN. We are increasing the numbers of mental health professionals in theater, both at fixed locations and also mobile teams that can go out to dispersed soldiers. The divisions now all have a psychiatrist. Every brigade has a behavioral health care professional that works with the commander of those brigades. Over the last 2 years, we have increased mental health professionals close to 40 percent, but delivering those services in theater obviously has some operational challenges. But we are pushing more and more of those services forward.

General CASEY. The only other thing I would add to that, Senator, is that as part of an ongoing investigation, the commander has asked the question, do we have enough? So as part of his overall investigation into this incident that you referred to, he is looking at whether we actually need to put more over there, and if we need to put more over there, we will.

Senator HAGAN. What are you doing to be sure a situation like that does not happen again?

General CASEY. That is being studied and the lessons learned from that will be distributed widely throughout the Army. There are several ongoing investigations that will inform us about what happened. It was a tragic incident.

Senator HAGAN. Tragic.

I know that Brigadier General Gary Cheek, as Director of the Warrior Care and Transition for the Department of the Army, has done an admirable job in overseeing our wounded warrior programs throughout the Army. Being from North Carolina, I do want to point out that at Fort Bragg 35 percent of our wounded warriors will not be reintegrated into their combatant units.

I noticed in your presentation you were talking about the warrior care and transition. Obviously, the goal is to provide world-class care for our wounded, ill, and injured warriors through properly resourced WTUs, enabling these soldiers to remain in our Army or

transition to meaningful civilian employment consistent with their desires and abilities.

My question is, do you think that the comprehensive transition units or plans in place within the WTUs are doing an effective job in instructing and equipping our wounded warriors with additional skills necessary either to reclassify their Active-Duty status or to transition into civilian life?

Secretary GEREN. Well, our comprehensive transition plan is an area of heavy emphasis for us. It is an initiative that builds around the goals and aspirations of the individual soldier. It is our intent to assess that soldier's needs, identify where that soldier wants to go, and provide the type of training and preparation for moving through the VA to the private sector that will enable that soldier to accomplish his or her goals.

This is a fairly new program for us. When we first stood up the WTUs, we really did not have a comprehensive approach to that type of future planning for the soldier, and I feel good about it. I travel around to the posts. I always meet with the WTU soldiers without any cadre present, and I always ask them about that. I ask them how are we doing as far as helping you with your professional development and providing you opportunities for meaningful job training in the service and educational opportunities as you move out.

I have gotten some suggestions that perhaps we need to look at the tuition assistance. The caps on tuition assistance in some cases limit their ability to take the kind of courses that they feel they need in order to transition out. So we are looking at that. But it is a work in progress.

Again, I tell those warriors in transition, you got two jobs. One is to meet your own needs to heal and move on, but the other is to help us make these WTUs, this is a relatively new undertaking for the Army a little more than 2 years old, work for soldiers. They continue to provide us feedback that has helped us to modify our approach.

We have the cadre of over 3,000 soldiers that work in those WTUs. We are working to provide them the right kind of training. It is a new mission for them. This is not something that was extant in the Army before we developed this approach to outpatient care.

So it is a work in progress. We continue to get feedback to see how we modify it to make it better, but I think, by and large, we are making progress in that regard.

We are also working as hard as we can to provide those soldiers also an opportunity to continue on Active Duty and working to make accommodations to enable them to continue on Active Duty in spite of whatever type of disability that has come from either their illness or their wound.

Senator HAGAN. I had an opportunity to meet with several soldiers from Fort Bragg about 2 weeks ago. All four of them had been wounded severely but they had all remained on Active Duty. That is exactly what they wanted to do.

A follow-up question on that is, what do you think accounts for the varying discipline rates in the WTUs?

Secretary GEREN. I beg your pardon?

Senator HAGAN. The discipline rates. There has been a lot of publicity recently on the high rates of indiscipline within those units.

Secretary GEREN. We have looked at that issue, and there were some soldiers at Fort Bragg that expressed concern that they felt that the discipline was being used inappropriately, perhaps unreasonably. I went down there right after we learned of that and met with those soldiers. I have asked General Cheek and General Schoomaker to look across the entire warrior transition system to see if we felt that there was a problem in that regard. Our assessment at this stage is that the leadership in those WTUs are exercising their authorities appropriately and taking into consideration the medical condition of the soldiers. It is a question of a commander exercising judgment in every case, but anytime we have a situation arise where someone feels that they have been treated unfairly, we look into that. But at the present time, we have not found a pattern there that would suggest that we have a problem.

Commanders exercise their discretion in discipline both inside and outside the WTUs, and we give considerable deference to commanders to make those type of decisions. We have not been able to find any indication that there has been an abuse of that discretion that would suggest that we need to change the way we are currently doing it, but we watch it very closely and it is part of the education process for our soldiers that assume leadership positions in those WTUs.

Senator HAGAN. Thank you. I too want to thank both of you for your commitment and service, and I certainly do appreciate it. Thanks.

Thanks, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Hagan.

Thank you. Somehow or other, we avoided the two votes. We are not sure what is going on on the floor, but it worked out better for us in any event. We thank you both. We thank the troops behind you, their families, and the troops that we will stand behind wherever they are in this world. Thank you both.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR JACK REED

ARMY TEST AND EVALUATION

1. Senator REED. Secretary Geren, as part of the January 31, 2008 provisional certification of the Army fiscal year 2009 Test and Evaluation (T&E) budget, the Test Resource Management Center (TRMC) Budget Certification requested the Army to complete a cost benefit analysis (CBA) study by August 2008. I understand that initial results from the cost-benefit study were inconclusive and that the study remains incomplete today. What is the Army's plan and schedule for completing this study?

Secretary GEREN. As coordinated with Defense TRMC, the Army is currently conducting a detailed CBA and will deliver the results to TRMC by September 15, 2009. The CBA will address all issues raised by TRMC in their provisional certification of the Army fiscal year 2009 T&E budget.

2. Senator REED. Secretary Geren, why has it been delayed?

Secretary GEREN. Army and TRMC recognized the need for a detailed study. The Army, in coordination with the TRMC, developed a two phased approach. Phase one was an interim assessment, provided to TRMC on September 3, 2008. Phase two will complete the CBA. This effort is on schedule and the Army will provide the CBA to TRMC in September 2009.

TEST AND EVALUATION RISKS TO PROGRAMS

3. Senator REED. Secretary Geren, the February 6, 2009, memorandum from the United States Army T&E Command to the Chief, Legislative Liaison, Office of the Secretary of the Army, concerning the initial results from the cost benefit study requested by the Defense TRMC, estimates 23 percent of fiscal year 2010 and 40 percent of fiscal year 2011 test workload will not be supported, and shows the unfunded requirement for equipment sustainment is 62 percent. The revised cover of that transmittal states: "The Army acknowledges the potential for reduced test support of non-major programs and other developmental test but will manage risk to acquisition efforts." As you are aware, the Army's test ranges support test customers across the Department of Defense (DOD). The White Sands Missile range, for example, indicates that nearly half of their test customer workload is generated by programs external to the Army. Please explain how you plan to manage risk to external programs.

Secretary GEREN. The Army recognizes that the test ranges are national assets and we are committed to providing the necessary resources. The Army will adequately fund the White Sands Missile Range and all other test ranges so they are capable of addressing the critical test requirements of all DOD test customers. In concert with the Office of the Secretary of Defense (OSD) Program Analysis and Evaluation (PA&E), we have initiated two separate reprogramming actions that will address the critical testing requirements of all DOD, major range and test facility base customers.

4. Senator REED. Secretary Geren, I understand that the Army and TRMC worked together to survey how Army programs may be impacted by this reduced level of support. From the results of that survey, can you tell me how Army non-major programs are impacted by the proposed funding level?

Secretary GEREN. The survey was helpful identifying the total requirements for the Army T&E ranges. With the funding initiatives Army has taken in fiscal year 2009–fiscal year 2011, I am confident Army can support all test customers at our ranges.

TRMC NON-CERTIFICATION OF ARMY T&E FISCAL YEAR 2010 BUDGET

5. Senator REED. Secretary Geren, in their December 5, 2008, memo to the Secretary of the Army, the TRMC expressed intent to non-certify the Army T&E budget for fiscal year 2010 because of inadequate developmental test range funding for labor, sustainment and facility modernization. What was the level of T&E funding recommended by TRMC?

Secretary GEREN. TRMC's plan recommended $380.3 million as the funding level for T&E support in fiscal year 2010. The current Army budget for Test Range Infrastructure is $354.7 million.

6. Senator REED. Secretary Geren, what initiatives has the Army undertaken to address the issues being raised by TRMC?

Secretary GEREN. The Army added $16.7 million as directed by OSD PA&E. The Army has requested approval from the defense oversight committees to reprogram $35.9 million into fiscal year 2009 T&E budget to assist the Army in creating a stable baseline for fiscal year 2010 Army test facilities. I anticipate the Office of the Secretary of Defense will forward this request to the respective committees as part of the Department's Omnibus Reprogramming Request. Additionally, we are currently addressing the fiscal year 2011 T&E funding in the Program Budget Review process.

QUESTIONS SUBMITTED BY SENATOR BILL NELSON

C–27J/JOINT CARGO AIRCRAFT

7. Senator BILL NELSON. General Casey, when asked about tactical airlift on March 15 2007 before the Senate Armed Services Committee, Secretary Geren stated, "The Army is currently meeting its critical needs with inadequate and costly platforms for the tactical logistical mission—the C–23 Sherpa and CH–47 Chinook. Conservatively, over 25 percent of CH–47 usage in Operation Iraqi Freedom (OIF) is attributed to resupply missions. In Operation Enduring Freedom (OEF) we have been forced to use contract aircraft due to the C–23's inability to meet lift and performance requirements." On March 15 2007, Secretary Geren testified that the

Army was meeting its direct support tactical airlift requirements in Iraq and Afghanistan with inadequate and costly platforms, the C–23 Sherpa, CH–47 and contracted airlift. According to an Army Vice Chief of Staff letter to Senator Levin dated October 11, 2007, the Army stated a delay of 1 to 2 years was likely if the joint program transitioned to an Air Force program. The Vice Chief of Staff said, "A change in service status will require a significant reprogramming of test activities with respect to these processes and procedures. This time consuming process could delay the program 1 to 2 years." Please describe the Army's requirement for tactical airlift.

General CASEY. The Army requires responsive dedicated direct support tactical airlift to meet commanders' immediate priorities for delivery of equipment, supplies, and personnel. Currently, the Army performs this mission with the C–23 and the CH–47. Fixed wing tactical airlifters can relieve the stress on CH–47 helicopters, allowing them to focus on critical tactical missions. The Army, Air Force, Joint Staff, and OSD are working closely together to develop an effective concept of employment to meet the Army's needs.

8. Senator BILL NELSON. General Casey, what are the challenges that face the Army as it conducts the tactical airlift mission?

General CASEY. There are two primary challenges. First is the challenge to balance the need for common-user airlift in a general support role with the need for dedicated tactical airlift in a direct support role to the ground commander. The second challenge is to increase the visibility of airlift requirements and capacity. To this end, the Department plans to employ the Joint Airlift Logistics Information System-Next Generation across all geographic Combatant Commands (COCOMs) to standardize the airlift process and gain visibility over direct support requirements and available capacity. Shared visibility and joint oversight maximizes potential use of airlift assets for both the common-user airlift in a general support role, and airlift dedicated in the direct support role to meet ground commander's immediate priorities.

9. Senator BILL NELSON. General Casey, there is a joint validated requirement for 78 small tactical airlifters. The Army is the principal customer of this capability. According to Secretary Gates, the Army and Air Force agreed that the Air Force would perform the tactical airlift mission. What did the Air Force tell you were their plans to meet the Army's tactical airlift requirement?

General CASEY. The Army, Air Force, Joint Staff, and OSD are working closely together to develop an effective concept of employment to meet the Army's needs for dedicated direct support tactical airlift.

10. Senator BILL NELSON. General Casey, how did the Joint Requirements Oversight Council requirement change from 78 to 38 aircraft?

General CASEY. The decision to reduce the procurement of joint cargo aircraft (JCA) was made within the OSD and is best answered by that agency. The analysis included a plan for recapitalization of the Army's C23 Sherpa fleet and an improved ability to meet warfighter requirements through better management of all the Department's intra-theater airlift assets. The Army, Air Force, Joint Staff, and OSD are working closely together to develop operational procedures and measures to meet the Army's mission needs and to determine the final procurement quantity of JCA. This analysis will include the potential use of C–130s to meet a portion of the Army's requirement. If a determination is made to procure more JCAs, there is still time to do that.

11. Senator BILL NELSON. General Casey, based upon past Army, Air Force, and joint DOD analyses, how can the Army's tactical airlift requirement for C–27J-type airlift in OIF, OEF, and COCOM area of responsibilities be done with only 38 aircraft, assuming 13 aircraft in theater?

General CASEY. Over the next year, the Army, Air Force, Joint Staff, and OSD will analyze and determine if Air Force C–130s can fill the remaining requirements for JCAs.

NATIONAL GUARD AND ARMY RESERVE EQUIPMENT

12. Senator BILL NELSON. Secretary Geren and General Casey, major equipment shortfalls continue to exist for many non-deployed Guard and Reserve units despite increases in funding levels and the National Guard indicates they will have an esti-

mated $23 billion shortfall in 2015. What is the status of the Army National Guard (ARNG) equipment inventory by State, equipment type, fill rate, and need?

Secretary GEREN and General CASEY. Since 2007, the ARNG has received 284,601 pieces of equipment valued at approximately $12.47 billion from all sources which includes what Army budgeted and Congress appropriated; funds that Congress appropriated as part of the National Guard and Reserves Equipment Accounts; depot maintenance; Readiness Sustainment Maintenance Site production, etc. Army is working very hard to develop the transparency required so that all can exactly see what source of funding provided what equipment, but as of yet, we do not have that granularity.

However, as you can see from this data, unprecedented amounts of equipment are being delivered to the ARNG which allows us to provide ready units to perform assigned missions. The enclosed charts specify the national equipping status for each State and Territories' equipment inventory, equipment type, fill rate, and need.

13. Senator BILL NELSON. Secretary Geren and General Casey, how does this compare to last year?

Secretary GEREN and General CASEY. Since 2007, the ARNG has received 284,601 pieces of equipment valued at approximately $12.47 billion from all sources which includes what Army budgeted and Congress appropriated; funds that Congress appropriated as part of the National Guard and Reserves Equipment Accounts; depot maintenance; Readiness Sustainment Maintenance Site production, etc. Army is working very hard to develop the transparency required so that all can exactly see what source of funding provided what equipment, but as of yet, we do not have that granularity.

However, as you can see from this data, unprecedented amounts of equipment are being delivered to the ARNG which allows us to provide ready units to perform assigned missions. The equipment on hand (EOH) levels remained fairly flat due to an increase by 2 percent in overall requirements and by 3 percent in on hand inventory. This resulted in a net increase of 1 percent EOH for Modified Table of Organization and Equipment units. While significant pieces of equipment are being fielded to the ARNG, the equipment does not equate to a one for one increase for EOH. In many cases, particularly with vehicles, the new trucks are replacing older legacy vehicles. This keeps the EOH relatively constant although capabilities have increased. Availability of equipment to the Governor decreased by 1 percent from 2008 (63 percent) to 2009 (62 percent). This is tied to the number and types of units deployed and to equipment awaiting reset.

Modified Table of Organization and Equipment Critical Dual Use (CDU) equipment levels mirrored the EOH levels in which the ARNG had a 1 percent improvement from the previous year. CDU saw an increase in requirements of 6 percent and an increase in EOH of 7 percent. CDU equipment realized a significant EOH increase for M4 carbines and PVS–7 Night Vision Goggles for deploying units. The largest CDU requirements increases were for Movement Tracking Systems. Availability of CDU equipment increased by 1 percent from 2008 (65 percent) to 2009 (66 percent).

14. Senator BILL NELSON. Secretary Geren and General Casey, what is the Army's reset equipment goal for the ARNG and its plan to get there?

Secretary GEREN and General CASEY. The Army reset goal for the Reserve component is to have 80 percent of equipment returning from theater repaired by return plus 365 days. Return is when 51 percent of a unit's personnel arrive at home station. All redeploying Reserve component units to-date have reached this window.

Under the Reset imperative, which encompasses all of a unit's EOH, the Army has established a goal of 80 percent EOH at return plus 365 days for the Reserve component. The Army does not currently have the amount of equipment necessary to fill all Active component or Reserve component units to this level. The Army continues to fill the Reserve component and Active component units to the highest level possible, while still meeting the demands in support of current Overseas Contingency Operations.

15. Senator BILL NELSON. Secretary Geren and General Casey, the Army has fulfilled its need for the Engagement Skills Trainer (EST), but the National Guard has not, the National Guard has 363 of 468 required EST systems. Please describe the effectiveness of the EST on training.

Secretary GEREN and General CASEY. The EST 2000 is effective in developing individual small arms marksmanship skills prior to live fire marksmanship training. Soldiers can train on a variety of small arms weapons to include M4 Carbines, Machine Guns, as well as Mk19 Grenade Launchers. Training effectiveness analyses,

to date, have shown that soldiers achieve a higher marksmanship level as a result of EST 2000 training prior to live fire marksmanship qualification.

Beyond marksmanship training, the EST 2000 provides unit leaders the opportunity to practice small unit fire control and discipline in the collective mode. In addition, training in the Judgmental Use of Force Mode provides a variety of video-based scenarios to train small unit leaders and soldiers in the cognitive skills necessary to determine when and when not to shoot (use of lethal force/Rules of Engagement); which are skills critical for executing on-going operations in theater. Such skills are difficult to train in a live fire environment.

16. Senator BILL NELSON. Secretary Geren and General Casey, why doesn't the 2010 budget request any funds for the EST for the National Guard?

Secretary GEREN and General CASEY. The Army decided not to fund EST 2000 for Total Army in fiscal year 2010 based on competing requirements for Non-System Training Devices and limited funding available.

One of the reasons for this Army decision was the fact the National Guard plans to field EST 2000s in 2009, 2010 and 2011 that are procured using fiscal year 2008 and fiscal year 2009 funds. Using fiscal year 2008 funds, Lot IX provides the National Guard with 47 five-lane suites. Using fiscal year 2009 funds, Lots X and XI provide the National Guard with additional 21 and 20 five-lane suites respectively, for a total of 41 suites. This brings the total National Guard fielding to 327 Systems out of 459 validated requirements or about 71 percent of total requirements. This is comparable to the 80 percent (474 of 588) of the active Army after Lot XI.

Additionally, the National Guard has approximately 260 four-lane Fire Arms Training System (FATS). These virtual marksmanship training systems have similar training capabilities as the EST 2000 and were validated by the Infantry School for use in lieu of EST 2000; until such time as the EST 2000 fielding is complete. Because of this certification, the National Guard receives approximately $650,000 per year to sustain these FATS. The combination of EST 2000 and FATS will enable the Army to exceed its validated requirements.

17. Senator BILL NELSON. Secretary Geren and General Casey, what is the Army's plan to increase the number of systems for the ARNG?

Secretary GEREN and General CASEY. In the near term, sustainment for the FATS will continue. Additionally, the Training and Doctrine Command EST 2000 proponent and combat developer will conduct an analysis of the EST 2000 usage rates across the Army. Once enough usage data has been collected, the proponent and combat developer will evaluate whether there is an opportunity to redistribute EST 2000s to the National Guard.

The National Guard plans to field EST 2000s in 2009, 2010, and 2011 using fiscal year 2008 and fiscal year 2009 funds. Using fiscal year 2008 funds, Lot IX provides the National Guard with 47 five-lane suites. Using fiscal year 2009 funds, Lots X and XI provide the National Guard with additional 21 and 20 five-lane suites respectively, for a total of 41 suites. This brings the total National Guard fielding to 327 Systems out of 459 validated requirements or about 71 percent of total requirements.

Furthermore, the HQDA G–3/5/7 EST 2000 program lead is programming funding in the fiscal year 2012–2017 program objective memorandum. This funding will be sought to provide technical refresh and upgrades of current suites, as well as additional suites as required for all three components, the active Army, the National Guard, and the Army Reserves.

SURVIVORS BENEFIT PLAN-DEPENDENCY AND INDEMNITY COMPENSATION

18. Senator BILL NELSON. General Casey, please explain if the Army requires survivor benefits education for servicemembers and their families. Specifically, describe the Army's required survivor benefits education program for military families before, during, and after deployments.

General CASEY. Army Regulation 600–8–7, Army Casualty Operations/Assistance/Insurance, requires all retiring soldiers to receive a Survivors Benefit Plan (SBP) briefing and counseling from an installation Retirement Services Officer (RSO) prior to making their mandatory SBP election prior to retirement. Retiring soldiers must elect the level of coverage and the SBP beneficiary categories they want to cover. When retired they will start to pay a portion of the SBP coverage cost elected in the form of monthly SBP premiums deducted from their retired pay.

In the past 16 months, installation RSOs have briefed 47,732 soldiers and 6,230 spouses retiring or preparing for a future retirement on retirement subjects to in-

clude SBP. Of the 47,732 soldiers who attended a preretirement briefing in the last 18 months, only 19,430 actually retired. The remaining 28,302 soldiers attended the preretirement briefing to obtain information on retirement subjects to include SBP for a future retirement. These 28,302 officers and noncommissioned officers took the knowledge of SBP obtained in the preretirement briefings to the soldiers they supervised or commanded.

SBP is one of the survivor benefits available to the families of soldiers who die on active duty. Active duty SBP coverage is by law at no cost to the soldiers. Soldiers do not elect coverage levels or beneficiary categories. While not a requirement until retirement, the Army RSO Program actively supports dissemination of information on military retirement and SBP to soldiers and families throughout their careers. In the last 16 months, Installation RSOs conducted 3,012 retirement/SBP briefings for groups such as Army Spouse Groups, Family Support Groups, Officer Development Programs, and Noncommissioned Officer Development Programs.

The Installation RSOs also provide SBP counseling to the survivors of all soldiers who die on active duty. The Casualty and Mortuary Affairs Operation Center recognize the installation RSOs are the experts on SBP and therefore best qualified to explain this particular survivor benefit to the families of soldiers who died on active duty.

19. Senator BILL NELSON. General Casey, in addition, please describe the Army's required survivor benefits education for new servicemembers, and their families if applicable, at entrance into and separation from active duty or mobilization. If there is no required program, then please explain why not.

General CASEY. In accordance with policy on Death, Disability, and Survivor Benefits, the Army explains the rights and privileges available under Servicemembers Group Life Insurance (SGLI) to all eligible soldiers entitled to coverage upon initial entry on active duty, USAR, or ARNG.

All retiring soldiers are required to receive a pre-retirement briefing to ensure they are aware of the full range of their benefits and entitlements. The unit commander counsels ARNG and USAR soldiers who have completed 20 qualifying years of service before their transfer to control groups or before their transition. The Chiefs of the National Guard Bureau and the Army Reserve are responsible for ensuring that non-retired soldiers are counseled prior to their separation. A critical part of the pre-retirement briefing is the explanation of the congressionally-mandated SBP program. SBP is the sole means by which survivors can receive a portion of a soldier's retired pay.

Enlisted soldiers receive a class in basic personal finance during basic training that covers SGLI or State Sponsored Life Insurance for National Guard soldiers. SGLI and family SGLI is also covered in advanced individual training.

The Department of Veterans Affairs (DVA) provides a briefing to all retiring or separating soldiers during their transition processing. For soldiers who are discharged due to a disability, the DVA also presents a Disabled Transition Program that specifically addresses medical disability processing and disability payments. Other subjects are Vocational Rehabilitation and employment opportunities for soldiers with disabilities.

As part of routine Soldier Readiness Processing, all soldiers must process through the Personnel Information Station for SGLI, Family SGLI, Traumatic SGLI, and VGLI counseling/updates.

20. Senator BILL NELSON. General Casey, please describe how elimination of the SBP-Dependency and Indemnity Compensation (DIC) offset might affect quality of life for military families.

General CASEY. DOD opposes the repeal of the statutory offset between the SBP and the Department of Veterans Affairs' Dependence and Indemnity Compensation (DIC) programs. Removing the offset would result in two agencies paying lifelong annuities to a survivor for the same qualifying event.

Although the law requires an offset between the two programs, Public Laws 110–181 mandates that the Secretary pay a Special Survivor Indemnity Allowance (SSIA) to those eligible for both SBP and DIC payments. The SSIA, without repealing the offset, acknowledges the unique eligibility of some surviving Army families to benefits under both SBP and DIC.

QUESTIONS SUBMITTED BY SENATOR MARK UDALL

HIGH ALTITUDE AVIATION TRAINING SITE

21. Senator UDALL. Secretary Geren and General Casey, High Altitude Aviation Training Site (HAATS) is the only military school that teaches helicopter pilots how to fly "High, Hot, and Heavy"—in environments similar to Afghanistan and parts of Iraq. It is also the only military flight school that runs primarily on a "Bring Your Own Helicopter" basis. HAATS has two UH–60s, four UH–1s that are leaving the inventory, and two OH–58s. The school sometimes borrows UH–60s and CH–47s from the Colorado ARNG—at expense to their training and flying hour program. The need for the school is indisputable—we have lost many aircraft and lives due to power management failures at high altitude. But the limit for the school continues to be helicopters. In spite of General Cody's decision to provide aircraft, it has never been resourced—lost in arguments between the Guard Bureau and the Army—each asking the other to fix the problem and provide modern aircraft for HAATS. I know helicopters are in particularly high demand in our war theaters today. But I also believe that training our pilots properly for safe high-altitude flight will prevent helicopter losses. I'm told that an investment at HAATS will more than pay for itself within 2 years. I would like to hear your comments on the value of HAATS training and the need for additional aircraft at HAATS.

Secretary GEREN and General CASEY. Unit after-action reports and Center for Army Lessons Learned studies have emphasized the benefits of the power-management and environmental training conducted at HAATS. HAATS is an integral component of the U.S. Army Aviation's power-management and mountain environmental training strategy for deploying units and units stationed in mountainous States. Instructor Pilots and Pilots-in-Command use the techniques and procedures taught at HAATS during team, platoon, and company training at home station or at other locations. In addition to directing four UH–60s to HAATS, the former Vice Chief of Staff of the Army, General Cody, directed the U.S. Army Aviation Center of Excellence and the ARNG to review the long-term strategy for HAATS. This review is in an ongoing effort. Until the long-term strategy is fully implemented, the Army will provide HAATS four UH–60s in the first quarter, fiscal year 2010, and continue the "Bring Your Own Helicopter" strategy for other combat aircraft.

AFGHANISTAN READINESS

22. Senator UDALL. Secretary Geren and General Casey, I have some questions about the impact of the wars in Iraq and Afghanistan on the Army's state of readiness—especially given the additional burden on maintenance, repair, and recapitalization activities, including required reset activities. First, I'd like to hear what steps are being taken—or have already been taken—to reduce cycle times in order to make more equipment available to units to train domestically and/or to return equipment to operational status at a faster rate.

Secretary GEREN and General CASEY. The Army is constantly and vigorously seeking ways to optimize its repair and recapitalization processes. At all levels—from our five national depots to the dozens of repair facilities in Southwest Asia and the hundreds of motor-pools at home stations-the Army applies techniques like Lean Six Sigma alongside a host of best business practices we learn from our close partners in private industry. Application of these techniques has brought the U.S. Army Material Command $110 million in annual savings and cost avoidance throughout its Depot operations even as they have accelerated output. Red River Army Depot in Texas reduced High Mobility Multipurpose Wheeled Vehicle (HMMWV) maintenance costs by $30 million a year even as its streamlined processes turned out 32 mission-ready HMMWVs a day compared to 3 per week prior to their process improvements. Pine Bluff Arsenal in Arkansas reduced repair cycle time by 90 percent, even as it increased production of M–40 protective masks by 50 percent. At Corpus Christi Army Depot in Texas, employees decreased the time to rebuild the UH–60 Blackhawk from 256 days to an average of 70. But our improvement efforts are not limited to the depots. In the field, our RESET Pilot looks closely at all aspects of the complicated process of supporting unit equipment readiness both during and after a deployment. The Pilot is comprised of units from all components, active and Reserve, and from the Brigade Combat Team (BCT) size units down to company level units. This intensive pilot program lets the Army apply lessons learned by those select units and bring the most efficient tools to bear on the Reset of the whole Army, meeting the timelines demanded by our current as well as our future missions.

BASE REALIGNMENT AND CLOSURE

23. Senator UDALL. Secretary Geren and General Casey, I'd like you to address, specifically, how the Army is dealing with surge demand and overflow issues associated with the repositioning of large amounts of equipment under Base Realignment and Closure (BRAC), Reset, and the Grow the Army Initiative.

Secretary GEREN and General CASEY. The Army is dealing with equipment surges associated with BRAC, Reset, and Grow the Army Initiative through extensive planning, reviews, and rehearsals at all levels of command. Issues are identified and resolved or mitigated.

In addition to planning the movement of existing equipment, we are actively taking action to upgrade and replace outdated and obsolete equipment through reset and modernization efforts for both the operational and generating force. Our modernization efforts in the institutional training base ensure our soldiers are trained with the most capable equipment available. We started fiscal year 2009 upgrading and replacing over 2,500 items of equipment and major assemblies for the training of our mechanics, in conjunction with the Ordnance School's move from Aberdeen Proving Ground, MD to Fort Lee, VA. In the next 2 years, we will do the same for the move of the Armor School from Fort Knox, KY to Fort Benning, GA, and the Air Defense Artillery School from Fort Bliss, TX, to Fort Sill, OK. At Fort Sill, we plan to invest $9.5 million for a new combined Patriot and other air defense systems simulator to provide our air defender soldiers with first class simulations training. All of these plans have the single purpose to enhance the warfighting capability of our soldiers.

MACGREGOR RANGE

24. Senator UDALL. Secretary Geren and General Casey, I understand that the Army is considering sending overflow/surge work to MacGregor Range, NM, which is 500 miles away from Fort Carson. Why would the Army consider doing this, when the former Pueblo Army Depot is less than 40 miles away, with facilities, manpower and support available to support Army Reset and Maintenance overflow needs?

Secretary GEREN and General CASEY. The U.S. Army Materiel Command has reviewed the overflow/surge workload and found that the Left Behind Equipment workload at Fort Carson previously used in the overflow estimate was a worse case estimate that did not reflect projected operational requirements. The actual projected Left Behind Equipment workload can be met using maintenance assets on Fort Carson and therefore will not require any overflow workload. As a result, no equipment maintenance workload will be forwarded to MacGregor Range, New Mexico.

QUESTIONS SUBMITTED BY SENATOR JOHN MCCAIN

FISCAL YEAR 2010 BASE BUDGET REQUEST

25. Senator MCCAIN. Secretary Geren and General Casey, the DOD's base budget request totals $533.8 billion, a 4 percent increase over 2009. The Army's piece of the request is $142.1 billion, or a 2.1 percent increase over 2009. The biggest increase in your budget is for personnel, a 12.6 percent increase over 2009. Most other Army accounts actually decrease from 2009 levels. Procurement decreases by almost 5 percent, Research, Development, Test, and Evaluation decreases by almost 13 percent, military construction (MILCON) by 15 percent and family housing by 42 percent. Your funding priorities in the 2010 budget are to sustain, prepare, reset, and transform the force. Does your 2010 request adequately support those priorities?

Secretary GEREN and General CASEY. The fiscal year 2010 budget request adequately supports our funding priorities to sustain, prepare, reset, and transform the force. It provides funding for housing, barracks, child care, youth centers, warrior transition units (WTUs) and operational facilities—critically important components to providing our soldiers and families adequate quality of life. The fiscal year 2010 request also includes more than $1.7 billion for soldier and family programs. Civilian personnel increases 12 percent in fiscal year 2010 due to the Army's aggressive in-sourcing plan to bring back in-house governmental functions that can be performed by civilian employees; this action results in a decrease in contracts.

For reset, there is $11 billion in the Overseas Contingency Operations (OCO) budget request. We believe that we are in and will continue to be in an era of persistent conflict. We need land forces that can: one, prevail in a protracted global counterinsurgency; two, to engage with others to build capacity for them to deny

their countries to terrorists; three, to provide support to civil authorities at both home and abroad; and four, to deter and defeat hybrid threats and hostile state actors. We are transforming the Army to do that. It is an Army that is based on a versatile mix of tailored organizations, and it's organized on a rotational cycle so we can provide a steady stream of trained and ready forces to combatant commanders—and hedge against the unexpected. The fiscal year 2010 budget request has put us on a path to do that.

26. Senator MCCAIN. General Casey, you've indicated that the Army is currently out of balance to support requirements in Iraq and Afghanistan while at the same time being prepared to respond to other contingencies. You estimate that it will take an additional 2–3 years to rebalance the Army. In the out-years, the President's funding profile for Defense grows the base budget at about the rate of inflation. How do you plan to rebalance the Army with a flat-line, out-year funding profile?

General CASEY. The Army established its plan in 2007 to sustain our soldiers and families, prepare our forces for success in current conflicts, reset returning units to rebuild readiness, and transform to meet the demands of the 21st century. This plan is succeeding due to the support we have received from the President, Secretary of Defense, Congress, and the American people. For example, growing the Army enabled us to reduce the stress on the force by shortening tour lengths and increasing time between deployments, which in turn increases our flexibility to meet other contingencies. These are necessary conditions, but not sufficient in and of themselves, to enable the Army to meet the challenges of restoring balance and setting conditions for the future.

A major factor that affects the Army's ability to restore balance by the end of 2011 is the demand on the force, which is driven by global commitments. This factor is largely beyond the Army's control. The total demand for forces placed on the Army is still high, and we continue to consume readiness as fast as we can build it. Our ability to restore balance by 2011 is contingent on the demand for forces decreasing to a sustainable level. As always, the Army will prioritize resources in the out-years to provide the most capable and versatile force possible, but the Army's funding profile, at minimum, needs to provide zero percent real-growth (rate of inflation) in order to sustain today's buying power. Additionally, continued supplemental support will be needed for 2–3 years beyond the cessation of current combat operations to facilitate resetting the force. Anything less than that level of support will further erode our ability to achieve balance and meet our strategic role to the Nation.

SUPPLEMENTAL APPROPRIATIONS

27. Senator MCCAIN. Secretary Geren, I support the President's decision to move away from the use of supplemental spending bills to fund current overseas operations, and instead to incorporate these costs into a regular budgeting process. What steps is the Army taking to ensure its true budgeting requirements for personnel, operations, and equipment reset are adequately addressed in the base budget?

Secretary GEREN. The Army strongly advocates a reduced reliance on OCO funding. As reflected in our President's budget request for fiscal year 2010, we have taken active steps to begin to reduce this reliance. We still rely substantially on supplemental funding in certain areas in the near term (fiscal year 2010–2011), but are working now to further reduce this reliance in the out-years, which is a significant step toward fiscal balance for the Army. In particular, the Army has focused substantial effort to fund enduring requirements in personnel, and operations and support in the base budget.

Personnel requirements have increased over the last several years, and are expected to remain higher than in past years due to the nature of the global security environment. For the first time in fiscal year 2010, the Army budgeted for the entire Active component strength program of 547.4K (Military Personnel, Army) and the National Guard strength program of 358.2K (National Guard Personnel, Army) in the base budget. We also fully funded all of the Active component recruiting and retention incentives in the base budget.

The Army has provided full base-budget funding for its programs to support soldiers and Army families while simultaneously increasing that level of support. This is critical to maintain the quality of our All-Volunteer Force. Specifically, the Army has increased funding for family programs and services, Warrior Care and Transition, and support for the families of fallen comrades.

For operations, the Army is working to increase base funding for unit training and depot maintenance following completion of the Iraq drawdown, aligning resources with the projected increased dwell times of units.

The timeline for reducing reliance on OCO funding for equipment reset is different and is dependent on the timing of events beyond the Army's control. The Army expects that our reset requirements will not integrate into the Base Budget until 2–3 years after the end of the War and major forces redeploy. This will ensure readiness for the future. The extent to which reset will be funded in the base budget will be determined through future Administration and congressional guidance.

The Army will continue to require support in the coming years to fund enduring requirements in the base budget. For example, since fiscal year 2006, the Army has offset base budget funding for unit training for those units and soldiers projected to be deployed, and for Reserve component soldiers projected to be mobilized. This continues to be the case for fiscal year 2010. As demand decreases in the coming years, resources that are currently offset due to deployments will have to be replaced in the Army's base budget. Additionally, Depot Maintenance and Sustainment Systems Technical Support, Ammunition Sustainment, and Second Destination Transportation are highly leveraged in OCO in fiscal year 2010. These examples highlight the need for continued Army efforts to properly identify and communicate base budget needs over time, as well as continued base budget and OCO support from OSD, the administration, and Congress.

DWELL TIME

28. Senator McCAIN. General Casey, during testimony in February, Secretary Gates stated the Department's goal for the Army to increase dwell time to approximately 1 year deployed and 15 months at home by the end of 2009, 1 year deployed and 2 years at home by fiscal year 2010, and by fiscal year 2011, 1 year deployed and 30 months at home. Can the Army achieve this goal within your current force structure?

General CASEY. The only way the Army can achieve this goal within the current force structure is the global demand must decrease. The deployment length versus home station time, or the Boots on Ground (BOG) to dwell ratio, is driven by global demand versus the supply of available forces. The Army's long-term sustainable goal is to allow Active component units and soldiers three times the amount of time home as they are deployed (1:3 ratio), but demand and available forces ultimately drives dwell.

On average, Army Active component BCTs currently deploy for a year and receive approximately 15 months at home, although dwell will slightly decrease due to an additional Army BCT deployment to Afghanistan prior to further reductions in Iraq in fiscal year 2010. By the end of fiscal year 2010, given projected demands, the Army anticipates average Active component BCT dwell improving to approximately 20 months at home, improving to 24 months early in fiscal year 2011. By the end of fiscal year 2011, the Army expects the average Active component BCT dwell to improve to about 29 months.

DIVERSION OF TROOPS FROM IRAQ TO AFGHANISTAN

29. Senator McCAIN. General Casey, press reports last month indicate that units arriving in Iraq were diverted to Afghanistan after only a few weeks. This raises questions about the adequacy of their training for the vastly different operating environment in Afghanistan and the ability of the Army to properly resource these units, given the increasing logistical strain on transportation resources and routes. Are units deploying to Afghanistan receiving training tailored for their missions there?

General CASEY. To date, a small number of combat support units were diverted from Afghanistan after arrival in Iraq. These units typically are employed conducting Forward Operating Base support, local infrastructure, and civil support missions. These diverted units received theater-specific training at several locations in Afghanistan, depending on their final destination. At key regional processing stations, all soldiers completed Afghanistan-specific pre-deployment tasks. This includes: 2 days of country-specific briefings, counter-improvised explosive device training, escalation of force, vehicle roll-over drills, driver training, and safety awareness training. Based on unit commander priorities, units also conduct mission-specific training, live-fire drills, and other country-specific tasks. Additional area-specific training is conducted after a unit travels to its Forward Operating Base. After arriving, the unit receives briefings on base standards, rules of engagement, standard operating procedures, as well as orientation briefings about the local populace. As appropriate, the unit then conducts a relief-in-place with the outgoing unit.

30. Senator McCain. General Casey, does the Army have the resources necessary to augment the forthcoming troop increases, particularly in the case of combat enablers?

General Casey. The Army continues to support the Afghanistan Campaign with the requested numbers of BCTs and enabling units. Presently in Afghanistan, there are three Active component BCTs conducting operations and one Reserve component BCT conducting Afghan Security Force Training. Sustaining the demands of OIF and OEF have reduced dwell (home station time) ratios to unsustainable levels. If OIF responsible drawdown plans are met, the Army can achieve an average unit Boots on Ground (BOG) to dwell ratio of 1:2 for Active component units and 1:4 for Reserve component units in 2011.

Currently, the combined OIF/OEF Active component BCT totals equal 15, translating to a BOG to dwell ratio of ~1:1.3. Later this summer the Army will deploy an additional BCT to OEF, raising the demand for Army units above 15 BCTs and dropping the BOG to dwell ratio to ~1:1.2. Current demand for Reserve component BCTs has remained steady at approximately five Reserve component BCTs conducting security force operations in Iraq and one Reserve component BCT conducting Afghan Security Force training. This translates to an approximate BOG to dwell of 1:3. For lower density enablers such as Combat Aviation Brigades (CABs), the BOG to dwell will not see significant improvement until there are larger gains from OIF drawdown operations. By sourcing Reserve component CABs for OIF and OEF, the Army projects average unit BOG to dwell for Active component CABs to be ~1:1.2 until the end of 2011.

The Joint Force Providers continue to assess emerging requests for additional forces and enablers, from the Commander, U.S. Central Command (CENTCOM) in order to manage the impacts on average unit BOG to dwell.

31. Senator McCain. General Casey, have these diverted units faced any shortfalls in equipment?

General Casey. Yes, the Army faced some initial equipping challenges for units diverted from Iraq to Afghanistan. Key examples were tactical wheel vehicles, engineer, material handling and route clearance equipment. Contributing factors were compressed timeline for transfer of units from OIF to OEF, limited airlift and restricted ground lines of communication, competing challenges for movement of critical equipment (with items such as Mine Resistant Ambush Protected vehicles for force protection being moved ahead of other competing priorities), construction material for new bases, and previously scheduled equipment moves. The Army, CENTCOM and TRANSCOM mitigated this shortfall through several means: reprioritizing requirements, direct delivery of new production equipment from CONUS, issuance of prepositioned Prepared To Deploy Equipment set, leasing of alternative commercial engineering equipment and vehicles, shipment of OIF Theater Provided Equipment to OEF, increase in heavy airlift to better meet the demand and intensive management of unit equipping resourcing. As a result, units were able to begin execution of their missions, albeit in some cases with reduced capabilities. Currently, the mitigation strategies have improved the equipping stance of these deployed forces. The mitigation efforts are ongoing and will continue until all requirements are fully met.

As the throughput capacity increases, our ability to meet the transportation requirements will correspondingly increase. This will ensure that future forces' equipment will arrive on a timetable for Army units to meet full operating capability.

STRESS ON THE FORCE FROM CURRENT OPERATIONS

32. Senator McCain. General Casey, current operations in Iraq and Afghanistan have placed stress on the force, on servicemembers and on their families, including the pressures of repeat deployments and short dwell times. While the drawdown of U.S. forces in Iraq may relieve some of that pressure, the Army expects that the total number of soldiers deployed is likely to grow before it decreases. Meanwhile, the total number of U.S. forces deployed in Afghanistan is expected to grow to 68,000. What are the Army's current planning assumptions about future requirements for U.S. forces in Afghanistan?

General Casey. Before the savings from the Iraq drawdown can be used for Afghanistan, the Army will experience additional stress from the increase in enablers to drawdown OIF and support OEF. Afghanistan requirements for training teams and other ad hoc units, sourced with individual augmentees, in-lieu-of solutions, and BCTs, add to the stress on the force. Transformation/reorganization and other global demands exacerbate demand on the limited supply of forces available to support Af-

ghanistan. However, by the end of fiscal year 2011, the Army expects the average Active component BCT dwell to improve to about 29 months. Two factors contributing to the projected 29 month dwell in the Army's planning assumption are: (1) the Army anticipates that NATO will continue to provide forces in support of International Security Assistance Force; and (2) the Marine Corps will supply ground forces to increase presence in Afghanistan.

33. Senator MCCAIN. General Casey, are you comfortable about future force requirements in Afghanistan, given the lack of clarity about future allied contributions?

General CASEY. We continue to work with the President, Chairman of the Joint Chiefs of Staff, and Secretary of Defense, as well as the Commander, CENTCOM, to provide the right force mix in Afghanistan. Currently, the combatant commander's request for forces has been approved and forces are now in Afghanistan, en route to Afghanistan or preparing to deploy. We anticipate a requirement for forces update upon completion of General McChrystal's assessment of the situation in Afghanistan. NATO forces will continue to play a vital role in the success of Afghanistan. The Army believes that the success of the mission depends on their persistent involvement and partnership.

SHRINKING NUMBER OF DEPLOYABLE SOLDIERS

34. Senator MCCAIN. Secretary Geren and General Casey, according to press reports, the pool of non-deployable wounded or injured soldiers has grown to nearly 20,000 and is continuing to grow. How does this affect the Army's ability to fulfill its requirements in Iraq and Afghanistan?

Secretary GEREN and General CASEY. The growing number of wounded or injured non-deployable soldiers concerns the Army and decreases our capacity to man units. As a result, units train at less than optimal strength as they prepare for deployment. Despite this additional stress, the Army continues to fulfill its requirements in Iraq and Afghanistan.

35. Senator MCCAIN. Secretary Geren and General Casey, aside from growing the force, how is the Army addressing the decreasing pool of deployable soldiers?

Secretary GEREN and General CASEY. After 7 years of combat, the Army has realized an increase in the percentage of non-deployable soldiers within deploying units. Many of these conditions are temporary, while others are permanent. Army manning guidance provides specific guidance for deploying units, which includes using non-available soldiers in rear detachments, assigning them to WTUs, or assigning them to nondeploying units on the current installation. Manning guidance also provides for an elevated strength level to specifically accommodate non-available soldiers. Key process in the identification and management of soldier readiness is the Soldier Readiness Program (SRP), designed to be conducted on an annual basis or any time a soldier moves from one installation to another. A thorough review is also conducted prior to and following a deployment. As a result of the Army review, the requirement to conduct a pre-deployment SRP has been adjusted to be conducted further from deployment in order to allow more time for resolution of issues or replacement of soldiers unable to deploy. The Army will continue to work all recommendations in order to improve the medical readiness of soldiers and increase the available population.

OFFICER SHORTFALL

36. Senator MCCAIN. Secretary Geren, after nearly 7 years of war, multiple deployments, and increasing strain on military families, the Army is short of young officers and non-commissioned officers (NCOs). The Army is projected to experience a shortfall of approximately 3,000 captains and majors until at least 2013 as the Army increases its Active-Duty end strength. Do you believe this projected shortfall is accurate?

Secretary GEREN. No. We project the Army will be short over 3,000 captains and majors only through fiscal year 2010, with the shortage dropping to about 2,500 in fiscal year 2011. We project the Army will be at or above full strength for captains in fiscal year 2012 and beyond but will remain short 1,200–1,400 (10 percent–12 percent) majors during fiscal year 2011 through fiscal year 2013. While manning major vacancies in the out years remains a challenge, Army officer retention is above historic rates and most of the 6,000 captain and major vacancies projected in fiscal year 2006 for fiscal year 2010 and beyond are now projected to be filled. Each

quarter, the Army has seen improved out-year strength projections as the effects of officer retention measures and increased officer accessions beginning in fiscal year 2006 are assessed.

37. Senator MCCAIN. Secretary Geren, what consequences will this shortfall have on the Army's ability to meet its requirements?

Secretary GEREN. In the near term, the Army will continue to meet the requirements of our operational and forward deployed forces in company grades and junior field grades, and take risk where necessary in our CONUS-based generating force in those grades. As we grow to full strength for captains by fiscal year 2013, we will mitigate generating force risk by providing increasingly better fill at the captains grade, and use highly experienced, combat tested, and mature captains to fill institutional major positions. Any additional requirement growth at these grades to support modular formations or evolving capabilities will alter our risk mitigation strategies for the generating force.

38. Senator MCCAIN. Secretary Geren, what specific steps has the Army taken to address this shortfall?

Secretary GEREN. We implemented a pre-commissioning program beginning in fiscal year 2006, allowing cadets to select a branch, post, or graduate school for an additional service obligation of 3 years. This program has proved successful over the past 3 years with over 4,500 participating cadets to date. The Army expects this program to reduce loss rates among U.S. Military Academy (USMA) and Reserve Officer Training Corps (ROTC) scholarship commissioned officers beginning in fiscal year 2010 when officers from the earliest year group will have completed their normal active duty service obligation (5 years for USMA and 4 for ROTC officers). As a result of this program, the participating officers will be retained for 8 and 7 years, respectively.

The Army's Captains Retention Menu of Incentives program began in September 2007. This program targeted Army Competitive Category and selected Medical Service and Army Nurse Captains, and offered officers in the year groups 1999 through 2005 the opportunity to select a branch of choice, post of choice, military school, graduate level education, or Critical Skills Retention Bonus in exchange for an agreement to serve 3 additional years past any existing service obligations. This program closed out November 2008, and has guaranteed obligations through the beginning of fiscal year 2011 for over 153,000 captains. In 2006, at the beginning of our most significant modular growth, the Army was projected to be short almost 7,000 captains and majors in the summer of 2009. The projected shortage for the end of summer 2009 is now less than 3,000 at these grades. We are confident that our Menu of Incentives played a significant part in reducing our shortages.

For the future, the Army is developing non-monetary retention tools for commanders at all levels that provide direct comparisons between the benefits of service careers and careers in the civilian sector, as well as web based interactive information sites, and personal outreach tools that enable the direct interaction between senior leaders and their junior officers to maximize the potential to retain our best and brightest young officers.

TERMINATION OF STOP LOSS

39. Senator MCCAIN. Secretary Geren, in March, Secretary Gates directed that Stop Loss authority be ended, and in the next few months, the Active, Guard, and Reserve will no longer be able to use it. Since the outset of the wars in Iraq and Afghanistan, the Army has relied on Stop Loss authority to support unit cohesion and the vital unit manning concept. While Stop Loss has resulted in many soldiers being retained on active duty beyond their enlistment termination dates, the operational necessity for it in wartime has consistently been articulated by Army leaders in the past. Does terminating Stop Loss jeopardize the successful unit manning concept?

Secretary GEREN. No. The Army's use of Stop Loss has been necessary to maintain cohesion and ensure that a fighting force that has trained together remains together in combat. However, the intent has always been to end the program as soon as it was operationally feasible to achieve these goals without the use of Stop Loss. The Army Reserve will begin deploying units without Stop Lossed soldiers in August 2009, the ARNG in September 2009, and the Active Army in January 2010. With conditions improving in Iraq, a gradual restoration of balance between deployments, and an increase in the force's size, the Army can now begin to reduce its reliance on Stop Loss while maintaining unit cohesion and stabilization. The condi-

tions enabling the Army to reduce and eventually eliminate its reliance on Stop Loss also support the Army's efforts to bring the All-Volunteer Force back into balance. That includes a long-term goal of less frequent deployments and longer dwell times for units. Key to this effort will be our early setting of deploying units. Towards this end, the Army has implemented new manning policies focused on the unit's deployment cycle. Additionally, each component will implement an incentive program to encourage soldiers assigned to deploying/mobilizing units to voluntarily extend their service contract in order to complete a deployment with their unit. Together, these efforts will mitigate any adverse impacts resulting from the cessation of Stop Loss.

40. Senator MCCAIN. Secretary Geren, what are other risks associated with the termination of Stop Loss?

Secretary GEREN. Stop Loss has been necessary to maintain cohesion and ensure that a fighting force that has trained together remains together in combat. However, the intent has always been to end the program as soon as it was operationally feasible to achieve these goals without the use of Stop Loss. With conditions improving in Iraq, a gradual restoration of balance between deployments, and an increase in the force's size, the Army can now begin to reduce its reliance on Stop Loss while maintaining unit cohesion and stabilization. Key to this effort will be our early setting of deploying units to mitigate the risks of increased turbulence and reduced cohesion in deploying units. Toward this end, the Army has implemented new manning policies focused on the unit's deployment cycle. Additionally, each component will implement an incentive program to encourage soldiers assigned to deploying/mobilizing units to voluntarily extend their service contract in order to complete a deployment with their unit. Together, these efforts will alleviate any adverse impacts resulting from the cessation of Stop Loss. While these changes do carry some risk, the Army's commitment is to do everything possible to ensure that soldiers are not unnecessarily forced to stay in the Army beyond their enlistment termination dates. Being able to operate without Stop Loss is another step in the ongoing transformation of the Army into an expeditionary force.

ARMY END STRENGTH AND 2009 BUDGET SHORTFALL

41. Senator MCCAIN. Secretary Geren and General Casey, due in part to the accelerated growth of the Army, strong retention of NCOs, and substantial enlistment and reenlistment bonuses, it appears that the Army has a funding gap close to $2 billion for fiscal year 2009 in its personnel accounts. Does the 2009 supplemental funding you requested close this gap?

Secretary GEREN and General CASEY. The Army's military personnel accounts (Active, Guard, and Reserve) were $2.31 billion short at the submission of the fiscal year 2009 OCO request. With strong support from the House and Senate, Appropriation Conference marks provided $2.03 billion, leaving a shortfall balance of $.28 billion. Army military personnel account managers will continue to closely monitor execution.

42. Senator MCCAIN. Secretary Geren and General Casey, do you think the Army's fiscal year 2010 budget will cover all of the Army's personnel costs, while ensuring good recruiting and retention?

Secretary GEREN and General CASEY. We believe the fiscal year 2010 budget supports all known personnel requirements, to include recruiting and retention mission success. This statement assumes no significant changes in current economic conditions or mission requirements. It should be noted that the fiscal year 2010 budget supports a 2.9 percent basic pay raise. If Congress enacts a higher basic pay raise, additional funding would be needed to preclude a shortfall.

43. Senator MCCAIN. Secretary Geren and General Casey, Senator Lieberman has argued persuasively for 30,000 additional Active-Duty soldiers to meet operational missions and reduce dwell time. Are these additional soldiers needed?

Secretary GEREN and General CASEY. Due to wartime operational demands, the Army has more requirements for soldiers than the Active component 547,400-soldier Army can provide. By removing three BCTs from the program in fiscal year 2011, the Army is estimating the removal of approximately 10,300 requirements, allowing those associated soldiers to be used to offset requirements existing elsewhere in the Force. In fiscal year 2011, this will allow the Army to improve manning levels of next-to-deploy units much sooner than we are currently able.

Although the Army's force structure requirements are currently balanced by year within the Active component 547,100 end-strength, wartime requirements are degrading unit readiness. Principally, when a soldier is assigned as follows, that soldier is unavailable to fill requirements:

(1) Temporarily nondeployable soldiers in deployable units (approximately 12 percent of units preparing to deploy in May 2009) requiring other soldiers to man deploying units.

(2) The Wounded Warrior population (about 5,500 in May 2009).

(3) Joint and Theater specific request for individual fills (approximately 6,800 in May 2009; number is around 20,000 when considering soldiers preparing to deploy or those just returning and in their "dwell" cycle).

(4) The Trainees, Transients, Holdees and Students individuals account (approximately 3,000 over the programmed 71,000 at the end of fiscal year 2009).

WARRIOR TRANSITION UNITS

44. Senator McCAIN. General Casey, the Army responded to the tragic circumstances at Walter Reed by establishing WTUs. There are roughly 10,000 servicemembers assigned to 45 such units at this time. The units are a clear improvement over the situation 2 years ago, yet we continue to hear from family members that follow-up psychological care is insufficient, that the command climate and structure is sometimes degrading to soldiers, and that there has been little or no change in the onerous disability evaluation system to prepare them for the transition to civilian life. How do you hold leaders accountable for appropriate care and treatment of soldiers assigned to the WTU?

General CASEY. On April 1, 2009, the Army established the Warrior Transition Command (WTC) as a major subordinate command of U.S. Army Medical Command (MEDCOM). The WTC is commanded by Brigadier General Gary H. Cheek who also serves as Assistant Surgeon General for Warrior Care and Transition. Brigadier General Cheek is responsible for the effective execution of the Army's Warrior Care and Transition Program which has transformed the way the Army cares for soldiers and their families. The Army established 36 WTUs and staffed them with over 3,600 specially trained soldiers and civilians to provide command and control, medical, and non-medical support for more than 7,500 soldiers and their families. An additional nine community-based WTUs care for over 1,400 Army Reserve and ARNG soldiers. To ensure timely and effective local decisionmaking, I directed in July 2008 the creation of Triads of Leadership at all installations with WTUs. These Triads are made up of the senior commander on each installation, the Military Treatment Facility Commander, and the WTU commander. I have authorized these Triads to make timely and effective decisions to ensure that all WTUs are resourced adequately and supported sufficiently to meet the care and support needs of both soldiers and their families. The WTC provides ongoing oversight of these operations, to include performing regular organizational inspections using a select team of experts who evaluate all aspects of the operation of WTUs. WTU commanders report to Brigadier General Cheek monthly on the performance and status of their unit operations. Targeted assessments are also conducted. An example of this is the recent commissioning of a Functional Assessment Team to investigate published allegations of excessive disciplinary action of wounded, ill, and injured soldiers by WTU commanders. The findings of this team, led by Brigadier General Cheek, indicated that WTU commanders were effectively taking into consideration the medical conditions of the soldiers entrusted to their care before determining whether to impose non-judicial punishment. The team did, however, identify areas for improvement and Brigadier General Cheek has ensured the development and execution of these improvements in training and processes.

INFRASTRUCTURE TO SUPPORT ARMY END STRENGTH

45. Senator McCAIN. Secretary Geren and General Casey, the Secretary of Defense announced on April 6, 2009, his recommendation to cap the number of BCTs at 45 versus the previous plan of 48 BCTs. As you know, the Army had received authorization in the National Defense Authorization Act for Fiscal Year 2009 to construct facilities for the 46th, 47th, and 48th BCTs at Fort Carson, CO, Fort Bliss, TX, and Fort Stewart, GA. In light of the recent announcement, does the Army have a military requirement for the BCT facilities under construction?

Secretary GEREN and General CASEY. The Army has a current military requirement for the BCT facilities and fiscal year 2009 MILCON funding originally scheduled to support the 46th, 47th, and 48th BCTs.

At Forts Carson and Stewart, the fiscal year 2009 MILCON funding provides new facilities for Grow the Army (GTA) brigades (the 43rd BCT (4th Brigade/4th Infantry Division), and the 45th BCT (4th Brigade/3rd Infantry Division), which currently occupy inadequate facilities.

At Fort Bliss, fiscal year 2009 MILCON funding provides new facilities to house two BCT complexes: the 44th BCT (3rd Brigade/1st Armor Division) and the 5th Brigade/1st Armor Division when it relocates from Germany in fiscal year 2012. The fiscal year 2009 MILCON funding also provides unit operations, maintenance facilities, housing privatization, and training facility projects in support of GTA combat service/combat service support (CS/CSS) enablers.

Under the GTA initiative, the majority of the Army's fiscal year 2009 budget request supports requirements for incoming GTA CS/CSS enablers, which are not affected by the BCT cancellations. Forts Bliss, Carson, and Stewart each have facility capacity shortfalls of 50 to 75 percent. Additionally, fiscal year 2010 MILCON funding allows for the replacement of relocatables at Fort Stewart.

46. Senator MCCAIN. Secretary Geren and General Casey, as a result of this announcement, is the Army in the process of reassessing its stationing of BCTs worldwide, to include the return of units to the Contiguous United States (CONUS) from overseas locations?

Secretary GEREN and General CASEY. The Army is not reassessing the locations of its BCTs worldwide. The restationing of two Heavy BCTs scheduled to return from Europe in fiscal year 2012 and fiscal year 2013 is being examined as part of the ongoing Quadrennial Defense Review (QDR), which will reassess the global force structure end state for all the Services.

47. Senator MCCAIN. Secretary Geren and General Casey, when will this assessment be complete and if so, will this assessment include the best locations for combat support units?

Secretary GEREN and General CASEY. The Army is not reassessing the locations of its BCTs or existing combat support units other than the ongoing issue with the two heavy brigades in Europe. This issue will be determined by the QDR.

48. Senator MCCAIN. Secretary Geren and General Casey, in light of the force structure decisions, does the Army continue to support the designation of Baumholder, Germany as an enduring location for the stationing of U.S. forces in Germany?

Secretary GEREN and General CASEY. The Army will continue to support stationing requirements in Europe. The requirements for determining enduring locations such as Baumholder, Germany, will be informed by the QDR.

PINON CANYON MANEUVER SITE, CO

49. Senator MCCAIN. Secretary Geren and General Casey, the Army has received significant opposition from local communities regarding its requirement to expand the Pinon Canyon Maneuver Site (PCMS) in Colorado. The expansion requirement is driven both by a change in Army training doctrine requiring larger maneuver ranges and the decision to station five brigades at Fort Carson, CO. In light of the opposition and the strong possibility that the Army will not be able to carry out an expansion at PCMS, are you reconsidering Army training doctrine for the need for larger maneuver areas?

Secretary GEREN and General CASEY. The Army's doctrinal requirements remain intact. Units at most Army installations are currently training across areas that are considerably smaller than the areas they are required to operate across in Iraq and Afghanistan. We will continue to seek opportunities to provide the best training possible for our soldiers. In addition to live-fire training, the Army is using virtual, constructive and gaming technology to create training conditions that realistically portray the operational environment.

Any expansion at PCMS would be dependent upon landowners willing to sell or lease their land to the Army. The Army is committed to continuing to work with the State of Colorado and landowners to identify solutions that will provide our soldiers with the additional training land they need to prepare for combat, while also meeting the needs of the citizens and communities of Southeastern Colorado. We want to be a good neighbor and work in a cooperative way to provide the training

areas our soldiers need. We are hopeful that with this patient approach, we will be able to identify solutions to our training land needs at PCMS.

50. Senator MCCAIN. Secretary Geren and General Casey do you still have a military requirement to expand training ranges around the United States?

Secretary GEREN and General CASEY. The Army continuously evaluates its land requirements against doctrine, force structure, and unit stationing. Units at most Army installations are currently training across areas that are considerably smaller than the areas they are required to operate across in Iraq and Afghanistan. In an attempt to improve training capabilities, the Army developed the Range and Training Land Strategy (RTLS). The RTLS prioritizes Army training land investments and optimizes the use of all Army range and training land assets. The RTLS also provides a long-range plan for the Army to provide the best range infrastructure and training land to units.

The RTLS was developed in five phases. The first phase was to inventory current Army training assets. The second phase examined land values, parcel ownership, environmental constraints, environmental requirements, and population trends from public records to identify the best opportunities for training land acquisition and buffering. The third phase analyzed available land data to recommend short-term and long-term opportunities based on Army priorities. The RTLS process is designed to ensure that Army planners continually reevaluate land requirements against current Army priorities. The fourth phase was the establishment of planning objectives and the identification of installations where land acquisition supports requirements as determined by the local commander. The fifth and final phase was to evaluate public attitudes and provide outreach support for specific land acquisitions.

The deliberate phases of the RTLS provide the framework for the Army to select the most appropriate course of action to address training land shortfalls at specific Army installations. The options that the Army can pursue to overcome the current training land deficit include: focused management to maximize existing land holdings, buffering through partnerships, utilization of other Federal lands where possible, and land acquisition.

Focused management

The Army Sustainable Range Program (SRP) continually strives to maximize the capability, availability, and accessibility of all Army training lands. The RTLS may indicate that a land shortfall can be addressed using internal Army or Federal Government mechanisms. An example of this is approach can be seen at Fort Bliss, where the Army reassessed the traditional relationship between the Fort Bliss mission and the White Sands Missile Range testing mission to enable more training activities on the White Sands Missile Range, and thereby mitigate training burdens on Fort Bliss lands. Unfortunately, the use of focused management does not always provide a complete solution to an installation's training land deficit. Therefore the Army must look at other alternatives to supplement more focused management.

Buffering through Partnerships

Army Compatible Use Buffers (ACUBs) allow the Army to preserve or enhance an installation's current training land capabilities by minimizing encroachment. ACUBs serve to insulate Army training from encroachment and can be used to reduce environmental restrictions to training. However, ACUBs are not always available as a viable option to mitigate critical training land deficits.

Utilization of other Federal Lands

The Army examines the land status of other Federal entities to mitigate land deficits at Army installations. Land that borders Army installations, and is held by the Bureau of Land Management or Fish and Wildlife Service, may be transferred or made available to the Army after a comprehensive approval process that includes National Environmental Policy Act and other public reviews. Both Fort Carson and Fort Polk utilize U.S. Forest Service (USFS) lands under a special use permit. While not all training activities are permitted on USFS land, the special use permit at Fort Polk allows Army training on an additional 98,000 acres. However, the existence of large quantities of Federal land does not translate automatically into useable maneuver training land capacity. Due to terrain incompatibility and environmental issues most of the millions of Federal acres cannot be used for large-scale maneuver training with any meaningful degree of realism, or at all.

Land Acquisition

In some circumstances, the Army will pursue the purchase of land to mitigate training land deficiencies. The current Army position is to seek opportunities to acquire land where it appears feasible to do so. Feasibility is based on the availability

of large, contiguous parcels adjacent to or near major Army training installations, low land costs, low population density, and few environmental issues. The land acquisition approach is only pursued at an installation when it is clearly established as the best solution for supporting Army training requirements. The local commander makes that determination.

51. Senator MCCAIN. Secretary Geren and General Casey, if the need for larger training areas exists at Fort Carson and you are unable to expand PCMS, are you reconsidering the stationing of five brigades at Fort Carson?

Secretary GEREN and General CASEY. Activation of the 5/4 ID at Fort Carson has been cancelled based on the Army's announcement on June 2, 2009, to halt BCT growth at 45 versus 48 BCTs. As a result, four BCTs are currently programmed for Fort Carson. The Army has a legitimate requirement to expand PCMS based on the four BCTs that will be stationed at Fort Carson. However, the Army is taking no major actions to expand PCMS at this time. The Army believes that if we are patient, and receptive to the landowners, ultimately we will come to a mutually agreeable way ahead. We would proceed only at an appropriate time (such as if landowners identify themselves as willing to sell or lease land to the Army), and after consulting with congressional stakeholders. The QDR is reconsidering the status of the two heavy brigades in Germany. The results of the QDR will determine if a BCT is available to relocate and Fort Carson along with other installations would be considered.

52. Senator MCCAIN. Secretary Geren and General Casey, if so, when will you make a decision on the final number of brigades to be stationed at Fort Carson, and the need to continue construction of facilities for those brigades?

Secretary GEREN and General CASEY. Fort Carson will have three heavy and one infantry BCT. The Army is recommending execution of the current fiscal year 2009 and fiscal year 2010 MILCON program. However, due to the decision to stop at 45 brigades, the Army is conducting a gap analysis of fiscal year 2010 MILCON to identify projects that will not be needed. It is anticipated that the results of this analysis will be sent to Congress in July 2009, and may result in some minor adjustments to the fiscal year 2010 MILCON.

53. Senator MCCAIN. Secretary Geren and General Casey, if you decide to keep the current plan for five brigades at Fort Carson, what impact will this decision have on future Army initiatives for range expansions?

Secretary GEREN and General CASEY. Activation of the 5/4 ID at Fort Carson has been cancelled based on the Army's announcement on June 2, 2009, to halt BCT growth at 45 versus 48 BCTs. As a result, four BCTs are currently programmed for Fort Carson. The Army has a legitimate requirement to expand PCMS based on the four BCTs that will be stationed at Fort Carson. However, the Army is taking no major actions to expand PCMS at this time.

PRIVATIZATION OF ARMY BARRACKS

54. Senator MCCAIN. Secretary Geren and General Casey, as you know, the privatization of military family housing in the Army has been very successful over the past 8 years in providing Army families a decent home in a well-maintained community much quicker than could have been accomplished using MILCON investments. The Army has experienced recent success by applying the same principle to housing complexes for senior unaccompanied personnel. What is the Army's position on applying the privatization concept to the acquisition and management of unaccompanied housing for junior enlisted personnel?

Secretary GEREN and General CASEY. I fully agree that the privatization of military family and senior soldier unaccompanied personnel housing (UPH) has been very successful. However, our current position is that UPH privatization will be limited to single staff sergeants and above. Although there are many positive aspects of housing privatization, there are many challenges with the privatization of accommodations for our junior, single soldiers, i.e., barracks. Significant "scoring" issues by the Office of Management and Budget (OMB) must be resolved before the Army can consider any barracks privatization projects. OMB would score such issues as mandatory assignments, equity contributions, or loan guarantees. Further, junior soldiers cannot be required to live in privatized barracks and would have to have the option to take their housing allowances and live off-post. The Army does not currently authorize these soldiers any housing allowances or to live off post, and there are concerns about how privatization can be balanced with the Army's Warrior

Ethos and unit integrity. Other issues that must be addressed include extended deployments and use of the resident "waterfall" (possibility of civilian assignments into barracks).

As a result of these challenges, we are conducting an internal analysis to determine the feasibility of barracks privatization to supplement (not replace) the Army's Holistic Barracks Strategy. All previous reports and strategies will be considered and made part of the final analyses on the way ahead.

55. Senator MCCAIN. Secretary Geren and General Casey, a major concern among the Services regarding barracks privatization has been the substantial long-term commitment of allowances for housing, Basic Allowance for Housing (BAH), that are not currently paid to those military personnel living in barracks and would not be prudent during deployments. Has the Army given consideration to any financing proposals that would include partial BAH and reduced payments during deployments and if so, what is the Army's assessment of these proposals?

Secretary GEREN and General CASEY. We acknowledge that funding is a major concern in the business case analysis for barracks privatization. However, there are many critical areas to consider, including the impact on force readiness. The Army has not made any decisions on barracks privatization. Currently, the Army does not pay a housing allowance for soldiers who reside in the barracks. This expense would have to be programmed should the Army privatize its barracks. However, the Army has studied the Navy's privatization program at Hampton Roads, VA. The Army would consider financing proposals that include payment of congressionally approved partial BAH rates similar to the percentages authorized for the Navy if force readiness is not adversely impacted.

With respect to BAH payments for deployed soldiers, as long as the soldier is responsible for paying rent, we see no need to reduce BAH payments.

NATIONAL MUSEUM OF THE UNITED STATES ARMY

56. Senator MCCAIN. Secretary Geren, the Army budget request for 2010 for MILCON includes an authorization of $20 million to construct roads and install utilities to support the National Museum of the United States Army. Given the commitment of the Army Heritage Foundation (AHF) to raise private donations for the construction of the museum, do you support the use of appropriated funds for this support work?

Secretary GEREN. Yes. The authorizing legislation for the Museum, 10 U.S.C. § 4772, is virtually identical to the authorizing legislation for the National Museum of the Marine Corps (NMMC) and the Army has been advised in the past by the Congress to follow the Marine Corps precedent. The Marine Corps provided a site for NMMC which had been prepared using public funds, including Marine Corps MILCON funds. The Army, following the Marine Corps precedent, plans to provide the Army Historical Foundation (AHF) with an appropriate site which includes access and utilities in the immediate vicinity, once those funds have been authorized and appropriated by Congress. Another precedent is the site preparation done by the Army at numerous installations for Fisher Houses, another nonprofit organization, although these typically fall below the threshold which would require the use of MILCON funds.

57. Senator MCCAIN. Secretary Geren, why do you believe this is an appropriate use of taxpayer funds?

Secretary GEREN. The Army is committed to providing a site for the National Museum of the United States Army (NMUSA) which is suitable for public access and compatible with master land use plans for Fort Belvoir. After extensive consideration of alternative sites, the preferred site was determined to be most suitable for the intended use for NMUSA; however, the site is not within the developed areas of Fort Belvoir which are currently suitable for building. In accordance with the Army-AHF Memorandum of Agreement of March 2009, the AHF will transfer the Museum in its entirety to the Army once it has been completed and debts paid. Therefore, any funds expended for site improvement and oversight will ultimately support the Army mission of training and educating soldiers as well as the public on the historic role of the Army in the development of the United States in support of the Constitution. Preparation of the site will also facilitate future development of the area for other Army missions.

58. Senator MCCAIN. Secretary Geren, will this project result in a complete and useable facility in compliance with Title 10 United States Code Section 2801 and Army policy?

Secretary GEREN. Once the funds have been authorized and appropriated by Congress, the project is "to produce such portion of a complete and useable facility or improvement as is specifically authorized by law" IAW 10 U.S.C. § 2801(b). Although the objective facility at this time is the National Museum of the U.S. Army, the project will support additional development at that location or a different facility could be substituted. Other precedents exist for consideration of site preparation as a "complete and usable facility". In general, Army policy has been to associate site preparation with a MILCON project where the construction is to occur with appropriated funds. However, other projects are considered on an exceptional basis and those which appear justifiable are forwarded to Congress for authorization and approval IAW 10 U.S.C. § 2801(b). A recent example is the use of MILCON Army funding for site preparation for relocatable buildings at various installations as authorized in the Emergency Supplemental Appropriations Act for fiscal year 2005; the Army is aware of other-Service projects involving site preparation as complete and usable facilities, such as 2009 Navy projects coordinated with the SASC in April 2009 for which the specific § 2801(b) authorization was the project authorization by Congress, following submission of associated 1391s. Those precedents were shared with the Army by OSD and considered by the Army in their decision process.

59. Senator MCCAIN. Secretary Geren, why cannot this requirement for support infrastructure be included in the plans by the AHF to construct the museum?

Secretary GEREN. The Army committed to "making available a suitable, appropriate, and partially prepared U.S. Government site" for the Museum in accordance with the Army-AHF MOA, following consideration of other precedents discussed above. The AHF is not resourced to provide funding for preparation of an Army site, selected by the Army for the location for the museum, which can also be used for other Army purposes.

60. Senator MCCAIN. Secretary Geren, in your assessment, when will the AHF have the funding to award a contract for the construction of the museum?

Secretary GEREN. We anticipate that the AHF, in accordance with their Capital Campaign forecast, which we have intensively reviewed, will have adequate funding to support award of a contract for construction of the first phase of the Museum by mid-2011, following a milestone review by the Army in 2010, with revalidation in early 2011 prior to groundbreaking.

QUESTIONS SUBMITTED BY SENATOR SAXBY CHAMBLISS

EXTENDED COLD WEATHER CLOTHING SYSTEM

61. Senator CHAMBLISS. Secretary Geren and General Casey, I would like to commend the Army for its hard work and initiative developing the Third Generation Extended Cold Weather Clothing System (GEN III ECWCS). I am interested in the Army's plans to field and fund the GEN III ECWCS. What is the Army's requirement and funding plan for GEN III ECWCS?

Secretary GEREN and General CASEY. Senator Chambliss, the Army requirement to provide its soldiers effective protection from the environment without hindering their performance is documented in our Core Soldier System Capability Production Document (CPD). The GEN III ECWCS supports this requirement as a product improvement over previously fielded soldier items. At this time, one set of GEN III ECWCS is fielded per deploying soldier as part of our Rapid Fielding Initiative issue process. The Army's future requirement for GEN III ECWCS is currently being staffed as part of an update to the Core Soldier System CPD, and will likely be one set per soldier.

Current GEN III ECWCS fielding is supported primarily with supplemental funding; however, there is limited sustainment funding for select layers as part of Army Clothing Bag and Central Issue Facility support. For future years the Army Staff is in the process of developing fielding and sustainment processes that will be integrated into the Equipping and Sustainment Program Objective Memorandum requests for fiscal years 2012 and beyond.

JOINT CARGO AIRCRAFT

62. Senator CHAMBLISS. General Casey, I understand that Army aviation assets are now being used at five times their peace-time operational tempo and we have flown nearly 3 million flight hours since the beginning of efforts in OIF and OEF. An excerpt from the Analysis of Alternatives documents used to justify what was then called the Future Cargo Aircraft mission stated:

> "In reviewing other possible solutions, attention was turned to the CH–47 helicopter, the system that is doing most of the delivery of mission critical, time sensitive cargo and key personnel today. The CH–47 is being tasked to perform this mission because it is the "best available" Army-owned asset that can be tasked to do the mission. Unfortunately, it is a very expensive and inefficient method of doing the mission. The long distances being covered from the Intermediate Staging Base to the forward units are causing the tasked helicopters to accumulate flight hours well in excess of their planned mission profiles. This has generated a significant increase in the maintenance required for these aircraft. In the harsh desert conditions, this has been particularly telling for rotor blades, engines, and transmissions. Additionally, the CH–47 aircraft have primary mission functions they have to perform for the ground combat units. Diverting CH–47 assets from their primary missions creates an adverse operational impact to the ground force command by taking away a highly flexible transportation asset."

If they aren't doing it already, how is the current mix of lift aircraft in our inventory, whether it is Air Force or Army, combined with 38 JCAs, exclusively controlled by the Air Force going to relieve the strain on Army rotary wing assets?

General CASEY. Over the next year the Army, Air Force, Joint Staff, and OSD will analyze and determine if Air Force C–130s can fill the remaining requirements for JCAs. If a determination is made to procure more JCAs, there is still time to do that. The Army requires responsive dedicated direct support tactical airlift to meet commanders' immediate priorities for delivery of equipment, supplies, and personnel; and to mitigate risk to our soldiers by reducing the number of vehicular convoys to move critical supplies and equipment. The Army, Air Force, Joint Staff, and OSD are working closely together to develop an effective concept of employment to meet the Army's needs.

63. Senator CHAMBLISS. General Casey, how does this new JCA distribution plan support Department of State needs in the event of an event like a natural disaster?

General CASEY. This would best be answered by the United States Air Force who will determine the distribution of the JCA fleet. For the Army, we will continue to work with the Department of State, DOD, and the National Guard Bureau to determine how to best meet the aviation mission and requirements for natural disasters and other assistance missions based on our available inventory of aircraft.

FUTURE COMBAT SYSTEMS

64. Senator CHAMBLISS. Secretary Geren and General Casey, what long-term budgetary impacts do you foresee because of the most recent delays to the Future Combat Systems (FCS) program?

Secretary GEREN and General CASEY. The Army will evolve from a FCS Strategy to a BCT Modernization Strategy and modernize all Army BCTs for full spectrum operations. This will include the accelerated fielding of spin-out technology to all BCTs starting in fiscal year 2011, completing in fiscal year 2025. We will halt the development and procurement of FCS manned ground vehicles and develop a new Ground Combat Vehicle (GCV) concept focused on building a versatile vehicle that incorporates the lessons of almost 8 years of war. The intention is to field the GCV within 5 to 7 years. We will retain a software and Network development program for spin-outs and deliver Network/battle command in increments.

The Department is currently conducting analysis and developing its Program Objective Memorandum for fiscal year 2011–2015, which will seek to restore balance to a force experiencing the cumulative effects of 8 years of war and set conditions for the future to fulfill our strategic role as an integral part of the Joint Force.

Though the Army currently holds a comfortable margin of dominance over any other conventional ground force, we clearly must have a new, modernized fleet of combat vehicles to replace the Cold War inventory. It is essential that the funding originally programmed for FCS in the out-years be Reserved to fund the spin-out

of proven capabilities across the force, the delivery of improved Network capabilities, and the development of a new vehicle modernization program.

65. Senator CHAMBLISS. Secretary Geren and General Casey, will your sustainment line in the Future Years Defense Program (FYDP) have to be increased to account for this?

Secretary GEREN and General CASEY. The halted development and procurement of FCS manned ground vehicles will likely result in increased requirements for recapitalization and sustainment of current force systems that were intended to be replaced by FCS. This will be considered as we formulate our new BCT Modernization strategy and development of fiscal plans covering the FYDP.

FORCE READINESS

66. Senator CHAMBLISS. General Casey, do our units have all the equipment they need to train on that they will utilize in theater prior to their deployments, or do they need additional equipment State-side in order to train effectively prior to deploying?

General CASEY. Soldiers have sufficient equipment to accomplish the required training prior to their deployment. Some training on theater-unique equipment takes place when the unit arrives in theater, but this training occurs prior to the unit assuming its mission. Priority for critical force protection equipment, i.e., MRAPs, Intelligence and Electronic Warfare, etc., has been for units deployed to theater. This has caused some shortfalls within the Continental United States pre- and post-mobilization training sites; however, we have mitigated the impact by establishing Pre-Deployment Training Equipment and other training sets, to ensure units can train on the equipment they will use; we will increase these equipment sets once the theater requirements are met.

QUESTIONS SUBMITTED BY SENATOR ROGER F. WICKER

ARMED RECONNAISSANCE HELICOPTER/LIGHT UTILITY HELICOPTER

67. Senator WICKER. Secretary Geren and General Casey, the Armed Reconnaissance Helicopter (ARH) program was cancelled last year but the requirement has not gone away. This is evidenced by the inclusion in the proposed budget of money to modify existing OH–58 Kiowa Warriors helicopters. What is the status of the ARH contract, and how old are the OH–58s we are modifying?

Secretary GEREN amd General CASEY. The ARH System Development and Demonstration contract was terminated October 16, 2008, and the government project office is expecting the termination proposal from Bell Helicopter in October 2009. Current termination activities include contract management, materiel accounting, and materiel disposition. Following termination of the ARH contract, the Army allocated $50 million of ARH funding to support the new Armed Scout Helicopter Materiel Solution Analysis Phase. The Army expects a successful Materiel Development Decision in 2009 by the Under Secretary of Defense (Acquisition, Technology and Logistics) in order to enter this phase. This phase will produce an Analysis of Alternatives to support the future procurement for a system to replace the aging OH–58D Kiowa Warriors. The OH–58D aircraft were remanufactured from OH–58A and OH–58C airframes that have an average age of 38 years. The average age of the OH–58D aircraft is 17 years.

68. Senator WICKER. Secretary Geren and General Casey, the UH–72A Light Utility Helicopter (LUH) program has fielded over 65 aircraft in just over 2 years, all on cost and on budget. It is my understanding that the next phase of this program is to enhance many of the National Guard aircraft with a Security & Support (S&S) Battalion Mission Equipment Package (MEP) that will allow the Guard to perform drug reconnaissance, interdiction missions, support of border protection activities, and accelerate retirement of Kiowa aircraft. Is the Army on track and fully committed to execute the S&S equipment integration for the Guard?

Secretary GEREN and General CASEY. The ARNG, with the support of the Army, is in an ongoing effort to procure a Department of the Army-approved MEP that will enhance the ARNG Security and Support Battalion's (S&S BN) UH–72A LUH aircraft's ability to perform aviation domestic missions in support of civil authorities. The MEP requirements have been competed and materiel solutions have been selected by the contractor. The Army is fully committed to integrate the approved ARNG S&S BN MEP packages procured by the ARNG. Our goal remains to begin

fielding this MEP capability to the ARNG S&S BN in fiscal year 2011, thus we are aggressively pursuing a path ahead that can meet the ARNG UH–72A LUH MEP requirement.

69. Senator WICKER. Secretary Geren and General Casey, given the temporary shelving of the ARH, and the impact of ARH cancellation on the Guard, have you considered using the S&S Battalion program to provide the Guard with additional non-permissive environment capabilities?

Secretary GEREN and General CASEY. No. The Army will convert the four AH–64A battalions in the ARNG that were to receive the ARH to AH–64D Longbow aircraft. The Armored Cavalry Squadron of the ARNG, which has the OH–58D aircraft, will have their aircraft sustained through the Life Support 2020 Program, the same as the Active component aircraft.

[Whereupon, at 11:25 a.m., the committee adjourned.]

DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 2010

THURSDAY, MAY 21, 2009

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

DEPARTMENT OF THE AIR FORCE

The committee met, pursuant to notice, at 9:35 a.m. in room SD–106, Dirksen Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Lieberman, Akaka, Ben Nelson, McCaskill, Udall, Hagan, Begich, McCain, Inhofe, Chambliss, Graham, Thune, Martinez, and Wicker.

Committee staff members present: Richard D. DeBobes, staff director; Leah C. Brewer, nominations and hearings clerk; and Paul J. Hubbard, receptionist.

Majority staff members present: Madelyn R. Creedon, counsel; Creighton Greene, professional staff member; Terence K. Laughlin, professional staff member; Gerald J. Leeling, counsel; Peter K. Levine, general counsel; Roy F. Phillips, professional staff member; and William K. Sutey, professional staff member.

Minority staff members present: Joseph W. Bowab, Republican staff director; Daniel A. Lerner, professional staff member; Christopher J. Paul, professional staff member; and Richard F. Walsh, minority counsel.

Staff assistants present: Kevin A. Cronin, Jessica L. Kingston, and Breon N. Wells.

Committee members' assistants present: James Tuite, assistant to Senator Byrd; Christopher Griffin, assistant to Senator Lieberman; Tressa Steffen Guenov, assistant to Senator McCaskill; Gerald Thomas, assistant to Senator Burris; Anthony J. Lazarski, assistant to Senator Inhofe; Lenwood Landrum, assistant to Senator Sessions; Clyde A. Taylor IV, assistant to Senator Chambliss; Adam G. Brake, assistant to Senator Graham; Brian W. Walsh, assistant to Senator Martinez; and Erskine W. Wells, assistant to Senator Wicker.

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good morning, everybody. We welcome Secretary Donley and General Schwartz back to the committee this morning to testify on the plans and the programs of the Air Force

in our review of the fiscal year 2010 annual budget and overseas contingency operations request.

Please extend, both of you, on behalf of our committee our gratitude to the men and women of the Air Force and their families for the many sacrifices that they make and will continue to make on behalf of this Nation. We thank both of you for your long careers of leadership and service.

A number of critical issues confront the Air Force. Although not at the same operating tempo as the Army and the Marines, the Air Force faces a difficult challenge in balancing its modernization needs against the costs of supporting ongoing operations in Iraq and Afghanistan. The previous chief of staff of the Air Force said that something like an additional $20 billion per year beyond the fiscal year 2009 budget request would be required to maintain and modernize the Air Force. We know that each of the other Services is facing its own modernization and readiness challenges.

We would like to hear from both of you this morning about the risks that will, in your opinion, face future secretaries and chiefs of staff if the budget proposal is adopted.

General Schwartz, I note that your unfunded priority list (UPL) this year totals approximately $1.9 billion, which is a decrease from the roughly $20 billion level of General Moseley's comparable list last year.

We know that the Air Force is providing forces to the Central Command (CENTCOM) war efforts in a number of traditional roles, but it is also providing airmen in support of land component tasks in the so-called in lieu of (ILO) missions. At this time last year, there were more than 6,000 airmen performing ILO missions in theater. We should hear from the witnesses about what systems are in place to cushion the impact of this on the organizations who are giving up these airmen for these ILO deployments.

On the acquisition front, one of the challenges facing the Air Force is in space systems. All the Air Force space satellite systems are in the modernization and replacement process. All have seen substantial growth and schedule delays.

In many instances, the initial cost and schedule predictions were unrealistic. In others, the technical risk was greater than previously thought, or not well understood, and others suffered from poor management and execution. Some of these programs are showing improvement, but most are not out of the woods yet. As a result, space programs costs have increased substantially overall.

Another challenge facing the Department is the potential closure of several production lines and what effects those closings might have on meeting future warfighting requirements. Such proposed closures are but a few of the Air Force programs in this budget that generate significant interest here in the committee.

Among the many announcements that Secretary Gates made on April 6 and that are reflected in the President's budget are, first, decisions not to buy additional weapon systems, like the F–22 and C–17; second, program delays, like the next-generation bomber; next, program reductions, like the early retirement of 250 tactical fighter aircraft; next, program terminations with substitutes, like the Transformational Communications Satellite program to be replaced with additional Advanced Extremely High Frequency

(AEHF) satellites; and finally, program terminations with no replacement program, like the new Combat Search and Rescue helicopter and the Airborne Laser aircraft.

Now many of these are going to require tough choices by Congress, and it is important that we hear from our witnesses clear explanations of how these weapon systems' proposed changes are derived from the new strategy as espoused by the Secretary of Defense on April 6 and at our hearing with him and the Chairman of the Joint Chiefs of Staff last week, and about the Air Force's plans for each of these mission areas.

Underlying all of these major acquisition concerns is an acquisition management issue. Secretary Donley, a central point in your predecessor's agenda as Secretary was improving the Air Force acquisition corps. He knew he would have to take significant steps to build up the acquisition workforce and restore confidence in the Air Force acquisition system after the abuses and poor decisions that were previously documented on the tanker lease program, and we would like to hear from you this morning about what steps you are going to take to make progress on that front as well.

The balance of my statement I will put in the record.

[The prepared statement of Senator Levin follows:]

PREPARED STATEMENT BY SENATOR CARL LEVIN

I want to welcome Secretary Donley and General Schwartz back to the committee this morning to testify on the plans and programs of the United States Air Force in our review of the fiscal year 2010 annual budget and overseas contingency operations request.

Please extend, on behalf of the committee, our gratitude to the men and women of the Air Force and their families for the many sacrifices that they have made and will continue to make on behalf of our Nation. And thanks to both of you for your long careers of leadership and service.

A number of critical issues confront the Air Force. Although not at the same operating tempo as the Army and the Marine Corps, the Air Force faces a difficult challenge in balancing its modernization needs against the costs of supporting ongoing operations in Iraq and Afghanistan.

The previous Chief of Staff of the Air Force said that something like an additional $20 billion per year beyond the fiscal year 2009 budget request would be required to maintain and modernize the Air Force. We know that each of the other Services is facing its own modernization and readiness challenges. We would like to hear from both of you this morning about the risks that will, in your opinion, face future secretaries and chiefs of staff if your budget proposal is adopted. General Schwartz, I note that your unfunded priority list this year totals roughly $1.9 billion, a significant decrease from the roughly $20 billion level of General Moseley's comparable list last year.

We know that the Air Force is providing forces to the Central Command war efforts in a number of traditional roles, but is also providing airmen in support of land component tasks in the so-called in-lieu-of (ILO) missions. At this time last year, there were more than 6,000 airmen performing ILO missions in the theater. I think we should hear from the witnesses about what systems are in place to cushion the impact of this on the organizations who are giving up these airmen for these ILO deployments.

On the acquisition front, one of the challenges facing the Air Force is in space systems. All of the Air Force space satellite systems are in the process of modernization and replacement and all have seen substantial cost growth and schedule delays. In many instances the initial cost and schedule predictions were unrealistic, in others the technical risk was greater than previously thought or not well understood, and others suffered from poor management and execution. Some of these programs are showing improvement but most are not out of the woods yet. As a result, space program costs have increased substantially overall.

Another challenge facing the Department is the potential closure of several production lines and what effects those closings might have on meeting future

warfighting requirements. Such proposed closures are but a few of the Air Force programs in this budget that generate significant interest here in the committee. Among the many announcements that Secretary Gates made on April 6, and that are reflected in the President's budget, are:

- Decisions not to buy additional weapons systems, like the F–22 and C–17;
- Program delays, like the Next Generation Bomber;
- Program reductions, like the early retirement of 250 tactical fighter aircraft;
- Program terminations with substitutes, like the Transformational Communications Satellite program, to be replaced with additional Advanced Extremely High Frequency satellites; and
- Program terminations with no replacement program, like the new Combat Search and Rescue helicopter and the Airborne Laser aircraft.

Many of these will require tough choices by Congress. We will need to hear from our witnesses clear explanations of how these weapon systems changes are derived from the new strategy as espoused by the Secretary of Defense on April 6, 2009, and at our hearing with him and the Chairman of the Joint Chiefs of Staff last week, and about the Air Force's plans for each of these mission areas.

One program that appears to be moving forward as planned at this time last year is the strategic tanker modernization program. After the Air Force's unsuccessful attempt to award a contract last year, the Secretary of Defense decided that the Under Secretary of Defense for Acquisition, Technology, and Logistics would manage the tanker acquisition program. We would welcome any comments or clarification of how you both see this program moving forward and whether the Under Secretary of Defense will remain in charge of that acquisition program.

Underlying all of these major acquisition concerns is an acquisition management issue. Secretary Donley, a central point in your predecessor's (Secretary Wynne) agenda as Secretary was improving the Air Force acquisition corps. He knew that he would have to take significant steps to build up the acquisition workforce and restore confidence in the Air Force acquisition system after the abuses and poor decisions that were previously documented on the tanker lease program. We would like to hear from you this morning about what steps you are taking to make progress on this front.

I want to note that the Air Force has taken the initiative to explore and demonstrate concepts that are consistent with DOD and the committee's efforts to reform acquisition and reduce the cost and time we take to develop and field major systems. The Air Force originally sponsored the study by Dr. Paul Kaminski on Pre-Milestone A and Early-Phase Systems Engineering. Dr. Kaminski presented this work to us at a full committee hearing earlier this year. That work has strongly influenced the Acquisition Reform bill that we expect to go to the President later today. The Air Force has begun to make sure technologies are more mature and proven before they are inserted in major systems—driving down technical risk and costs. Finally, I note that the Air Force's fiscal year 2010 budget request includes roughly $50 million to address many of the issues that we are struggling with as we work on reforming acquisition—including producing more extensive cost analysis, performing systems engineering activities early in programs, and strengthening acquisition planning processes. I commend the Air Force on its initial steps in this area and look forward to seeing how these initiatives will affect the results of Air Force acquisition programs in the future.

In the operational arena, the Air Force has been challenged to review the procedures under which it manages and protects access to nuclear weapons. One of the findings of both the Air Force Blue Ribbon Review and General Larry Welsh's study was that at both the Air Force and Department of Defense levels the seriousness with which nuclear weapons are viewed had substantially diminished. One recommendation aimed at reversing the decline is the recreation of a single point of contact for nuclear coordination. The Air Force has made various organizational changes to bring focus to their management of the Air Force nuclear enterprise. I would hope that each of our witnesses would describe the changes the Air Force has made since last year to deal with the problems you found upon arriving in your current position, both in making corrective actions and in holding accountable those responsible for the incident.

I look forward hearing your testimony this morning on these and other issues that face the United States Air Force.

Chairman LEVIN. We look forward to your testimony this morning. I note that there is a vote apparently scheduled for about 10 a.m. I call upon Senator McCain.

STATEMENT OF SENATOR JOHN MCCAIN

Senator MCCAIN. Thank you, Mr. Chairman.

I thank the witnesses.

In light of a vote forthcoming, I would like to have my entire statement be made part of the record, Mr. Chairman.

Chairman LEVIN. It will be, of course.

Senator MCCAIN. I support the overall priorities outlined in the Department of Defense's (DOD) 2010 budget request. These priorities set the stage for more thorough and much-needed review of our Nation's military posture.

As our witnesses probably know, the Senate yesterday passed through the unanimous vote on the acquisition reform bill that has been worked on by both sides of the aisle and both sides of the Capitol. We believe that it will have a very beneficial effect, and I would be interested in our witnesses' views on that.

Most importantly, many of the most egregious cost overruns have—and it is understandable because the Air Force is highly technological—modern weapon systems are an integral part of the United States Air Force. Some of the most significant cost overruns have been associated with some of the Air Force weapon systems. I look forward to hearing from our witnesses concerning the future of the Joint Strike Fighter (JSF) and whether we are going to experience the same kinds of cost overruns that we have seen with the F–22 and how we expect to move forward with the absolutely vital replacement of the aging tanker fleet and perhaps a couple of other areas.

This is a seminal time, I think, in the history of the Air Force and where they go and how they are adjusting to the new era of unmanned aircraft. This is an important period.

I think manned aircrafts will be a part of our inventory for decades and decades to come, but I don't think there is any doubt that we are also transitioning to an unmanned aircraft type of situation in warfare, which would be a wrenching experience, very frankly, for the Air Force. I am confident they can accommodate to it and make the transition as we go into the 21st century and the new challenges that we face.

I thank the witnesses for being here, and I thank you, Mr. Chairman.

[The prepared statement of Senator McCain follows:]

PREPARED STATEMENT BY SENATOR JOHN MCCAIN

Mr. Chairman, thank you. I join you in welcoming our witnesses here today to discuss the President's budget request for fiscal year 2010 for the Department of the Air Force.

I support the overall priorities outlined in the Department's 2010 budget request. Those priorities set the stage for a more thorough and much needed review of our Nation's military posture. The fiscal year 2010 budget is an integral part of a much longer-term process that will help ensure our defense dollars are spent wisely to address the threats we face today and will likely face tomorrow.

There are several aspects of the Air Force's budget request that I especially support, in particular, the priority it puts on supporting our men and women in uniform

and their families and the emphasis it assigns to improving the performance of the Pentagon's acquisition programs and contracting practices.

We can no longer afford to accept runaway costs and operational delays of troubled weapon systems that have languished in the throes of requirements creep and technological obstacles at the expense of the taxpayer and the joint warfighter. This committee has recognized that in the ″Weapon Systems Acquisition Reform Act of 2009″, which we hope will be signed by the President within the next few days.

A few of the proposals within this year's Air Force budget request that I specifically support include the following.

- Increasing investment in wounded warrior care by, among other things, increasing the ability to bring wounded servicemembers back to the United States more effectively and efficiently to receive much needed care;
- $73 million to strengthen the physical integrity of the Air Force nuclear weapon storage areas and the emphasis placed on nuclear accountability, compliance and training—a matter about which I had particular concerns under previous Air Force leadership;
- $700 million to modernize the existing bomber fleet to increase its effectiveness and survivability against emerging threats;
- Significant increases in funding for irregular warfare capabilities with major investments in special operations airlift, close air support intelligence, surveillance, and reconnaissance, and $900 million for unmanned aerial systems;
- Increased investment in precision-guided munitions (PGMs)—both long-range PGMs and those enhanced to strike moving or static targets efficiently and precisely;
- $400 million to invest in the military's aerial refueling requirement through the KC–X program and the fee-for-service aerial refueling pilot program;
- Ending F–22A Raptor production at 187 aircraft and providing $1 billion for modernization of the A–10 Warthog, F–16 Falcon, and F–15 Eagle strike fighter aircraft;
- Ending C–17 Globemaster production at 205 aircraft and providing $700 million for continued modernization of the C–5 Galaxy and C–130 Hercules cargo aircraft; and
- Ending the Combat Search and Rescue replacement helicopter because formal requirements were not done right the first time.

Finally, I want to express my appreciation for the two witnesses before the committee today. There can be no doubt that the Air Force has seen major challenges over the last few years, particularly in the realm of major weapons procurement. Secretary Donley and General Schwartz have been influential in bringing greater transparency and accountability within the Air Force. The fundamental change in discipline, culture and command climate is a credit to their leadership. I look forward to hearing from our witnesses. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator McCain.

Secretary Donley?

STATEMENT OF HON. MICHAEL B. DONLEY, SECRETARY OF THE AIR FORCE

Mr. DONLEY. Thank you, Mr. Chairman, Senator McCain, members of the committee. Thank you for the opportunity to appear before this committee again today.

It is a privilege to be leading the Air Force with General Schwartz after almost 1 year in this position. I could not have a better partner in this work, I will tell you.

In recent months, Secretary Gates and Admiral Mullen have led a constructive dialogue about necessary changes in our national defense priorities and areas of emphasis. Our discussions emphasized taking care of our most important asset, our people; institutionalizing the lessons from today's fight, and being prepared for other risks and contingencies; and reforming how and what we buy.

We have contributed our analysis and judgment throughout this process. We prepared for these discussions by undertaking several

strategic reviews in the Air Force and with our sister Services, the Office of the Secretary of Defense, and interagency partners.

Last fall, we refined the Air Force mission statement. We articulated our five strategic priorities. We refined our core functions to more clearly articulate the Air Force's role in our national security establishment, and we made progress in areas that needed focused attention, like strengthening the Air Force's nuclear enterprise, preparing to stand up our cyberspace numbered air force, articulating our strategy for irregular and counterinsurgency operations, consolidating our approach in the Air Force for dealing with global partnerships, and advancing our stewardship of the Air Force energy program.

Our reviews have been guided by the concept of strategic balance, which has several meanings for us. Balance means prevailing in today's fight while being able to respond across the spectrum of conflict to emerging hybrid threats, such as those Secretary Gates and Admiral Mullen have described.

Balance also means allocating investment across our 12 diverse, but complementary core functions in a way that sustains and advances the Air Force as the world's finest air, space, and cyber space force. Finally, balance means organizing, training, and equipping across our Active and Reserve components in an appropriate way.

Our budget proposal recognizes that our people are our most important asset. Without them, our organizations and equipment would grind to a halt.

For fiscal year 2010, we are halting previously planned reductions for Air Force Active Duty end strength with commensurate adjustments in the Reserve components as well. We will also plan to grow our civilian cadre, especially the acquisition workforce.

At the same time, we will continue to reshape the skill sets of our workforce with emphasis on stressed career fields and missions that need our attention now, such as intelligence, surveillance, and reconnaissance (ISR), acquisition, maintenance, cyber operations, and nuclear forces.

In fiscal year 2010, we are also driving more balance into our force structure. In the theater, the demand for ISR and special operations capabilities continue to increase. So we will increase unmanned aerial systems combat air patrols from 34 today to 43 next fiscal year, as well as increase Special Operations Forces end strength.

We will also reshape the portfolio of the fighter force by retiring about 250 of our oldest tactical fighters, completing production of the F–22 fighter at 187 aircraft, and readying the fifth generation F–35 JSF to become the Air Force's workhorse for the new fighter fleet ahead.

We are also ensuring balance across the airlift fleet by terminating the C–17 production program, but continuing to modify our C–5s, reinitiating the C–130J production line, and transitioning the C–27 program from the Army to the Air Force.

We will also enhance stability in our military satellite communication (SATCOM) programs by extending the AEHF and Wideband Global Satellites (WGS) inventories and continuing our partnerships with commercial providers.

As the chairman has noted, we have also put additional attention on Air Force acquisition. We recently published our acquisition improvement plan, which will revitalize the acquisition workforce. It will improve the discipline in our requirements process, instill better budget and financial discipline, improve our source selection process, and establish clear lines of authority within our Air Force acquisition organizations.

I would like to personally thank the committee for its leadership in this important area, and I look forward to working with you, Secretary Gates, and Ash Carter as we continue to work on defense acquisition.

Air Force leadership will continue to participate in the Quadrennial Defense Review (QDR), the Space Posture Review, and other DOD-level reviews over the coming year. From these analyses, we will better understand the need and the requirement of available technologies for a long-range strike, as well as our requirements and potential joint solutions for personnel recovery.

Mr. Chairman, stewardship of the Air Force is a responsibility that we take very seriously, and we are grateful for the continued support of this committee for the world's finest Air Force.

Thank you, Mr. Chairman.

[The joint prepared statement of Mr. Donley and General Schwartz follows:]

JOINT PREPARED STATEMENT BY HON. MICHAEL B. DONLEY AND GEN. NORTON A. SCHWARTZ, USAF

The 2009 Air Force Posture Statement articulates our vision of an Air Force ready to fulfill the commitments of today and face the challenges of tomorrow through strong stewardship, continued precision and reliability, and dedication to persistent global vigilance, reach and power for the Nation.

1. INTRODUCTION

Today, the United States faces a spectrum of challenges to our national security and global interests. As an integral member of the Joint team, America's Air Force provides the critical capabilities of global vigilance, global reach, and global power. The United States Air Force is "All In" today's Joint fight. At the same time, our investments in new capabilities will ensure we are ready for tomorrow's challenges. The mission of the United States Air Force is to "fly, fight, and win . . . in air, space, and cyberspace"—as an integral member of the Joint team that ensures our Nation's freedom and security.

2. A BALANCED APPROACH

Today's uncertain international security environment requires a balance-driven approach to prevail in today's operations, and prepare for tomorrow's challenges by identifying and investing in new capabilities and force structure. This balanced approach postures the Air Force to provide an array of capabilities to combatant commanders across the spectrum of conflict—from building partnership capacity to ensuring the readiness of strategic deterrence forces.

3. AIR FORCE CORE FUNCTIONS

Our Air Force's foremost responsibility is to organize, train, and equip airmen to meet the needs of our national leadership and combatant commanders. Our fiscal year 2010 budget proposal reflects a commitment to the 12 Air Force core functions, which provide the framework for investment and training.

Air Force Core Functions

1. Nuclear Deterrence Operations
2. Air Superiority
3. Space Superiority
4. Cyberspace Superiority

5. Global Precision Attack
6. Rapid Global Mobility
7. Special Operations
8. Global Integrated Intelligence, Surveillance, and Reconnaissance
9. Command and Control
10. Personnel Recovery
11. Building Partnerships
12. Agile Combat Support

The Air Force fiscal year 2010 budget proposal reflects a commitment to our Core Functions that will be informed by numerous reviews of the overall defense-planning construct. Through the Quadrennial Defense Review (QDR), the Nuclear Posture Review, the Space Posture Review, and internal mid-term reviews, we will continue to sharpen and institutionalize our core functions. These capabilities, combined with the extraordinary commitment and dedication of our airmen, provide our Nation with truly exceptional air, space, and cyber power.

Nuclear Deterrence Operations

For more than 60 years, the Air Force has proudly served as stewards of a large portion of our Nation's nuclear arsenal. We operate, maintain, and secure these nuclear forces to deter potential adversaries and to prevail if deterrence fails. Recent incidents and assessments have highlighted performance shortfalls, and we are diligently working to ensure the safety, security, and reliability demanded for this vital capability.

Our fiscal year 2010 budget proposal addresses many of the recommendations provided by the various assessments of the Air Force nuclear enterprise. Our overall investment in nuclear deterrence operations in fiscal year 2010 is $4.9 billion, which includes increasing nuclear-related personnel by 2,500 and adding a fourth B–52 squadron. The fiscal year 2010 budget proposal places additional emphasis on nuclear weapons security, committing $72 million to strengthen the physical integrity of our weapon storage areas.

Through a back-to-basics approach, the Air Force is re-emphasizing accountability, compliance and precision in the nuclear enterprise. We are reorganizing our nuclear forces in a manner that reduces fragmentation of authority and establishes clear chains of supervision for nuclear sustainment, surety and operations. These changes include: (1) consolidating all nuclear sustainment matters under the Air Force Nuclear Weapons Center; (2) establishing a new Air Staff nuclear directorate responsible for policy oversight and integration of our nuclear enterprise activities; and (3) standing up Air Force Global Strike Command, which is already operating in a provisional status at an interim location. Global Strike Command will consolidate Air Force intercontinental ballistic missiles and nuclear-capable bombers under a single command, and is on track to activate later this year.

Air Superiority and Global Precision Attack

Air superiority and global precision attack remain the foundations of our ability to deliver global power. In fiscal year 2010, we are investing $21 billion into these core functions.

New and unprecedented challenges to our Nation's air superiority continue to emerge, and threaten to remove the technological advantage enjoyed by our Air Force. Our adversaries continue to invest in highly capable surface-to-air missile technology, which threatens even our most advanced combat aircraft. Likewise, emerging adversaries may now pose a significant air threat by leveraging inexpensive technology to modify existing airframes with improved radars, sensors, jammers, and weapons.

To meet these challenges and assure freedom of movement for the joint team, the Air Force continues to invest in weapons and platforms for global precision attack. The Joint Air Surface Standoff Missile-Extended Range, will enable our aircrews to attack targets precisely while negating or avoiding surface threats. Similarly, the laser Joint Direct Attack Munition will enhance our capability to strike moving or static targets efficiently and precisely.

The F–22 and F–35 are key components of the Air Force's future air superiority and global precision attack core functions. Given their low-observable characteristics and ability to fuse information from multiple sensors—key components of their fifth-generation designs—these aircraft are far more survivable and lethal than our current fourth generation force. While the F–35 is optimal for global precision attack, it also serves as a complementary capability to the F–22, which is optimal for air superiority. Together, they form the backbone of a fighter force that will ensure the United States maintains a decisive edge in an increasingly lethal threat environment. We support the current investment strategy that ends F–22 production at 187

aircraft. The Air Force will invest $4.1 billion in fiscal year 2010 to procure 10 F–35s as part of the Department of Defense's strategy to ramp up production. By accelerating the procurement ramp, we can lower unit procurement costs while also making the platform more cost competitive for our coalition partners.

Our fiscal year 2010 budget proposal accelerates the integration of our Guard and Reserve components into new and emerging mission sets, including unmanned aerial systems, F–22 and F–35 missions. By considering Air National Guard and Air Force Reserve Command for inclusion in emerging mission areas and basing strategies, we capitalize on the experience and unique skill sets that our Air Reserve components contribute to the Total Force.

We are also modernizing our existing bomber force to increase its effectiveness and survivability against emerging threats, while meeting the requirements of today's Joint Force Commanders. We have fielded a state-of-the-art infrared, electro-optical targeting pod on the B–1 to provide an additional, persistent sensor on the battlefield to self-target weapons, or provide real-time streaming video to ground forces. We are also modernizing our B–2 fleet by improving the radar, integrating the Link-16 data link and adding extremely high frequency satellite communication capabilities for nuclear command and control. In addition, investments in low observable maintenance improvements will decrease sustainment costs and reduce aircraft downtime. In accordance with the Secretary of Defense's budget guidance, we will not pursue the development of the Next Generation Bomber until we have a better understanding of the requirements, technologies, and concept of operations for this capability—all of which are expected to be addressed in the QDR.

Restructuring Our Combat Air Forces

This year, the Department of Defense provided guidance for the military to eliminate excessive overmatch in our tactical fighter force and consider alternatives in our capabilities. Acting on this guidance, the Air Force examined emerging, advanced threats and then analyzed our combat air forces' capabilities against them. Our intent was to ensure the proper mix of platforms that meet requirements while minimizing excess inventory and deriving the most capability from our limited resources.

After a comprehensive review of alternatives, the Air Force saw an opportunity to reshape our aging fighter force via an accelerated retirement of our oldest legacy fighters. The review weighed the benefits of retiring aircraft nearing their expected service life, against near-term risk. The analysis also considered the "game-changing" capabilities of low observable platforms like the B–2, F–22, and F–35 that possess the ability to access areas defended by advanced surface-to-air missile systems.

Once the size and scope of the reduction was determined, the Air Force presented its implementation plan to the combatant commanders, Joint Staff, and the Office of the Secretary of Defense. Accelerating the retirement of roughly 250 legacy F–15s, F–16s, and A–10s enables us to redistribute over $3.5 billion in the next 6 years to modernize our combat air forces into a smaller, but more capable force—one that is balanced across our Active and Reserve components and meets our commitments at home and abroad. This restructuring also facilitates the movement of approximately 4,000 manpower positions that will be realigned to support growth in priority missions such as manned and unmanned aerial surveillance systems, intelligence, surveillance, and reconnaissance (ISR) support and the nuclear enterprise.

Our current fleet of legacy and fifth-generation aircraft represent our readiness to fulfill today's commitments, while our fiscal year 2010 budget proposal invests in a future force mix to meet tomorrow's challenges.

Rapid Global Mobility

Global reach ensures our joint team can deploy, maneuver, and sustain large forces on a global scale. In Iraq and Afghanistan, Air Force air mobility assets are central to sustaining the joint and coalition team. On any given day, Air Force C–5s deliver lifesaving Mine Resistant Ambush Protected vehicles into theater; C–17s airdrop critical supplies to forward-based ground forces via the revolutionary GPS-aided Joint Precision Airdrop System; and C–130s provide tactical airlift to move theater-based personnel and equipment. Highly skilled aeromedical transport teams swiftly evacuate combat casualties, ensuring our wounded warriors receive the best possible medical care. Air Force air refueling aircraft continue to play a vital, daily role in extending the range and persistence of almost all other aircraft of the joint force. The fiscal year 2010 budget proposal reflects our commitment to sustaining and modernizing these critical national capabilities.

Replacing the aging KC–135 fleet remains the Air Force's top acquisition priority. The fiscal year 2010 budget proposal supports the release of a request for proposal in summer 2009 with a contract award early in fiscal year 2010.

The fiscal year 2010 budget proposal continues efforts for modernization and includes funding to begin the shut down of the C–17 production with a fleet of 205 aircraft. Modernization of our C–5 fleet continues through the Avionics Modernization Program and Reliability Enhancement and Re-engining Programs, and during fiscal year 2010 we will continue recapitalizing our intra-theater airlift capability by re-initiating the C–130J production line following one year procurement gap and procuring 3 C–130J aircraft for $394 million.

The Air Force will also begin procuring C–27J in fiscal year 2010 to provide mission-critical/time-sensitive airlift in direct support of our joint partners. The fiscal year 2010 budget proposal procures eight C–27Js, as the first step toward a total procurement of 38 C–27Js. The Air Force continues to work closely with the United States Army to accept full management of the Joint Cargo Aircraft (JCA) program and the direct support airlift mission.

Special Operations

Air Force special operations capabilities are playing an increasingly vital role in supporting U.S. Special Operations Command and geographical combatant commanders. We are also responding to significant growth in the requirements for irregular warfare capabilities with major investments in special operations airlift, close air support and ISR.

Our fiscal year 2010 budget proposal reflects the Air Force's commitment to special operations capabilities, and includes $862.6 million for the procurement of four MC–130Js and five CV–22s. AFSOC will expand its Special Operations ISR force structure by activating a squadron of MQ–9 Reapers, in addition to the already operational MQ–1 Predator squadron. Additionally, we are recapitalizing our MC–130E/P fleet with newer, more capable MC–130Js for low-level air refueling, infiltration, exfiltration and resupply of Special Operations Forces. At the same time, we will convert eight MC–130Ws to AC–130 gunships, and procure additional CV–22s.

Global Integrated ISR

Operations in Iraq and Afghanistan have highlighted the increasing need for timely, fused data from all available sources. To meet this need, we are greatly expanding our airborne ISR force structure of manned and unmanned ISR assets. In fiscal year 2009, we will field the MC–12W to provide increased full-motion video and signals intelligence. Additionally, our fiscal year 2010 budget proposal continues major investments in unmanned aircraft, transitioning from the MQ–1 Predator to the MQ–9 Reaper, with $489 million for 24 additional MQ–9s to increase our total UAS combat air patrols (CAPs) from 34 CAPs today to our goal of 50 CAPs by the end of fiscal year 2011. We are also investing $84 million to integrate the wide area airborne surveillance onto existing and new MQ–9s, providing 12 times the number of streaming video spots per aircraft. Our fiscal year 2010 budget proposal also contains funding for five RQ–4 Global Hawk UAVs, which provide persistent ISR from high-altitude orbits. We are also balancing our ISR personnel requirements by re-examining our training programs for intelligence professionals, creating new duty specialty codes, and establishing trial programs to develop ISR operators.

Command and Control

The Air Force has established Air and Space Operations Centers aligned with each geographical combatant commander to integrate air, space, cyber and missile defense capabilities into joint operations. We have also improved our tactical air control system to account for increasingly distributed air-ground operations in Iraq and Afghanistan. Our restructured Air Liaison Officer program offers these airmen a viable career path. We are also training additional terminal air controllers and equipping them with increasingly capable, portable and flexible air strike control systems like Remote Operated Video Receiver version 5.

Space Superiority

America's ability to operate effectively across the spectrum of conflict rests heavily on our space capabilities. Recognizing this importance, our fiscal year 2010 budget proposal includes $4.4 billion for procurement of space and related support systems.

The joint force depends upon space capabilities provided by the Air Force, which fall into five key areas: early warning; space situational awareness; military satellite communications; positioning, navigation and timing; and weather capabilities. We will field several new satellites, including the Global Positioning System Block IIF, Advanced Extremely High Frequency (AEHF), Space Based Surveillance Sys-

tem, and the Space Based Infrared System-Geostationary—recapitalization programs that are important to both the United States and its Allies. The fiscal year 2010 budget proposal discontinues the Transformational Satellite (TSAT) program and supports procurement of additional AEHF and Wideband Global SATCOM (WGS) satellites.

Cyberspace Superiority

Operating within the cyber domain has become an increasingly critical requirement for our networked force. In order to develop and institutionalize cyberspace capabilities, and to better integrate them into the joint cyberspace structure, we are consolidating many Air Force cyberspace operations into a new 24th Air Force under Air Force Space Command. The Air Force is firmly committed to developing the necessary capabilities to defend the cyber domain, and our fiscal year 2010 budget proposal includes $2.3 billion to grow this important core function.

Personnel Recovery

Personnel recovery (PR) remains an imperative, fulfilling our promise to never leave an American behind. Air Force PR forces are fully engaged in Iraq and Afghanistan, accomplishing crucial missions that include command and control, intelligence, CSAR, convoy support, hostage recovery and reintegration.

The fiscal year 2010 budget proposal terminates the current CSAR–X program to allow for additional discussion on platform requirements and quantities across the joint force. We will continue to sustain our HH–60 helicopter fleet, while exploring joint solutions to ensure sufficient PR capabilities in the coming years. We are continuing to extend our current capabilities by recapitalizing our HC–130P/N fleet with newer, more capable HC–130Js to provide low-level air refueling, infiltration, exfiltration and resupply of CSAR forces. In fiscal year 2010, we will invest $605 million to procure an additional five HC–130Js.

Building Partnerships

The Air Force continues to seek opportunities to develop our partnerships around the world, and to enhance our long-term capabilities through security cooperation. For example, in the Central Command area of responsibility, deployed airmen are working with our Afghan and Iraqi partners to build a new Afghan National Army Air Corps and the Iraqi Air Force. We are also working to further partnerships with more established allies, with programs like the Joint Strike Fighter, where our allies have committed $4.5 billion in research and development funding. Australia's commitment to fund a communications satellite in the WGS constellation is another example of the value and synergy of lasting partnerships.

In the recently released Global Partnership Strategy, we outlined a path to cultivate these key partnerships, nurturing the global relations, fortifying our geographic access, safety, and security around the world. The strategy seeks to develop partners who are able to defend their respective territories while ensuring the interoperability and integration necessary for coalition operations.

Agile Combat Support

Underpinning the work of all Air Force core functions are the capabilities included in agile combat support. As part of our fiscal year 2010 budget proposal initiatives, agile combat support accounts for efforts affecting our entire Air Force, from the development and training of our airmen to revitalizing our processes in the acquisition enterprise. Agile combat support reflects a large portion of the Air Force budget proposal, totaling approximately $42 billion.

Developing and Caring for Airmen and Their Families

The Air Force remains committed to recruiting and retaining the world's highest quality force, while meeting the needs of their families. Our fiscal year 2010 budget proposal enables us to recruit, train, educate and retain the right number and mix of personnel, and to provide quality of service worthy of our airmen's commitment to serve in the Armed Forces of the United States and supports an end strength of 331,700 active duty personnel.

Sharpening Our Skills

Our fiscal year 2010 budget proposal enables us to train airmen to fulfill both our core functions and the combatant commander's requirements. These changes span the vast array of skill sets, from improving language and cultural instruction to accelerated training for network operators. In fiscal year 2010, we will also enhance foundational training received by all enlisted personnel entering the Air Force by constructing a $32 million state-of-the-art training facility at Lackland Air Force Base.

Quality of Service

The Air Force leadership is committed not only to the quality of life of our airmen and families, but also to their quality of service—ensuring each airman is able to perform consistently meaningful work and make a daily impact on the Air Force mission.

We also understand the burdens placed on the families of our airmen. To meet the needs of our airmen and their families, our fiscal year 2010 budget proposal funds a range of needed quality of life initiatives, including expanded legal assistance, advanced educational opportunities and new family housing. For example, our fiscal year 2010 budget proposal invests $20 million to build two new Child Development Centers, as well as $66 million to improve and modernize military family housing overseas. The Air Force is also continuing to execute its Family Housing Master Plan, which synchronizes the military construction, operations and maintenance, and privatization efforts necessary to improve our family housing. By fiscal year 2010, we will have all the funds necessary to award the privatization and MILCON projects needed to eliminate all of our inadequate homes, both in the U.S. and abroad—with all projects scheduled to be completed by fiscal year 2015. To this end, we are on track to award contracts to privatize 100 percent of military family housing in the CONUS, Hawaii, Alaska, and Guam by the end of fiscal year 2010. For airmen concerned about foreclosure, we provide assistance at the Airmen and Family Readiness Center at each Air Force installation. Additionally, we are working with the Department of Defense as it expands the Homeowners Assistance Program to wounded warriors/civilians, surviving spouses and eligible military members affected by permanent changes of station.

Shaping the Force

America's Air Force draws its strength from its outstanding airmen, with over 660,000 members of our regular, Reserve, Guard, and civilian personnel dedicated to the mission of the Air Force. In accordance with the Secretary of Defense's guidance, we will halt active duty manpower reductions at 331,700 for fiscal year 2010. We will also make commensurate adjustments in the Reserve components, with 69,500 airmen in the Air Force Reserve and 106,700 airmen in the Air National Guard. We will also grow our civilian cadre to 179,152, which includes 4,200 contractor-to-civilian conversions.

Retaining quality airmen with critical skill sets remains a top priority. For fiscal year 2010, we have proposed $641.4 million for retention bonuses and recruiting, which includes a $88.3 million increase for recruiting and retaining health professionals. In addition, we will retrain airmen to fill undermanned career fields to balance and shape our force in accordance with emerging requirements. Further efforts to shape our force will also include diversity initiatives designed to leverage the unique qualities of all airmen to achieve mission excellence.

Warrior Care

As part of our commitment to airmen, we, in collaboration with the rest of the Department of Defense, are strengthening our focus on wounded warrior care. The importance of ensuring that our wounded warriors receive the service and support they need throughout the recovery process cannot be overstated. Through specific budget proposal items, such as increased funding to bolster the size of our Recovery Care Coordinators cadre, our wounded care programs will continue to provide our airmen the best medical and professional support possible.

Other advances in wounded warrior care are also underway including work with Interagency and local partners to create the necessary support networks to ensure success in continued military service or in the transition to civilian life. We are also reinforcing our commitment to our Air Force wounded warrior families through support programs specifically designed to help allay their burdens and honor their sacrifices.

Recapturing Acquisition Excellence

To most effectively meet the demands of our warfighters, the Air Force has made recapturing acquisition excellence a top priority. We recognize the profound importance of this capability, which enables us to acquire and recapitalize platforms that provide global vigilance, reach and power. As stewards of the taxpayer's resources, the Air Force will solidify an acquisition system that delivers the right capabilities to the warfighter in the field—on-time and within budget.

To accomplish this we have published an Acquisition Improvement Plan (AIP) that outlines the steps we will take to improve Air Force acquisition, informed by a series of internal and external reviews. This plan focuses on five initiatives that: revitalize the Air Force acquisition workforce; improve the requirements generation

process; instill budget and financial discipline; improve Air Force major systems source selection; and establish clear lines of authority and accountability within acquisition organizations.

Through this plan, the Air Force will focus on better developing our acquisition workforce to ensure that it is appropriately sized to perform essential, inherently governmental functions and flexible enough to meet continuously evolving demands. We will also work to develop requirements that meet the users' needs while, at the same time, ensuring that they can be incorporated into effective acquisition strategies that maximize competition and allow for a fair and open source selection process.

Our reviews also emphasized that establishing adequate and stable budgets continues to be critical for program success. Therefore, the AIP emphasizes realistic budgeting based on comprehensive program cost estimates. Once budget baselines are established, achieving program stability and cost control will be given the same priority as technical performance and schedule.

We also found some weaknesses in our procedures for large system acquisition source selections and shortages in the skill sets required to conduct major source selections. So we are going back to the basics; building processes to ensure that our personnel have the experience and training required to conduct source selections and, where necessary, revising our processes and policies and increasing our use of multi-functional independent review teams (MIRTs). We are also reassessing our Program Executive Officer (PEO) and wing/group/squadron organizations to determine if they are properly structured, and identifying specific actions that could be taken to improve them.

4. READINESS AND RESOURCING

In the past year, we have continued to see stresses on our Air Force, both in our people and in our platforms. The Air Force has conducted nearly 61,000 sorties in Operation Iraqi Freedom and over 37,000 sorties supporting Operation Enduring Freedom, delivering over 2 million passengers and 700,000 tons of cargo. In doing so, airmen averaged nearly 265 sorties per day. Tens of thousands of America's airmen are deployed to locations across the globe, including 63 locations in the Middle East. To support the efforts of our airmen and provide for the recruiting and retention of the highest quality Air Force, our fiscal year 2010 budget proposal includes $28.6 billion in military personnel funding. It provides for an across the board 2.9 percent pay increase, a basic allowance for housing increase of 5.6 percent—resulting in zero out-of-pocket housing expenses for our airmen—and a basic allowance for subsistence increase of 5.0 percent. Additionally it halts the end strength drawdown which allows for rebalancing of the total force to cover new and emerging missions and stabilizes the active component end strength at 331,700; Reserve component end strength at 69,500 airmen and Air National Guard end strength at 106,700 airmen. It also funds recruiting and retention bonuses targeted at critical wartime skills, including key specialties such as command and control, public affairs, contracting, pararescue, security forces, civil engineering, explosive ordnance disposal, and special investigations.

This high operations tempo requires focused attention on readiness. We use aircraft availability as our enterprise-level metric for monitoring fleet health, and the fiscal year 2010 budget proposal provides $43.4 billion in operation and maintenance funding, a $1.3 billion increase over our fiscal year 2009 appropriation, to mitigate the stresses of continuous combat operations on our aircraft. The fiscal year 2010 operation and maintenance appropriation funds pay and benefits for 179,000 civilian personnel, including 4,200 contractor to civilian conversions, an increase of 200 civilian acquisition professionals and a 2.0 percent pay raise. It fully funds 1.4 million flying hours, produces 1,200 pilots and sustains over 5,400 aircraft while accelerating the retirement of roughly 250 aged aircraft, producing a smaller, more capable fighting force.

Our aging air and space fleet requires focused attention. For example, we have grounded our F–15, F–16, A–10, C–130, and T–6 fleets for limited periods during the past 2 years. The skill and determination of our maintainers have ensured that we return aircraft to service as quickly as possible, but 2 percent of the fleet remains grounded and many aircraft fly restricted profiles. To ensure stable aircraft availability and mission capable rates, we continue to integrate Fleet Viability Boards into our normal life-cycle sustainment processes and strengthen centralized asset management.

Additionally, in fiscal year 2010 operation and maintenance (O&M) funds will be used to rebuild the nuclear infrastructure by fortifying operations, developing people and sustaining 76 B–52s for global strike capability. The Air Force is also increasing

MQ–1 and MQ–9 ISR capability to 43 unmanned command air patrols. The O&M budget request honors the Air Force commitment to our airmen and their families by increasing child care availability and special programs for children of deployed parents, providing for both legal assistance and advanced educational opportunities. Dollars are also committed to dormitory initiatives, unaccompanied housing, active Warfighter/Family Support Centers and Fitness Centers while still providing for the operating expenses of 83 major installations including two space lift ranges.

Our $19.4 billion fiscal year 2010 budget proposal for Research, Development, Test, and Evaluation (RDT&E) is an increase of $600 million from fiscal year 2009. This request funds requirements for next generation weapons and platforms by maturing technologies essential to equipping our Nation to defeat near-term and forecasted threats. We continue to develop and invest in future systems such as the KC–X Tanker program, F–35 Joint Strike Fighter, and the next enhancement of the Global Positioning System. Science and technology efforts advance propulsion, space based airborne and ground sensors, directed energy and command and control for both air and space. Modernizing our current fleet initiatives will provide upgrades to legacy fighters, bombers, strategic radar and mobility requirements. Systems and technologies designed to improve space situational awareness are also critical elements of this budget request. Additionally we are rebalancing the portfolio towards procurement of proven and multi-role platforms.

We are committed to supporting today's warfighter while building tomorrow's weapon systems capability. The fiscal year 2010 procurement budget request provides $21.7 billion to deliver immediate and future capabilities through investments made across four specific procurement appropriations: aircraft, missiles, ammunition, and other. The fiscal year 2010 budget request supports the irregular warfare mission by increasing ISR platforms while modifying the existing fleet, provides joint warfighter support funding and balances investment in advanced aircraft platforms and legacy aircraft modifications. These funds will allow for the acquisition and modification of manned and unmanned aircraft, missiles, munitions, vehicles, electronic and telecommunications equipment, satellites and launch vehicles, and support equipment.

Funding critical infrastructure projects while meeting the needs of the Air Family are critical to our mission. The $2.4 billion budget request for military construction, military family housing and base realignment and closure (BRAC) supports a $300 million increase in military construction from fiscal year 2009. Projects will be focused on supporting the rebalance of Air Force and DOD priorities. Additionally the budget request continues our emphasis on providing quality housing for airmen and their families. Finally, the Air Force is on target to deliver 17 BRAC 2005 projects on time while continuing the environmental clean-up of legacy BRAC locations.

To ensure proper stewardship of our resourcing, we have designated a Deputy Chief Management Officer (DCMO) in line with the Department of Defense Strategic Management Plan. The DCMO is responsible for continuing our momentum in refining internal processes for reducing workloads or eliminating unnecessary work. Through a culture of continuous improvement, we are further improving warfighter effectiveness through integrated processes and systems, process improvement and technology investments aligned with our priorities.

5. SUMMARY

We believe the Air Force's total proposed fiscal year 2010 budget of $160.5 billion—which includes $115.6 billion for Air Force-managed programs, $28.9 billion in other funded programs such as the National Foreign Intelligence, Special Operation Forces, and the Defense Health Programs, and $16 billion in Overseas Contingency Operations provides the balance necessary to ensure support of today's commitments, while posturing the Air Force for success against tomorrow's challenges.

Chairman LEVIN. Thank you, Secretary.

General Schwartz?

STATEMENT OF GEN. NORTON A. SCHWARTZ, USAF, CHIEF OF STAFF

General SCHWARTZ. Mr. Chairman, Senator McCain, and members of the committee, I am proud to be here with Secretary Donley, representing your Air Force.

The Air Force is fully committed to effective stewardship of the resources the American people place in our trust, a commitment

which is founded on our core values of integrity first, service before self, and excellence in all we do. Guided by our core values, American airmen are all-in, working courageously every day with precision and reliability.

I recently had a chance to take a trip and visit with some of our airmen who are serving in various locations around the world, and they are providing game-changing capabilities to the combatant commanders in the air and on the ground.

Last year, American airmen conducted 61,000 sorties in Operation Iraqi Freedom and 37,000 sorties in Operation Enduring Freedom. That is about 265 sorties a day. Airmen also served on convoys in the coalition operations centers and delivered 2 million passengers and some 700,000 tons of cargo in the CENTCOM area of responsibility last year.

Dedicated airmen directly support CENTCOM operations from right here in the United States by providing command and control of unmanned aerial vehicles (UAVs), while our nuclear operations professionals support the umbrella of deterrence for our Nation and its allies across the globe. Our space professionals are providing truly amazing capabilities, ranging from early warning to the global positioning navigation and timing capabilities.

Through Secretary Donley's guidance and leadership, we have set a course to provide even greater capabilities for America and to balance our priorities to meet the spectrum of challenges. The top priority is to reinvigorate the Air Force nuclear enterprise outlined in our nuclear roadmap.

We are also fielding capabilities that will allow us to innovate partnerships with our joint and coalition teammates to win today's fight by expanding, for example, ISR with the procurement of 24 MQ–9 Reaper unmanned aerial systems.

At the same time, we will continue to support our most precious asset, and that is our people. We are focused on providing programs that develop and care for our airmen and their families with world-class quality of service and honor the commitments we have made to our wounded warriors.

Part of ensuring support for our airmen means providing them with the tools they need to do their jobs effectively. Therefore, we are modernizing our air and space inventories, organizations, and training with the right, if difficult, choices.

In addition to the programs Secretary Donley just mentioned, we are committed to providing robust air refueling capability. We also intend to increase efficiency by retiring aging aircraft, and we will complete the production of the F–22 at 187 aircraft and the C–17 at 205 aircraft, subject to congressional approval.

In recent testimony, Admiral Mullen stated, "We are what we buy." Following his lead, we intend to maintain stewardship of America's resources for our warfighters in the field and the taxpayers at home by recapturing acquisition excellence and fielding the right capabilities for our Nation on time and within budget. I echo Secretary Donley's thanks for your continued leadership and support in our acquisition improvement efforts.

Mr. Chairman, with our core values guiding us, the Air Force will continue to provide our best military advice and stewardship, delivering global reach, vigilance, and power for America.

Thank you for your continued support of the Air Force, and particularly for our airmen and their families.

Sir, I look forward to your questions.

Chairman LEVIN. Thank you, General.

We are going to try to work through this expected vote. Let us try a 7-minute first round.

Last year, the Chief of Staff of the Air Force, General Moseley, testified that the Air Force would require something like $20 billion per year additionally beyond the budget request to maintain and modernize the Air Force.

Secretary Donley, General Schwartz, have you made your comparable assessment of modernization needs for sustaining the Air Force? How much additional, if any, do you believe will be required?

Mr. Secretary?

Mr. DONLEY. Mr. Chairman, we have reviewed with Secretary Gates and Admiral Mullen the overall requirements for the Air Force. You have an unfunded requirements list from General Schwartz that reflects his military judgment on those capabilities above and beyond those proposed in the fiscal year 2010 budget, which we would prioritize for additional consideration.

Chairman LEVIN. Are they prioritized?

Mr. DONLEY. Yes, they are.

Chairman LEVIN. That was the total of $1.7 billion?

Mr. DONLEY. $1.9 billion. Yes, roughly.

Chairman LEVIN. You joined in that request?

Mr. DONLEY. Yes, we discussed that fully. The request went to General Schwartz, and so it was answered by General Schwartz. But it was discussed with the Air Force leadership.

Chairman LEVIN. General Schwartz, I take it that is your personal——

General SCHWARTZ. It is, sir. The 20 items are in priority order.

Chairman LEVIN. Relative to the Joint Cargo Aircraft (JCA) reduction proposal by the administration, is it your intention that those aircraft be assigned exclusively to the Air Guard or the Air Force Reserve units?

General SCHWARTZ. Mr. Chairman, I would say that is not yet clear. We have the direction from the Department to make the transition of the program from the Army to the Air Force. That is not an instantaneous undertaking. It will take us well into 2010 in order to accomplish that.

We, the Army, and General McKinley from the National Guard Bureau, and our people are meeting to determine how one would execute a program of at least 38 aircraft, which is reflected in the fiscal year 2010 budget proposal, and how we would operate the fleet, what the basing footprint would look like, and so on. We have to make a recommendation to the Deputy Secretary not later than the 30th of this month in that regard.

Chairman LEVIN. Do you support the reduction in the JCA from 78 to 38?

General SCHWARTZ. Sir, we will have an opportunity through the QDR process to confirm that 38 is the right number. My view is that the correct number is at least 38.

Chairman LEVIN. Have you made a personal assessment as to what the right number is?

General SCHWARTZ. Mr. Chairman, we have a number of studies, including the Analysis of Alternatives, which the Army did in the 2005–2006 timeframe. There are more recent studies accomplished by RAND as late as 2009 that suggest that the 78-aircraft package, which was split between the Army and the Air Force originally at 54 and 24, respectively, is a valid need.

Obviously, what occurred through the budget process was a commitment on the part of the Department to replace the Army's C–23 Sherpas, those being 42 currently, with 38 C–27s. As I suggested, I see 38 C–27s as the floor, not the ceiling.

Mr. DONLEY. Sir, if I might follow up? I think that the discussion that is still underway in the Department, that the Secretary has opened up and I think intends to pursue this summer, is the break point between the C–27 capability and the C–130 capability.

Chairman LEVIN. We are going to need to have your further thoughts on that. If you want your thoughts to be considered, we are obviously going to need those before we take up this authorization bill at markup. So we can expect those further thoughts from both of you before that time?

Mr. DONLEY. We would be happy to respond to the questions of the committee within the timeframe required for your work. But honestly, I can't predict exactly when the QDR discussions will close out.

[The information referred to follows:]

Yes, the changes reflected in the fiscal year 2010 President's budget balance the requirements for which the Joint Cargo Aircraft is being procured along with the capabilities already residing in the Department of Defense. By aligning the majority of fixed-wing airlift assets in one Service, regardless of mission, we maximize the ability of that Service to employ assets in support of operational requirements, thus meeting the time sensitive/mission critical requirement. The number of aircraft in the current budget does not necessarily represent the final number to be purchased. We will evaluate the total requirement once we have had an opportunity to fully assess the mission needs in light of the Air Force's entire intra-theater fleet.

Mr. DONLEY. One thing I think, just to be clear, that the issue between 38 or a higher number, say, 78 or something in between, is not necessarily something that impacts the fiscal year 2010 budget immediately. I think the important part, from our point of view, was that the Secretary had made a decision to shift the direct support mission from the Army to the Air Force. That has started the work that General Schwartz described, which is considerable.

Chairman LEVIN. That is not up in the air, that recommendation?

Mr. DONLEY. Our understanding is that that mission has now shifted to the Air Force.

Chairman LEVIN. The number is up in the air?

Mr. DONLEY. The number is going to be revisited, as I understand it. The Secretary is open to that discussion later this year.

Our first priority is meeting the operational commitments for, I believe, the fourth quarter of fiscal year 2010. So we are collaborating with the Army on how best to do that. Those are the most important issues out in front of us on JCA.

Chairman LEVIN. Okay, thank you.

General Schwartz, when you were the Commander of U.S. Transportation Command (TRANSCOM), you said that you believed that meeting the requirement for strategic airlift aircraft could be met by having 111 C–5s and 205 C–17s, and that is what we have now planned for and paid for. Is that your personal and professional military view still?

General SCHWARTZ. It is, sir. 205 C–17s and 111 C–5s for total tails of 316.

Chairman LEVIN. Now relative to these ILO forces, stress on the Army, Marine Corps units have driven the Department to use sailors and airmen in a ILO mode outside of their normal or trained military specialty. You have airmen being used as convoy security forces, detention facility guards. Obviously, they are performing well. They do their duty.

But using airmen outside of their primary military duties has to have some impacts, both on them, perhaps on their morale, but also on the institutional Air Force. I am wondering, General, if you would describe the pace and the scope of airmen being used ILO ground combat forces for these types of assignments in Iraq and Afghanistan and what you expect the future is going to hold in this regard?

General SCHWARTZ. Mr. Chairman, we currently have about 4,500 of our airmen associated with these nontraditional tasks. As you indicated earlier, that number has been as high as 6,700 at recent times.

My personal view and the view of my counterparts throughout the Air Force is that this is part of our commitment as a Service with the Nation at war. That when we say we are all-in, we mean it.

So, we have actually stopped using, sir, the term ILO. We call it now "joint expeditionary tasking." That may seem like a silly change, but it is because ILO gave the impression that somehow what these youngsters are doing is not worthy. In fact, it is worthy.

The truth is we feel that when these youngsters grow up to be chief master sergeants, the Air Force will be a much better Service than it might otherwise have been. This experience is contributing to making our Air Force a better Service.

Now our obligation is to make sure that our airmen who are doing nontraditional tasks are properly trained, and we are doing that. We have kept that commitment. So the bottom line, sir, is that if there is a need, your Air Force will fill it wherever it is required and for however long it is required.

Chairman LEVIN. I think that is a very appropriate sentiment. On the other hand, to say it contributes to a better Air Force, if you had your choice, are you saying you would actually select that particular—those missions because they contribute to a better Air Force? Or are you saying that we are going to do what we need to do jointly because we are at war? We understand that, and we don't view this as a negative. But you don't really mean that you would prefer this, do you?

General SCHWARTZ. No, it is the latter. I certainly agree with you, sir.

Chairman LEVIN. All right.

General SCHWARTZ. But again, we are not doing this grudgingly. That is the clarification.

Chairman LEVIN. We admire that sentiment.

Senator McCain.

Senator MCCAIN. Thank you, Mr. Chairman.

Secretary Donley and General Schwartz, can you give us an update on the JSF, whether it is on time and what, if any, cost overruns are associated with it?

Mr. DONLEY. The JSF is getting lots of senior leader attention. I have worked on this issue with Dr. Carter and, before him, Secretary Young and also Secretary Lynn since his arrival early this year.

The program responsibility has just shifted. The program manager is now General Heinz from the Marine Corps. The Service Acquisition Executive's oversight is now in the Air Force, and we did several months of research and due diligence to prepare for taking on that responsibility.

JSF is one of the biggest and most complex airplane programs we have ever managed. So it is not only joint across all three Services, it is international. About nine air forces around the world, including our own, are dependent on the success of this program. So we must keep this program on schedule and within cost.

Senator MCCAIN. How is it doing?

Mr. DONLEY. It will be a challenge. It continues to be a challenge.

Senator MCCAIN. Where are you? How is it doing so far?

Mr. DONLEY. I think it is doing very well, considering all the technical issues that have to be addressed. There have been occasional engine issues. There have been occasional other issues that have popped up—costs, schedule issues. We manage those very closely.

We are at a significantly vulnerable time, though. Let me explain. We have added aircraft. We have added hours for testing for JSF, and we are making that transition right now from advanced development and test aircraft into early production.

So this is a very sensitive time. There are probably things that we will learn in testing that we do not know about this aircraft. But we must keep it on cost and schedule.

Senator MCCAIN. Can you submit in writing a response as to where we are on the original cost estimates and the original schedule?

Mr. DONLEY. I would be happy to do that.

[The information referred to follows:]

At Milestone B (October 2001), the system development and demonstration (SDD) schedule was planned to complete in 126 months, and the current projection is 156 months. Eighteen months were added in the 2004 Replan to mature the airframe design to address projected weight-driven performance issues. While the weight issue primarily affected performance of the short-takeoff, vertical landing variant, all variants benefitted from the design improvements. In 2008, the SDD schedule was extended an additional 12 months to address schedule pressures for completion of all developmental and operational flight test requirements. The original (Milestone B) total acquisition cost baseline for the Joint Strike Fighter Program was $233 billion (then-year dollars). The current cost estimate, as reflected in the December 2007 Selected Acquisition Report, is $299 billion. Major drivers for the cost increase include schedule extensions, delayed procurement start, slowing the pro-

curement ramp rate, tooling costs, labor rates, inflation, and redesign efforts to address the weight issue.

Senator MCCAIN. I appreciate it, but I still don't get a feel from your answer. Has there been cost overruns that are significant already?

Mr. DONLEY. I would have to go back and look at the baseline program, sir, to give you a sense for where things have come since the program started.

Senator MCCAIN. I certainly hope you would keep track of that every single day.

The Air Force's current program includes 205 C–17s and 111 C–5s for a total of 316 strategic airlift aircraft. Do you believe you have enough? Is that adequate to meet your needs, General Schwartz?

General SCHWARTZ. Senator McCain, I do. If we need that number of aircraft, or as occurred out of the Nunn-McCurdy on the C–5 re-engining program, the definition of million-ton-miles per day is 33.95 million-ton-miles per day is the threshold. That mix of airplanes—that is, 205 C–17s, 52 modified C–5s, and 59 of the original version of the C–5—will satisfy lift requirements of the National Defense Strategy. It is the best business case as well.

Senator MCCAIN. Do you believe we need additional C–17s, General?

General SCHWARTZ. I do not.

Senator MCCAIN. Talk to me a little bit about the transition over time from manned to unmanned aircraft. General Schwartz, you are presiding over the beginning of that transition, and you have seen it for many years. Give us a few words on that, will you?

General SCHWARTZ. Senator, this is an inflection point. I agree with you completely, and the trend lines are unmistakable that the Air Force will be an increasingly unmanned aviation service. There will still be manned platforms, to be sure, but the beauty of these platforms is that rather than getting simply several sorties a day out of the manned platform, which fundamentally are limited by availability of human capital, that we can get 24-hour coverage out of unmanned vehicles with substantial manning, but in a different place, not onboard.

That is what is needed right now. Persistence in the ISR realm is the important parameter, and unmanned vehicles give us that capability. We know we started with the Predator originally as a test program and then fielded it. We are migrating to the larger, more capable Reaper platform, and we will transition out of the Predator to the Reaper.

The Global Hawk is the strategic platform for, again, ISR that will supplant the U–2 at some point, when we are ready to make the handoff.

So absolutely, sir, for long duration, long dwell, persistent requirements, these platforms are where we are going.

Senator MCCAIN. This is a significant cultural adjustment for the Air Force. Is that true?

General SCHWARTZ. It is. I won't soft-pedal that. The truth is that young men and women don't necessarily aspire in quite the same way as you and I did to fly high-performance airplanes from a ground station wherever it may be.

But it is very interesting. We have had cadets from the Air Force Academy and ROTC volunteer to go as their initial flying assignment to UAVs. Why? Because there is an understanding that you are right in the fight. From the first time you are qualified, you are operating platforms that people on the joint team rely on.

For example, the best shooters in America won't go through a door or through a window or around the corner, and we shouldn't ask them to, without the situational awareness that these platforms provide. Now, if they had to do it, sir, they would. You know that. But they have come to rely on this sort of situational awareness, and our youngsters increasingly will adjust to the reality that this is the way we support America's wars.

Senator MCCAIN. Reward and recognition are a big part of that.

General SCHWARTZ. Indeed, it is. A case in point, Senator, was that Suzie, my wife, and I spent Christmas at Creech last year. First, to be there, they are on 24–7. You have folks doing that work every single day, but part of that was exactly as you suggest—to demonstrate that the Air Force leadership values their contribution in a very visceral way.

Senator MCCAIN. Thank you.

Thank you, Mr. Chairman.

Senator LIEBERMAN. [presiding] Thanks, Senator McCain.

There is a vote on now. The chairman has gone to vote.

Senator Udall, you are next. I will pass the baton to you. I am going to go to vote. Senator Levin should be back by the time you are finished, or whichever Republican comes back will be next.

So you have risen rapidly to be the acting chairman of this committee.

Senator UDALL [presiding]. Thank you, Mr. Chairman.

Good morning, gentlemen. Thank you for your service. Thank you for taking the time to join us here today.

General and Mr. Secretary, in Colorado, we are the proud home of the Air Force Academy, and we also have Space Command (SPACECOM) and Peterson and Schriever Air Force Bases and North American Aerospace Defense Command and Northern Command. So we look forward to that continuing relationship.

If you might, would you take a moment and describe the programs and capabilities that the Department is funding in the fiscal year 2010 request to improve space situational awareness, space control, and counterspace, and will these activities reduce the vulnerability of our space assets? We have been having a lot of conversations about these topics.

Mr. DONLEY. Senator, many of these programs are still in development. We do have a space situational awareness effort underway in the Department. We do have a space protection program. We are working on space defense technologies. The space-based systems are being put in place to improve our situational awareness.

But I would emphasize to the committee we are at the front end of this work. We are at the front end of this work. I would use the analogy of the cyber domain, where we have had C4 systems in place for many decades. Only more recently do we recognize all those C4 systems as highly networked, highly-capable force multipliers and enablers for our own forces. In the cyber domain now, they need to be protected.

I think we are seeing the same analogy on the space side, recognizing the importance not only of the individual capabilities we are putting on orbit, but the extent to which they enable and network other capabilities terrestrially. We need to be focused on protecting that space domain, which is now more contested than it had been in the past.

Senator UDALL. General and Mr. Secretary, do you have resources you need in this budget and in the out-years to undertake the mission you just outlined? General Schwartz?

General SCHWARTZ. I think we do, Senator. I would echo what the Secretary said that there was a time not that long ago when the presumption was that space was a sanctuary. The reality is it is no longer the sanctuary we once thought it was. It is contested space, and as a result, we need to prepare ourselves to have the kinds of situational awareness we need to know whether our assets are being challenged and, if so, to attribute that challenge to specific actors. That, as the Secretary suggested, is one of many efforts that are underway.

But if you look at the array of things we are doing, GPS 3—for example, 2A and 3—that is sustaining the global positioning system constellation for both military and civil use. There are imagery needs which are being attended to, perhaps less so by the Air Force than the National Reconnaissance Office. In this program for us there are decisions related to communications architecture, as well as other requirements related to making sure we can maintain connectivity with ground forces and also assets not located in the immediate theater.

So, in short, Senator, my take is that we did make some hard choices. We decided, for example, with the Transformational Communications Satellite, that it was a very ambitious program and that it was too ambitious. So, we decided to roll back to something we know we can do with improvements. That is the AEHF constellation, and that is a good strategy.

Same thing is true with expanding the existing wideband global capability. So I think if I were to describe the strategy we are taking as one that is less ambitious and relying on proven capabilities and a little bit less on the exotic.

Senator UDALL. Thanks for that explanation. I was a bit remiss when I mentioned all the exciting activities in Colorado in leaving out the new Cyber Command (CYBERCOM), and I think you know we are excited that Air Force SPACECOM is a key part of this effort.

We were disappointed in Colorado that Peterson Air Force Base wasn't selected to host the 24th, but we know that CYBERCOM will still play a key role in Colorado's activities. General, you don't need to comment on that unless you would like to.

I want to move to further discussion of the recent collision between the Iridium and the Cosmos satellites and wanted to get your sense of how Strategic Command (STRATCOM) is altering its plans for monitoring satellite debris. It was particularly interesting because we saw the nexus this last week between a civilian side and the military side with the Hubble mission, which, what a success that was. We have now given that incredible instrument additional life, and I know it is exciting for all of us.

If you would speak to the debris situation, I would appreciate it.

General SCHWARTZ. Sir, in the past, we have focused primarily on the circumstances that were associated with high-value DOD assets, protecting them while in orbit from potential collisions. As a collateral benefit, we maintained connectivity with industry in order to inform them of potential collisions as well.

But it was focused intently, as it should be, on DOD resources. We are, and the Secretary can elaborate on this, expanding that capability. It largely is a matter of processing capacity to enable us to offer this deconfliction advice on a more routine and a more robust basis.

Mr. DONLEY. Sir, we have been working on the commercial foreign entities (CFE) pilot project, which Congress had helped set in motion a little over a year ago. That work continues, and we are developing a transition plan that takes that from a pilot program to a more operational program going forward so that the capabilities we are building up are sustained and grow over time.

We are working with STRATCOM on how to do that. They will take operational responsibility for that work later this year. As General Schwartz indicated, part of this is oriented around understanding responsibilities of the Air Force, responsibilities of the United States Government, how we want to interact with commercial entities, both in the United States and CFE, and also other international partners, sovereign governments.

How we will share data in that relationship, making sure we have the expectations understood on all sides of those relationships, and that we have the capability within the Air Force to deliver on the agreed capabilities that we are discussing with these partners.

We have a need to continue to upgrade and modernize our Joint Space Operations Center (JSPOC) at 14th Air Force. I have had this discussion with General Kehler. It is part of our program going forward.

But in comparison to our air operations centers (AOCs), the kind of situational awareness, command and control capabilities that you would see at a place, for example, at an AOC supporting CENTCOM today or at some of our other AOCs, our space operations center capability is considerably behind and is still in the early stages of its development and growth.

There is much promise there. There is a lot of good technology that can be brought to bear. With respect to space situational awareness, space protection, the JSPOC, these are all part and parcel of a broader effort on our part to get better situational awareness of the space domain. At a strategic level, it is my goal inside the Air Force to bring that forward as quickly as we are able to absorb it and afford it.

Senator UDALL. Thank you.

I see my time has expired. I did want to make one last comment, and perhaps there is a yes or no answer to the question I might pose.

I think we were all baffled and even angered by the Chinese actions when it came to shooting down their satellite. In your military-to-military contacts, do you think that that is a one-time event

and that the Chinese understand that it wasn't very useful to any of us?

General SCHWARTZ. I think they understand that. I wouldn't predict their decision process the next time around.

Senator UDALL. Thank you.

Chairman LEVIN [presiding]. Thank you, Senator Udall.

Senator Inhofe.

Senator INHOFE. Thank you, Mr. Chairman.

Again, I apologize. It seems like we always have these committee meetings at the same time, and so we have to jump back and forth.

But let me just mention a couple of things, and you may have covered this in your opening statement because I had to be at the other committee hearing, that is, one of my least favorite subjects, aging aircraft.

I know that both of you are very familiar with the problem that we have, and it is a problem we have never had before. When you look at the list, you see the average age of our fighters is 20 years. The average age of the flying hours of the bombers is 11,200. That is average, 11,200. The flight hours of the tankers, of course, almost 20,000 hours. That is just unacceptable.

Just as a general statement, and then I will talk about a couple of specific vehicles, what do you think about our aging situation? Because this is something we haven't had before, and it is something that I think is negatively impacted by this current budget.

Secretary Donley, what is your thinking?

Mr. DONLEY. There is no question that I believe all the military departments, including the Air Force, are behind where we would like to be in modernizing and reinvesting in the forces that we built largely in the late 1970s and early 1980s. All of us face the problem of aging inventories. But I believe we have, within the resources available, a pretty prudent plan going forward.

We continue to have challenges in that aging inventory. We have 2 percent of the fleet at any time that is grounded or restricted—and many more, actually, that are on restricted flight profiles. We have multiple mod programs to extend the service life and add to the capability of these older airframes.

Some of which have, while they are aging, low-stress missions, and so the airframes still have, potentially in some areas, decades of service available. But we do have plans going forward in mobility. At the strategic level, we have addressed that with the C–17, with the C–5 Reliability Enhancement and Re-engining Program. At the tactical level, we are always working on the C–130 fleet to manage within available resources the best combination of 130s at the best balance of——

Senator INHOFE. Yes, we understand that. But still, the stuff is old. Now you are talking about the 130s.

Mr. DONLEY. Right.

Senator INHOFE. I think I told you about my experience. I had two trips in a row where one of them, we lost two engines. The other, we were shot at. If we had had—that was an E model—J models, we would have been out of their range 8 minutes after taking off from Baghdad.

So I think that we are getting—I know we are doing the best with what we have. You guys are doing that, and I compliment

both of you for doing the best, but it is just that we need to deal you a better hand.

Now I think I understood you to say that 2 percent were grounded. My information is that one-third are either grounded or are under flight restrictions in one way or another. Is that incorrect, General?

General SCHWARTZ. Senator, that is high, 2 percent is the number that we have that is actually grounded.

Senator INHOFE. That is grounded.

General SCHWARTZ. There is a number at about 12 percent that has other restrictions. For example, some of the F–15s, until we get modifications done, are speed limited. They can still fly. We would exceed that speed limitation if we had to for a real deal, but——

Senator INHOFE. I understand your B–1s are restricted to 3Gs now?

General SCHWARTZ. You would not want to fly typically the B–1 at 3Gs in any case.

Senator INHOFE. I understand.

General SCHWARTZ. But I think the point is that we do have programs underway to manage fleet age. The most important one, though, frankly, after the new tanker and so on, is F–35.

Senator INHOFE. Yes.

General SCHWARTZ. We need to get F–35 to a production rate that will allow us to manage the fleet age for the rest of the——

Senator INHOFE. It is my understanding that the Air Force would be the last to receive the F–35s? The Marines first and then Navy and you guys last?

General SCHWARTZ. Again, this is a question of production rate.

Senator INHOFE. Yes, okay.

General SCHWARTZ. If we are able to ramp to at least 80, and we need more than that, frankly—closer to 110 a year.

Senator INHOFE. Okay. Let me get onto something else.

General SCHWARTZ. Yes, sir.

Senator INHOFE. I appreciate that very much.

As you folks know, both of you, but probably most up here don't know that at Tinker Air Force Base, we have quite a reverse engineering facility. The reason for that I would say, Mr. Chairman, is that we have those old KC–135s, 40 years old, and you can't buy parts for them anymore. So you have to reverse engineer.

The cost is—while we are doing a good job of that, still, the cost and the efficiency of that is—we are way past the curve, and I know that it is typical of Government. We can only fix that which is bleeding worse at this given moment, as opposed to thinking ahead. But I think that with the KC–X out, uncertain right now, did you cover the KC–X in your opening statements? Any comments you would like to make about that?

Mr. DONLEY. Just a couple of points. First, I think it is very significant that KC–X remains a priority for Secretary Gates and the Department, as it does for the Air Force.

Senator INHOFE. Yes, I agree.

Mr. DONLEY. We went through many difficult choices for this budget, but KC–X remained a priority. So that is the first point.

Second, we are about getting that back on track. I have been working with the Under Secretary for Acquisition, Technology, and

Logistics, Dr. Carter, and we expect to see the Secretary soon on this subject to get a request for proposal (RFP) out this summer, get an award next spring, get that program back on track.

Senator INHOFE. Okay, and gentlemen, I am not going to dwell on the F–22 because I think the Senator from Georgia most likely is going to get on that. But I would only say this: you remember back when General Jumper made the observation in 1998 that we are going to have to get up because we have China and Russia and the rest of them getting into, starting to approach fifth generations, I am concerned about it.

I would only say this is a chart that is an unclassified Air Force chart—it can't be too old—it is not dated, but it can't be too old because it shows 183 F–22s. It says that when you go up the chart, and I think you are familiar with that, it is really not 183, but the combat coded would be 126 right now.

Do you think that is adequate?

[The information referred to follows:]

U.S. AIR FORCE

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F-22 Force Sizing: The Numbers

	183 Budget Cap	USAF Stated Requirement	Based on F-15 Historical Demand	4 CONUS Air Defense Squadrons	Based on F-15C/F15E & F-117 Historical Demand
Squadrons Per AEF	**0.5**	**1.0**	**1.5**		**2.5**
Combat Coded (CC)	126	240	360	96	600
Training (TF) (25% of CC)	28	60	90	24	150
Test (CB) (5% of CC+TF)	10	15	23	6	38
Backup Inventory (BAI) (10% of CC+TF+CB)	16	32	47	13	79
Attrition Reserve (AR) (10% of CC+TF+CB+BAI)	3	35	52	14	87
Total Aircraft Inventory (TAI)	**183**	**381**	**572**	**152**	**953**
		152			
		533	(with 4 CONUS Air Defense Sqds)		

For rotational forces, history has shown 126 combat coded aircraft is too few; even with 240 combat coded F-22s, the rotational capability is less than the historical demand for F-15s

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General SCHWARTZ. Sir, the point you make is that we will have to manage this fleet in a different way than we would manage a much larger fleet, like we have with the F–16 and F–15.

Small fleet dynamics are a significant issue here, and we will have to look hard, for example, at whether we have dedicated training aircraft. We might have to use combat coded airplanes to do training as well, which is not as ideal as being able to rely on a constant throughput for training. But these are the realities of managing a smaller fleet.

Senator INHOFE. Alright. Any comment about the C–27 dropping down from 75 to 38? Or have you covered that in my absence?

General SCHWARTZ. Sir, we did.

Senator INHOFE. Okay, that is fine. I will get that from the record then.

Lastly, any comments about the CSAR–X, the search and rescue, because this is one that I guess will be terminated now, and did you make any comments about that?

General SCHWARTZ. I did not, sir. The CSAR–X program was canceled, although the Secretary did leave about $2.8 billion in the program to accommodate the needs of that mission. I think there are two basic points here.

He had some questions about whether this was a single-service mission or a joint mission, and we need to satisfy him that what we in the Air Force do is, in fact, for the whole team, certainly the joint team and our partners. That we don't have people sitting around on alert, waiting to go pick up pilots. That is not all they do.

Additionally, that perhaps we need to be a little bit less ambitious about the platforms we are seeking and to look at those which are currently performing the mission or improvements on those platforms.

Senator INHOFE. Thank you.

Thank you, Mr. Chairman.

It is a privilege to work with both of you. Thank you so much for your service.

Chairman LEVIN. Thank you, Senator Inhofe.

Senator Ben Nelson.

Senator BEN NELSON. Thank you, Mr. Chairman, and thank you, gentlemen, for being here.

Senator Inhofe mentioned the KC–X tanker is listed as one of the Air Force's top procurement priorities. The fiscal year 2010 budget request has $0.4 billion for it. Is that a sufficient amount of money for what it is you seek to do? Do you have an estimated timeline for the replacement for the National Guard units that are currently fielding the KC–135s?

Mr. DONLEY. On the funding, sir, we did anticipate, in putting together this budget, that the RFP would be delayed into the middle of this year, as is planned. So we did drop back. At one point, we had procurement dollars in this budget, and we have dropped back to continued research and development dollars. So, there has been some resources to come out, and we will put that back on a ramp going forward as appropriate.

Senator BEN NELSON. In fiscal year 2011, is that the timeframe you are looking at that you would pick up procurement costs?

General SCHWARTZ. Absolutely, sir, absolutely. We would be looking for roughly 15 aircraft a year for procurement, which will start that process of moving on the oldest and least capable KC–135s.

Senator BEN NELSON. Would the same locations that currently refuel the KC–135s be the same locations you would anticipate for the new tanker or for the new airframe?

General SCHWARTZ. Sir, I couldn't make that assurance without some qualification. It is not clear that this program, when it is all

done, which will be some decades down the road, will result in a one-for-one replacement of KC–135 for KC–X.

That being the case, there will probably be some footprint adjustments, to be candid. So, we understand that we have to modernize the Active, Guard, and Reserve in a responsible way, and we intend to do that.

But my hunch is, again, as we alluded to earlier, that the Air Force overall is changing its composition, and that certainly will have an effect on what units retain flying missions that are manned, for example, what may have to migrate to unmanned missions that are a little bit different than where they have been, or perhaps non-flying missions.

Senator BEN NELSON. But there is not a plan in place to move the refueling operations away from the Guard to the Active Duty? Is that fair to ask?

General SCHWARTZ. That is fair to say, sir. The balance that we have right now where the preponderance of the tanker and capability actually is in the Guard and Reserve is likely to remain the case.

Senator BEN NELSON. I have been pushing for progress measures, metrics, or benchmarks for Afghanistan and Pakistan. In the development of those, are all the chiefs and secretaries involved in discussing? Because everybody will have a role of one sort or another in those missions. Are you being included in the discussions?

General SCHWARTZ. I can only speak for the chiefs, sir.

Senator BEN NELSON. I will ask the Secretary.

General SCHWARTZ. But for sure, the Joint Chief of Staff is intimately involved in this in every detail.

Senator BEN NELSON. Is that your understanding as well, Mr. Secretary?

Mr. DONLEY. The Secretariat is less involved in the operational details. I have turned up the wick in the Air Force headquarters in terms of focus on our contributions to building partnership capacity with the new Iraqi Air Force and with the Afghan National Army's air arm as well. So we are very focused on the training programs and how the Air Force is supporting those programs and the progress being made.

Senator BEN NELSON. In March of this year, as chairman of the Personnel Subcommittee, I held a hearing on the incidence of suicides of our servicemembers and also to discuss the initiatives within the Services and DOD to prevent them. The fiscal year 2010 budget summary states that $42 billion has been allocated for agile combat support.

What percentage of those funds will be going to address the shortage of mental health professionals and health care professionals? This seems to be one of the challenges that the military is facing, and particularly the Air Force? What do you feel that you are doing that will help us overcome that shortage in health care professionals?

General SCHWARTZ. Sir, this is a really difficult problem. We have hired about 80 mental health professionals in this most recent period and have a total of about 400 or so that are trained to deal with post-traumatic stress disorder and the other signature elements of the current fight in which we are involved.

But the truth of the matter is, and we have about $80 million committed to recruiting and, again, trying to expand that pool, the dilemma is there are shortages not just amongst the Services, but in the civilian community as well. This is a highly competitive environment, and we understand the need and are working it as diligently as we can to make service for mental health professionals both satisfying, rewarding, and of course, their service is needed.

I just would conclude, Senator, by saying that we do have programs in our Air Force, the logo for one of them, for example, is landing gear. It is an effort on our part to have predeployment evaluations of our people, and then when they return, they have an evaluation as well and then one 6 months following, in order to ascertain that they are readjusting back to the garrison setting.

This is hard work. We have to continue. One suicide is too many, but I think we have a good effort here in order to manage that well, sir.

Senator BEN NELSON. The Secretary mentioned that the men and women in uniform are the primary and most important asset of the Air Force. So, being concerned about the stress that they experience is a higher priority than even concern about the stress of the airframes that are being used in the conflicts as well.

So I hope that we always keep that in mind that both are being stressed and pushed to their limits and that we will do everything we can to keep them both in appropriate shape.

General SCHWARTZ. Senator, I take your point.

Senator BEN NELSON. Yes, thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Nelson.

Senator Chambliss.

Senator CHAMBLISS. Thank you, Mr. Chairman.

Gentlemen, as always, thank you for your service and for being here.

General Schwartz, you testified before the House Armed Services Committee on Tuesday, at which time you confirmed what you and I have talked about any number of times on the phone, and that is that 243 F–22s is the right number, and that is the military requirement for the Air Force today. I appreciate your honesty in saying that, and I am not going to get into that anymore, except to say this or to ask you this.

Under the force planning construct where we assume that 183 is going to be the number, what is the level of risk that we are taking at 183? Is it low, is it moderate, or is it high risk?

General SCHWARTZ. I would characterize it as moderate to high, sir.

Senator CHAMBLISS. Okay. If you characterize it as moderate to high, is that based upon a one-theater scenario or a two-theater scenario?

General SCHWARTZ. Moderate to high is based on a two major combat operations scenario, sir.

Senator CHAMBLISS. Do you assume that F–22s will be used in both those scenarios?

General SCHWARTZ. It depends. The short answer is that it depends on the mix of scenarios. But the short answer is, yes, at a greater or lesser level, F–22s would be applied in both.

Senator CHAMBLISS. Going back to the chart that Senator Inhofe showed you a minute ago, based on 183, we are talking about 126 combat coded. Even if you use all of the trainers, which is 28, you are talking about 154 F–22s. General, in a two-theater combat scenario, 154 is going to be a moderate to high risk, as opposed to a high risk?

General SCHWARTZ. Senator, it depends on what the need is between the two scenarios, what the planning factors involved are. There is no question that the program which is recommended in the fiscal year 2010 budget is adequate for one major combat operation, however you define it, and then the follow-on question, which you imply, is certainly a good one. That is, what is the second scenario, and how quickly does it evolve?

We do not have that level of specificity until the QDR outputs are known, and so we are still some months away from a definitive position on that.

Senator CHAMBLISS. I would note again on this Air Force chart that is unclassified, that even under a scenario where we had 381 F–22s, which was the number before it was reduced to 183, we would have 240 combat coded aircraft under the scenario that is laid out here by the Air Force. Under the current rotational capability, that is less than the historical demand for F–15s.

So even if you go up to the next number of 381, it appears to me that we are taking a huge risk here, whether you quantify it as moderate to high or whether it is high, which I think it is, in my opinion. But irrespective of that, that is why we are here to talk about this.

Secretary Donley, in the House hearing on Tuesday, you made a comment that Secretary Gates has also made and that he made before this committee last week regarding the fact that the plan to complete the F–22 program at 183 had been in place since 2004 and had been in place under multiple administrations.

I have two reactions to that. First, I would just note that it doesn't really matter what previous administrations recommended. What is important is what is the right number to meet the threats that we are encountering now and can expect to encounter in the future?

Those threats are maturing and growing. They are not static. So if we are relying on 2005 information, I don't know how anybody can be comfortable with that.

Second, in his fiscal year 2008 budget request before this committee last year, Secretary Gates himself said that he was recommending procuring four additional F–22s in order to keep the line open and preserve the next administration's option for F–22 procurement. So the option is here, and obviously, we are seeing that this administration has made a decision 183 is the number.

So I am going to take issue with this idea that this decision to end production was made in 2004 and the Department hasn't looked back. You are just carrying out what you have been told to do here. Clearly, you have looked back, and clearly, it is important to note that the 2004 decision was made 2 days before Christmas during a DOD budget drill and with absolutely no input from the Air Force.

Now, gentlemen, let me also say that the information I have been able to gather is that your commanders in the field were okay with retiring some legacy aircraft and as you are recommending in your budget, but under the condition that we procured more F–22s to replace those retired aircraft. Instead, the DOD budget retires the aircraft but uses the money that will be saved elsewhere.

We have had several combatant commanders testify before this committee this year, but they all did so prior to this budget being released. I hope we get a chance to question some of them now that the budget is out, as well as some of your field commanders to see if they still believe they can adequately execute their plans, given this significantly reduced force structure.

Gentlemen, the fiscal year 2010 budget request for the Air Force would spend approximately $1.7 billion for UAVs, manned ISR platforms, and modifications to those platforms. How many of those platforms are going to be stealthy?

General SCHWARTZ. Sir, the program of record for the UAVs is 24 of the Reaper class UAVs and 5 of the Global Hawk class UAVs, none of which you would classify as stealthy.

Senator CHAMBLISS. I understand the need to meet the ISR requirements of our forces in Iraq and Afghanistan, and I support that need. But Iraq and Afghanistan are permissive environments with respect to the air threat.

If the next conflict we are in, say, a Middle Eastern country or even a South American country that has gotten its hands on double-digit surface-to-air missiles (SAMs), or even single-digit SAMs, none of the platforms that this budget would procure would be able to operate in that conflict until something else established air superiority. Is that correct?

General SCHWARTZ. That is correct, sir.

Senator CHAMBLISS. Gentlemen, as I mentioned earlier, this budget would accelerate the retirement of 250 legacy aircraft by retiring them this year, and I understand that more retirements are on the way next year, that the Air Force may recommend retiring another 250 fighters.

If I recall in the fiscal year 2007 budget request, the Air Force recommended retiring almost 50 percent of their B–52 fleet and planned to use the savings to fully modernize the remaining bombers. This sounds all too familiar. Congress disapproved the proposed retirements, as we all know, and the B–52 is flying close air support (CAS) missions in Afghanistan today and proving to be very valuable.

The same year, 2006, the Air Force also recommended retiring the entire U–2 fleet, which Congress also prevented. Within the last year, the Air Force has themselves backed off the plan to retire U–2s because your commanders rely on it and because we don't yet have another platform that can perform its mission.

Looking back, those proposed retirements were ill-advised, and Congress was right to prevent them. So I would just close by saying that we have been down this road before. Your commanders were okay with the retirement plan you are proposing in this budget, provided you procured more F–22s, which your budget does not do.

So I am extremely concerned that your plan creates additional risk, which you readily admit, and with the Air Force's history of wanting to retire planes that you later decide you need to keep, I am having a hard time really justifying your analysis here, particularly when you are recommending forgoing the option to provide a proven platform like the F–22 that could effectively mitigate that risk.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Chambliss.

Senator Hagan.

Senator HAGAN. Thank you, Mr. Chairman.

Gentlemen, I just wanted to commend you on the excellent training for the young men and women in the Air Force. I take this personally. I have a nephew who is a graduate of the Air Force Academy and flies the F–15, and we are obviously extremely proud of him.

My question has to do with the Global Strike Command (GSCOM), General Schwartz. The Air Force is in the midst of implementing the decisions that resulted in the assignment of cyberspace responsibilities to the Air Force SPACECOM and the creation of the GSCOM. I understand that this newly established command will control all the Air Force nuclear-capable bombers, missiles, and personnel and is expected to begin operations in September of this year.

Can you address the status of the GSCOM's resource requirements with respect to the Air Force's intercontinental nuclear missile capabilities, and how will the change of responsibilities result in contributing to U.S. deterrence?

General SCHWARTZ. Ma'am, it reflects our long-term commitment, that is the establishment of GSCOM, to performing the nuclear mission as it is needed, and that is with precision, with reliability, and, as some that have described it, to a standard of perfection.

That is what is expected, and that is what is needed. We, as an institution, had to organize ourselves in a way that will allow that to occur. It evolved over time, but we had the operational capability distributed through several commands in the Air Force.

On the sustainment side, we had sustainment responsibility for the missiles and the bombers in four different commands. It was not a good arrangement. So, what we have done, ma'am, is to consolidate that.

In the operations realm, you will have one commander responsible for the missiles and for the nuclear-capable bombers, and on the sustainment side, one commander responsible for all of that. Those two commanders will be very close together as they do their day-to-day work.

The important thing here is that GSCOM, we are not going back to Strategic Air Command (SAC) days. But there are some things from the SAC days, the culture of compliance and disciplined execution, which we need to have rekindled, if you will, and that is what GSCOM will allow us to do.

Senator HAGAN. Will it be ready and operational in September?

General SCHWARTZ. It will have initial operational capability in September with the commander that has been confirmed by this

committee and by the Senate. That is Lieutenant General Frank Klotz. They will be manned at 70 percent initially, in that neighborhood, and then they will ramp through the next year to the full complement of their personnel, which exceeds 700 folks or thereabouts.

In addition, the weapon systems will transition at different times after September. The missiles will migrate when the command is ready to execute. You have to appreciate that General Chilton from STRATCOM, his bottom line is he thinks this is the right thing to do, but he does not want to disrupt or interrupt the continuity of the operational element. So we will migrate the missiles at a different time then we migrate the bombers to make sure that we have everything tidy with regard to command and control and execution of nuclear missions.

Senator HAGAN. Thank you.

SATCOM provides our mobile warfighters with real-time images and video of the battlefield, accelerating the strategic and tactical decisionmaking for our mobile warfighters. I had the privilege of speaking recently to General Petraeus, and he underscored how the UAVs, ISR assets enable our warfighters with battlespace awareness information to conduct the counterinsurgency operations.

My question is how do you see the utilization of these systems in conjunction with the SATCOMs involving in the theater? General Schwartz?

General SCHWARTZ. Yes, ma'am. As I suggested in an answer to an earlier question, this is a very powerful capability. It is dependent on communications, both communications to control the platforms as well as to download the data that they collect so that it can be processed quickly and sent forward to the folks that need it for execution.

In fact, one of the wonderful developments here is that we actually are downloading video directly to tactical elements as they are operating in Iraq and Afghanistan. It is dependent on an architecture that provides that communications connectivity, and it is our view that the program that has been proposed with AEHF and WGS expansion is the way to proceed.

Senator HAGAN. Thank you.

Chairman LEVIN. Thank you very much, Senator Hagan.

Senator Thune is not here. Senator Wicker?

Senator WICKER. Thank you, Mr. Chairman.

Gentlemen, we appreciate your service and appreciate your testimony. In your testimony, you stated, "Replacing the aging KC–135 fleet remains the Air Force's top acquisition priority." Where are we on this project?

Are we going to have a recompetition? Are we going to go back to square one? There is been a lot of talk about a dual or split buy between the two different platforms. So I would appreciate you enlightening the committee on the status there.

Mr. DONLEY. Sir, the KC–X does remain top priority for the Air Force and remains a priority for DOD. I think it was important that Secretary Gates did not make any adjustments to that. Even though we had many programs, many issues in front of us in considering how to put together the fiscal year 2010 budget, we left the KC–X alone.

Our intent remains, as he described it earlier this year, to release a draft RFP soon, within the next month or so, and to make a contract award probably next spring and to get that program back on track.

Senator WICKER. Spring of 2010?

Mr. DONLEY. Spring of 2010. We have been working with the Secretary on the issue of acquisition strategy for that. We very much are in agreement that a split buy or a dual buy would not be in the best interests of the taxpayer. It would require us to develop two airplanes instead of one.

We would end up with two logistics tails as a result, and it would also require us to spend a lot more money upfront to support two minimum economic order production lines at the same time, in excess of what we currently have planned from fiscal planning in our budget going forward. So we think the dual award or do the split buy is not the way to go with this program.

Senator WICKER. How long do you expect the program to last once it is started, two decades, three decades?

Mr. DONLEY. This is a two-decade plus—this first increment KC–X is 179 aircraft. We have, off the top of my head, just about 430 KC–135s, I think, in our inventory. We have another increment of tanker modernization to pursue after these first 179 aircraft. The Department strategy is that that is going to take a while, probably 10 years or so. We will need to readjust at that point with the new technologies available to assess the way forward after that.

Senator WICKER. There is a school of thought that two platforms going forward over time might bring about savings because they would be competing with each other. We would have a competition of ideas, and we could see which one actually provides a better aircraft for our mission and for our servicemembers, as well as for the taxpayers.

Have we ever tried that in the history of acquisition, and would you comment on that, General? You seem to be ready to jump in there.

General SCHWARTZ. There is some evidence that that works if you have a large enough program and if you have enough resources to devote to it. The so-called Great Fighter Engine Wars of the 1980s is a case in point, where we had two offerors, two competitors, and it did prove beneficial.

But the bottom line here, sir, is that on the tanker, I mean, we are not dealing with sophisticated platforms here. We are dealing with commercial-derivative platforms. What we need to do is to acquire those platforms as rapidly as we can and as cheaply as we can. Having two producers do that could imply two supply chains, two training activities, and so on, which is money we need to invest in the platforms to modernize that fleet, which is approaching 50 years old.

Senator WICKER. I will leave this subject, gentlemen. But let me just say, I don't see how anybody in this room or anybody on this committee can be proud of what has happened over the last year with regard to this program. The people tasked with making the decision called it by the numbers. There were only a very minimal number of discrepancies brought forward, and yet basically, it seems to me that the Secretary, for whom I have the highest re-

gard and admiration, was forced to make a political decision and punt this down the road.

The taxpayers and the airmen and the security of our Nation is just going to have to wait 2 years because of a political decision. If this becomes the model that the acquisition team can call it by the numbers and then a few politicians can raise hell and a couple of folks on television can make some jingoistic statements and bring this down in a political manner, I really fear for the future of across-the-board, transparent acquisition by our DOD. I am sorry that it has come to that.

Let me briefly ask one more question, Mr. Chairman, if I might. On the UAVs, General, are we getting the cooperation that you would like to have from the Federal Aviation Administration (FAA) with regard to using our airspace in a responsible manner for the increased training that we are going to need as we ramp up the use of UAVs for our Service?

General SCHWARTZ. It is wrestling match. Again, I do not want to cast aspersions on the FAA. Their concern, it is a legitimate concern, is for safety of flight. They are concerned about having unmanned aircraft, which do not have, obviously, pilots aboard, and how you maintain separation between aircraft in controlled airspace. This is not a simple problem.

On the other hand, we think we have ways to facilitate that deconfliction and hope that we can persuade the FAA to perhaps be a little bit less conservative. Part of the way ahead is technical. It is called sense and avoid. It is a capability, an electronic capability on the UAVs that would augment their capability to avoid collisions in the air.

That is part of the solution. But until we get there, we—that is on the part of DOD, reasonable people, reasonable people in the FAA need to come to accommodation so that we can operate and train.

Senator WICKER. As FAA and DOD wrestle, what is the resolution process? Is there going to have to be a mutual accommodation, or is someone at a higher level going to have to——

General SCHWARTZ. I think this is doable at our level between DOD and the Department of Transportation. Again, some of this is education. Some of this is, again, coming to understand each other's various imperatives, and I think we just need to be straightforward and candid with our counterparts in FAA. They likewise with us, and we will come to a solution that allows us to operate safely in controlled airspace.

Senator WICKER. Do you agree that readiness will be affected if we don't come to a resolution that expands your ability?

General SCHWARTZ. I certainly do, sir.

Senator WICKER. Thank you, sir.

Chairman LEVIN. Thank you, Senator Wicker.

Before I call on Senator Lieberman, I know he will join me in this. This happens to be Senator Akaka's 62nd wedding anniversary. He and his beloved Millie have been married 62 years today. I am not sure you will be able to stay around long enough for me to recognize you because we have a number of other Senators that are scheduled here first. But congratulations, Danny.

Senator AKAKA. Thank you very much, Mr. Chairman. I give the credit to my lovely wife, Millie.

Chairman LEVIN. Just where it is deserved. [Laughter.]

Senator Lieberman.

Senator LIEBERMAN. Thank you. I was just calculating, on my 62nd wedding anniversary, the good Lord willing, I will be 103. [Laughter.]

Chairman LEVIN. We will call on you in order, too.

Senator LIEBERMAN. Thank you. That is very kind of you. That may keep me going.

I wanted to ask you both—and thank you for your service and your testimony, first—about the aerial refueling tanker. I know you were asked some questions before. I don't believe you were asked this. Secretary Gates has already announced plans to proceed with a competition to award the $35 billion contract in a competition this summer.

I know that some of our colleagues on the House side are advocating a split buy between the two major competitors to meet the requirement. I wanted to ask both of you, I will start with you, General Schwartz, what you think about that idea?

General SCHWARTZ. I don't favor it, sir, for very pragmatic reasons.

Senator LIEBERMAN. Yes.

General SCHWARTZ. If we buy two different airplanes, what that imposes on us is two different infrastructures, two different training regimens, two different supply chains. It does not make economic sense or, in my view, good institutional sense. If you are talking about manufacturing the same airplane in two locations, again, that is an inherently more expensive approach, although it might serve other interests.

But I think from our point of view, we should invest the limited dollars we have to get the most airplanes as quickly as we can. That is the imperative.

Senator LIEBERMAN. Secretary Donley, do you have an answer to that? Have you projected, assuming you agree with what General Schwartz has said, the additional costs probable from a split buy?

Mr. DONLEY. We have. We have been over this ground very carefully. It could be about $7 billion.

Senator LIEBERMAN. $7 billion?

Mr. DONLEY. Billion dollars in difference. But just as importantly, as General Schwartz suggested, having a split buy requires us to support two production lines at probably a minimum level at the same time. Instead of buying about 15 airplanes per year, which is what our program planning projects at this point, we would have to build probably 24 per year. There are advantages to that, but it costs us a lot more money to do that every single year.

So from a budget and fiscal planning point of view, it would take a huge dent in our procurement plans going forward for other necessary capabilities in other areas. So that would be, I think, a considerable downside.

Senator LIEBERMAN. So I think you have just answered my follow-on question, which is that you assume that that projected extra $7 billion for a split buy of the tanker will come out of future Air Force budgets?

General SCHWARTZ. Sir, I think we have to assume that. The truth is, there is not that much space in our budget. The tough choices we have made here with regard to other weapon systems we have talked about reflects how challenging the financial situation is.

Senator LIEBERMAN. I just thought of this. I wasn't planning on asking it. But this issue, which has been quite heated in past years, seems to be quiet for now, the issue I am about to get to, which is the alternative engine for the JSF.

The President's budget again recommends against the alternative engine because of cost. Do you want to talk about that? I presume you support that recommendation?

General SCHWARTZ. I do, sir. We have talked today about aging of the fleet. The bottom line is we have to get the F–35 production rate sufficiently high to help us deal with that looming issue, and diverting resources from aircraft production to dual source the engine, to me, makes that more difficult, not less.

I know that in the 1980s, we were pushing technology on engines, and we had the resources, and there was good logic perhaps in pursuing a parallel path at that time. I think we have more confidence in the technology all these years later, and given the resources available, I think that we need to invest that in fielding aircraft and not a dual source on the engine, sir.

Senator LIEBERMAN. I agree with that. Obviously, we are all operating in a resource-constrained environment, made all the more intense by the fact that we are in two active fields of battle. So we have to make tough decisions on these matters.

Let me go to something I know I have talked to you about when you were good enough to come to my office. Let me approach it this way. The budget before us has significant increased funding for UAVs, various classified programs, all the kinds of things that will help in the irregular wars that we are in.

My concern is that in some ways this relates to the unmanned/manned argument or discussion that you had before that we are shortchanging the Joint Surveillance Target Attack Radar System (JSTARS) program, which will carry a radar system much larger and more effective, certainly more comprehensive within its coverage than the smaller ones that we are putting on the unmanned vehicles, and part of this is MP–RTIP program, the Radar Technology Insertion Program, that I have been interested in for a while.

So I wanted to ask you if you could—actually, last year, we obligated, we appropriated for JSTARS in this program, JSTARS modernization, and we have not yet seen a plan for obligating the funds or a timeline for moving forward with MP–RTIP. I wanted to ask you if you can update us on that this morning?

General SCHWARTZ. Senator, this is one of those areas where we have made a choice that while it is certainly true that the larger aperture, the larger radar that would be associated with the JSTARS has more capability in a number of interesting ways, that persistent surveillance is the coin of the realm, that we will get that much more so out of a Global Hawk class vehicle than a dated Boeing 707 class aircraft.

That, again, it would be in the neighborhood of $300 million a year in order to field MP–RTIP on the JSTARS. I am not arguing there isn't merit in that effort, but given the demands we face in providing an array of capabilities, our recommendation to you and the committee is that that is something that we just can't swing, given the resources available.

Senator LIEBERMAN. I respectfully disagree. But I will consider your arguments, and we will talk further on it.

Thanks, Mr. Chairman. My time is up.

Chairman LEVIN. Thank you very much, Senator Lieberman.

Senator Thune got here by the nick of time, I am afraid.

Senator MARTINEZ. Oh, man. [Laughter.]

Chairman LEVIN. Yes, Senator Martinez, I was looking at you, but I saw John.

So, Senator Thune, and you are next, according to my chart.

Senator THUNE. I feel really bad about that. [Laughter.]

Chairman LEVIN. You could walk out for a minute if you feel that bad. If you have to leave, maybe he would yield to you? [Laughter.]

Senator THUNE. I will yield to you. Go ahead.

Chairman LEVIN. Because he has been here a long time, and I think if I weren't distracted, it would have been your turn.

Senator MARTINEZ. I have someone waiting for me in my office.

Chairman LEVIN. Thank you, Senator Thune, for doing that.

Senator Martinez.

Senator MARTINEZ. I appreciate it very, very much. I just will be brief. I might not even take all my time, in deference to all the courtesies I have been shown.

Gentlemen, thank you for being here. My questions are mainly to do with the JCA. I am very concerned about this, very concerned about the mission. Also very concerned, obviously, about the impact that it would have on Jacksonville, where there is potential for jobs being lost.

This is an aircraft that was going to be built in the United States. Now the manufacturer says that with this low number, it probably won't be. That is too bad.

But on the mission, which is really what we should focus on—not whether jobs come or go—I am worried about two or three things, and I would like to address these questions and let you both reply. I am worried about the fact that this aircraft has the opportunity to land in airfields where the C–130 would not.

I know last week I was told that perhaps that was 1 percent of airfields. I find that hard to believe. Since then, I have been talking to people who are more knowledgeable than I, and it appears to me that it is a much larger range of potential for that than just a 1 percent limitation.

The second is the issue of loads, whether you need to fly a C–130 for a load that actually could very well be managed by a much smaller aircraft, and you don't fly a big aircraft when you don't have to.

I am worried about the Air Force Special Operations Command (SOCOM) gunship, and I am worried about the need for the Army to have that delivery for the last tactical mile and whether the Air Force can make the cultural shift to create that mission as part of

what the Air Force does. So if you could take all those issues and answer for me?

I am also encouraged, General, to hear you say that you believe the floor is 38, which would suggest to me that you and I would not have a hard time agreeing that a larger number would be a much better thing for us to be doing.

General SCHWARTZ. Senator, let me start big, and then walk small. First, one of the things that the Air Force does extremely well is what I call general support. That is providing, whether it be lift or reconnaissance or strike on a theater basis and so on, we do this well.

There is another approach, which tends to be something that the Marine Corps and that the ground forces generally and the Army have practiced, which is direct support. That is capabilities are committed to specific maneuver units full time, and therefore, they are less available for application elsewhere. But you make a trade in that space.

I have committed to General Casey from the Army that the Air Force can do and will do the direct support mission if that is the conclusion of the Department, if that is what is required. If the brigade commander expects to see the same aircrew for 30 consecutive days, that is what we will do, rather than the efficient way to manage these things, which is to get the crew that they are qualified for the same level; right now we run this in the most efficient way, which might not be the same crew every day.

That is an example of what we are trying to do. We can do this. We will do this, if that is the decision.

The second piece is migrating the program from the Army to the Air Force. There is both a program management piece to this, and that is not instantaneous. The Army is going to have to stay in the lead at least well into 2010. Then we will make a handoff on the program going forward to whatever level that it ends up.

Third, with respect to the special operations capability, the Secretary of Defense's judgment was that it would be better to use existing C–130 capacity in Air Force SOCOM to host the weapons package than to buy new aircraft to do that. So, there are eight MC–130Ws, which will be configured with the same package, avionics, guns, and so on, that would have gone on the so-called AC–27. That is a choice. That is a trade off, and one, in my view, that is not unreasonable.

The last point I would make, again, is what is the number? We have to get together. That certainly will be one of the key outputs from the QDR. But in addition, the Army and the Air Force and the National Guard have to get together, and we are.

We are working this to define how we are going to organize to perform the mission, whether it is Army National Guard, whether it is Air Force National Guard, or whether it is some component of Active Duty. That is not yet fully cooked, but it will be by the end of the month.

Senator MARTINEZ. I would like you to speak briefly to me on the issue of versatility in terms of the utilization of airfields and so forth. The National Guard issue I didn't bring up in my question. I am glad you brought it up, but I know the National Guard is very

keen on this aircraft being a part of their—but on the versatility in terms of utilization?

General SCHWARTZ. As the former Commander of TRANSCOM, I appreciate the place that this platform would have in the fleet mix. There are, given today's distributed battlefield where you have soft Special Operations Teams and Provincial Reconstruction Teams and small elements distributed around the battlefield, that a machine that takes a couple or three pallets or 12 to 20 passengers is a tidy-sized airplane for that distributed battlefield.

As you suggested earlier, sometimes the Herc is too much. It is too much airplane for that mission.

Now the tension is will we have excess capacity when we are done with this? Too many Hercs and whatever mix of C–27s it is. That is a legitimate question, which the Secretary has impressed on us and one we have to give him a rational response.

Senator MARTINEZ. Thank you, Mr. Chairman. Again, thank you for the courtesy.

Chairman LEVIN. Thank you, Senator Martinez.

Senator Begich.

Senator BEGICH. Thank you, Mr. Chairman.

Secretary Donley and General Schwartz, thank you for being here.

I know, General, you have served in Elmendorf. So it is good to see you, and you left just as I was coming in as Mayor of Anchorage, so we crossed paths. So thank you very much for being here.

First, I want to say thank you to the support that is coming through the military construction. It is a little over $65 million, which is a positive thing for us, and we continue to grow the bases up there, and they are very strategic in the long-term defense of the country.

One which I think I know the answer, but I want to make sure it is on the record, the restructuring of the Air Force and the F–15s and the early retirement and how we end up in Alaska with the F–22s. Could you reassure me that that retirement of the F–15s, which in Alaska is about 24, if I remember right, a couple dozen, that when all is said and done, that the timing of the replacements, the retirement of the F–15s and all that together, will not reduce the capacity or the capability of response as necessary in Alaska.

General SCHWARTZ. Sir, it won't. I would just qualify one thing, that the 24 aircraft you mentioned may not, tail number by tail number, actually retire. In many cases, we will be reassigning those aircraft to other units, either National Guard units, to replace yet older aircraft.

Senator BEGICH. Within Alaska or throughout the system?

General SCHWARTZ. Throughout the system. Throughout the system, and that we will be—one of the rationales, and I understand Senator Chambliss's skepticism on this, is that this adjustment will allow us to invest in those machines that we are retaining by putting, for example, the electronically scanned array radars on the airplanes that they currently do not have or the infrared search and track capability, which they currently do not have.

So this is not just retiring older airplanes. It will allow us to keep the best frames on a frame-by-frame basis, as well as put

equipment on them that will make them more viable in the years ahead.

Senator BEGICH. Thank you for that explanation. Again, I just want to make sure I am clear that through this transition, it will not reduce the capability of Alaska's role, its strategic role with regard to the Air Force specifically.

General SCHWARTZ. There will be capability in Alaska to defend Alaskan airspace. That will not diminish. As you are aware, as recently as 2 days ago, we intercepted a Russian long-range aviation platform off the northwest coast.

Senator BEGICH. Absolutely.

General SCHWARTZ. We will continue to do that right, sir.

Senator BEGICH. Thank you very much.

Let me follow up, if I can, on Senator Martinez in regards to the JCA. I know, what caught me, the attention, when you said by the end of the month, the end of the month is next week, we are out of here probably today, if not tomorrow. But I want to put on the record, as I have done to every military personnel that has come in front of here, the concern that I have for Alaska. To be very frank with you, the disappointment I have in what I have heard as the transformation, which I understand everyone has worked that out.

But in Alaska, the Sherpa, which is fairly old, but yet very vital in that small capacity, what I understand is the goal was the 27s were to replace the Sherpas. We had eight authorized. That will not occur, according to what I understand. That makes me very nervous, to be very frank with you, and disappointed.

So, I just want to press upon you, especially in your position and being up there, that short-haul capacity or the small capacity hauling is critical in some of these areas, and it is very important for us to be considered as you, in the next week here, finalize the list. My understanding is that was going to go to the Army Guard. That is not going to happen now. That makes me very nervous.

General SCHWARTZ. Sir, I don't know that is the case. How this is going to lay in and who is going to do it is not yet a done deal. But I understand your point.

Senator BEGICH. Very good. I see the Secretary wants to jump in on that comment.

Mr. DONLEY. I just wanted to clarify the schedule so there is no misunderstanding on this point. We owe the Deputy Secretary a report on the way forward on JCA, we and the Army, together with the National Guard Bureau, by the end of this month. But I do not think that this report will be the last report.

I think this is an interim description of how far the conversations have gone, what issues we have identified, and the path that we have outlined forward to continue working the issues of—related to future bed-downs, related to the program management, transfer of responsibility. I must say that while we have much on our plate in this particular issue the way it is now framed, our immediate focus is delivering the operational capability that has been committed for the fourth quarter of fiscal year 2010.

Both the Air Force and the Army leadership are focused on making sure we execute and deliver that capability to the theater as planned. That is the number-one priority. We will get to these

issues going down the line, but certainly we won't have all that work done by the end of this month.

Senator BEGICH. Okay, I appreciate that. I know you will keep us well-informed as the report and other activity move forward.

One issue, and it is one that again, I know, General, you will be familiar with, and I noticed that we have not done the research and what it means yet, but I looked at the budget, and we are working with your staffs now just to understand it. The Alaska Civil Air Patrol was cut about $800,000, which, in Alaska, the Civil Air Patrol is truly life and death in what goes on there.

So, we have not finalized what that means yet. We are working with your staff, but it is of concern of the impact. That is a significant number in what happens up there. It is truly the backbone to a lot of our ability to protect people and ensure their life safety. I just wanted to put that on.

The other one, there are some minor, but yet for us, of course, there are major reductions of some of the one-time allocations. But two that really stuck out was the coal-to-liquid initiative, which I know the Air Force is very focused on alternative energy, renewable energies, really doing a great job.

As a matter of fact, General Carlisle and I have talked about this as how that has been a hallmark in a lot of ways of what the Air Force is doing. It concerns me because that cut is a 50 percent reduction in new technology. When you think of all the States in this country, Alaska has 50 percent of the coal of this country. You can combine all of the States. We have more.

This project, even though it was a last-minute add last year, it is becoming more and more developed. I would hope that there would be some review and reconsideration. Obviously, I am going to be pitching that because I believe, and especially on coal, that we have to continue to use and review new technologies because it is not fully clear what it all means yet. I think Alaska has great potential there.

I wanted to put that on. My time is up here, but I just wanted to leave you just one other thought, and that is I agree with you on the issue and I am looking forward to how you are going to go through the bid process on the tanker. It is a simple platform. It is not complicated. It is a small number, and it is in great need now. I agree with you on the bid process.

I wish you the best, and hopefully, it will be clean in process. But one bidder at the end of the day, getting that short supply of what you need now, I think, is a good move.

Thank you very much.

Chairman LEVIN. Thank you, Senator Begich.

Senator Thune.

Senator THUNE. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you for your courtesy.

Senator THUNE. Gentlemen, thank you very much for your service. General and Mr. Secretary, nice to have you here.

I want to ask a question regarding something that your predecessors last year testified about. Incidentally, I want to associate myself with the comments of the Senator from Alaska on synthetic fuels. That is something I have a great interest in and something I know that there was a commitment made about, and we are all

watching to see what happens with that. The fact that the proposed project in Montana has been scaled back or done away with, I think, is something that would concern me as an advocate for use of synthetic fuels.

I want to ask you about something your predecessors made a priority last time around, and it was the next-generation bomber, which was, I think, one of the top five acquisition priorities, ranking just below the JSF.

Yet Secretary Gates—and he was here last week, and I asked him some questions about it, as perhaps you know, he announced his intent to end development of a follow-on bomber until there is a better understanding of the need, requirements, and technology.

In your personal opinions, is there a reason to delay the next-generation bomber? That is my first question.

Then, second, the 2006 QDR directed a follow-on bomber to be fielded by 2018, and my follow-up question, does the Air Force have a good understanding of the need, requirements, and technology to go with that?

Mr. DONLEY. First, let me emphasize the importance of the long-range strike mission, which we believe is still an imperative for the Nation's defense and for our Air Force going forward. So while we have scrubbed plans for a particular program, we still need to work the long-range strike issues. I think that mission has support from the Secretary and other DOD leadership. I think we will get into that issue in more depth in the QDR and also the Nuclear Posture Review (NPR) going forward.

In my view, we just needed more time with the incoming administration, with the new leadership, given the restarting of arms control negotiations and other factors in front of us, to revalidate where we are headed on long-range strike and how we want to approach this mission. So I think we will be circling back on these issues going forward.

You may note that in the UPL that we have provided to the committee, there are dollars for technology integration work, which we think will be helpful in bridging our current situation. We just canceled a line of numbers, will help us bridge the technology issues between now and when a new long-range strike program gets started.

Senator THUNE. General?

General SCHWARTZ. As the Secretary suggested, long-range strike is a central feature of what the Air Force provides to the country and to the joint team, and I think where we were at was that the Secretary of Defense wasn't comfortable with what had been scoped as the parameters of the previous program—range, payload, manned, unmanned, nuclear, non-nuclear, low observable, very low observable, and so on.

We will get the Secretary of Defense comfortable with a definition of this that we can get on with fielding a long-range strike capability for the Nation. I don't sense any lack of conviction on his part in that regard, but simply wanting to be sure that we have it defined properly. It is a curse on us for not having gotten him into his comfort zone in this regard.

Senator THUNE. Do you still see a need to field that by 2018, as was directed by the QDR in 2006?

General SCHWARTZ. Senator, the reality is that even with the former program, we were not going to field by 2018. We would have had a developmental platform perhaps by 2018. I think this is less a question of a specific target date than it is getting it right and getting on a path that again, as you have heard the term used, is not as exquisite as we formerly saw this but is something we know we can do with high confidence.

Senator THUNE. One of the reasons for the delay, as stated by the Secretary, was so that the program could be informed by the completion of the post-Strategic Arms Reduction Treaty (START) arms negotiations. I am wondering what possible effect a follow-on START would have on the design of a next-generation bomber?

General SCHWARTZ. Is it a matter of is it nuclear capable or not? That has cascading implications for other things, like manned and unmanned. These are serious issues, and so it is why I understand Secretary Gates's ambivalence here in wanting to have a better-defined scenario, which we will provide him, sir.

Senator THUNE. My impression was that the decision had been made that it should be a nuclear platform already.

General SCHWARTZ. I think that has been our view but is subject to new information as we go ahead.

Senator THUNE. Let me ask you then, given that, that the timelines are perhaps changing and the planning, the schedule of all this will be perhaps changing, does that also not suggest that we need to be making significant investments in some of our current platforms?

The B–1, which is doing much of the legwork in Afghanistan and Iraq, providing a lot of the CAS, seems to me that we are going to have to be making necessary upgrades to keep those planes flying and flying in a way that is up to some of the challenges that we are going to face in some of these theaters of operation.

General Swartz: Absolutely true, and we are doing so well in excess of $1 billion, new radars for all three aircraft, different modifications. As you are aware, we have put targeting pods now on most of the aircraft as well to do the irregular warfare mission. There is a commitment on B–52s, B–1s, and the B–2s, to sustain their capabilities until we are able to field a modern platform.

Senator THUNE. Mr. Chairman, I see my time has expired.

Thank you all very much for your responses, and we look forward to working with you on these issues. Thanks.

Chairman LEVIN. Thank you, Senator Thune.

Senator Akaka.

Senator AKAKA. Thank you very much, Mr. Chairman.

I want to add my welcome to Secretary Donley and General Schwartz for joining us today and to discuss the current state of our Air Force. I would, first, like to compliment and thank you for your steadfast leadership of our Air Force and wanted to recognize and thank our airmen around the world who are bravely defending the freedom that we hold dear.

I would like to ask a question about our Korea tour normalization. Recently, the DOD approved tour normalization in South Korea that will allow about half of the troops stationed in Korea to have their families join them while they are serving in Korea. I am really encouraged about the new policy because it will keep

more airmen and their families together. However, we should proceed smartly as we implement this policy.

General, can you comment on the plans to ensure the infrastructure, which would include housing, schools, and medical care, the infrastructure in place for our bases in South Korea?

General SCHWARTZ. Sir, I just visited, and there are three phases to the tour normalization process in Korea. Phase one involves, primarily for the Air Force, Osan Air Base and the introduction of 627, if I recall correctly, accompanied tours. We can do that. We have the infrastructure, the schools, the medical capability, the housing, and so on to accommodate that.

I have made it clear, however, to General Sharp, that to go beyond phase one will require synchronized investment in the kinds of support facilities and so on that would be needed for those families and that we, as an Air Force, are not in a position to have families go forward without that support available.

So the key thing, Senator, is that phase one is doable at Osan, and we are completely onboard. We collectively need to work with Pacific Command (PACOM) and General Sharp at U.S. Forces Korea to make sure that the rest of this is properly synchronized.

Senator AKAKA. The 2008 PACOM strategy document was based on a strategy of partnership, presence, and readiness. This approach is critical to protecting our Nation and enhancing the stability of the Asia-Pacific region. A vital part of this strategy, of course, is air power. We enjoy air superiority in the Pacific region, but we can't ignore the military modernization of our adversaries in that region.

General Schwartz, with the planned arrival of the F–22s at Hickam and other aircraft placements in the Pacific, how would you assess our air capabilities in the Pacific region?

General SCHWARTZ. Sir, I think the proposal we have in place provides adequate coverage for foreseeable contingencies. I know for a fact that Admiral Keating feels likewise. We would not have proceeded with the proposals that we have made without the advice of the combatant commanders involved.

Now I am not saying that either Tim Keating or John Craddock are ecstatic about the reductions that we have proposed, but I think they acknowledge, again, that we are managing this in a way that does not induce undue risk to their missions.

We are maintaining a presence of both fighter and bomber capability on Guam. Guam is sovereign U.S. territory, and we will continue to maintain that and other capabilities, including introducing Global Hawk next year and so on. Bottom line is, I think, that the combatant commander is satisfied that he has sufficient, not excessive, but sufficient Air Force capability to deal with foreseeable contingencies.

Senator AKAKA. Thank you.

Secretary Donley, the 2009 National Defense Authorization Act requires the Chief Management Officer (CMO) of each of the Services to carry out a comprehensive business transformation program. An effective program can be critical as the Air Force tries to sustain and equip our airmen in today's fiscal environment. The actions of the CMO should also improve the overall efficiency and effectiveness of the Air Force.

Mr. Secretary, what is your assessment of the Air Force's CMO's efforts?

Mr. DONLEY. Senator, my assessment would be that we are still at the front end of our work in this regard. As you recall, the statute puts the CMO responsibility on the Under Secretaries of each of the military departments. The Under Secretary position in the Air Force has been vacant for some time. However, in light of that vacancy and in light of the statutory direction, we have created a Deputy CMO office and staffed that within the Office of the Under Secretary to begin this important work.

Our first order of business has been to align some previous efforts undertaken by the Air Force, which were referred to as Air Force Smart Operations for the 21st Century (AFSO 21), in which we had identified some champions, as we refer to them, in several important business areas and operational areas of the Department.

We have moved to start to align and consolidate the work done in AFSO 21 with the regular daily, week-in/week-out work of our Air Force council process, and we think this will help bring together a good synergy between the business side and the operational side of the Air Force under the same oversight and leadership structure. That has been our focus over the past 8 months or so.

Senator AKAKA. Mr. Secretary, I am glad to hear what you just said about that, and it is important that we have that part of our superstructure in place, and I thank you for that.

Mr. Chairman.

Chairman LEVIN. Thank you, Senator Akaka.

Senator Graham.

Senator GRAHAM. Thank you, Mr. Chairman.

It is just fascinating to listen to a representative democracy discuss military budgets. We all have our parochial interests, and it somehow seems to work. I am going to start with my parochial interests. Shaw Air Force Base, the three-star Air Force CENTCOM Commander, we have talked about this. Is that correct?

General SCHWARTZ. Yes, sir, we have.

Senator GRAHAM. You are of the belief to temporarily move the three-star flag into Qatar, I believe, to be closer to operations?

General SCHWARTZ. Yes, sir, I think that is the operational imperative.

Senator GRAHAM. When did you decide that? When did you think that would be a good idea?

General SCHWARTZ. Sir, the conclusion was taken at our last Corona meeting, which was in March.

Senator GRAHAM. General Petraeus supports this?

General SCHWARTZ. He does, indeed.

Senator GRAHAM. Okay. To assure people back at Shaw Air Force Base, this is a temporary movement of the flag?

General SCHWARTZ. It is, sir. In fact, the way we are going to do this is that the three-star position, as you are aware, we are decoupling Air Forces Central (AFCENT) from 9th Air Force, but the AFCENT at Shaw Air Force Base with duty at Qatar. We think that is further affirmation that this is temporary.

Senator GRAHAM. Right, and hopefully hostilities will be over one day and the flag comes back.

General SCHWARTZ. We return to a peacetime alignment.

Senator GRAHAM. You have a forward flag and a rear flag basically?

General SCHWARTZ. Actually, we are trying to overcome the rear flag issue.

Senator GRAHAM. Okay.

General SCHWARTZ. Senator, Gary North has done a terrific job, but he had both warfighting responsibilities in the theater and then had to worry about oversight and supervision of five wings and three direct reporting units at the same time.

Senator GRAHAM. The 9th Air Force?

General SCHWARTZ. The 9th Air Force responsibilities.

Senator GRAHAM. But when you look at AFCENT, the goal is to keep it at Shaw Air Force Base, but just temporarily move it forward?

General SCHWARTZ. Yes. We move the commander forward.

Senator GRAHAM. Right, moving the commander and dozens of people with him, not hundreds of people?

General SCHWARTZ. Absolutely. It is certainly less than 50, probably less than 40.

Senator GRAHAM. Okay, thank you.

The people at Shaw Air Force Base are very patriotic, as you well know.

General SCHWARTZ. I do, sir.

Senator GRAHAM. You have been there many times, and the bottom line is I just want to assure them that this is an operational need, and we are all for doing what is necessary. We just want to understand because this is a change that has caught people off guard. You have answered these questions from Congressman Spratt?

General SCHWARTZ. Yes, sir.

Senator GRAHAM. Can you give us something in writing to memorialize this, it would be helpful.

General SCHWARTZ. Yes, sir.

[The information referred to follows:]

Relocating the Air Forces Central (AFCENT) commander forward is part of an effort to significantly enhance the Air Force's ability to support multiple Joint Task Forces while developing integrated relationships with Air Forces in all of the countries in the Central Command (CENTCOM) area of responsibility (AOR). With the goal in mind, the Air Force plans to temporarily separate its stateside numbered air force and its warfighting component to CENTCOM. This action enables the senior airman in theater, serving as the Combined Forces Air Component Commander, to sustain dedicated continuity and a singular focus on the AFCENT operational mission. This senior officer and a small support element would temporarily transition into the CENTCOM AOR on a full-time basis until conditions allow for redeployment. The 9th Air Force Commander would retain oversight of five wings and three direct reporting units in the eastern United States.

Senator GRAHAM. In the Army, if they do the same thing with their three-star, it is the same deal?

General SCHWARTZ. It is possible.

Senator GRAHAM. I have talked to the Army about that.

General SCHWARTZ. Okay. I can tell you, I know that General Petraeus thinks this would be a good idea for both components.

Senator GRAHAM. We will make sure that everybody is on the same sheet of music, the people at Shaw Air Force Base, having the co-located Army three-star there, I think, is good so that these

commanders can talk to each other. Shaw Air Force Base is a great environment to do it. But if they have to move forward temporarily, I understand the need to as long as it doesn't disrupt the system we have set up.

General SCHWARTZ. Understood, sir.

Senator GRAHAM. Thank you, and we will appreciate something in writing about that.

Mr. Secretary, glad to have you onboard, glad you are around. We are talking about two lines to build tankers. We are talking about two different engines. General, you have been very candid and direct. If money weren't an object, would having two sources of an F–35 engine be a good idea?

Mr. DONLEY. Senator, we have done it in the past. The concern for F–35 was that, especially earlier on in the program, we were not able to make a business case for how this would be——

Senator GRAHAM. But just from what I have heard about having dual sources, that one source is not as efficient as it should be. There is no redundancy. Do you agree with that, General Schwartz? There is an upside to having two sources.

Mr. DONLEY. There needs to be where we have single sources, even where we make down selects after we have had a competition, whenever we have a single source, there needs to be downward pressure on price. The government has to drive a hard bargain, has to watch cost growth from single sources.

Senator GRAHAM. Two sources can sometimes be better than one from a national security perspective. You have one company you are depending completely on. Two companies that make quality products can, from a military point of view, be better. Is that right, General Schwartz?

General SCHWARTZ. Senator, if money is no object.

Senator GRAHAM. Yes, but the reason I say that, money is always an object. But the amount of money we are trying to run DOD on, I think, is not enough, and I want to ask the Air Force their view if we go to 3 percent, 3.5 percent of gross domestic product (GDP) spent on our military, is that a wise decision to make for this Nation?

If we grow the Army and the Marine Corps as we have done, does that not put more obligations on you, General Schwartz, to service them?

General SCHWARTZ. I think it does. But I have to tell you that if you ask me where I would put my next marginal dollar, at this point, it would not be in a second engine.

Senator GRAHAM. No, I understand that there are places you could put the money that makes more sense. My point is how much money makes sense for the Nation to spend on defense?

We are looking at historic lows in terms of GDP being spent on defense at a time when, historically, peace is not breaking out. Do you see a peace dividend any time soon, General Schwartz?

General SCHWARTZ. No, sir, I don't.

Senator GRAHAM. Mr. Secretary, are you worried about the role the Air Force is going to play increasing, not decreasing, in the future?

Mr. DONLEY. I think there are lots of demands on the Air Force, in particular, the growth areas for our domains of air, space, and

cyber. There are new growth demands on cyber. There are growth demands coming on space.

Senator GRAHAM. Aren't there also growth demands coming with servicing a larger Army and Marine Corps?

Mr. DONLEY. Perhaps.

Senator GRAHAM. The threats that are in the future are not like the ones in Iraq and Afghanistan. They do have an air component to them, an Iranian threat, a North Korean threat, in terms of South Korea. Combat aircraft would play a different role in that scenario. Is that true?

Mr. DONLEY. Each scenario has its own particular demands, no question about it.

Senator GRAHAM. Is it true, General Schwartz, that there would be a need for air supremacy there that doesn't exist in Iraq and Afghanistan?

General SCHWARTZ. The need for defense of the air is very clear in whatever scenarios. We enable the ground forces, for example, to operate with impunity from the air by asserting air superiority.

Senator GRAHAM. There are some environments you would have to fight to be able to obtain that advantage?

General SCHWARTZ. Yes, sir.

Senator GRAHAM. Sophisticated airplanes and sophisticated air defenses, and that is not an unrealistic scenario for this country?

General SCHWARTZ. It is not.

Senator GRAHAM. Thank you.

Chairman LEVIN. Thank you, Senator Graham.

Senator McCaskill.

Senator MCCASKILL. Thank you, Mr. Chairman.

I certainly follow and agree with some of the logic behind Senator Graham's questioning about two sources. I have a number of questions I was going to ask about retiring of the C–5s once the statutory prohibition goes off this year, especially if the reliability still falls as far below the C–17 as it currently does, but I am going to put those questions to you in the record.

I think we have a strong case to make that once that statutory prohibition goes off, that we should look at retiring some of the C–5s. I know you all know that I want to make sure that we are not shutting down a line in terms of the C–17 that we are going to have to spend a lot of money to reopen as we look down the line in terms of our lift capability in our military.

But instead of going through all of those questions today, I want to just take a minute, and I hope you will indulge me, and you, Mr. Chairman. I think we talk about the brave men and women in this committee a lot, and we very rarely pause to specifically talk of our bravest.

We lost a first lieutenant in the Air Force on Wednesday. It was a young woman from St. Louis. Her parents are good friends of mine. I had an opportunity to visit with her mother yesterday. Three men in uniform came to her door at 6:45 a.m. yesterday morning to tell her that Roz had been killed by a roadside bomb in Afghanistan.

Roz was an incredible young lady. She was an all-American lacrosse player in high school in St. Louis and a 2006 Air Force

Academy graduate, where she was a group commander. She was a political science major and interned for Senator Allard in Colorado.

Ironically, she used to admire the F–15s in the skies over St. Louis and began being a very bossy young woman, saying that she had every intention of flying one of those planes. She ended up being a military intelligence officer and was busy in Afghanistan, helping with intelligence.

I want to take a minute to recognize her and all of the other brave airmen out there that are doing their duty. My deepest sympathy to Bob and Susie and her brother Todd, and just thank you all for the leadership you provide in our country.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator McCaskill.

I am also familiar with that tragedy, that tragic loss because of a relationship to somebody who has been working for me for a long time. So we share your passion for the men and women in uniform, your devotion to them, and your feeling of loss and grief that you have just expressed.

Mr. DONLEY. Senator, thank you very much. We likewise appreciate very deeply this opportunity you have taken to recognize Lieutenant Schulte and her family. They have been very much in our thoughts and prayers the last couple of days.

General SCHWARTZ. Ma'am, she will return to Dover at 0400 tomorrow morning.

Senator MCCASKILL. Her family is aware of that; thank you for all your sensitivity you have in terms of the way you deal with the families in these tragic situations.

Chairman LEVIN. There will be no additional questions at this time. There will be questions for the record, as Senator McCaskill and others have indicated.

We want to thank you again for being here, for your information. We again express our gratitude to the men and women of the Air Force family.

We will stand adjourned.

[Questions for the record with answers supplied follow:]

QUESTION SUBMITTED BY SENATOR JOSEPH I. LIEBERMANN

NEVADA'S SOLAR ENERGY PLANT

1. Senator LIEBERMAN. Secretary Donley and General Schwartz, it has been brought to my attention that the large $750 million solar energy plant, intended to produce renewable sustainable energy, planned to be constructed in Nevada near Nellis Air Force Base (AFB) has been put at immediate risk by informal objections from base officials because of its site location. I understand that Nevada Energy was to have integrated this project into its long-term resource plan by June 5. Have you worked to resolve any concerns pertaining to this issue?

Secretary DONLEY and General SCHWARTZ. The Air Force is a staunch supporter of safe and sustainable renewable energy from domestic sources. We actively engage with industry to find solutions that enhance our Nation's energy security while still preserving our military capabilities.

The Air Force encourages developers to share proposals with us as early as possible. As the Air Force has no direct authority over infrastructure development, we work with developers well in advance of any official processes. As such, we have been engaged with Solar Reserve for over a year. The Installation Commander, other senior leadership and technical experts from Nellis AFB and Air Force Headquarters have met with Solar Reserve representatives on numerous occasions in an effort to find compatible solutions for their proposals. We conducted extensive analysis on the proposed 640 concentrating towers at the initial location, as well as two alternate sites. Each study has predicted significant adverse impacts on military op-

erations at the Nevada Test and Training Range (NTTR). The impacts to radar operations, advanced technologies and warfighter feedback systems, systems somewhat unique to NTTR, cannot be sufficiently mitigated. Thus, while the Department of Defense (DOD) has formally asked the Bureau of Land Management to not allow the construction in the proposed location, we remain committed to working with Solar Reserve and other developers as we pursue compatible solutions. A classified report is available that details the methodology used to reach these conclusions.

The Air Force has initiated two new studies of the interaction between military operations and energy infrastructure development. The first study will identify and validate operational impacts and potential mitigation strategies. The second study, funded by the American Recovery and Reinvestment Act, will provide better fidelity and timeliness in reviews near the NTTR. As we continue to search for mitigation techniques for potential impacts to critical military operations and readiness, we will continue our cooperative efforts to expand compatible energy development at Nellis AFB, NTTR, and the rest of our installations.

QUESTIONS SUBMITTED BY SENATOR BILL NELSON

C–27J/JOINT CARGO AIRCRAFT

2. Senator BILL NELSON. General Schwartz, in 2005, DOD recognized its duplication of effort and created the Joint Cargo Aircraft (JCA) program office, designating the Army as the lead agency. According to the Congressional Research Service, in April 2007, the Joint Requirements Oversight Council (JROC) approved a joint requirement for 75 aircraft. Subsequently, on April 17, 2007, the Under Secretary of Defense for Acquisition approved a Milestone C decision to procure up to 145 aircraft. Milestone C is the point between systems development and demonstration, and production of the aircraft.

According to an Army Vice Chief of Staff letter to Senator Levin dated October 11, 2007, the Army stated that a delay of 1 to 2 years was likely if the joint program transitioned to an Air Force program. The Vice Chief of Staff said, "a change in service status will require a significant reprogramming of test activities with respect to these processes and procedures. This time-consuming process could delay the program 1 to 2 years." Do you foresee delays to the C–27J program if the Air Force takes over?

General SCHWARTZ. No, the Air Force does not foresee any delays to the C–27J program due to the transition of program management responsibilities from the Army to the Air Force. The transfer of C–27J program management responsibilities will occur over the next 12 to 18 months. The C–27J program transition strategy, developed in coordination with, and fully supported by the Army staff, is to have the Army-led Joint Program Office (JPO) retain overall program management responsibility for the C–27J into fiscal year 2010 in order to minimize turbulence to the program schedule. The Army-led JPO will complete ongoing C–27J qualification and operational testing per existing program plans and processes prior to transferring overall program management responsibility to the Air Force, thereby minimizing the risk of program delays during the transition. As we build an Air Force C–27J program office over the coming year, Air Force acquisition personnel will work in lock-step with the Army JPO counterparts to jointly oversee the program and methodically transfer management responsibilities to the Air Force. This strategy will allow us to affect a seamless transition of overall program management responsibilities during fiscal year 2010.

3. Senator BILL NELSON. General Schwartz, what is the Air Force's plan to take over the C–27J program office?

General SCHWARTZ. The Air Force is currently working with the Army to develop a detailed plan for transferring the C–27J program to Air Force management. The fundamental tenet of this plan will be to preserve the personnel and experience base resident in the current Army-led JPO until such time as an Air Force C–27J program office under the Aeronautical Systems Center at Wright-Patterson AFB, OH can assume responsibility for managing the C–27J program. This transition plan will identify jointly agreed-upon program management actions, events, timelines, and responsibilities to affect a seamless transition of the program to Air Force leadership. As we build an Air Force C–27J program office over the coming year, Air Force acquisition personnel will work closely with Army JPO counterparts to implement this C–27J program transition plan.

4. Senator BILL NELSON. General Schwartz, what challenges does the Air Force face as it takes on the direct support mission?

General SCHWARTZ. The largest challenge to accepting the direct support mission is ensuring a seamless transition for our warfighters in the field. Towards that end, the Army and Air Force have developed a draft Concept of Employment and a command and control structure appropriate to this mission. We are committed to maintaining the same deployment timelines previously published by the Army and stand committed to making the mission a success for our Army partners.

5. Senator BILL NELSON. General Schwartz, there is a joint validated requirement for 78 small tactical airlifters. The Army is the principal customer of this capability. According to Secretary Gates, the Army and Air Force agreed that the Air Force would perform the tactical airlift mission. What is the Air Force's plan to conduct the direct support of the tactical airlift mission?

General SCHWARTZ. The Army and Air Force have worked hard to develop a Concept of Employment which details how this mission will be accomplished by Air Force crews and aircraft. While it is still in the draft phase, it is well on its way toward completion and we see nothing that will prevent achieving an initial operational deployment in late fiscal year 2010.

6. Senator BILL NELSON. General Schwartz, what prompted the requirement change from 78 to 38 aircraft?

General SCHWARTZ. The JCA program is a vital DOD modernization effort to address the time sensitive/mission critical (TS/MC) airlift mission. The changes reflected in the fiscal year 2010 President's budget balance the requirements for which the JCA is being procured along with the capabilities already residing in the DOD. By aligning the majority of fixed-wing airlift assets in one Service, regardless of mission, we maximize the ability of that Service to employ assets in support of operational requirements, thus meeting the TS/MC requirement. The number of aircraft in the current budget does not necessarily represent the final number to be purchased. We will evaluate the total requirement once we have had an opportunity to fully assess the mission needs in light of the Air Force's entire intra-theater fleet.

7. Senator BILL NELSON. Secretary Donley and General Schwartz, on May 19, 2009, Secretary Donley stated to the House Armed Services Committee that the United States needed at least 38 C–27J aircraft. DOD has conducted an extensive analysis and concluded that it needed 78 C–27J aircraft. What information or analysis may lead to a different conclusion?

Secretary DONLEY and General SCHWARTZ. The changes reflected in the fiscal year 2010 President's budget balance the requirements for which the C–27J is being procured along with the capabilities already residing in the DOD. By aligning the majority of fixed-wing airlift assets in one Service, regardless of mission, we maximize the ability of that Service to employ assets in support of operational requirements, thus meeting the TS/MC requirement. We will continue to evaluate the total requirement once we have had an opportunity to fully assess the mission needs in light of the Air Force's entire intra-theater fleet. Additionally, the Department will use the Quadrennial Defense Review (QDR) to study this issue further.

TACTICAL AIRCRAFT RETIREMENT

8. Senator BILL NELSON. General Schwartz, the Air Force would like to retire approximately 254 tactical aircraft (F–15, F–16, and A–10) in fiscal year 2010 in order to save money and manpower. What is the detailed plan for tactical aircraft retirement at Tyndall AFB?

General SCHWARTZ. It is important to emphasize that the purpose of the accelerated aircraft retirements is not to merely save money and manpower. The fiscal year 2010 combat air force (CAF) fighter force restructuring plan offers the Air Force an opportunity to reinvest significant savings into critical modifications for our enduring combat forces fleet, procure preferred air-to-air and air-to-ground munitions, fund critical Air Force and joint enabling technologies, and redistribute manpower to national priority missions.

These actions will provide the United States with a smaller, but more flexible, capable, and lethal force as we bridge to our ultimate goal of a fifth-generation fleet. As we developed this plan over the last year, we were successful in balancing planned force reductions across our Active Duty, Guard, and Reserve components, as well as in U.S. and overseas locations. We carefully analyzed the missions across our units in all the Air Force components to achieve the force mix that made the

most strategic sense. The changes in this plan were closely coordinated with our Air National Guard and Air Force Reserve partners, as well as our major commands and affected regional combatant commanders.

Of the 48 F–15C/D primary aircraft authorizations (51 actual aircraft) proposed for reduction at Tyndall AFB, 47 F–15C/Ds will be transferred to the Aerospace Maintenance and Regeneration Group at Davis-Monthan AFB, AZ and 4 F–15Ds will be transferred to Kingsley Field ANGB, OR. These aircraft will begin to transfer in early fiscal year 2010 at a rate of approximately 12 to 13 per quarter, with the final aircraft departing in September 2010.

Because the Air National Guard will operate the preponderance of F–15Cs, the Formal Training Unit (FTU) will transfer from Tyndall to Kingsley Field ANGB, OR, following the CAF fighter force restructure. Kingsley Field has successfully executed the FTU mission for over 12 years and has sufficient capacity to fulfill both the Air National Guard and the Active Duty requirements for training F–15C pilots.

AIR FORCE SPECIAL OPERATIONS COMMAND GUNSHIP REQUIREMENTS

9. Senator BILL NELSON. General Schwartz, as you recall, Admiral Olson and Air Force Special Operations Command (SOCOM) have been very clear regarding their need for a Gunship Lite program and all of the benefits that it provides over the specially modified C–130 aircraft. Does Air Force SOCOM need a Gunship Lite?

General SCHWARTZ. We are currently working closely with SOCOM and the Air Force SOCOM to determine the requirement and way ahead for our gunship fleet. We recognize the critical capability that these aircraft provide and are aggressively working to ensure the correct size and mix of aircraft are available to the joint team. Initially, MC–130W aircraft will support this requirement.

10. Senator BILL NELSON. General Schwartz, will the budget impact this decision?

General SCHWARTZ. We are still refining the requirement to inform our way ahead for the gunship fleet. We recognize the critical capability that these aircraft provide and will aggressively work to ensure the required capability is fielded for the joint team. Initially, MC–130W aircraft will support this requirement.

QUESTIONS SUBMITTED BY SENATOR JIM WEBB

F–22 RAPTORS

11. Senator WEBB. Secretary Donley and General Schwartz, on May 14, 2009, you announced a restructuring of CAFs in 2010 that will result in the retirement of the F–15s currently stationed at Langley AFB, VA. This leaves only 36 F–22 Raptors stationed at this important fighter base, so the potential exists for these modern facilities to support additional aircraft. In your testimony today, you noted that, due to the relatively small number of aircraft in the F–22 fleet, the Air Force is studying ways to maximize the effective use of F–22s for both training and combat operations. Will your study include a consideration to collocate both training and combat-coded F–22s at one location? If so, will you include Langley AFB in this study?

Secretary DONLEY and General SCHWARTZ. All options will be considered as we look for the best way to manage the F–22 fleet. There are many factors which must be carefully analyzed for both training and operational use, including suitability of airspace and support entities.

12. Senator WEBB. Secretary Donley and General Schwartz, what advantages and efficiencies does the Air Force gain by collocating training and operational F–22 aircraft?

Secretary DONLEY and General SCHWARTZ. We are carefully analyzing all suitable options for beddown of both training and operational F–22s. Determination of any advantages or efficiencies will be made after the completion of this in-depth analysis.

13. Senator WEBB. Secretary Donley and General Schwartz, what criteria will you use to assess the best possible location for collocation of training and operational Raptors?

Secretary DONLEY and General SCHWARTZ. Many factors must be carefully analyzed and considered when looking at combined operational and training basing. Suitability of airspace, support entities, maintenance facilities, base infrastructure, and many more areas must be studied and thoroughly understood before any recommendations can be made.

QUESTIONS SUBMITTED BY SENATOR CLAIRE MCCASKILL

C–17/C–5 PRODUCTION LINES

14. Senator MCCASKILL. General Schwartz, the C–17 is a proven, capable aircraft that has operated at over 150 percent of its original intended capacity since the wars in Iraq and Afghanistan began. It has served our warfighters under the toughest combat conditions around the world at an impressive 86 percent reliability rate. However, current DOD planning indicates that the C–17 production line will end in fiscal year 2010 with a final inventory of 205 planes. This decision comes before the results of the Mobility Capability Study (MCS) and the QDR have been made available to inform the number and mix of C–17s and C–5s required for our strategic airlift capacity. Current modernization programs to the aging C–5 have run over cost and schedule, are of unproven reliability, and serve primarily to extend the life of an already old 40-year-old aircraft to as much as 70 years of use. Now indications are that we need to not only recapitalize the C–5 line, but also some of the older C–17s, making it all the more essential that we keep this line open to maintain strategic airlift expertise for our country. With MCS and QDR pending, how can the Air Force make a truly informed decision now that 205 is the right number of C–17s without having all the facts from the MCS and QDR?

General SCHWARTZ. The C–17 is a truly capable airlift platform that has, and will continue to serve our Nation well. During initial Operation Enduring Freedom (OEF)/Operation Iraqi Freedom (OIF), aircraft surged above its planned yearly flight hours but has since returned to its original planned usage. Additional C–17s, added by Congress during the fiscal year 2007 presidential budget and fiscal year 2008 supplemental appropriations, have relieved the impact of the increased service hours upon this platform and helped correct our backup aircraft inventory. The C–5 Avionics Modernization Program (AMP) is currently on track to modify all 111 aircraft and the Reliability Enhancement and Re-engining Program (RERP), that modernizes 52 aircraft, will begin operational testing this fall. The C–5A, which averages 37 years old, and the C–5B, which averages 22 years, have been determined to be viable for several more decades. Our fiscal year 2010 President's budget program of record for 316 strategic airlift aircraft exceeds the current strategic airlift requirement of 33.95 million-ton-miles (MTM)/day, which was validated by the JROC. We do not expect a dramatic change to these requirements with the release of the Mobility Capabilities and Requirements Study 2016 (MCRS–16) that is due later this year.

15. Senator MCCASKILL. General Schwartz, in addition, if the C–17 line shuts down, are you comfortable with accepting the risk that having no industrial strategic airlift capability poses to our economy and national security?

General SCHWARTZ. The strategic airlift force structure is based on meeting our Nation's airlift needs. The fiscal year 2010 President's budget program of record of 316 aircraft meets all current and expected strategic airlift requirements. We are awaiting the results of the MCRS–16 later this year but do not anticipate a dramatic change in the strategic airlift requirement. The Air Force is comfortable with the amount of risk we have taken in managing our fleet and have taken steps to ensure its continued viability. We have fully funded C–17 production shutdown which will develop a sound transition to a sustainment plan, ensuring C–17 viability for many decades to come. We have funded the AMP for the entire C–5 fleet and the RERP for 52 of our newest C–5s. We believe these actions will ensure we continue to meet airlift demands with acceptable risk.

16. Senator MCCASKILL. General Schwartz, has the Air Force conducted analysis of the costs—which some experts estimate could be as high as $6 billion—that could result from restarting the C–17 production line once it shuts down? If so, what are those cost estimates?

General SCHWARTZ. The Air Force has developed preliminary cost estimates for restarting the C–17 production line, which range from approximately $550 million for minimal line disruption to $4.2 billion for a complete restart at a new location. A minimal line shutdown is a situation where either production equipment is mothballed as a hedge against possible future production or a restart decision is made before transition to sustainment activities are significantly accomplished. The higher cost estimate reflects a restart decision made after the production line is completely dismantled and facilities are divested—requiring the need to reestablish a production facility.

The costs referenced above do not include any increase to aircraft unit costs. Aircraft costs purchased via a restarted line could significantly increase due to the loss

of production workforce expertise and supplier disruption expected to occur after C–17 production ends.

17. Senator MCCASKILL. General Schwartz, if you could retire C–5As now, would you do so and replace them with C–17s?

General SCHWARTZ. In line with the fiscal year 2010 President's budget decision to terminate C–17 production, the Air Force has no plan to procure additional C–17s to replace C–5A aircraft. Further, Congress' recent addition of eight C–17s in the fiscal year 2009 Overseas Contingency Operations (OCO) is still being analyzed to determine its impact on the current strategic airlift fleet and whether any C–5As should be retired.

C–5 RELIABILITY ENHANCEMENT RE-ENGINEERING PROGRAM

18. Senator MCCASKILL. General Schwartz, do you feel the C–5 RERP and AMP process will significantly increase the strength of the strategic airlift fleet and provide cost savings to DOD?

General SCHWARTZ. The AMP program is on track to modify 111 C–5 A, B, and C model aircraft by fiscal year 2015. This program replaces the analog infrastructure of the aircraft with a modern digital backbone. This is essential for future upgrades as part of the C–5 Block Upgrade Program that will ensure continued C–5 airspace access and mission capability. The RERP, which modernizes 52 aircraft with more than 70 items to improve reliability and performance, is scheduled to begin operational testing in October of this year. Initial flight testing and developmental analysis indicates that the RERP is performing as expected. Analysis during Nunn-McCurdy recertification showed that RERPing a portion of the C–5 fleet provided a cheaper life cycle cost than procuring additional C–17s, while meeting the current strategic airlift requirement.

STRATEGIC AIRLIFT FLEET

19. Senator MCCASKILL. General Schwartz, the size and mobility of both the Marine Corps and the Army have increased substantially since the last MCS (2005), which called for a strategic airlift fleet of between 292 to 383, and the 2006 QDR, which indicated 292. How can this change occur but the airlift fleet remains at the low end of that scale?

General SCHWARTZ. The MCRS–16, due in late 2009, will update the current strategic airlift requirement. This update will take into account a future force structure that should include recent manpower additions to the U.S. Army and Marine Corps. As the Air Force awaits the release of MCRS–16, we expect the current program of record of 316 strategic airlift tails to meet all forecast requirements with acceptable risk.

C–23 SHERPAS AND C–27

20. Senator MCCASKILL. General Schwartz, previously, when the Army and the Air Force both expressed a need for a small in-theater cargo aircraft to replace the aging C–23 Sherpa, the JROC opted for a joint procurement solution to purchase 78 C–27A Spartan aircraft to meet the demands of dual service mission sets in the continental United States and abroad. There are currently 42 C–23 Sherpas in the U.S. inventory and, on average, 12 to 18 of these are being flown in Iraq, largely by the Army National Guard. Sherpas have carried over 180,000 troops and 62 million tons of cargo in Iraq alone and are widely used in humanitarian/disaster response missions (i.e., Hurricane Katrina, where virtually the entire C–23 fleet was deployed).

Nevertheless, DOD's fiscal year 2010 budget recommendation indicates that the C–27 Spartan procurement program, which is meant to replace the C–23, will be cut from 78 to 38 aircraft. There have been no further studies since the initial JROC evaluation to show whether a reduction of C–27s meets the service needs for Guard components at home and abroad. Moreover, executive agency of the C–27 program will be transferred from the Army to the Air Force. Missouri was slated to receive four C–27s, but the proposed fiscal year 2010 budget cuts cast doubt on whether this is still the case. On what basis did the DOD determine that an inventory of just 38 C–27s adequately addresses mission sets abroad and domestically for the Services and components?

General SCHWARTZ. The JCA program is a vital DOD modernization effort to address the TS/MC airlift mission. The changes reflected in the fiscal year 2010 Presi-

dent's budget balance the requirements for which the JCA is being procured along with the capabilities already residing in the DOD. By aligning the majority of fixed-wing airlift assets in one Service, regardless of mission, we maximize the ability of that Service to employ assets in support of operational requirements, thus meeting the TS/MC requirement. The number of aircraft in the current budget does not necessarily represent the final number to be purchased. We will evaluate the total requirement once we have had an opportunity to fully assess the mission needs in light of the Air Force's entire intra-theater fleet.

21. Senator MCCASKILL. General Schwartz, how will the Air Force work to ensure that this capability is preserved?

General SCHWARTZ. The Air Force is currently establishing concepts of operation and employment for the C–27J weapon system, and preparing an aircraft basing plan for the current 38-aircraft program of record. Based on these products, we will determine the C–27J sustainment plan to ensure the C–27J platform can meet its overseas contingency mission demands, as well as aircrew training and airlift support demands at the continental United States operating locations. As the Air Force C–27J inventory grows over the next few years, we will constantly monitor aircraft reliability and operational availability trends, and adjust our system sustainment investments as necessary to ensure the platform maintains its required operational availability rate.

22. Senator MCCASKILL. General Schwartz, is there a plan for fielding C–27s to Air National Guard components and, if so, what is the projected outlay of resources by State?

General SCHWARTZ. Given recent DOD decisions regarding the JCA program, the Air Force is working with the National Guard Bureau and the Army to determine how to best meet domestic requirements and the strong demand for direct support airlift in OCO. Similarly, the Air Force is working closely with the National Guard Bureau and the Air National Guard to determine the basing plans for the C–27J. Final basing decisions for this system are still pending.

23. Senator MCCASKILL. General Schwartz, will Missouri, for instance, still receive four aircraft as planned?

General SCHWARTZ. Given recent DOD decisions regarding the JCA program, the Air Force is working with the National Guard Bureau and the Army to determine how to best meet domestic requirements and the strong demand for direct support airlift in OCO. Similarly, the Air Force is working closely with the National Guard Bureau and the Air National Guard to determine the basing plans for the C–27J. Final basing decisions for this system are still pending.

24. Senator MCCASKILL. General Schwartz, what are the undecided issues affecting a final plan?

General SCHWARTZ. The Air Force is also working with the Army and the National Guard Bureau to determine how to best meet domestic requirements and the strong demand for Direct Support airlift to OCO. Similarly, the Air Force is also working closely with the National Guard Bureau and Air National Guard to determine the basing plans for the C–27J. Once those plans are finalized we will provide you with an update.

25. Senator MCCASKILL. General Schwartz, please share with me the results of the interim report you plan to send to the Deputy Secretary of Defense on this issue at the end of this month.

General SCHWARTZ. While the Air Force and Army were tasked to provide an implementation plan to the Deputy Secretary of Defense by May 30, 2009, due to scheduling constraints the suspense has been slipped to mid-July. With concurrence from the Office of the Secretary of Defense (OSD), we will be happy to provide you with the appropriate information following that session.

QUESTIONS SUBMITTED BY SENATOR JOHN MCCAIN

F–22 RAPTOR FIGHTERS

26. Senator MCCAIN. General Schwartz, last week Secretary Gates testified in front of this committee and said that the Air Force did not need any more F–22 Raptors and he would end the line at 187—the stated requirement. However, I understand that yesterday you reportedly told the House Armed Services Committee

that the Air Force needs 243 F–22 Raptors to maintain air superiority. According to one report, you testified that: "243 [F–22s] is the right number and 187 is the affordable force." What is the right number?

General SCHWARTZ. We have been consistent in defining a long-term requirement of 381 F–22s as the low risk fleet, and 243 as moderate risk for both warfighting capability and fleet sustainment. The F–22 program of record of 183, with the addition of 4 aircraft in the fiscal year 2009 OCO supplemental request, is the affordable number.

27. Senator MCCAIN. General Schwartz, why do you believe that's the right number?

General SCHWARTZ. The Air Force assessed future requirements and capabilities, as well as complementary programs and any potential adversaries. As a result of our analysis, we have been consistent in defining a long-term requirement of 381 F–22s as the low risk fleet, and 243 as moderate risk for both warfighting capability and fleet sustainment.

The F–22 program of record of 183, with the addition of 4 aircraft in the fiscal year 2009 OCO supplemental request, represents the minimum number for current force planning constructs at higher risk. I agree with Secretary Gates' decision to complete the F–22 program at 187.

28. Senator MCCAIN. General Schwartz, when you talk about a strike fighter gap, are you talking about an Air Force-only strike fighter gap or does your analysis capture total joint capability required for air superiority?

General SCHWARTZ. Our analysis of fighter capability and capacity to support the combatant commanders includes total joint force requirements; Air Force-specific fighter requirements are then derived from the joint force requirement.

NEXT-GENERATION BOMBER—B–52, B–1, AND B–2 FLEETS

29. Senator MCCAIN. General Schwartz, Secretary Gates proposes to suspend development of the Next-Generation Bomber. In so doing, he recently decided to maintain a fleet of 76 Air Force B–52 Stratofortress aircraft—despite that the 2006 QDR called for a decrease to 56 B–52s. So, until and unless development of the Next-Generation Bomber resumes, we may be relying on the Eisenhower-era B–52 platform to satisfy our long-range strike requirements beyond 2018—the year most serious observers agree that a next generation bombing capability needs to be fielded. In the face of the decision on the Next-Generation Bomber, what concerns, if any, do you have about increasingly relying on the old B–52 platform to satisfy our long-range strike capability beyond the 2018 threshold?

General SCHWARTZ. The 2007 National Defense Authorization Act (NDAA) (as amended by the 2008 NDAA) directed the Secretary of the Air Force to maintain a fleet of 76 B–52s until January 1, 2018 (or the date as of which a long-range strike replacement aircraft with equal or greater capability than the B–52H model aircraft has attained initial operational capability status).

While the B–52 is the oldest Air Force bomber, due to a robust design and structural upgrades the B–52's service life (currently projected beyond 2040) will allow it to remain flyable well beyond 2018. The Air Force has a rigorous maintenance program to keep the B–52 flying, including thorough programmed depot maintenance refurbishments that occur every 5 years, in which each jet is inspected and defects corrected. Despite its age, the B–52 maintains the highest mission capable (aircraft availability) rate and has the lowest operating cost of any Air Force bomber. In addition to the focused aircraft maintenance program, the Air Force ensures mission relevance through modernization and sustainment modification initiatives. The B–52 has programs to address issues with communications, navigation, electronic attack, and weapons delivery systems, as well as programs for integrating new weapons onto the bomber. While the B–52 is not survivable against advanced air defenses, it continues to provide standoff weapons capability in the advanced threat environment as well as direct attack capability in lower threat environments. These modifications enable the B–52 to continue as a responsive, flexible, adaptive, and lethal platform to support the Nation's long-range strike requirements.

The Air Force is reevaluating its long-range strike strategy based on the National Military Strategy (NMS), Nuclear Posture Review (NPR), and 2009 QDR outcomes.

30. Senator MCCAIN. Secretary Donley, in your view, does Secretary Gates' decision on the Next-Generation Bomber require upgrading the current B–1 and B–2 fleets? If so, how is that reflected in your budget request?

Secretary DONLEY. No, the B–1 and B–2 already have various sustainment and modernization programs that ensure long-range strike capability is available. These programs have been in previous budget requests and continue in the fiscal year 2010 President's budget.

The Air Force is reevaluating its long-range strike strategy based on direction from the NMS, NPR, and 2009 QDR. The Air Force plans to maintain the current bomber force (B–1s, B–2s, and B–52s) and continue with planned sustainment and modernization programs.

F–35 LIGHTNING II JOINT STRIKE FIGHTER

31. Senator MCCAIN. Secretary Donley, the Government Accountability Office (GAO) has noted that we are procuring the F–35 Lightning II Joint Strike Fighter (JSF) at the same time we are continuing to develop critical technologies associated with that aircraft. This exposes the program to a high risk of cost growth and schedule slips. What are your views regarding the current risk to the F–35 JSF program schedule during its system development and demonstration phase?

Secretary DONLEY. I believe the risk is balanced and commensurate with the cost of the program. A substantial amount of development, test, and production concurrency is deliberately built into the F–35 schedule. The concurrency is designed to provide the warfighters with a fifth-generation strike fighter to replace aging legacy aircraft as quickly as possible. In 2008 the Department chartered a Joint Estimate Team (JET) to provide an independent assessment of the program cost and schedule. The JET identified some F–35 development and production risks. Through rigorous reviews, the DOD and our international partners are tracking those risks and making recommendations on how to appropriately address them. In the fiscal year 2010 President's budget request, additional development funding was added as a result of these reviews. The development schedule remains on track with some risk to completing the test schedule on time. The additional funding budgeted in fiscal year 2010 will help address those risks, and the Department will review the progress again in preparation for the fiscal year 2011 President's budget submission.

32. Senator MCCAIN. General Schwartz, how important is it for the Air Force for F–35 to ramp up quickly to full-rate production in order to recapitalize your multirole fighter force at an affordable price?

General SCHWARTZ. The Air Force, along with the Navy, Marine Corps, and our international partners, are highly dependent on delivery of the F–35. A production rate of at least 80 aircraft per year for the Air Force is needed to manage the retirements of our legacy aircraft that are reaching the end of their service lives. It is very important to the Air Force, as well as our other Service and coalition partners, that this program delivers on time and on cost.

33. Senator MCCAIN. General Schwartz, a key tenant of Secretary Gates' tactical aviation (TACAIR) plan is the F–35 Lightning II JSF. If the F–35 schedule slips or the rate of production is less than assumed, (say, for example, 35 aircraft per year versus 50 per year) alternatives for managing the strike fighter shortfall seem limited. Can the Air Force continue to extend the service life of its legacy strike fighter aircraft, such as A–10 Warthogs, F–16 Falcons, and F–15 Eagles as a bridge to fielding the F–35 JSF?

General SCHWARTZ. The Air Force's variant of the JSF (F–35A) is currently scheduled for initial operational capable (IOC) in fourth quarter of fiscal year 2013. Beginning 2015, the Air Force is programmed to purchase 80 JSFs each year. In addition, we are studying the sustainability and viability of our fighter fleet. These studies will explore the feasibility of extending the service life of legacy strike fighter aircraft and will take several years to complete. This will enable us to maintain sufficient strike assets as the F–35A comes on line.

34. Senator MCCAIN. General Schwartz, what other potential alternatives do you see for maintaining sufficient strike assets in the face of additional slips in the F–35 Lightning's initial operating capability?

General SCHWARTZ. The programmed IOC for the F–35 remains in the fourth quarter of fiscal year 2013 and we are working hard with the JPO to maintain that date. Should the date slip, we will consider a variety of actions until the F–35 JSF is fully deployed. The Air Force is pursuing modernization and sustainment upgrades to our fighter fleet: F–22 modernization improves survivability against an advanced integrated air defense system and improves air-to-air weapon capabilities; the F–16 Common Configuration Implementation Program is complete and together

with the Falcon STAR initiative, extends the F–16 service life to 8,000 hours; A–10 Precision Engagement upgrade enhances combat capability; and radar upgrades to all F–15Es and 175 F–15C/Ds. In addition, we are increasing MQ–9 production, a capability that can be used in a permissive environment. Finally, a Fleet Viability Board review of the F–16 is scheduled for fiscal year 2010. The results will describe needed actions and investments, should the need to further extend the service life of the F–16 exist. All these actions mitigate near- to mid-term capability shortfalls against the possibility of an F–35 IOC slip.

POTENTIAL FOR FOREIGN MILITARY SALES OF F–22 RAPTORS

35. Senator MCCAIN. Secretary Donley, earlier this month, Secretary Gates told his Japanese counterpart that the United States still has no plans to export the F–22 Raptor. Secretary Gates reportedly said this, citing a longstanding congressional prohibition on international sales of the F–22. But keeping the F–22 line hot may make sense while the verdict on whether the first operationally capable F–35 JSF will be delivered on time. Should Congress consider lifting that prohibition and allow foreign military sales of F–22s, for instance to Japan and Australia, which have expressed some interest?

Secretary DONLEY. No. We believe the F–35 is the aircraft of the future, for both the U.S. military and our partner nations. It would be very expensive for Japan or Australia to buy an export model of the F–22. This money is potentially better spent on collectively developing the F–35 and the interoperability that enables us to work together in future joint and coalition operations around the world.

AIR FORCE STRIKE FIGHTER SHORTFALL

36. Senator MCCAIN. General Schwartz, according to the Air Force it is facing a potential shortfall of strike fighter aircraft in the next decade even if the Air Force continues to buy F–35 JSF aircraft at the rate projected in last year's budget. What is your assessment of this situation and what actions should the Air Force take to address that shortfall?

General SCHWARTZ. In light of ongoing assessments such as the QDR and its related studies, we are taking a close look at the projected fighter force requirements of the coming decade and beyond. The emerging National Defense Strategy and its attendant force planning construct will have a direct bearing on establishing the requirement for Air Force fighter capabilities. We welcomed the decision to increase the overall DOD buy of JSFs from 14 to 30 in fiscal year 2010, 513 over the Future Years Defense Program (FYDP), and sustain the total program buy of 2,443. This procurement places F–35, along with the F–22, as the centerpiece of our fifth-generation air superiority and global precision attack capabilities in the coming decade.

37. Senator MCCAIN. General Schwartz, what is the projected strike fighter shortfall for the Air Force?

General SCHWARTZ. In April 2008, the Air Force estimated its projected fighter shortfall in the mid-2020s at approximately 800 aircraft. This shortfall assumed a maximum F–35A production rate of 48 aircraft a year beginning in 2013. Additionally, several things have changed that influence projected fighter requirements in the coming decades: the Secretary of Defense published the National Defense Strategy; the fiscal year 2010 President's budget request included funding to increase the production rate to 80 F–35A aircraft a year beginning in 2015; and the Department has begun assessing fighter force requirements as part of the QDR. Following conclusion of the QDR, the Air Force will reassess fighter force structure through 2030.

38. Senator MCCAIN. General Schwartz, in your opinion, what are the options to help mitigate the strike fighter shortfall?

General SCHWARTZ. The Air Force is undertaking a variety of actions until the F–35 JSF is fully deployed. The Air Force is increasing the number of F–35s produced to 80/year by the end of the FYDP and we are pursuing modernization and sustainment upgrades to fighters: F–22 modernization improves survivability versus an advanced integrated air defense system and improves air-to-air weapon capabilities; F–16 Common Configuration Implementation Program is complete and concurrent with Falcon STAR initiative (F–16 service life extension); A–10 Precision Engagement upgrade enhancing combat capability; and radar upgrades to all F–15Es and 175 F–15C/Ds. All these actions mitigate near- to mid-term capability shortfalls, but are not a long-term solution to any potential fighter shortfall.

39. Senator McCAIN. Secretary Donley, in a limited defense budget, would buying more quantities of legacy aircraft, such as F–15s or F–16s, help mitigate a strike fighter shortfall in our tactical aviation wings?

Secretary DONLEY. In a limited defense budget, it is essential we focus our efforts and resources on procuring fifth-generation fighters. The F–35, along with a complementary fleet of F–22s, is the aircraft that allows us to perform our missions for the next 20 to 30 years. Therefore, we need to put whatever funding is available for new procurement to ramp up F–35 production rates so that: (1) we can field sufficient numbers of aircraft to effectively manage the aging issues of our fighter fleet; and (2) keep the average unit cost affordable to us, our fellow Services, and our international partners. Buying legacy aircraft would come at the expense of fifth-generation fighters, and would promote a less capable, less survivable fighter force.

40. Senator McCAIN. General Schwartz, a March 2008 GAO report on the F–35 program raises serious concerns regarding the development schedule for the F–35. According to the GAO report on the F–35 program, "[T]hree independent defense offices separately concluded that . . . the F–35 program development schedule is likely to slip from 12 months to 27 months." What impact will a slip in development schedule of the F–35 have on the projected strike fighter shortfall?

General SCHWARTZ. Timely F–35 procurement is a critical factor in reducing any fighter shortfall. F–35 production rates are more important to closing a fighter shortfall than is the development schedule. The production rates are increasing as planned with low probability of a significant delay in production

MODERNIZING C–5 CARGO AIRCRAFT VERSUS BUYING MORE C–17S

41. Senator McCAIN. Secretary Donley and General Schwartz, we have heard positive things regarding the C–5 AMP. Please provide an update on the C–5 AMP and how well those jets are performing.

Secretary DONLEY and General SCHWARTZ. Fifty-four aircraft have been modified by contractor field teams working at both Travis AFB and Dover AFB. AMP modification updates the communication, navigation, surveillance/air traffic management (CNS/ATM) capability of the C–5 as well as several mandated safety modifications and provides the digital architecture for the C–5 RERP modification. AMP was not intended to be a reliability improvement modification. It allows for greater worldwide airspace access by complying with many civil airspace mandates.

42. Senator McCAIN. Secretary Donley and General Schwartz, are they being bought under a fixed-price or cost-reimbursable contract?

Secretary DONLEY and General SCHWARTZ. C–5 AMP is procured under a firm-fixed-price contract.

43. Senator McCAIN. Secretary Donley and General Schwartz, the Air Force current program of record includes 205 C–17s and 111 C–5s, for a total of 316 strategic airlift aircraft. Prior studies suggest that 316 aircraft would be sufficient to meet the NMS. Do you believe that we have enough strategic airlifters in the force structure?

Secretary DONLEY and General SCHWARTZ. Yes, we believe 316 strategic airlift aircraft (205 C–17s, 52 C–5Ms, and 59 C–5As) are sufficient to meet the current NMS. As part of the C–5 RERP Nunn-McCurdy review, the JROC validated a strategic airlift requirement of 33.95 MTM/day. The strategic airlift program of record of 316 meets this requirement. The ongoing MCRS–16, expected in December 2009, will help establish the future strategic airlift requirement.

44. Senator McCAIN. Secretary Donley and General Schwartz, does the Air Force have a need for additional C–17s?

Secretary DONLEY and General SCHWARTZ. No, 316 strategic airlift aircraft (205 C–17s, 52 C–5Ms, and 59 C–5As) are sufficient to meet the current NMS. C–5 RERP Nunn-McCurdy review of the 2005 MCS established a strategic airlift capability requirement of 33.95 MTM/day. The strategic airlift program of record of 316 meets this requirement. The ongoing MCRS–16, expected in December 2009, will help establish the future strategic airlift requirement.

45. Senator McCAIN. Secretary Donley and General Schwartz, an Airlift Force Mix Study was recently completed by the Institute for Defense Analyses (IDA), an independent Federally Funded Research and Development Center. I understand that IDA's congressionally-directed study concluded that the Nation has sufficient

strategic airlift with the current program of record of 316 aircraft. Furthermore, the study concluded that there was no need for additional C–17s and that it would be preferable to modernize additional C–5A aircraft as opposed to procuring additional C–17s. Do you concur with IDA's conclusions regarding strategic airlift?

Secretary DONLEY and General SCHWARTZ. We agree with the findings of the study. The Air Force has enough strategic airlift to meet the 33.95 MTM/day validated by the JROC. The C–17 provides the warfighter with versatility as well as a newer platform, while modernizing the remaining C–5 fleet is the most cost effective solution for additional organic capability.

UNMANNED WEAPON SYSTEMS

46. Senator MCCAIN. General Schwartz, today's military has seen an evolution in technology that is creating an entirely new capability to project power through the use of unmanned weapon systems while reducing the risk to human life. The contributions of unmanned systems to military commitments world-wide continue to increase. What strategic role do you believe unmanned aerial vehicles will have in meeting near-term intelligence, surveillance, and reconnaissance (ISR); strike; cargo; and other capabilities supporting the current wars and other potential irregular campaigns?

General SCHWARTZ. Unmanned aerial systems (UAS) already play a considerable role in the joint warfight and this trend will only increase with time. UAS have consistently proven their value in supporting ground combat operations in OEF and OIF. Current operations rely heavily and many times exclusively on the capabilities provided by UAS as a means to meet both kinetic and non-kinetic requirements of U.S. and coalition forces. Today, UAS directly execute 6 of 12 Air Force core functions, supporting, for example, global integrated ISR, Special Operations, and global precision attack with a high level of proficiency vital to our combatant commanders' requirement and in support of national security objectives.

UAS and the effects they provide have emerged as one of the most "in demand" capabilities the Air Force provides the Joint Force. The attributes of persistence, endurance, efficiency, and connectivity are proven force multipliers across the spectrum of global joint military operations. In the near term, our emphasis continues to remain on rapidly building the necessary force structure to support our joint forces with 50 combat air patrols (CAPs). These CAPs provide multi-mission capability to include full motion video and immediate strike capability using the MQ–1 Predator and MQ–9 Reaper aircraft.

The Air Force is also meeting battlefield communication needs with a tiered approach to employing an airborne communications relay. Currently, the Battlefield Airborne Communications Node (BACN) is carried aboard a manned BD–700 aircraft and provides daily range extension and coverage for essential voice networks for all aircraft under the control of the Control and Reporting Center at ranges and in locations not possible without BACN. This capability allows uninterrupted C2 for aircraft patrolling or transitioning nearly anywhere throughout the Area of Operations (AO). The future integration of BACN onto Global Hawk will significantly increase time on station and bring the unified data link network and voice range extension to near 24/7 coverage throughout the Afghanistan AO. It will ensure continuity of the networks, accuracy of data, and connectivity of the warfighters to the essential C2 elements while providing AO-wide situational awareness. Additionally, it will be essential for the eventual employment of net-enabled weapons that require network connectivity to function properly. USAFCENT, ACC, Air Staff, CENTCOM, and JCS have validated the need for this capability.

To guide the further exploitation of unmanned weapon systems and their evolving technology, I recently signed and published the Air Force Unmanned Aircraft Systems Flight Plan (2009–2047). It is an actionable plan, characterized by doctrine, organization, training, materiel, leadership and education, personnel, facilities, and policy recommendations, balancing lessons learned with future requirements. The Air Force vision is postured to harness increasingly automated, modular, globally connected, and sustainable multi-mission unmanned systems resulting in a more adaptable and efficient Force that maximizes our contribution to the Joint Force.

CLOSE AIR SUPPORT

47. Senator MCCAIN. General Schwartz, recently, the Marine Corps requested approval to reprogram funds to develop and field a modified KC–130J tanker that will provide it with, among other things, enhanced close air support (CAS) in theater. In connection with that request, the Marine Corps cited an urgent need for that

platform, asserting that "Marine Corps ground forces have needed, but have not benefitted from, capabilities of aircraft such as the very high-demand/low-density Air Force AC–130." I interpret this to mean that the Marine Corps is saying that it has asked for, but not received, CAS from the Air Force in theater. Do you agree with the Marine Corps' assertion?

General SCHWARTZ. No. The Air Force hasn't turned down any request for forces to support marines on the ground in theater. At the tactical level, CAS requests are prioritized and filled daily, even hourly, and there are no requirements we are aware of that haven't been filled. Additionally, AFCENT has not received any negative feedback from MARCENT about the lack of Air Force CAS, nor from the Marine Corps liaison officers working in the Combined Air Operation Center.

48. Senator MCCAIN. General Schwartz, has the Air Force been turning down request for forces to support marines on the ground in theater? If so, why?

General SCHWARTZ. No. The Air Force hasn't turned down any request for forces to support marines on the ground in theater.

49. Senator MCCAIN. General Schwartz, does the Air Force have its own CAS capability gap? If so, how does your budget request address that gap?

General SCHWARTZ. No, the Air Force does not have a CAS capability gap.

MILITARY SPACE ACQUISITION PROGRAMS

50. Senator MCCAIN. Secretary Donley, GAO has observed that the costs for DOD space acquisitions—for which the Air Force is the executive agent—are far greater than anticipated. Schedule slips have been equally problematic. There are just too many instances where, in the face of out-of-control cost growth and schedule delays, the Air Force has had to cut back on capability—with regard to either sensors or the number of satellites needed to populate the constellation. In too many cases, like the Space-Based Infrared Low program for example, DOD has poured billions into programs without producing any meaningful capability. Against that backdrop, I support the decision to cancel the Transformational Satellite Communications program. What is being done to assess and repair how poorly the Air Force has gone about buying military space systems?

Secretary DONLEY. We have instituted a "back-to-basics" philosophy which focuses on program stability (budgets, requirements, direction), discipline, and cost realism. We also recognized the advantages of a block approach acquisition strategy to better distribute risk across a program life-cycle by delivering systems through discrete, value-added increments which reduce production risk, deliver incremental capabilities to the warfighter sooner, and maintain continuity of service. Well-defined increments help reduce many of the potential instabilities in requirements, budget, and workforce. GPS III was one of the first major space program acquisitions implemented using the block approach and continues to perform well.

To further mitigate cost, schedule, and performance risk across all Air Force acquisition programs including space programs, we recently implemented the Acquisition Improvement Plan (AIP). The AIP includes improvements to revitalize the Air Force acquisition workforce, improve the requirements generation process, instill better fiscal and budget discipline, improve Air Force major systems source selection, and establish clear lines of authority and responsibility within our Air Force acquisition organizations. Additionally, the AIP places renewed emphasis on robust cost estimation and technology readiness assessments.

We are also investigating opportunities to deliver meaningful space capabilities through smaller, less costly space systems. The Operationally Responsive Space (ORS) program is developing low-cost, rapid-reaction payloads, buses, spacelift, and launch control capabilities to fulfill joint military operational requirements for space support and reconstitution. ORS is intended to be complementary to existing space systems and will be an extension of the existing national security space architecture.

51. Senator MCCAIN. Secretary Donley, can we expect a trend towards fewer high-risk programs, which by their nature can be more effectively managed?

Secretary DONLEY. We have instituted a back-to-basics philosophy which focuses on program stability (budgets, requirements, direction), discipline, and cost realism. We also recognized the advantages of a block approach acquisition strategy to better distribute risk across a program life-cycle by delivering systems through discrete, value-added increments which reduce production risk, deliver incremental capabilities to the warfighter sooner, and maintain continuity of service. Well-defined incre-

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52. Senator McCain. Secretary Donley, what else needs to be done in the area of military space acquisitions? Will the new acquisition reform bill, the Weapons Systems Acquisition Reform Act of 2009, help you manage technology risk effectively?

Secretary Donley. Yes, the new legislation will help the Air Force manage technology risk. Early competitive prototyping before Milestone B approval will identify technology trade space and ensure readiness level prior to program start. In addition, by allowing programs to baseline after preliminary design review, the overall program risk is reduced and this process will improve requirements trades, cost estimation, and identify other design, integration, and manufacturing risks.

Funding stability is an area we need your continued support for military space acquisition to execute well. Significant changes in funding disrupt industry workforce, technology development, and parts and production flows, all leading to significant increases in program cost and schedule.

53. Senator McCain. Secretary Donley, broadly, what is the Air Force's investment strategy for space?

Secretary Donley. Space superiority is essential to joint warfighting success and the Air Force continues to invest in satellites, launch, and range infrastructure, as well as the ground systems necessary to provide these essential capabilities.

Sustaining core space services is a top priority to keep pace with user demands and support emerging joint concepts of operation. Our airmen currently operate satellites and provide the command and control infrastructure to ensure the United States has persistent global communications; strategic early warning; and global positioning, navigation and timing services; as well as signals and ISR capabilities.

Our investment strategy is to maintain continuous service in all of these mission areas, as well as build the long-term path required to meet warfighting needs well into the future.

We are also taking added measures to enhance the protection of our space capabilities through improved space situational awareness capabilities to detect, identify, characterize, and attribute current and emerging threats to our space assets.

54. Senator McCain. General Schwartz, what overall capabilities does the Air Force want to achieve in space and what are its funding priorities, as reflected in the current budget request?

General Schwartz. We pursue space capabilities that provide this Nation space superiority. Sustaining core space services is a top priority to keep pace with user demands and support emerging joint concepts of operation. Our airmen currently operate satellites and provide the command and control infrastructure to ensure the United States has persistent global communications; strategic early warning; and global positioning, navigation, and timing services; as well as signals and ISR capabilities.

Our funding priorities seek to maintain continuous service in all of these mission areas, as well as build the long-term path required to meet warfighting needs well into the future.

The fiscal year 2010 President's budget continues investment in today's fight by focusing funding to deliver warfighter capabilities and enhance space situational awareness and protection strategies.

Sustaining core space services is a top priority to keep pace with user demands and support emerging joint concepts of operation. We also continue to advance our

capability to detect, identify, characterize, and attribute current and emerging threats to our space assets.

55. Senator MCCAIN. Secretary Donley, what mechanisms will you implement to enforce those priorities and measure progress?

Secretary DONLEY. As the DOD Executive Agent for Space and the Air Force Service Acquisition Executive, I engage directly with the Under Secretary of Defense for Policy (USD(P)), the Assistant Secretary of Defense for Networks and Information Integration, ASD(NII), and the Under Secretary of Defense for Acquisition, Technology, and Logistics, USD(AT&L) to shape space priorities, ensure space programs are well planned, and ensure space acquisition strategies are steeped in rigorous systems engineering, contracting, cost estimating, and program management fundamentals needed for success.

I collaborate closely with USD(P) to develop and coordinate DOD space policy. I also work closely with the ASD(NII) to ensure the proper development and integration of our space systems and exploitation of their capabilities. Additionally, I prepare and recommend to the USD(P) and the Director, Program Analysis and Evaluation DOD-wide space planning and programming guidance and conduct an annual review of the 'virtual' major force program in close coordination with the DOD components and the Intelligence Community.

In my role as the Service Acquisition Executive, I ensure each space acquisition program has a sound acquisition strategy and is focused on our most critical warfighting priorities. I also work hand-in-hand with USD(AT&L) to provide oversight on space acquisition programs and ensure policies and priorities are implemented by the programs including thorough upfront program planning to create a balance between cost, schedule, and performance that can be sustained throughout a program's life cycle.

FEE-FOR-SERVICE AERIAL REFUELING PILOT PROGRAM

56. Senator MCCAIN. General Schwartz, 2 years ago, we required the Air Force to initiate a Fee-for-Service Aerial Refueling (FFS AR) pilot program. We did that to help the Air Force determine if there was a lower cost approach that could complement the Air Force's purchase of new, expensive AR tanker aircraft—within certain niche area. Since we first authorized the pilot program, the FFS AR pilot program was enacted into law in the National Defense Authorization Act for Fiscal Year 2008. Since that time, the Air Force has worked with potential entrants for the pilot program and formally asked them to comment on the future solicitation. In answers to questions during your confirmation process, you stated that the FFS request for proposal (RFP) would be issued no later than November 2008. What is the status of the FFS AR pilot program and when can we expect an RFP to be released for industry comment?

General SCHWARTZ. The Air Force has been working diligently with industry, the FAA, and the Navy to appropriately craft the FFS pilot program. We received industry responses to our last request for information in March 2009 and we are in the process of developing a program budget and acquisition strategy with the goal of releasing a draft RFP by the end of this calendar year. Before proceeding with a final RFP, additional legislation allowing a multiyear contract and appropriation for the program would be necessary.

57. Senator MCCAIN. General Schwartz, in the 2010 presidential budget request, is adequate funding being sought to conduct this pilot program?

General SCHWARTZ. The Air Force has requested $10 million in fiscal year 2010 for the FFS pilot program. This funding will allow us to conduct a source selection with the goal of awarding a contract in fiscal year 2011.

F–35 LIGHTNING II JOINT STRIKE FIGHTER LOCATIONS

58. Senator MCCAIN. Secretary Donley, I have been concerned about how long it has taken the Air Force to conduct an environmental impact statement (EIS) in connection with the decision to possibly base F–35 JSFs in, among other places, Luke AFB. So, as you might imagine, I am somewhat concerned about the Air Force's recent decision to reassess the criteria it will use to select where the F–35 JSF will be based—and how much additional time that will require. How much additional time will this reassessment add to the selection process?

Secretary DONLEY. The enterprise-wide look (EWL) being developed on a timeline to support near-term F–35 aircraft deliveries and will be used to facilitate the

scoping of alternatives for two anticipated EISs. One EIS will support a training base and the other will support initial operational basing. Currently, we anticipate releasing the Records of Decision (RODs) for both the operational and training bases in this increment in late spring 2011.

59. Senator McCain. Secretary Donley, why did the Air Force decide that the criteria guiding the selection of bases up to fall 2008 was insufficient and needed to be reevaluated?

Secretary Donley. Prior to fall 2008, our major commands de-centrally managed and executed our basing process. Last fall, I directed that these basing decisions take place at the Headquarters Air Force level and established the Air Force Senior Basing Executive Steering Group (SB–ESG) to oversee these actions and ensure a standard, repeatable process in determining overall Air Force basing opportunities. I further directed an EWL for the beddown of the JSF to ensure we perform an objective review of all potential F–35 operational and training basing options.

60. Senator McCain. Secretary Donley, what changes do you expect to make to the criteria?

Secretary Donley. Currently, the Air Force SB–ESG is working with Air Combat Command (ACC) and Air Education and Training Command to finalize basing criteria for both operational bases and for training bases in a way that recognizes their differing requirements. General Schwartz and I recently reviewed the draft criteria for the JSF EWL, which include such factors as airspace and ranges; weather; facilities; runways and ramps; and environmental and cost factors. We have also asked the SB–ESG to consider additional factors such as logistics support and availability of support facilities such as housing, medical, and child care.

61. Senator McCain. Secretary Donley, will the criteria for the selection of bases for the F–35 be different for training versus operational basing?

Secretary Donley. Yes. We are developing different criteria for training versus operational basing due to their unique requirements. For example, the training criteria may reflect different tolerances for weather conditions to meet training syllabus requirements. Additionally, range access and airspace criteria are examples of other requirements that may vary.

62. Senator McCain. Secretary Donley, this decision to review the criteria has caused a delay in the study of the environmental impact of a stationing decision. The Air Force is already struggling to meet the statutory Base Closure and Realignment (BRAC) deadline at Eglin AFB, FL, for the first F–35 JSF stationing due to a challenge to the EIS over noise concern. At the same time, the budget request for the Air Force for fiscal year 2010 includes funds to accelerate the purchase of F–35s. Is there a risk that the aircraft will arrive into the Air Force inventory before basing decisions are finalized and facilities are constructed? If so, how will you mitigate this risk?

Secretary Donley. Our current plan is to issue the RODs and announce the final basing decisions for both the initial operational bases and the next increment of training bases in early calendar year 2011. If the plan for JSF deliveries reflected in the fiscal year 2010 President's budget does not change, this approach provides us approximately 2 years between the basing decision and the delivery of the first aircraft to the selected base. I expect this process will then be repeated every 2 years for future increments of bases, to ensure the same standardized, objective approach for all basing decisions on a schedule consistent with planned aircraft deliveries.

63. Senator McCain. Secretary Donley, regarding the decision to establish a joint training base for the F–35 Lightning II at Eglin AFB, FL, will the Air Force meet the statutory deadline to complete the decisions of the 2005 BRAC round by September 15, 2011, and for how many F–35 Lightning IIs?

Secretary Donley. In February 2009, SAF/IEI signed a Record of Decision to base 59 aircraft with flight operations limitations pending the completion of a Supplemental EIS. We are confident we will meet the BRAC deadline of September 15, 2011.

The Supplemental EIS will analyze the beddown and operational alternatives and mitigations for the full complement of the 59 aircraft authorized to be delivered to Eglin to meet BRAC requirements. Additionally, the Supplemental EIS will consider the potential impacts of moving beyond 59 aircraft, with up to 48 additional aircraft. The Supplemental EIS final outcome could: (1) add aircraft, (2) keep the number

of aircraft at 59, or (3) reduce the number of aircraft. The Supplemental EIS is expected to be completed in September 2010.

64. Senator MCCAIN. Secretary Donley, will this number be enough to meet the total initial training requirement for the Air Force, Navy, and Marine Corps? If not, what alternatives are being considered?

Secretary DONLEY. Yes. The Air Force—in concert with the Navy and Marine Corps—feels one squadron for each Service will meet the BRAC directed requirement for the initial joint training site at Eglin AFB. If the total training requirement cannot be met at Eglin AFB, the Services will use their standard basing and planning processes to determine where the aircraft will be based.

AIR FORCE STRIKE FIGHTER RESTRUCTURING PLAN

65. Senator MCCAIN. Secretary Donley and General Schwartz, in your joint opening statement regarding the decision to accelerate the retirement of 250 strike fighters, you state, "The review weighed the benefits of retiring aircraft nearing their expected service life, against near-term risk [to our national security]." When were these aircraft previously planned to be retired?

Secretary DONLEY and General SCHWARTZ. The aircraft under the proposed fiscal year 2010 CAF fighter restructuring plan would retire in a range from approximately 3 years early for certain F–16s, approximately 6 years early for certain F–15Cs, and approximately 11 years for the A–10s. These retirements are all based upon force structure plans and service life considerations. The important point to emphasize is that the Air Force analyzed its fighter force structure and determined we now have a window of opportunity to build a smaller, but more flexible, capable, and lethal force as we bridge to the fifth generation-enabled force.

Our analysis determined that we are faced with aging fighter aircraft during a period in history where we are not directly threatened by a near-peer competitor. We assessed this short-term risk as acceptable as we could mitigate it through a combination of permanently based and rotational forces. The CAF fighter restructuring plan is part of a global resource allocation process that makes strategic sense.

This plan offers your Air Force an opportunity to reinvest significant savings into critical modifications for our enduring combat forces fleet, procure preferred air-to-air and air-to-ground munitions and critical Air Force and joint enabling technologies, and redistribute manpower to national priority missions.

66. Senator MCCAIN. Secretary Donley and General Schwartz, how many hours are on the aircraft you are going to retire?

Secretary DONLEY and General SCHWARTZ. The approximate average flight hours on the aircraft retiring from the active inventory under the proposed fiscal year 2010 CAF fighter restructuring plan are 10,400 for the A–10, 6,800 for the F–15C, and 6,100 for the F–16.

It is important to emphasize that as ACC manages the fighter fleets, it considers many variables when deciding which aircraft are slated for removal from the active inventory. ACC's force programmers and weapons systems teams comprehensively manage each type of fighter aircraft as an entire fleet. These teams will select the most appropriate aircraft across the fleet by tail number, based on a variety of factors such as total airframe hours, remaining service life, airframe fatigue, maintenance history, and completed or required future modifications. The end result is the retired aircraft are the oldest and least capable in the fleet of their type. This optimizes unit combat capability by retaining the strongest and most capable performing aircraft for training and operational employment.

67. Senator MCCAIN. Secretary Donley and General Schwartz, are you managing aircraft retirements by tail numbers?

Secretary DONLEY and General SCHWARTZ. Yes. ACC, the Air Force's lead command for our combat aircraft, is developing a detailed plan for implementing the proposed fighter aircraft retirements in fiscal year 2010. ACC's force programmers and weapons systems teams comprehensively manage each type of fighter aircraft as a fleet. These teams will select the most appropriate aircraft across the fleet for retirement by tail number, based on a variety of factors such as total airframe hours, remaining service life, airframe fatigue, maintenance history, and completed or required future modifications. The end result is the retirement of aircraft that are the oldest and least capable in the fleet of their type. This optimizes unit combat capability by retaining the strongest and most capable performing aircraft for training and operational employment.

68. Senator MCCAIN. Secretary Donley and General Schwartz, did the combatant commanders sign off on your restructuring plan?

Secretary DONLEY and General SCHWARTZ. Yes. As we developed the CAF fighter restructuring plan as part of the fiscal year 2010 Air Force Program Objective Memorandum build, we successfully balanced planned force reductions across our Active Duty and Reserve components in both stateside and overseas locations. Additionally, we carefully analyzed missions across the Air Force to achieve the force mix that makes the most strategic sense. We then closely coordinated this plan with our Air National Guard and Air Force Reserve partners, as well as our major commands and the affected regional combatant commanders.

69. Senator MCCAIN. Secretary Donley and General Schwartz, how exactly did you quantify that risk?

Secretary DONLEY and General SCHWARTZ. The risk was quantified using the ability to meet NMS objectives using current Defense Planning Guidance at low, moderate, and increasing levels of risk. Inputs to this included campaign analyses from the Air Force Studies and Analysis, Assessments and Lessons Learned Directorate (AF/A9) and the Capabilities Review and Risk Assessment (CRRA) accomplished by the Operational Planning, Policy, and Strategy Directorate.

70. Senator MCCAIN. Secretary Donley and General Schwartz, did the risk assessment consider the joint air force capability of all the Services (that is, Navy and Marine Corps also)?

Secretary DONLEY and General SCHWARTZ. Yes. The assessment considered the ability of this force structure to address the Air Force target set which is developed in the context of the Joint Campaign.

71. Senator MCCAIN. Secretary Donley and General Schwartz, did the risk assessment include the increased reliance by combatant commanders on aviation assets in lieu of the relative unavailability of ground combat units due to decreased readiness rates and commitments to overseas contingency operations?

Secretary DONLEY and General SCHWARTZ. Joint Combat Capability Assessment Plan assessments continue to show the Air Force has adequate tactical fighter capability to meet current and projected future operation plan requirements. This joint assessment is validated by the Air Force Studies and Analysis, Assessments, and Lessons Learned Directorate (AF/A9).

Although the fighter fleet is smaller, the joint warfighting effects provided as the result of investments in modifications, preferred munitions, and critical enablers create a capabilities-based bridge from our fiscal year 2009 legacy dominated force to a fifth generation-enabled fighter fleet.

72. Senator MCCAIN. Secretary Donley and General Schwartz, when do you anticipate that the risk will be mitigated or eliminated?

Secretary DONLEY and General SCHWARTZ. Based on the current National Defense Strategy and the Chairman of the Joint Chiefs of Staff Risk Assessment, we assess the risk will remain at the current level for the foreseeable future. F–22 modifications, F–35 procurement, and investments in preferred munitions will mitigate the risk of ever-increasing threat capabilities to our fighter force in 2020 and beyond.

73. Senator MCCAIN. Secretary Donley and General Schwartz, what is the impact to current mission capabilities and to the Air Force's fifth-generation requirements in the out-years?

Secretary DONLEY and General SCHWARTZ. In the short-term, the early retirement of these legacy aircraft results in a limited near-term capability shortfall. However, we assess this near-term shortfall is within acceptable risk based on current threat projections. The retirement of these aircraft enables the Air Force to upgrade the capabilities of the remaining legacy fighters and bombers, fund improved weapons, and provide manpower to other critical enabling capabilities, such as UAS and the MC–12.

In the long-term, the early retirement of these aircraft has little impact on the requirement for fifth-generation fighters. The currently projected fifth-generation force, plus the upgraded legacy force produces a fighter fleet that is able to meet the Air Force's mission needs within acceptable risk.

INFRASTRUCTURE ON GUAM TO SUPPORT AIR FORCE STRIKE CAPABILITIES

74. Senator MCCAIN. Secretary Donley, the budget request for 2010 includes $33 million for the first military construction (MILCON) project to comply with a 2005 directive from the previous Secretary of Defense to posture Anderson AFB in Guam as a power hub for ISR, strike, and aerial refueling assets. The total cost for all facilities is estimated to exceed $1 billion. It is my understanding that no aircraft are currently planned to be permanently stationed in these new facilities. With all the other budget constraints facing the Air Force and the availability of excess facilities resulting from the accelerated retirement of 250 fighter aircraft in 2010, is this plan for Guam viable and currently supported in the FYDP being developed as part of the fiscal year 2010 budget request?

Secretary DONLEY. The $33 million budgeted in fiscal year 2010 will fund the Strike Forward Operating Location Electrical Infrastructure MILCON Project, under which a new electrical substation and feeder line system will be constructed. This type of infrastructure modernization program is vital to maintaining the viability of Guam as the host of our forward-most military presence on U.S. soil in the Pacific. The fighter retirement plan and any excess facilities that may be generated as a result of this plan do not eliminate the need to maintain Guam's infrastructure. Guam is a lynchpin to U.S. strategy in the Pacific because it is forward located and is sovereign U.S. territory. The fiscal year 2010 MILCON expenditure and the broader plan of which it is a part are not only viable, but essential.

75. Senator MCCAIN. Secretary Donley, will you be reviewing this plan as part of the upcoming QDR?

Secretary DONLEY. Yes, our Air Force QDR office is looking at infrastructure on Guam as part of the QDR process.

76. Senator MCCAIN. Secretary Donley, the Marine Corps has also included in the budget request for fiscal year 2010 funds to carry out the first phase of similar MILCON work on the north side of the runway at Anderson AFB to support the stationing of aviation assets. It seems to me that the Air Force may be investing in infrastructure projects at Anderson AFB that are duplicative to the efforts of the Marine Corps. Does the possibility exist for the Air Force and the Marine Corps to share hangars and support facilities?

Secretary DONLEY. Planned facilities are tailored to meet the maintenance and operational throughput for the individual aircraft mission sets of each Service, and we do not believe there is any excess capacity in either program. The Air Force's projects support fixed-wing aircraft, while the Marine Corps' projects predominantly support rotary-wing aircraft. The Air Force projects planned for Andersen AFB provide the minimum facility and infrastructure requirements to provide necessary maintenance and operation capabilities to support the current and ongoing tanker task force, continuous bomber presence, and fighter-based theater security package missions. The current and planned Air Force facilities support multiple airframe operations and maintenance already in the south side of the south runway footprint.

Facilities identified for the Marine aviation combat element (ACE) build-up on the north side of the north runway are programmed to support predominantly rotary-wing aircraft as the north side of the north runway cannot support the Air Force's large bomber and tankers. Additionally, as it is currently configured, the airfield is not large enough to support the facilities and aircraft of both the Air Force and Marine Corps missions should they be collocated together on the north or south side of either runway.

77. Senator MCCAIN. Secretary Donley, has the Air Force assessed the plans of the Marine Corps to determine whether taxpayer funds can be saved by consolidating requirements and efforts?

Secretary DONLEY. Air Force infrastructure projects were programmed in advance of the decision to base Marine Corps aviation assets on Andersen AFB. These projects are sized to support the Air Force facility requirements and will not have the capacity nor proximity required to support Marine Corps aviation requirements.

In the Naval Facilities Command's development of the Guam Joint Military Master Plan, all existing and planned Air Force and Marine Corps infrastructure projects were assessed in their ability to support the proposed Marine Corps beddown and the opportunity for shared use. With the exception of a combined air embarkation/debarkation operation planned for the south ramp of the south runway at Andersen AFB, the plan did not identify any other shared use opportunities for Marine Corps and Air Force aviation missions. However, we will continue to work through the joint Guam master planning construct to look for joint use capabilities

and efficiencies. For example, our planned low observable maintenance capabilities could be used by the Marine Corps in the future if they look to develop capabilities within their ACE complex to support the F–35.

78. Senator MCCAIN. Secretary Donley, once this is done, please provide a review of that assessment and the reasons for the duplicative request for MILCON funds.

Secretary DONLEY. We do not believe the fiscal year 2010 budget requests are duplicative. The programmed projects provide the necessary infrastructure and efficient operational construct to support the very different Air Force and the Marine Corps operational requirements.

NON-DEPLOYABLE PERSONNEL DUE TO MEDICAL CONDITIONS

79. Senator MCCAIN. Secretary Donley, this week the Secretary of the Army confirmed that more than 20,000 Army personnel are non-deployable now and in the foreseeable future due to medical reasons. What is the comparable number in the Air Force?

Secretary DONLEY. We have about 22,000 airmen who are non-deployable for various reasons such as medical deferment, medical evaluation board, or medical disqualification. Since October 2001, the Air Force has sustained 522 airmen wounded in action. Of these 522 Wounded Warriors, 391 remain in Service and 46 are expected to return to deployable status.

80. Senator MCCAIN. Secretary Donley, is this a force limiting factor?

Secretary DONLEY. The Air Force is not limited in prosecuting current contingency operations due to non-deployable airmen experiencing medical conditions.

81. Senator MCCAIN. Secretary Donley, what percentage of those do you expect to return to active duty and when?

Secretary DONLEY. We expect more than half of our roughly 22,000 non-deployable airmen to return to deployable status within a year. It is important to note over 30 percent of these 22,000 airmen are currently deployable to either a global DOD or continental U.S. location with intrinsic medical support, additionally while another 10 percent are awaiting a Medical Evaluation Board to determine their medical fitness for continued worldwide duty.

QUESTIONS SUBMITTED BY SENATOR SAXBY CHAMBLISS

C–5 FLEET

82. Senator CHAMBLISS. General Schwartz, one of the things I asked General Casey and Secretary Gates about was the decision on the JCA. I'm told this decision came about as a result of a conversation you and General Casey had. General Casey expressed that you were committed to absorbing the JCA program and supporting the Army in closing that last tactical mile. Last week, Secretary Gates said, "So the whole Air Force approach to how they support the Army is going to have to change, if they're going to take on this joint support role for the Army." I understand your briefing on this issue is due to Secretary Gates by May 30, but I'm curious to know how the Air Force will change to ensure the Army gets the support it needs.

The OSD's Office on Acquisition Technology and Logistics (AT&L) memo regarding C–5 RERP Acquisition Decision Memorandum (ADM), dated February 14, 2008, indicates that OSD reviewed 14 different airlift alternatives as part of the C–5 RERP Nunn-McCurdy process and concluded that a mix of 205 C–17s with 49 RERP production aircraft and 59 C–5As provided the greatest military capability at the least cost. The memo also states that retention and operation of the C–5A aircraft are required to meet JROC validated requirements and that procuring additional C–17s was rejected as not meeting requirements, as more costly to the taxpayer, and that additional C–17s were unaffordable in the FYDP. Do you agree with this assessment?

General SCHWARTZ.

Joint Cargo Aircraft QFR

The Army and Air Force have worked hard to develop a concept of employment detailing how this mission covering the "last tactical mile" will be accomplished by Air Force crews and aircraft. While it is still in the draft phase, it is well on its way toward completion and neither Service sees any obstacles that would prevent successfully achieving an operational deployment in late fiscal year 2010.

C–5/C–17 Mix QFR

The C–5 Nunn-McCurdy process did validate a mix of 52 C–5Ms, 59 C–5As, and 205 C–17s as the most economically feasible plan to meeting the strategic airlift requirement of 33.95 MTM/day. The Air Force agrees with this assessment and based on this requirement does not see the need for additional C–17s.

83. Senator CHAMBLISS. General Schwartz, over the years, there have been multiple studies which have affirmed the long-term structural health of the C–5 fleet as well as the operational and economic benefits of C–5 modernization. In fact, C–5 modernization consistently appears to be the most cost-effective solution. Are there any validated studies within the Department that suggest otherwise?

General SCHWARTZ. The C–5 Nunn-McCurdy process validated a mix of 52 C–5Ms, 59 C–5As, and 205 C–17s as the most economically feasible plan to meeting the strategic airlift requirement of 33.95 MTM/day. Based on this process, modernizing a portion of the C–5 fleet is the most cost-effective solution.

84. Senator CHAMBLISS. General Schwartz, it is my understanding that C–5 RERP is performing well, that Lockheed Martin is performing to cost and schedule, and that the Air Force has indicated that RERP meets or exceeds all key performance parameters specified by contract. Is this true?

General SCHWARTZ. The RERP is scheduled to begin operational testing in October of this year. Initial flight testing and developmental analysis indicates that the RERP is performing as expected.

85. Senator CHAMBLISS. General Schwartz, please provide an update on how well C–5 RERP is doing.

General SCHWARTZ. C–5 RERP is meeting our expectations. The three C–5Ms have been delivered to the Air Force and are currently in a familiarization and demonstration period to ensure the weapon system and personnel will be ready to begin operational testing in October of this year.

JOINT SURVEILLANCE TARGET ATTACK RADAR SYSTEM

86. Senator CHAMBLISS. General Schwartz, Congress appropriated $16 million in the Fiscal Year 2008 Defense Appropriations Act (H.R. 3222) to demonstrate the Senior Year Electro-Optical Reconnaissance System (SYERS) electro-optical sensor on the E–8 Joint Surveillance Target Attack Radar System (JSTARS) to fulfill the Air Force's stated, though unfulfilled, 2004 requirement for a combat identification capability on JSTARS, to reduce the sensor-to-shooter timeline. The Air Force has issued an urgent operational need for a stand-alone combat identification capability on E–8C JSTARS. I understand that this funding is still not under contract after 18 months. In light of the Secretary of Defense's call for more ISR capabilities to support the warfighter, please explain why this funding has not been obligated yet.

General SCHWARTZ. Prior to issuing the SYERS III Flight Demonstration RFP, the JSTARS program office needed to ensure that a safe and valuable military utility assessment could be conducted within the funding appropriated and the resources available. Therefore, the JSTARS program office conducted a SYERS III Feasibility Study.

Of the $16 million appropriated, the Air Force has awarded NRE contracts for $4.4 million and plans to award another $11.1 million in August 2009 as described below:

Date	Contract Action
June 2008	$1.5 million contract award for SYERS III feasibility study
January 2009	$1.9 million contract award for the JSTARS keel beam load analysis and engineering study
As Required	$1.0 million obligated to support Joint Test Force Range time, testing, and fuel
August 2009	$11.1 million contract award for the SYERS III flight demonstration
As Required	$0.5 million program management and administration

87. Senator CHAMBLISS. General Schwartz, please provide a timeline for when you believe that this contract will be awarded.

General SCHWARTZ. Contract award for the SYERS III demonstration is planned for August 2009.

AIR FORCE AERONAUTICAL SYSTEM CENTER ESTIMATES

88. Senator CHAMBLISS. Secretary Donley, in 2005, Air Force Aeronautical System Center estimate of C–5 fleet (111 aircraft) modernization showed a reduction in operation and support (O&S) by $20.4 billion with resulting reduced total ownership costs of $11.4 billion. In 2008, the Air Force estimate for the mixed C–5 fleet showed a reduction of O&S by $15.0 billion and a reduced total ownership cost of $8.9 billion. Regardless of production profile (111 aircraft fleet modernization or 52 C–5B/Cs modernization), the results conclude that RERP pays for itself. As part of the C–5 RERP certification by OSD, C–5 modernization was shown to be the most cost-effective alternative. Does the Air Force believe these estimates to be essentially correct today?

Secretary DONLEY. Yes. The Air Force estimated reduced total ownership cost (RTOC) through 2040 for the 52 aircraft C–5 RERP is $8.9 billion in base year 2000 dollars. The RTOC estimate is based on the RERP O&S cost estimate in the fiscal year 2007 Air Force Service cost position with DOD Cost Analysis Improvement Group (CAIG) concurrence and the investment cost estimate in the OSD CAIG independent cost estimate (ICE) for the C–5 RERP Nunn-McCurdy certification.

89. Senator CHAMBLISS. Secretary Donley, does RERP pay for itself?

Secretary DONLEY. Yes. The Air Force currently estimates that the C–5 with the RERP modification will have a life expectancy through 2040. The break-even analysis indicates the RERP will pay for itself by 2029, at which time the cumulative estimated O&S cost savings will exceed the total estimated investment cost (SDD, production, depot stand-up, and MILCON). This estimate, with OSD CAIG concurrence, is based on the C–5 RERP O&S cost estimate in the fiscal year 2007 Air Force Service cost position, and the investment cost estimate in the OSD CAIG ICE for the C–5 RERP Nunn-McCurdy certification.

90. Senator CHAMBLISS. Secretary Donley, do the savings from the current program of record still generate a reduced total ownership cost sufficient to RERP the C–5A fleet if the Air Force were to reconsider that option in the future?

Secretary DONLEY. Additional investment funding above the budgeted program of record (49 production aircraft) would be required to fund the C–5 RERP modification on the C–5As (59 aircraft). During the C–5 RERP Nunn-McCurdy certification process, an analysis of alternatives estimated a fleet of 111 C–5Ms would yield O&S cost savings and reduced total ownership costs. The estimated O&S cost savings for a mixed fleet of 52 C–5Ms and 59 C–5As is less than the estimated O&S cost savings for a full fleet of 111 C–5Ms because C–5As cost more to operate than C–5Ms.

QUESTIONS SUBMITTED BY SENATOR LINDSEY GRAHAM

SHAW AIR FORCE BASE/AIR FORCE CENTRAL COMMAND

91. Senator GRAHAM. General Schwartz, how many people are assigned to Shaw AFB for (or in support of) 9th AF?

General SCHWARTZ. There are 712 Active Duty personnel assigned to Shaw AFB support 9 AF (AFCENT).

92. Senator GRAHAM. General Schwartz, how many people are assigned to Shaw AFB for (or in support of) Air Forces Central Command (AFCENT)?

General SCHWARTZ. Today, there is no organizational distinction between 9th Air Force and AFCENT.

93. Senator GRAHAM. General Schwartz, in the new organization plan with the Commander of AFCENT stationed forward, at Al Udeid Air Base Doha, Qatar, how many authorized positions will change or be removed from the current organization structure at Shaw AFB?

General SCHWARTZ. My staff is evaluating various options but the number of staff forward deployed should not exceed 50.

94. Senator GRAHAM. General Schwartz, please specify the numbers and approximate grades for uniformed Air Force positions, civilian positions, and contractor positions.

General SCHWARTZ. My staff is preparing options which will include positions needed at both AFCENT and at Shaw AFB under this new construct. At this time,

the impact to Shaw AFB is not precisely known but the number of staff forward deployed should not exceed 50.

95. Senator GRAHAM. General Schwartz, given your answers above, how many families do you estimate will be relocated from Shaw AFB?

General SCHWARTZ. Few, if any, families presently at Shaw will relocate.

96. Senator GRAHAM. General Schwartz, how large is the Air Force footprint in Qatar right now?

General SCHWARTZ. Approximately 5,500 airmen, including Active, Guard, and Reserve members and civilian employees.

97. Senator GRAHAM. General Schwartz, how many additional people will be needed in Qatar to support the new three-star in Qatar?

General SCHWARTZ. We are currently assessing the number of positions required for this effort, but they should not exceed 50.

98. Senator GRAHAM. General Schwartz, how concerned are you about increasing the size of the Air Force footprint in the Middle East?

General SCHWARTZ. Relocating the AFCENT commander forward is part of an effort to significantly enhance the Air Force's ability to support multiple Joint Task Forces while developing integrated relationships with air forces in all of the countries in the CENTCOM area of responsibility. We are still assessing the exact number of personnel affected by the AFCENT commander's move. Our goal is to enhance the ability of the senior airman in theater to sustain dedicated and focused efforts in the support of ongoing joint operations.

99. Senator GRAHAM. General Schwartz, how many of the additional people for the new three-star will be drawn from Shaw AFB?

General SCHWARTZ. We do not know at this time and we are evaluating the organizational structure to best support the mission, but we do not expect that number to exceed 50.

100. Senator GRAHAM. General Schwartz, when the war-footing posture is no longer required, do you intend to bring the three-star back to Shaw AFB?

General SCHWARTZ. When the war-footing posture is no longer required, we will return to a peacetime alignment and return the 3-star position to Shaw AFB.

101. Senator GRAHAM. General Schwartz, since that will probably be after your time as chief is over, where is that commitment recorded in Air Force documents?

General SCHWARTZ. The Air Force General Officer Management Office maintains documentation to support this decision and will ensure continuity.

102. Senator GRAHAM. General Schwartz, you testified during the hearing that AFCENT will still be at Shaw AFB but the commander will have duty at Al Udeid Air Base. Please explain how this structure will work and beyond the information provided in the questions above, what the implications will be for the people of Shaw AFB.

General SCHWARTZ. Senator, 9th AF will certainly remain at Shaw. It is likely AFCENT will be forward in theater.

103. Senator GRAHAM. General Schwartz, the current number one MILCON priority of the Wing Commander at Shaw AFB is a $19 million expansion of the headquarters. This expansion will support 9th Air Force Headquarters and a longer-term requirement when the AFCENT three-star returns. Do you support this project to be funded in the fiscal year 2010 appropriations bill?

General SCHWARTZ. The Air Force supports the AFCENT MILCON project at Shaw. This project was recently screened with a revised estimated cost of $21.2 million.

104. Senator GRAHAM. General Schwartz, the RFP for Shaw AFB's privatized housing initiative is soon to be released and is expected to include the requirement for two separate three-star quarters. Will the RFP still include this requirement?

General SCHWARTZ. Yes, the RFP is currently being finalized and will include this requirement. The RFP has a requirement for five general officer homes, including two separate three-star (O–9) quarters, two separate two-star (O–8) quarters, and one one-star (O–7) home.

[Whereupon, at 11:55 a.m., the committee adjourned.]

DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 2010

THURSDAY, JUNE 4, 2009

U.S. SENATE.
COMMITTEE ON ARMED SERVICES.
Washington, DC.

DEPARTMENT OF THE NAVY

The committee met, pursuant to notice, at 9:35 a.m., in room SH–216, Hart Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Lieberman, Reed, Akaka, Bill Nelson, Webb, McCaskill, Hagan, Burris, McCain, Inhofe, Thune, Martinez, Wicker, and Collins.

Committee staff members present: Richard D. DeBobes, staff director; and Leah C. Brewer, nominations and hearings clerk.

Majority staff members present: Creighton Greene, professional staff member; Jessica L. Kingston, research assistant; Thomas K. McConnell, professional staff member; and Russell L. Shaffer, counsel.

Minority staff members present: Joseph W. Bowab, Republican staff director; Daniel A. Lerner, professional staff member; David M. Morriss, minority counsel; Lucian L. Niemeyer, professional staff member; Christopher J. Paul, professional staff member; and Richard F. Walsh, minority counsel.

Staff assistants present: Kevin A. Cronin, Mary C. Holloway, and Brian F. Sebold.

Committee members' assistants present: Jay Maroney, assistant to Senator Kennedy; Christopher Griffin, assistant to Senator Lieberman; Nick Ikeda, assistant to Senator Akaka; Christopher Caple and Yariv Pierce, assistants to Senator Bill Nelson; Jon Davey and Dahlia Reed, assistants to Senator Bayh; Gordon I. Peterson, assistant to Senator Webb; Roger Pena, assistant to Senator Hagan; David Ramseur, assistant to Senator Begich; Vera Baker-Merlini, assistant to Senator Burris; Anthony J. Lazarski, assistant to Senator Inhofe; Lenwood Landrum and Sandra Luff, assistants to Senator Sessions; Clyde A. Taylor IV, assistant to Senator Chambliss; Brian W. Walsh, assistant to Senator Martinez; Erskine W. Wells, III assistant to Senator Wicker; Kevin Kane, assistant to Senator Burr; and Chip Kennett, assistant to Senator Collins.

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good morning, everybody. We want to welcome today Secretary Mabus, Admiral Roughead, and General Conway to the committee to testify on the plans and programs of the Department of the Navy and our review of the fiscal year 2010 Annual Budget and Overseas Contingency Operations Request.

This is Secretary Mabus's first testimony before this committee since he was confirmed, so we'll give you a special welcome. Congratulations, Mr. Secretary.

We're grateful to each of you for your service to this country and for your various services, for your very professional services over the years to the men and women of this country and particularly the men and women under your command, Admiral and General. We're grateful also to your families for the support that they give you.

Our witnesses this morning are faced with a number of critical issues that confront the Department of the Navy in the budget, such as balancing modernization needs against the cost of supporting ongoing operations in Iraq and Afghanistan.

In one notable case, the Nation is calling on the Marines to surge additional forces to Afghanistan which wouldn't be necessary if our allies supported operations there more adequately.

The Navy has been contributing directly to the war effort in U.S. Central Command (CENTCOM), as well. In addition to the normal deployments of ships and aircraft in support of these operations, the Navy currently has deployed more than 13,000 individual augmentees (IAs) to support these missions on the ground in Iraq and Afghanistan. That is not what many men and women joined the Navy for. They serve, however, without complaint. They're doing their duty brilliantly but these activities do further stress our troops and represent challenges to our servicemembers and their families.

I must express on behalf of the committee our thanks for how well and ably the men and women of the Department of the Navy and their families are responding to these challenges.

Secretary Gates has made a number of announcements on April 6 affecting the Department of the Navy programs, including program delays, like some of the ships for Maritime Prepositioning Force program, program reductions, such as buying nine fewer F/A–18E/Fs than had been planned, program terminations with substitutes, the DDG–1000 destroyer to be replaced by restarting the DDG–51 Aegis destroyer production line, and program terminations with no obvious replacement program, like the VH–71 Presidential Helicopter Replacement program.

We're going to need to hear from our witnesses clear explanations of how these proposed weapon systems changes are the product of the new strategy, the strategies espoused by the Secretary of Defense on April 6, and at our hearing with him and the Chairman of the Joint Chiefs of Staff in May. We need to hear the Navy's plans for each of the mission areas impacted by these proposed changes.

Many of the challenges facing the Department of the Navy center on acquisition programs. There are great concerns about the cost

problems in the shipbuilding arena, the most notable example being the Littoral Combat Ship (LCS) program.

Since last year the Navy has awarded contracts for the two LCS vessels approved in the 2009 budget with one ship awarded to each of the two LCS contractors. Since the LCS program is operating under a legislative cost cap of $460 million, it applies to the ship beginning with the fiscal year 2010. We will need to hear from witnesses about whether the Navy is on track to achieve that limit next year.

Changing requirements, poor cost estimates, inexperienced program managers, and poor supervision of the contractors' performance are among the causes of the cost overruns. We have been worried that the Navy had not learned those hard lessons, despite having claimed to have learned them many times before.

If the Department of the Navy is unable to get control of its acquisition programs and cost growth, the Navy will be unable to afford the fleet of 313 ships that Admiral Roughead says we need and it is obvious that other capabilities would suffer, as well.

I cannot over-stress the importance that the whole Navy Department shoulder its responsibility to correct these past problems in acquisition programs. The future strength of the Navy depends on it.

The President recently signed the Weapons Systems Acquisition Reform Act of 2009 and while this legislation will help correct past problems, I also know that we will succeed only through concerted efforts within the Executive Branch to implement the spirit of that legislation and improve past behavior within the department. We in Congress cannot legislate a culture change.

Another concern surrounds future ship and aircraft force levels. We are facing the prospect that the current Navy program will lead to potentially large gaps between the forces that the Chief of Naval Operations (CNO) has said he needs and the forces that will be available to his successors.

For instance, under current plans for tactical aircraft acquisition, the Navy is facing a shortfall of as many as 250 tactical fighters needed to outfit our 10 aircraft carrier air wings and 3 Marine Corps air wings. With shortfalls that large, we could be faced with drastically reducing the number of aircraft available on short notice to the combatant commanders, either because we have deployed under-strength air wings or because we did not deploy the carrier at all because of these aircraft shortages.

We look forward to your testimony today on these and other issues that are facing the Department of the Navy and we again thank you for all you're doing to address the challenges that face us.

Senator McCain.

STATEMENT OF SENATOR JOHN McCAIN

Senator MCCAIN. Mr. Chairman, I join you in welcoming our witnesses here today to discuss the President's budget request for fiscal year 2010 and for the Department of the Navy.

I support the priorities outlined in the Navy's 2010 budget request, totaling $156.4 billion in base funding. Obviously there are a number of issues that we need to discuss with our witnesses that

will be the subject of oversight and consideration by this committee in the weeks ahead.

The committee looks forward to being briefed on the full range of all the issues and how they will affect future budget decisions.

The fiscal year 2010 budget submission represents a snapshot of the overall requirements. It also raises a number of questions about the Navy's future force. For the past few years the Navy has justified to Congress the need for 313 ships. I'd be very interested in the witnesses' view as to whether this budget would be able to continue that level of force, given the funding and the issue of the cost overruns that unfortunately have plagued shipbuilding throughout in previous years and is still going on.

I'm very interested in hearing about the so-called fighter gap that's putting a looming shortfall of fighter planes at 243 aircraft by 2018, and does the Navy have the ability to maintain aircraft carrier, adequate carrier air wings to satisfy the needs of 11 aircraft carriers?

I'm very interested in hearing about the progress of the F–35 Joint Strike Fighter (JSF) as we are obviously planning on acquiring and accelerating the production—larger numbers and accelerating the production of the F–35 JSF.

I'd also be interested, Admiral Roughead, in your view of the readiness situation that we have seen some signs, like the engineering problems on the LPD–17 class ships and malfunctions on the *Ronald Reagan*, et cetera.

The Marine Corps has achieved its end strength growth of 202,000 more than 2 years earlier than originally forecasted. It's a remarkable job done by the Marine Corps and I'd be interested in General Conway's assessment as to why they've been able to show such significant improvement both in retention and recruiting.

I think it's a remarkable job, particularly when you look at the predictions made by many so-called military experts about the strain, and it is great, on military and their families as due to the incredible effort that needs to be made both in Iraq and Afghanistan, and yet we have such significant retention and recruiting.

I also think, General Conway, that from what I'm hearing, there are still shortfalls in re-enlistment at the captain and major level, and qualified and experienced noncommissioned officer (NCO) level, but I'd be very interested in that.

I also wonder whether the fact that victory in Iraq has had an effect on the morale, retention, and recruiting in the U.S. Marine Corps, despite the dire predictions of catastrophic failure and loss of the conflict.

Also, I'd be interested whether the current Marine Corps end strength is adequate to meet the dwell time goals. Is there more relief needed for the men and women who are serving in the Marine Corps, given the fact that we are basically shifting from Iraq to Afghanistan, not bringing them home?

As we know, personnel is the most important part of any military, and I'd be interested in Admiral Roughead's views in that area, as well.

I thank the witnesses. I look forward to the testimony, and I thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator McCain.

Secretary Mabus.

STATEMENT OF HON. RAYMOND E. MABUS, JR., SECRETARY OF THE NAVY

Secretary MABUS. Mr. Chairman, Senator McCain, distinguished members of the committee, it's a real honor to be here today with Admiral Roughead and General Conway on behalf of our sailors, marines, civilians, and their families.

Two weeks ago, I assumed the responsibilities of Secretary of the Navy. In this very short period of time it's been my privilege to gain firsthand insight into our Nation's exceptional Navy and Marine Corps.

This naval force serves today around the world providing a wide range of missions in support of our Nation's interests.

I'm here today to discuss with you the fiscal year 2010 budget, the various missions of the Navy and Marine Corps and some priorities of the department.

The department's fiscal year 2010 budget reflects commitment to our people, shaping our force, providing adequate infrastructure, and sustaining and developing the right capabilities for the future.

The ongoing Quadrennial Defense Review (QDR) will also aid in shaping the department's contributions to the national effort in the future.

As I have taken on these new duties, my first priority is to ensure that we take care of our people, sailors, marines, civilians, and their families. Thousands of brave marines and sailors are currently engaged in Iraq and Afghanistan and thousands more carry out other hazardous duties around the world. These inspirational Americans volunteer to serve and they're protecting us and our way of life with unwavering commitment. We have to show them the same level of commitment when providing for their health and welfare and that of their families.

Last week, I made a visit to the National Naval Medical Center, Bethesda, MD, and visited with our wounded. This was both a humbling and inspirational experience. It reinforced the enduring commitment we owe to them in terms of treatment, transition, and support. Programs like the Marine Corps Wounded Warrior Regiment, the Navy's Safe Harbor program, advances in treatment of traumatic brain injury, and programs that offer training for stress control have to continue to be our priorities.

Today our sailors and marines are serving and responding to a wide variety of missions, from combat operations to humanitarian assistance and maritime interdiction.

The Navy has 13,000 sailors ashore and 9,500 sailors at sea and CENTCOM is their responsibility. More than 25,000 marines are employed in Iraq and Afghanistan. Our civilian force is also heavily engaged in supporting these operational efforts. We have to ensure that the Department of the Navy will continue to meet these missions while investing in capabilities to provide the right naval force for our future challenges.

Real acquisition reform, too, has to be a priority. The Department of the Navy has begun to implement the Weapons Systems Acquisition Reform Act and is ready to use this act and other tools

to try to ensure that we get the right capabilities on time and at an affordable cost.

I look forward to working together with you in our shared commitment to our Nation and the marines, sailors, civilians, and their families. On behalf of all of them, thank you for your unwavering support of them.

I look forward to your questions.

[The prepared statement of Secretary Mabus follows:]

PREPARED STATEMENT BY HON. RAY MABUS

The Navy-Marine Corps Team—Prevailing Today, Preparing for Tomorrow

Chairman Levin, Senator McCain, and members of the committee, thank you for the opportunity to appear before you today as the 75th Secretary of the Navy. It is my great honor to serve with and represent the over 800,000 men and women of the United States Navy and Marine Corps—Active, Reserve, and civilian and their families. I am committed to ensuring that the naval force remains the preeminent sea power, ready to meet both current and future challenges.

I assumed my duties as Secretary of the Navy very recently. So please allow me to begin by expressing my gratitude to the members of the Senate, and especially this committee, for the trust that has been placed in me. I am humbled by and proud of the responsibility of representing the wonderful men and women of our Navy and Marine Corps.

Our enduring seapower has been essential to furthering America's interests worldwide. Its importance cannot be overstated, over 70 percent of the planet is covered by water, 80 percent of the world's inhabitants live near the oceans, and 90 percent of global commerce is transported by sea. By maintaining U.S. maritime dominance, our sailors and marines promote security, stability, and trust around the world. Together, we provide a persistent forward presence, power projection abroad, and protection of the world's sea lanes. Our sailors and marines, in cooperation with our foreign partners and allies, continue to provide training, deliver humanitarian aid, disaster relief and other assistance throughout the globe.

Our naval forces are uniquely postured to deter aggression and prevent escalations. Should deterrence fail, we stand ready to fight America's wars and defeat our adversaries. In times of crisis, Navy and Marine Corps units are often already on the scene or the first U.S. assets to arrive in force. They accomplish this all as a seaborne force with a minimum footprint.

To ensure and sustain an effective Navy and Marine Corps in an increasingly complex security environment, we must emphasize and promote a number of essential priorities.

First, we must ensure the proper care for our forces and their families. America's greatest military assets are the dedicated men and women who wear the uniform. Thousands of brave sailors and marines are currently engaged in Iraq and Afghanistan; thousands more carry out hazardous duties around the globe. Every one of these incredible Americans volunteered to serve, and they are protecting us and our way of life with unwavering commitment. As we drawdown in Iraq and increase our strength in Afghanistan, they once again stand ready to answer our Nation's call. We must show them the same level of commitment when providing for their health and welfare and that of their families.

Second, we must ensure that the Department of the Navy continues to meet our many missions of today, while preparing for the unknowable but inevitably complex challenges of tomorrow.

Third, we must continue to balance the Department of the Navy's programs, choosing to maintain or establish only those that are achievable, affordable, and responsive to our Nation's needs. We are committed to refining fiscal and budgetary discipline, tackling waste and cost overruns, and building our acquisition workforce. I look forward to working with you to make sure that the Department of the Navy does not shortchange our sailors, marines, or our taxpayers.

I. TAKE CARE OF OUR SAILORS AND MARINES AND THEIR FAMILIES

The Department continues to shape the force to balance today's missions and to provide flexibility for the future. The Marine Corps has accomplished its goal of growing the force to 202,100 marines. This will help to provide our marines greater dwell time and will provide the opportunity to address other training and missions that have not been accomplished in our recent history. The Navy force has sta-

bilized. Both the Navy and Marine Corps are meeting their recruiting goals both in numbers and quality. Our Reserves continue to play a key role as part of the Total Force and our civilians are a bedrock providing support around the globe to our warfighters and to our naval capabilities. Together, we thank you for your support in sustaining the people who stand in our ranks—military and civilian.

We must support and strive to find ways to improve the initiatives that provide for their physical and mental welfare. The following programs exemplify some of the actions we are taking.

Wounded Warrior Medical Care

We as a nation have no higher obligation than to care for our wounded heroes who have sacrificed so much to serve our Nation. We have a solemn duty to ensure that when our forces go into harm's way, there is an excellent, comprehensive and sustainable plan for the care of our wounded, ill, or injured. The budget request reflects the Department of the Navy's commitment to this highest priority, providing exceptional, individually tailored assistance to our wounded warriors, with a comprehensive approach designed to optimize their recovery, rehabilitation, and reintegration. The Navy Safe Harbor Program and the Marine Corps Wounded Warrior Regiment extend this assistance to the wounded, ill, and injured warriors and their families. The Navy Department is also collaborating with the Department of Defense (DOD) and the Department of Veterans Affairs to foster continuity of care across all systems and facilitate efficient and effective transitions.

Traumatic Brain Injury

Traumatic brain injury (TBI) is the defining wound of Operation Iraqi Freedom. The National Naval Medical Center Bethesda has a new state-of-the-art unit to treat TBI. I recently had the opportunity to visit this unit and was deeply impressed both by the staff and the facilities. This clinic provides unsurpassed inpatient care for polytrauma patients with TBI, serving all blast-exposed or head-injured casualties medically evacuated from theater. The medical professionals are highly trained and actively manage symptomatic patients and evaluate complex cases to fashion appropriate, individual treatment and rehabilitation plans.

To increase TBI detection during deployments, the Department of the Navy has implemented a strategy of lowering the index of suspicion for TBI symptoms and improving screening, detection, and treatment coordination between line and medical leaders.

The Department of the Navy has also expanded TBI research. Navy Medical Research Command is using new techniques to identify transmissibility of blast-wave energy into the brain, focusing on the nexus between the blast-wave energy transmission and the resulting brain pathology.

Psychological Health

To address post-traumatic stress disorder and other psychological conditions that effect more and more of our force, the Navy and the Marine Corps continue to improve their Operational Stress Control (OSC) programs. This comprehensive approach seeks to not only promote psychological resilience, but also a culture of psychological health among sailors and marines and their families. I am committed to removing any stigma associated with seeking help for mental health. To address this, the Bureau of Medicine and Surgery has established a centralized and comprehensive OSC program to indoctrinate psychological health-stigma reduction into the broader Navy-Marine Corps culture. This includes training and tools that line leadership can use from the newest accessions to flag and general officers. OSC is targeting perceptions within individuals and command leadership, as well as working to help caregivers overcome barriers to psychological health care.

Navy Medicine has established 17 Deployment Health Clinics as portals of care for servicemembers, staffed with primary-care medical and psychological health providers who support early recognition and treatment of deployment-related psychological health issues within the primary care setting. These examples are not all inclusive. Thank you for your continued support of these programs that are so vital to the overall strength of the Department.

Housing and Child Care

The world's finest naval force deserves the world's finest family support programs, including community and health care services and access to quality, affordable child care. The budget request demonstrates a commitment to our Navy and Marine Corps families by investing in family programs, housing, and infrastructure.

II. MEETING THE MISSIONS OF TODAY

While naval forces are conducting combat and combat-support missions in Iraq and Afghanistan, the Navy and the Marine Corps also stand ready to answer our Nation's call across the full spectrum of military operations. Despite a high operational tempo, our naval forces remain resilient and motivated, and they are performing superbly around the globe. We will work to continue their proud tradition of readiness and to ensure that they are fully trained and equipped for their assigned missions.

Today our marines and sailors are undertaking a myriad of missions, from combat operations in the mountains of Afghanistan, to humanitarian assistance in Africa. The Navy has over 9,900 Individual Augmentees and more then 6,600 reservists deployed on the ground around the world in support of Overseas Contingency Operations. Nearly half of the combat air missions over Afghanistan are flown by naval air forces. There are 283 active ships in service—76 percent of these ships, including 4 aircraft carriers and 2 large-deck amphibious ships, are underway. Over 50 percent of our attack submarines are underway, with nearly 40 percent of our submarine force on deployment.

More than 25,000 marines are deployed in support of Operations Iraqi Freedom and Enduring Freedom. The large majority are in Iraq; however, the process has begun drawing down those forces and increasing the number of marines in Afghanistan. Nearly 5,700 marines are deployed to various regions throughout Afghanistan—either as part of the Special Purpose Marine Air-Ground Task Force, Afghanistan, or in the 2nd Marine Expeditionary Brigade, Marine Special Operations Companies, Embedded Training Teams, or Individual Augments.

One of the most significant readiness challenges facing the Navy and the Marine Corps is balancing their current obligations to overseas contingency operations with other anticipated readiness requirements. To address these concerns, the Department of the Navy is working to expand our engagements with other nations in order to meet our common challenges.

Fostering trust and cooperative relationships with foreign partners is critical to national security, but trust cannot be simply summoned in moments of crisis. It must be developed over time. To revitalize existing relationships and create new ones, we need to show long-term commitment.

Our naval forces contribute significantly to cooperative security operations through forward presence and sustained, routine engagement with foreign partners and allies. We are committed to sustaining this core capability of the Maritime Strategy and ask for your continued support.

Additionally, in order to meet our readiness challenges, the Department is working to develop greater energy independence and conservation ashore and afloat. Energy costs siphon resources away from vital areas. The potential for disruption and the possible vulnerability of energy supplies could threaten our ability to perform on the battlefield.

The Department of the Navy has made good progress in increasing energy efficiency, reducing energy consumption, and capitalizing on renewable energy sources. We are the DOD lead for solar, geothermal, and ocean energy, and today, 17 percent of our total energy requirements are provided through alternative or renewable sources.

The Navy and Marine Corps can, and should, do more. As we continue to increase conservation and develop alternative energy options, the Department of the Navy can mitigate the impact of energy volatility, use energy as a strategic resource for operational advantage, and become a leader in environmental stewardship.

III. BUILDING AND BALANCING THE NAVAL FORCE OF THE FUTURE

The Department of the Navy will continue to meet America's current commitments worldwide, while simultaneously developing a force capable of meeting the challenges of the future. We will focus on irregular warfare and hybrid campaigns, while continuing those more conventional capabilities where our technology gives us a strategic advantage. The fiscal year 2010 budget request puts us on the path towards the goal of balancing near-term requirements with those of the next decade and beyond.

The budget request provides balanced support for deployed and nondeployed steaming days, associated flight hours, and related ship and aircraft maintenance. It works to bolster our naval forces' independence and flexibility by building on their unique ability to operate at great distance with long staying power. This budget would also fund the critical "eyes and ears" of our forces with increases to intelligence, reconnaissance, and surveillance programs and command, control, communications, computers programs. The budget shows commitment to maintain key ca-

pabilities such as power projection, sea control, interdiction, deterrence, and humanitarian assistance.

In an effort to continue to shape our future contributions to the joint force and our country, I look forward to engaging in the Quadrennial Defense Review, which strives to define the best, most affordable collective military force to defend our national interests at home and abroad.

Changes to how equipment is acquired are essential to building our forces for the future. We are committed to pursuing acquisition reform and cost control measures and look forward to implementing congressional acquisition reform, as well as working with you to continue to find ways to produce the best results out of our acquisition process.

Our sailors and marines are a superb fighting force which can be lethal or compassionate, patient or quick, as situations dictate. They are well-trained, proud warriors that continue to deserve the appreciation of a grateful nation. As their new Secretary, I look forward to working together with you to continue to enhance a relationship built on trust and commitment to our Nation, and the sailors, marines, civilians, and their families who sacrifice for its cause.

On behalf of the more then 800,000 dedicated men and women of the United States Navy and Marine Corps, I express our grateful appreciation to Congress for its continuing and unflagging support.

Chairman LEVIN. Thank you, Mr. Secretary.

Admiral Roughead.

STATEMENT OF ADM GARY ROUGHEAD, USN, CHIEF OF NAVAL OPERATIONS

Admiral ROUGHEAD. Mr. Chairman and Senator McCain, distinguished members of this committee, 67 years ago today our brave Navy forefathers fought at the Battle of Midway and changed the course of a world war.

Today I am privileged to report to you that our young sailors at war again continue to live up to the standards of courage and service that were set in that pivotal battle, whether it be in a conventional battle that we might anticipate or in the irregular fight in which we are engaged in.

On their behalf, I thank you for your continued support and for the opportunity to represent our Navy's sailors, civilians, and their families.

Today we have 40,000 sailors on station around the world making a difference. We are more versatile and agile than we have ever been with more than 13,000 sailors on the ground in the CENTCOM area of operation, to include SEALS, explosive ordnance disposal technicians, Seabees, and IAs.

The 2010 budget balances the needs of those sailors around the world, our current operations and the needs for our future fleet in accordance with our maritime strategy. However, we are progressing at an adjusted pace. Our risk is moderate today, trending towards significant because of challenges posed by our fleet capacity, operational requirements, manpower, maintenance, and infrastructure costs.

Our Navy is operating at its highest levels in recent years and while we remain ready and capable, we are stretched in our ability to meet additional operational demands while balancing our obligation to our people and to building the future fleet.

We require additional capacity to meet combatant commander demands and to meet our operational tempo. A fleet of at least 313 ships is needed, along with capabilities that include more ballistic missile defense, irregular warfare, and open ocean antisubmarine warfare (ASW) capabilities.

These needs drove the decision to truncate DDG–1000 and restart DDG–51 with its blue water ASW capability and integrated air and missile defense, and also to move forward in procuring three LCSs this year.

As I articulated last year, our Navy must have a stable shipbuilding program that provides the right capability and capacity while preserving our Nation's industrial base. The balance among capability, capacity, affordability, and executability in our procurement plans, however, is not optimal.

I continue to focus on the control of requirements, integration of total ownership costs into our decisionmaking, maturing new ship designs before production, and pursuing proven designs. The use of common hull forms and components are also important and longer production runs to control costs as we build the future fleet are imperative.

To best maintain the ships we have, we reinstituted an engineering-based approach to maintenance for our surface ships through the Surface Ship Life Cycle Management Activity. Meanwhile, our Board of Inspection and Survey Teams (INSURV) will continue to use our internal INSURV process to conduct rigorous self-assessments on the condition of our ships and submarines.

All that we do is made possible by our dedicated sailors and Navy civilians. I am committed to providing the necessary resources and shaping our personnel policies to ensure our people and their families are properly supported.

We are stabilizing our force this year by seeking authorization and funding for an end strength of 328,800 sailors, including overseas contingency operations funding for 4,400 IAs who are in today's fight.

We continue to provide a continuum of care that covers all aspects of individual medical, physical, psychological and family readiness to our returning warriors and sailors.

In 2008, we added 170 care managers to our military treatment facilities and ambulatory care clinics for our 1,800 wounded warriors and their families. In addition, we continue to move mental health providers closer to the battlefield and are actively working against the stigma of post-traumatic stress disorder.

Achieving the right balance within and across my three priorities of the future fleet, current operations, and people is critical today and for the future. I ask Congress to fully support our fiscal year 2010 budget and identified priorities.

Thank you for your continued support and commitment to our Navy and for all you do to make the United States Navy a force for good around the world today and in the future.

I look forward to your questions.

[The prepared statement of Admiral Roughead follows:]

PREPARED STATEMENT BY ADM GARY ROUGHEAD, USN

NAVY FISCAL YEAR 2010 POSTURE STATEMENT

Chairman Levin, Senator McCain, and members of the committee, it is an honor to appear before you today representing the more than 600,000 sailors and civilians of the United States Navy. We are making a difference around the world. We are globally deployed, persistently forward, and actively engaged. I greatly appreciate your continued support as our Navy defends our Nation and our national interests.

Last year, I came before you to lay out my priorities for our Navy, which were to build tomorrow's Navy, remain ready to fight today, and develop and support our sailors, Navy civilians, and families. We made great progress on those priorities this past year. Sustaining our Navy's maritime dominance requires the right balance of capability and capacity for the challenges of today and those we are likely to face in the future. It demands our Navy remain agile and ready.

Our Maritime Strategy, issued by the Navy, Marine Corps, and Coast Guard over a year ago, continues to guide our efforts. The strategy recognizes the importance of naval partnerships, elevates the importance of preventing war to the ability to fight and win, and identifies six core capabilities: forward presence, deterrence, sea control, power projection, maritime security, and humanitarian assistance and disaster response. We have increased the breadth and depth of our global maritime partnerships. We have engaged, more than ever, in stability operations and theater security cooperation. Moreover, we are performing each of our six core capabilities as part of the joint force in Operation Enduring Freedom (OEF) and Operation Iraqi Freedom (OIF), and across the globe.

We continue to build tomorrow's Navy. As I articulated last year, our Navy needs a stable shipbuilding program that provides the right capability and capacity for our fleet while preserving our Nation's industrial base. Since I came before you last year, 10 new ships have joined our fleet. Among them, is USS *Freedom* (LCS–1), an important addition that addresses critical warfighting gaps. We have increased oversight and are working closely with industry to lower LCS costs and meet program milestones. I am pleased to announce we have awarded fixed price, incentive fee contracts for the third and fourth LCS ship. We are aggressively working to ensure LCS is a successful and affordable program. The introduction of USS *George H.W. Bush* (CVN–77) earlier this year also re-affirmed the strength and power of the American shipbuilder and our industrial base. I remain committed to a carrier force of 11 for the next three decades. In our drive to build the future fleet, I continue to demand that we accurately articulate requirements and remain disciplined in our processes. As I testified last year, effective procurement requires affordable and realistic programs to deliver a balanced future fleet.

We reached several key milestones in Navy aviation over the last year. Recently, the first P–8A Poseidon aircraft successfully completed its first flight. The P–8A will replace our aging P–3 Orion maritime patrol aircraft, which we have adapted to the fight we are in by providing critical Intelligence, Surveillance, and Reconnaissance capabilities to current operations in Iraq and Afghanistan. We also issued our first contract for the Broad Area Maritime Surveillance (BAMS) aircraft, which will provide capability to meet the challenges we are likely to face in the future. As I identified last year, we continue to expect a decrease in the number of our strike fighters between 2016 and 2020 which will affect the capacity and effectiveness of our carrier air wings. The timely delivery of the F–35 Joint Strike Fighter (JSF) is critical to meeting our strike fighter needs.

While we have been building our Navy for tomorrow, we have also been focused intensely on today's fight. Our sailors are fully engaged on the ground, in the air, and at sea in support of operations in Iraq and Afghanistan. On the ground, our Navy has more than 13,000 Active and Reserve sailors in Central Command supporting Navy, Joint Force, and combatant commander requirements. Navy commanders are leading 6 of the 12 U.S.-led Provincial Reconstruction Teams in Afghanistan. Our elite teams of Navy SEALs are heavily engaged in combat operations. Navy Explosive Ordnance Disposal platoons are defusing Improvised Explosive Devices (IEDs) and landmines. Our Seabee construction battalions are rebuilding schools and restoring critical infrastructure. Navy sealift is delivering the majority of heavy war equipment to Iraq, while Navy logisticians are ensuring materiel arrives on time. Our Navy doctors are providing medical assistance in the field and at forward operating bases. In addition, I am thankful for the support of Congress for Navy Individual Augmentees who are providing combat support and combat service support for Army and Marine Corps personnel in Iraq and Afghanistan. On the water, Navy Expeditionary Combat Command riverine forces are working closely with the Iraqi Navy to safeguard Iraqi infrastructure and provide maritime security in key waterways. Navy forces are also intercepting smugglers and insurgents and protecting Iraqi and partner nation oil and gas infrastructure. We know the sea lanes must remain open for the transit of oil, the lifeblood of the Iraqi economy, and our ships and sailors are making that happen.

Beyond the fight in Iraq and Afghanistan, however, we remain an expeditionary force, engaged around the world. As the dramatic capture of Maersk *Alabama* and subsequent rescue of Captain Richard Phillips demonstrated, we do not have the luxury to be otherwise. We are engaged in missions from the Horn of Africa, to the Caribbean and the Philippines. Our operations range from tracking attempted bal-

listic missile launches from North Korea, to interacting with international partners at sea, to providing medical and humanitarian assistance from the sea. Our sailors continue to be ambassadors for our Nation. This past October marked the first visit ever of a U.S. nuclear-powered ship, USS *Theodore Roosevelt,* to South Africa, the first year Navy ships were engaged in operations on both the East and West Coasts of Africa, and the first visit ever of a U.S. Chief of Naval Operations (CNO) to South Africa. Additionally, my recent visit to China continued a dialogue with the PLA(N) that will enhance our military-to-military relationships. In total, we have more than 50,000 sailors deployed and more than 10,500 in direct support of global requests for forces and joint manning requirements.

My commitment to developing and supporting our sailors and Navy civilians in their global operations endures. We have met overall officer and enlisted (Active and Reserve) recruiting goals for 2008 and are on track for success in 2009. We are also improving the diversity of our Navy through significant outreach and mentorship. We continue to provide, support, and encourage training and education for our warfighters in the form of Joint Professional Military Education, Language Regional Expertise and Cultural programs, and top-notch technical schoolhouses. In addition, to help our sailors balance between their service to the Nation and their lives at home and with their families, we have expanded access to childcare, and improved housing for families and bachelors through Public Private Ventures (PPV). We also continue to address the physical and mental needs of our Wounded and Returning Warriors and their families, as well as the needs of all our sailors who deploy. I appreciate the support of Congress for these incredible men and women.

My focus as CNO is to ensure we are properly balanced to answer the call now and in the decades to come. As I indicated last year, the balance among capability, capacity, affordability, and executability in our procurement plans is not optimal. This imbalance has increased our warfighting, personnel, and force structure risk in the future. Our risk is moderate today trending toward significant in the future because of challenges associated with fleet capacity, increasing operational requirements, and growing manpower, maintenance, and infrastructure costs.

We remain a ready and capable Navy today, but the stress on our platforms and equipment is increasing. We can meet operational demands today but we are stretched in our ability to meet additional operational demands while taking care of our people, conducting essential platform maintenance to ensure our fleet reaches its full service life, and modernizing and procuring the Navy for tomorrow. Our fiscal year 2010 budget aligns with the path our Maritime Strategy has set; however, we are progressing at an adjusted pace. Our budget increases our baseline funding, yet our Navy continues to rely on contingency funding to meet current operational requirements and remain the Nation's Strategic Reserve across the entire spectrum of conflict.

Achieving the right balance within and across my priorities will be critical as we meet the challenges of today and prepare for those of tomorrow. I request your full support of our fiscal year 2010 budget request and its associated capabilities, readiness, and personnel initiatives highlighted below.

BUILD TOMORROW'S NAVY

To support our Nation's global interests and responsibilities, our Navy must have the right balance of capability and capacity, across multiple regions of the world, to prevent and win in conflict today while providing a hedge against the challenges we are most likely to face tomorrow. You have provided us with a fleet that possesses the capabilities combatant commanders demand. Our budget request for fiscal year 2010 increases the capacity of our fleet to respond to those demands.

We are addressing our aviation capability and capacity by investing in both new and proven technologies. Our EA–18G aircraft utilize the same airframe as the F/A–18F, which improves construction costs and efficiencies, but it is equipped for airborne electronic attack, rather than strike missions. The EA–18G will complete operational testing this year and eventually replace our existing EA–6B fleet. Our budget includes procurement and research, development, test, and evaluation funding for this aircraft and for our P–8A Multi-mission Maritime Aircraft, which will replace our aging P–3 Orion Fleet. In addition to manned aviation, our Navy is investing in unmanned aircraft, such as Firescout, which is more affordable, can be built in larger numbers, and can do the missions needed in the small wars and counterinsurgencies we are likely to face in the near- to mid-term. We are also investing in the BAMS System, which is the only unmanned aircraft that can provide long-range intelligence, surveillance, and reconnaissance in the maritime environment. Our aviation programs increased by more than $4.2 billion from fiscal year 2009 to fiscal year 2010 to achieve the right balance of capability and capacity.

Our Navy's operational tempo over the past year reaffirms our need for a minimum of 313 ships. The mix of those ships has evolved in response to the changing security environment and our investments in fiscal year 2010 support growing combatant commander demands for ballistic missile defense (BMD), irregular warfare, and open ocean antisubmarine warfare (ASW). We are also addressing demands for high speed and intra-theater lift, as well as a variety of missions in the littoral. Specifically, our fiscal year 2010 budget funds eight ships: the 12th *Virginia*-class submarine, three Littoral Combat Ships (LCS), two T–AKE Dry Cargo and Ammunition Ships, a second Joint High Speed Vessel (JHSV) for the Navy, and an advanced *Arleigh Burke*-class destroyer that will restart the DDG–51 program. The budget also funds the balance of LPD–26 and DDG–1002 construction, and provides third-year funding for CVN–78.

American shipbuilding is not broken, but improvements are needed. Since becoming CNO, I have focused on our need to address and control procurement and total ownership costs. Shipbuilding costs have been increasing as a result of reductions in number of ships procured, overtime costs, and challenges associated with the introduction of new technologies and sophisticated systems. We are addressing these costs by maturing new ship designs to adequate levels before commencing production, and by pursuing common hull forms, common components, proven designs, and repeat builds of ships and aircraft to permit longer production runs and lower construction costs. Additionally, our shipbuilding plans incorporate open architecture for hardware and software systems and increasingly use system modularity. These initiatives reduce costs from inception to decommissioning and allow ease of modernization in response to evolving threats.

In 2008, we introduced a more comprehensive acquisition governance process to better link requirements and costs throughout the procurement process. I will work closely with the Secretary of the Navy to grow our acquisition workforce and enhance our ability to properly staff and manage our acquisition programs. I also enthusiastically support reviewing the overall acquisition and procurement processes to determine how the Services can best address costs and accountability.

A solid and viable industrial base is essential to national security and our future Navy, and is a significant contributor to economic prosperity. Shipbuilding alone is a capital investment that directly supports more than 97,000 American jobs and indirectly supports thousands more in almost every U.S. state. Similarly, aircraft manufacturing provides extraordinary and unique employment opportunities for American workers. Like the manufacturing base in other sectors of our economy, the shipbuilding and aircraft industries depend upon stable and predictable workloads to stabilize their workforce and maximize efficiencies. Level loading of ship and aircraft procurements helps retain critical skills and promotes a healthy U.S. shipbuilding and aircraft industrial base.

I seek your support for the following initiatives and programs:

Aircraft Carrier Force Structure

The Navy remains committed to a force of 11 carriers for the next 3 decades that can respond to national crises and provide options when access is not assured. Our carrier force provides the Nation the unique ability to overcome political and geographic barriers to access critical areas and project power ashore without the need for host nation ports or airfields.

The 11-carrier requirement is based on a combined need for world-wide presence requirements, surge availability, training and exercises, and maintenance. During the period between the planned 2012 inactivation of USS *Enterprise* (CVN–65) and the 2015 delivery of *Gerald R. Ford* (CVN–78), however, legislative relief is needed to temporarily reduce the operational carrier force to 10. Extending *Enterprise* beyond 2012 involves significant technical risk, challenges manpower and the industrial base, and requires expenditures in excess of $2.8 billion with a minimal operational return on this significant investment. Extending *Enterprise* would result in only a minor gain in carrier operational availability and adversely impact carrier maintenance periods and operational availability of the force in the future. The temporary reduction to 10 carriers can be mitigated by adjustments to deployments and maintenance availabilities. I request your approval of this legislative proposal.

F/A–18 and Joint Strike Fighter

Navy and Marine Corps carrier-based F/A–18 aircraft are providing precision strike in support of forces on the ground in Iraq and Afghanistan. The F/A–18 E/F is the aviation backbone of our Navy's ability to project power ashore without bases that infringe on a foreign nation's sovereign territory. At the rate we are operating these aircraft, the number of our carrier-capable strike fighters will decrease between 2016 and 2020, which will affect our air wing capacity and effectiveness.

The F–35 JSF is essential to addressing the Navy's strike fighter needs. Stable funding of JSF will facilitate the on-time and within budget delivery of the aircraft to our fleet. I also appreciate the support of Congress for our fiscal year 2010 request that continues to fund F/A–18 E/F production while transitioning to JSF.

Littoral Combat Ship

LCS is a fast, agile, and networked surface combatant with capabilities optimized to support naval and joint force operations in littoral regions. LCS fills warfighting gaps in support of maintaining dominance in the littorals and strategic choke points around the world. It will operate with focused-mission packages, which will include manned and unmanned vehicles, to execute a variety of missions, primarily ASW, anti-surface warfare (SUW), and mine countermeasures.

LCS's inherent characteristics of speed, agility, shallow draft, payload capacity, reconfigurable mission spaces, and air/water craft capabilities, combined with its core Command, Control, Communications, Computers and Intelligence, sensors, and weapons systems, make it an ideal platform for engaging in irregular warfare and maritime security operations, to include counter-piracy missions.

I am pleased to report that USS *Freedom* (LCS–1) is at sea and *Independence* (LCS–2) will deliver later this year. We have issued fixed-price incentive fee contracts for construction of the next two LCS ships based on a limited competition between the current LCS seaframe prime contractors.

The Navy is aggressively pursuing cost reduction measures to ensure delivery of future ships on a schedule that affordably paces evolving threats. We are applying lessons learned from the construction and test and evaluation periods of the current ships, and we are matching required capabilities to a review of warfighting requirements. I am committed to procuring 55 LCS, however legislative relief may be required regarding the LCS cost-cap until manufacturing efficiencies can be achieved. Our fiscal year 2010 budget includes funding for three additional LCS seaframes.

DDG–1000/DDG–51

Ballistic missile capability is rapidly proliferating and, since 1990, the pace of that proliferation has increased markedly. Non-state actors are also acquiring advanced weapons, as demonstrated in 2006 when Hezbollah launched a sophisticated anti-ship missile against an Israeli ship. In addition, while DDG–1000 has been optimized for littoral ASW, the number of capable submarines worldwide does not allow us to diminish our deep-water capabilities. The world has changed significantly since we began the march to DDG–1000 in the early 1990s and, today, combatant commander demands are for BMD, Integrated Air and Missile Defense, and ASW.

To align our surface combatant investment strategy to meet these demands, we are truncating the DDG–1000 program at three ships and appropriately restarting the DDG–51 production line. The technologies resident in the DDG–51 provide extended range air defense now, and when coupled with open architecture initiatives, will best bridge the transition to the enhanced BMD and integrated air and missile defense capability envisioned in the next generation cruiser. In our revised plan, we are addressing the changing security environment and the dynamic capability requirements of the fleet, while providing maximum stability for the industrial base.

Our fiscal year 2010 budget requests $1.084 billion to provide the balance of incremental funding for the third ship of the DDG–1000 class authorized in 2009. In addition, $2.241 billion is requested to restart the DDG–51 program. The SWAP II Memorandum of Agreement will align construction responsibilities to ensure shipyard workload stability, stabilize and minimize cost risk for the DDG–1000 program, and efficiently restart DDG–51 construction. Research, development, test and evaluation efforts for the DDG–1000 program, will continue in order to deliver the necessary technology to complete the DDG–1000 class ships and support the CVN–78 class.

Ballistic Missile Defense

The increasing development and proliferation of ballistic missiles threatens our homeland, our allies, and our military operations. Current trends indicate adversary ballistic missile systems are becoming more flexible, mobile, survivable, reliable, accurate, and possess greater range. Threats posed by ballistic missile delivery are likely to increase and become more complex over the next decade.

Our Navy is on station today performing BMD as a core mission. Maritime BMD is a joint warfighting enabler. Aegis BMD contributes to homeland defense through long-range surveillance and tracking and Aegis BMD ships can conduct organic mid-course engagements of short- and medium-range ballistic missiles in support of regional and theater defense. Our Navy and partner nation Aegis BMD capability, proven and deployed around the world, has an impressive record of success: 18 of

22 direct hits on target, of which 3 of 3 were successful engagements within the earth's endo-atmosphere.

Today, Navy Aegis BMD capability is currently installed on 18 ships: 3 guided missile cruisers and 15 guided missile destroyers. In response to an urgent combatant commander demand, the Defense Department budget requests $200 million to fund conversion of six additional Aegis ships to provide BMD capability. Ultimately, our plan is to equip the entire Aegis fleet with BMD capability, to provide joint commanders an in-stride BMD capability with regularly deploying surface combatants. While development and procurement funding is covered under the Missile Defense Agency budget, Navy has committed $14.5 million in fiscal year 2010 for operations and sustainment of Aegis BMD systems and missiles that have transferred to the Navy.

Modernizing Cruisers and Destroyers

Our cruiser and destroyer modernization programs provide vital mid-life upgrades to the combat systems and hull, mechanical, and engineering systems. These upgrades complement our engineered ship life-cycle maintenance efforts, which are necessary to ensure our ships maintain their full service life. Combat systems upgrades, in particular, reduce technology risk for future surface combatants and provide a rapid and affordable capability insertion process. Maintaining the stability of the cruiser and destroyer modernization programs will be critical to our future Navy capability and capacity. Our fiscal year 2010 budget includes funds to modernize two cruisers and two destroyers.

Joint High Speed Vessel

Intra-theater lift is key to enabling the United States to rapidly project, maneuver, and sustain military forces in distant, anti-access or area-denial environments. The JHSV program is an Army and Navy joint program to deliver a high-speed, shallow draft surface ship capable of rapid transport of medium payloads of cargo and personnel within a theater to austere ports without reliance on port infrastructure for load/offload. The detail design and lead ship construction contract was awarded to Austal USA on November 13, 2008, and includes contract options for nine additional ships for the Army and Navy. Delivery of the first vessel will be to the Army and is expected in 2011. Our fiscal year 2010 budget includes $178 million for the construction of the Navy's second JHSV. Navy will oversee procurement of the second Army funded vessel.

LPD–17 Class Amphibious Warfare Ship

The LPD–17 class of amphibious warfare ships represents the Navy's commitment to a modern expeditionary power projection fleet that will enable our naval force to operate across the spectrum of warfare. The class will have a 40-year expected service life and serve as the replacement for four classes of older ships: the LKA, LST, LSD–36, and the LPD–4. *San Antonio* class ships will play a key role in supporting ongoing overseas operations by forwardly deploying marines and their equipment to respond to global crises. USS *Green Bay* (LPD–20) was commissioned in January 2009 and USS *New Orleans* (LPD–18) deployed the same month. *New York* (LPD–21) is planned to deliver this fall. LPDs–22–25 are in various stages of construction. Our fiscal year 2010 budget requests $872 million for the balance of the funding for LPD–26, which was authorized in 2009. Further, we request $185 million of advance procurement for LPD–27 to leverage production efficiencies of the existing LPD–17 class production line. Amphibious lift will have my highest attention as we address it in the ongoing Quadrennial Defense Review.

P–3 Orion and P–8 Multi-mission Maritime Aircraft

Your continued support of the P–3 and P–8A force remains essential. The legacy P–3 Orion, is providing critical intelligence, surveillance, and reconnaissance (ISR) to the current fight and it is a key enabler in the execution of our Maritime Strategy. An airframe in very high demand, the P–3 supports the joint warfighter with time-critical ISR, contributes directly to our maritime domain awareness across the globe, and is our Nation's pre-eminent airborne deterrent to an increasing submarine threat. Thirty-nine P–3s were grounded in December 2007 due to airframe fatigue. I thank Congress for providing $289.3 million to our Navy in the fiscal year 2008 supplemental to fund the initial phase of the recovery program.

Boeing has resolved labor issues with their workforce and is implementing a recovery plan for the P–8A within fiscal resources that will restore the program schedule from delays caused by last year's strike.

The P–8A Poseidon will start to fill the P–3 capability in 2013. I am pleased to report the program reached a critical milestone this April when the first P–8A test

aircraft successfully completed its first flight. I request your support of our fiscal year 2010 budget request for six P–8A aircraft.

E–2D Advanced Hawkeye

The E–2D Advanced Hawkeye aircraft replaces the E–2C Hawkeye aircraft. The aircraft's APY–9 radar is a two-generation leap in airborne surveillance radar capability, significantly improving detection and tracking of small targets in the overland and littoral environment when compared to the E–2C. The E–2D improves nearly every facet of tactical air operations, maintains open ocean capability, and adds overland and littoral surveillance to support theater air and missile defense capabilities against air threats in high clutter, electromagnetic interference, and jamming environments. I ask Congress to support our fiscal year 2010 budget request for two E–2D Hawkeye aircraft.

Unmanned Aerial Systems

We are investing in unmanned systems to enhance our capacity to meet increasing global demands for ISR capability. The BAMS UAS enhances situational awareness of the operational environment and shortens the sensor-to-shooter kill chain by providing persistent, multiple-sensor ISR to fleet commanders and coalition and joint forces. Our fiscal year 2010 budget requests funding for continued research and development of BAMS. We are also requesting funding for the procurement of five MQ–8 Vertical Takeoff and Landing Tactical UAVs (VTUAV). The MQ–8 supports LCS core mission areas of ASW, mine warfare, and SUW. It can operate from all air-capable ships and carry modular mission payloads to provide day and night real-time reconnaissance, surveillance and target acquisition capabilities. VTUAV began operational testing this March aboard USS *McInerny* (FFG–8).

MH–60R/S Multi-Mission Helicopter

The MH–60R multi-mission helicopter program will replace the surface combatant-based SH–60B and carrier-based SH–60F with a newly manufactured airframe and enhanced mission systems. The MH–60R provides forward-deployed capabilities, including surface warfare, and ASW, to defeat area-denial strategies, which will enhance the ability of the joint force to project and sustain power. MH–60R deployed for the first time in January 2009 with the USS *John C. Stennis*. Our fiscal year 2010 budget requests funding to procure 24 MH–60R helicopters.

The MH–60S will support deployed forces with combat logistics, search and rescue, air ambulance, vertical replenishment, SUW, airborne mine countermeasures, and naval special warfare mission areas. Our fiscal year 2010 budget requests funding to procure 18 MH–60S helicopters.

Virginia-Class SSN

The *Virginia*-class submarine is a multi-mission submarine that dominates in the littorals and open oceans. Now in its 10th year of construction, the *Virginia* program is demonstrating that this critical undersea capability can be delivered affordably and on time. We have aggressively reduced construction costs of the *Virginia*-class to $2 billion per submarine, as measured in fiscal year 2005 dollars, through construction performance improvements, redesign for affordability, and a multi-year procurement contract, which provides an assured build rate for shipyards and vendors and offers incentives for cost, schedule, and capital expenditure for facility improvements. Not only are these submarines coming in within budget and ahead of schedule, their performance is exceeding expectations and continues to improve with each ship delivered. I consider *Virginia*-class cost reduction efforts a model for all our ships, submarines, and aircraft.

SSBN

Our Navy supports the Nation's nuclear deterrence capability with a credible and survivable fleet of 14 *Ohio*-class ballistic missile submarines (SSBN). Originally designed for a 30-year service life, this class will start retiring in 2027 after over 40 years of service life.

As long as we live in a world with nuclear weapons, the United States will need a reliable and survivable sea-based strategic deterrent. Our fiscal year 2010 budget requests research and development funds for the *Ohio*-class replacement, to enable the start of construction of the first ship in fiscal year 2019. The United States will achieve significant program benefits by aligning our efforts with those of the United Kingdom's Vanguard SSBN replacement program. The U.S. and U.K. are finalizing a cost sharing agreement.

Foreign Military Sales

Our Navy also supports the development of partner capability and capacity through a robust Foreign Military Sales (FMS) program. FMS is an important aspect of security cooperation programs designed to improve interoperability, military-to-military relations, and global security. Navy uses the FMS program to help build partner nation maritime security capabilities through transfers of ships, weapon systems, communication equipment, and a variety of training programs. Sales and follow-on support opportunities may also result in production line efficiencies and economies of scale to help reduce U.S. Navy costs. In the past year, Navy FMS has worked with over 147 nations and international organizations, coordinating 2 ship transfers and 25 ship transfer requests, providing military training to over 12,000 international military members, with total FMSs of roughly $6.8 billion. Congressional support is key to the successful transfer of U.S. equipment to our partners. I thank you for your continued support in this area.

Next Generation Enterprise Network

To pace the complex and adaptive techniques of potential adversaries, we need survivable and persistent network communications that enable secure and robust means to command and control our assets, and to use, manage, and exploit the information they provide. These functions come together in cyberspace, a communication and warfighting domain that includes fiber optic cables on the ocean floor, wireless networks, satellite communications, computer systems, databases, Internet, and most importantly, properly trained cyber personnel to execute cyberspace effects. Cyberspace presents enormous challenges and unprecedented opportunities to shape and control the battlespace. Recent activities, such as the cyber attacks on Georgia and Estonia last year, highlight the complex and dynamic nature of cyber threats.

Our Navy has provided cyber capabilities to the joint force for more than 11 years and we continue to make security and operations in the cyberspace domain a warfighting priority. The challenge we face today is balancing our need to collect and share information with our need to protect against 21st century cyber threats. We are taking steps to effectively organize, man, train, and equip our Navy for cyber warfare, network operations, and information assurance. We are also working closely with Joint and interagency partners to develop offensive and defensive cyberspace capabilities, infrastructure, experience, and access, rather than developing independent, Navy-only capabilities.

As we move from the Navy-Marine Corps Intranet (NMCI) to the Next Generation Enterprise Network (NGEN), the sophistication, speed, and persistence of cyber threats we observe today makes it imperative that we continually improve our network capabilities, improve our flexibility to adapt to changing environment, and maintain complete operational control of the network. NGEN Block 1 is the follow-on to the existing NMCI contract that expires 30 September 2010. It replaces the services currently provided by NMCI and takes advantage of lessons learned from that network. Future NGEN Blocks will upgrade services provided by NMCI and the OCONUS Navy Enterprise Network. NGEN will also integrate with shipboard and Marine Corps networks to form a globally integrated, Naval Network Environment to support network operations. NGEN will leverage the Global Information Grid and, where possible, utilize DOD enterprise services. A comprehensive transition strategy is currently being developed to detail the approach for transition from NMCI to NGEN. I appreciate the support of Congress as we execute a continuity of services contract to assist in this transition.

REMAIN READY TO FIGHT TODAY

Our Navy is operating at its highest levels in recent years. As I testified last year, even as our Nation shifts its focus from Iraq to Afghanistan, our Navy's posture, positioning, and frequency of deployment remain high. Combatant commanders recognize the value of Navy forces to the current fight and to operations worldwide. We are meeting new needs for BMD in Europe and the Pacific, counterpiracy and maritime security in Africa and South America, and humanitarian assistance in the Caribbean and Southeast Asia. Many of these demands started as one-time sourcing requests and have evolved into enduring requirements for Navy forces. As a result, we have experienced a significant difference between our budgeted and actual fleet operations from year to year, as well as an increase in maintenance requirements for our fleet as a result of its increased operational tempo.

We have been able to meet these requirements by relying on a combination of base budget and contingency funding and the continuous readiness of our force generated by the Fleet Response Plan (FRP). FRP allows us to provide continuous availability of Navy forces that are physically well-maintained, properly manned, and ap-

propriately trained to deploy for ongoing and surge missions. Any future funding reductions or increased restrictions limit our Navy's ability to respond with as much flexibility to increased combatant commander demands worldwide.

Our bases and infrastructure enable our operational and combat readiness and are essential to the quality of life of our sailors, Navy civilians, and their families. I appreciate greatly your enthusiastic support and confidence in the Navy through the inclusion of Navy projects in the American Reinvestment and Recovery Act. The funding provided through the Recovery Act addresses some of our most pressing needs for Child Development Centers, barracks, and energy improvements. Our projects are prioritized to make the greatest impact on mission requirements and quality of life. All of our Recovery Act projects meet Congress' intent to create jobs in the local economy and address critical requirements. These projects are being quickly and prudently executed to inject capital into local communities while improving mission readiness and quality of work and life for our sailors and families.

I appreciate your support for the following initiatives:

Training Readiness

The proliferation of advanced, stealthy, nuclear and non-nuclear submarines, equipped with anti-ship weapons of increasing range and lethality, challenge our Navy's ability to guarantee the access and safety of joint forces. Effective ASW remains a remarkably and increasingly complex, high-risk warfare area that will require continued investment in research and development to counter the capabilities of current and future adversaries.

Active sonar systems, particularly medium frequency active (MFA) sonar, are key enablers of our ability to conduct effective ASW. MFA sonar is the Navy's most effective tool for locating and tracking submarines at distances that preclude effective attack on our ships. We must conduct extensive integrated training, to include the use of active sonar, which mirrors the intricate operating environment present in hostile waters, particularly the littorals. This is of the highest importance to our national security and the safety of our sailors and marines.

Over the past 5 years, Navy has expended significant effort and resources preparing comprehensive environmental planning documentation for our at sea training and combat certification activities. The Navy remains a world leader in marine mammal research, and we will continue our robust investment in this research in fiscal year 2010 and beyond. Through such efforts, and in full consultation and cooperation with our sister Federal agencies, Navy has developed effective measures that safely protect marine mammals and the ocean environment from adverse impacts of MFA sonar while not impeding vital naval training.

In overruling attempts to unduly restrain Navy's use of MFA sonar in Southern California training ranges, the Supreme Court cited President Teddy Roosevelt's quote "the only way in which a navy can ever be made efficient is by practice at sea, under all conditions which would have to be met if war existed." We can and do balance our responsibility to prepare naval forces for deployment and combat operations with our responsibility to be good stewards of the marine environment.

Depot Level Maintenance

Optimum employment of our depot level maintenance capability and capacity is essential to our ships and aircraft reaching their expected service life. Depot maintenance is critical to the safety of our sailors and it reduces risk caused by extension of ships and aircraft past their engineered maintenance periodicity. Effective and timely depot level maintenance allows each ship and aircraft to reach its expected service life, preserving our existing force structure and enabling us to achieve our required capacity.

I have taken steps to enhance the state of maintenance of our surface combatants. In addition to our rigorous self-assessment processes that identify maintenance and readiness issues before our ships and aircraft deploy, I directed the Commander, Naval Sea Systems Command to reinstate an engineered approach to surface combatant maintenance strategies and class maintenance plans with the goal of improving the overall condition of these ships. Our Surface Ship Life Cycle Maintenance Activity will provide the same type of planning to address surface ship maintenance as we currently have for carriers and submarines.

Consistent, long-term agreements and stable workload in both the public and private sector are necessary for the efficient utilization of depots, and it is the most cost effective way to keep our ships and aircraft at the highest possible state of readiness. Consistent with my intent to drive our Navy to better articulate requirements and costs in all we do, we have rigorously updated the quantitative models we use to develop our maintenance budgets, increasing their overall fidelity. These initial editions of the revised maintenance plans have resulted in increased mainte-

nance requirements and additional costs. Our combined fiscal year 2010 budget funds 96 percent of the projected depot ship maintenance requirements necessary to sustain our Navy's global presence. Our budget funds aviation depot maintenance at 100 percent for deployed squadrons and at 87 percent for aviation maintenance requirements overall. I request the support of Congress to fully support our baseline and contingency funding requests for our operations and maintenance to ensure the safety of our sailors and the longevity of our existing ships and aircraft.

Shore Readiness

Our shore infrastructure enables our operational and combat readiness and is essential to the quality of life and quality of work for our sailors, Navy civilians, and their families. For years, increased operational demand, rising manpower costs, and an aging fleet have led our Navy to underfund shore readiness and, instead, invest in our people, afloat readiness, and future force structure. As a result, maintenance and recapitalization requirements have grown and the cost of ownership for our shore infrastructure has increased. At current investment levels, our future shore readiness, particularly recapitalization of our facilities infrastructure, is at risk.

In an effort to mitigate this risk in a constrained fiscal environment, we are executing a Shore Investment Strategy that uses informed, capabilities-based investment decisions to target our shore investments where they will have the greatest impact to our strategic and operational objectives. I appreciate the enthusiastic support and confidence of Congress in the Navy through the inclusion of Navy projects in the American Reinvestment and Recovery Act. Through the Recovery Act, you allowed our Navy to address some of our most pressing needs for Child Development Centers, barracks, dry dock repairs, and energy improvements. These Navy projects are located in 22 States and territories and fully support the President's objectives of rapid and pervasive stimulus efforts in local economies. I am committed to further improvements in our shore infrastructure but our Navy must balance this need against our priorities of sustaining force structure and manpower levels.

Energy

Our Navy is actively pursuing ways to reduce our energy consumption and improve energy efficiency in our operations and at our shore installations. Our emerging Navy Energy Strategy spans three key areas, afloat and on shore: 1) an energy security strategy to make certain of an adequate, reliable and sustainable supply; 2) a robust investment strategy in alternative renewable sources of energy and energy conservation technologies; and 3) policy and doctrine changes that are aimed at changing behavior to reduce consumption.

I will be proposing goals to the Secretary of the Navy to increase energy independence in our shore installations, increase use of alternative fuels afloat and reduce tactical petroleum consumption, and to reduce our carbon footprint and green house gas emissions. We are leveraging available investment dollars and current technological advances to employ technology that reduces energy demand and increases our ability to use alternative and renewable forms of energy for shore facilities and in our logistics processes. This technology improves energy options for our Navy today and in the future. Our initial interactions with industry and academic institutions in public symposia over the past few months have generated an enthusiastic response to our emerging strategy.

United Nations Convention on the Law of the Sea

The Law of the Sea Convention codifies navigation and overflight rights and high seas freedoms that are essential for the global mobility of our Armed Forces. It directly supports our national security interests. Our current non-party status constrains efforts to develop enduring maritime partnerships, inhibits efforts to expand the Proliferation Security Initiative, and elevates the level of risk for our sailors as they undertake operations to preserve navigation rights and freedoms, particularly in areas such as the Strait of Hormuz and Arabian Gulf, and the East and South China Seas. Accession to the Law of the Sea Convention remains a priority for our Navy.

DEVELOP AND SUPPORT OUR SAILORS AND NAVY CIVILIANS

Our talented and dedicated sailors and Navy civilians are the critical component to the Navy's Maritime Strategy. I am committed to providing the necessary resources and shaping our personnel policies to ensure our people are personally and professionally supported in their service to our Nation.

Since 2003, the Navy's end strength has declined by approximately 10,000 per year aiming for a target of 322,000 Active component and 66,700 Reserve component sailors. While end strength declined, we have increased operational availability

through the FRP, supported new missions for the joint force, and introduced the Maritime Strategy. This increased demand includes maritime interdiction, riverine warfare, irregular and cyber warfare, humanitarian and disaster relief, an extended individual augmentee requirement in support of the joint force, and now, counter-piracy.

To meet increased demands, maintain required fleet manning levels with minimal risk, and minimize stress on the force, we have transitioned from a posture of reducing end strength to one of stabilizing the force. We anticipate that we will finish this fiscal year within 2 percent above our authorized level.

The fiscal year 2010 budget request supports an Active component end strength of 328,800. This includes 324,400 in the baseline budget to support fleet requirements, as well as increased capacity to support the individual augmentee missions. The budget also supports the reversal of the Defense Health Program military-to-civilian conversions as directed by Congress. The fiscal year 2010 budget also requests contingency funding for individual augmentees supporting the joint force in nontraditional Navy missions. To maintain fleet readiness, support combatant commanders, and to minimize the stress on the force, our Navy must be appropriately resourced to support this operational demand.

I urge Congress to support the following manpower and personnel initiatives:

Recruiting and Retention

Navy has been successful in attracting, recruiting, and retaining a highly-skilled workforce this fiscal year. The fiscal year 2010 budget positions us to continue that success through fiscal year 2010. We expect to meet our overall officer and enlisted recruiting and retention goals, though we remain focused on critical skills sets, such as health professionals and nuclear operators.

As demand for a professional and technically-trained workforce increases in the private sector, Navy must remain competitive in the marketplace through monetary and non-monetary incentives. Within the health professions, Navy increased several special and incentives pays, and implemented others, targeting critical specialties, including clinical psychology, social work, physician assistant, and mental health nurse practitioners. We are also offering mobilization deferments for officers who immediately transition from active to Reserve status. We have increased bonuses and other incentives for nuclear trained personnel to address an increasing demand for these highly-trained and specialized professionals in the private sector.

We continually assess our recruiting and retention initiatives, taking a targeted investment approach, to attract and retain high-performing sailors. We appreciate congressional support for the post-September 11 GI Bill. Navy's goal is to maintain a balanced force, in which seniority, experience, and skills are matched to requirements.

Total Force Integration

Navy continues to invest in Navy Reserve recruiting, retention and training while achieving Total Force integration between active and Reserve components. The Navy Reserve Force provides mission capable units and individuals to the Navy and Marine Corps team through a full range of operations. Navy's goal is to become a better aligned Total Force in keeping with Department of Defense and Department of the Navy strategic guidance, while providing fully integrated operational support to the fleet. Navy continues to validate new mission requirements and an associated Reserve Force billet structure to meet future capability requirements. Navy has leveraged incentives to best recruit sailors within the Total Force and is developing and improving programs and policies that promote a continuum of service through Navy Reserve affiliation upon separating from the active component. Navy is removing barriers to ease transition between Active and Reserve components and is developing flexible service options and levels of participation to meet individual sailor ability to serve the Navy throughout a lifetime of service.

Sailor and Family Continuum of Care

Navy continues to provide support to sailors and their families, through a "continuum of care" that covers all aspects of individual medical, physical, psychological, and family readiness. Through an integrated effort between Navy Medicine and Personnel headquarters activities and through the chain of command, our goal is re-integrating the individual sailor with his or her command, family, and community.

Our Navy and Coast Guard recently signed a memorandum of agreement for the Coast Guard to share the services provided by the Navy Safe Harbor Program. The program is currently comprised of approximately 375 lifetime enrollees and 217 individuals receiving personally-tailored care management. It provides recovery coordination and advocacy for seriously wounded, ill, and injured sailors and coast guardsmen, as well as a support network for their families. We have established a

headquarters support element comprised of subject matter expert teams of non-medical care managers and recovery care coordinators, and Reserve surge support to supplement field teams in mass casualty situations.

We have also developed the Anchor Program, which leverages the volunteer services of Navy Reserve members and retirees who assist sailors in reintegrating with family and community. Navy recently institutionalized our Operational Stress Control (OSC) Program which provides an array of initiatives designed to proactively promote psychological resilience and sustain a culture of psychological health among sailors and their families. We are developing a formal curriculum which will be integrated into the career training continuum for all sailors throughout their Navy careers.

Active and Reserve Wounded, Ill, and Injured

Navy Medicine continues to assess the needs of wounded, ill, and injured servicemembers and their families. In 2008, Navy medicine consolidated all wounded, ill, and injured warrior healthcare support with the goal of offering comprehensive implementation guidance, the highest quality and most compassionate care to servicemembers and their families. As of October 2008, 170 additional clinical care managers were assigned to military treatment facilities (MTFs) and ambulatory care clinics caring for approximately 1,800 OIF/OEF casualties. Over 150 clinical medical case managers at Navy MTFs advocate on behalf of wounded warriors and their family members by working directly with the multi-disciplinary medical team caring for the patient.

The Navy recognizes the unique medical and administrative challenges faced by our Reserve wounded sailors when they return from deployment, and we know their care cannot end at the MTF. In 2008, we established two Medical Hold Units responsible for managing all aspects of care for Reserve sailors in a Medical Hold (MEDHOLD) status. Co-located with MTFs in Norfolk and San Diego, these units are led by line officers with senior medical officers supporting for medical issues. Under their leadership, case managers serve as advocates who proactively handle each sailor's individualized plan of care until all medical and non-medical issues are resolved. We have reduced the numbers of sailors in the MEDHOLD process and the length of time required to resolve their cases. The Reserve component MEDHOLD program has become the single, overarching program for providing prompt, appropriate care for our Reserve wounded sailors.

Traumatic Brain Injury

Traumatic brain injury (TBI) represents the defining wound of OIF/OEF due to the proliferation of IEDs. The Department of the Navy has implemented a three-pronged strategy to increase detection of TBI throughout the deployment span, which includes mental health stigma reduction efforts, lowering the index of suspicion for TBI symptoms and improving seamless coordination of screening, detection and treatment among line and medical leaders. Navy medicine continues to expand its efforts to identify, diagnosis and treat TBI. The traumatic stress and brain injury programs at National Naval Medical Center Bethesda, Naval Medical Center San Diego, Naval Hospital (NH) Camp Pendleton, and NH Camp Lejeune are collaborating to identify and treat servicemembers who have had blast exposure. Furthermore, Navy Medicine has partnered with the line community to identify specific populations at risk for brain injury such as frontline units, SEALS, and Navy explosive ordinance disposal units.

Psychological Health

The number of new cases of post-traumatic stress disorder in the Navy has increased in the last year, from 1,618 in fiscal year 2007 to 1,788 in fiscal year 2008 and we have expanded our efforts to reach out to servicemembers. We continue to move mental health providers closer to the battlefield and remain supportive of the Psychologist-at Sea program. Incentives for military mental health providers have also increased to ensure the right providers are available. We are actively working to reduce the stigma associated with seeking help for mental health. Our recently established OSC program implements training and tools that line leadership can use to address stigma. Since inception, OSC Awareness Training, which included mental health stigma reduction, has been provided to over 900 non-mental health care givers and 16,000 sailors including over 1,395 at Navy's Command Leadership School and Senior Enlisted Academy.

Diversity

We have had great success in increasing our diversity outreach and improving diversity accessions in our ranks. We are committed to a Navy that reflects the diversity of the Nation in all specialties and ranks by 2037. Through our outreach efforts,

we have observed an increase in Naval Reserve Officer Training Corps (NROTC) applications and have increased diverse NROTC scholarship offers by 28 percent. The NROTC class of 2012 is the most diverse class in history and, with your help through nominations, the U.S. Naval Academy class of 2012 is the Academy's most diverse class in history. Our Navy is engaging diversity affinity groups such as the National Society of Black Engineers, Thurgood Marshall College Fund, Society of Hispanic Professional Engineers, American Indian Science and Engineering Society, Mexican American Engineering Society, and the Asian Pacific Islander American Scholarship Fund to increase awareness of the opportunities for service in the Navy. Our engagement includes flag attendance, junior officer participation, recruiting assets such as the Blue Angels, direct fleet interaction. We have also established Regional Outreach Coordinators in Atlanta, Chicago, Houston, Los Angeles, and Miami to build Navy awareness in diverse markets.

As we continue to meet the challenges of a new generation, the Navy is already being recognized for our efforts through receipt of the Work Life Legacy Award (Families and Work Institute), the Work Life Excellence Award (Working Mother Media), Most Admired Employer (U.S. Black Engineer and Hispanic Engineer Magazine), and Best Diversity Company (Diversity/Careers in Engineering and IT).

Life-Work Integration

Thank you for your support of our Navy's efforts to balance work and life for our sailors and their families. You included two important life-work integration initiatives in the National Defense Authorization Act (NDAA) for Fiscal Year 2009 in which our sailors have consistently expressed strong interest. The NDAA authorized 10 days of paternity leave for a married, active duty sailor whose wife gives birth to a child, establishing a benefit similar to that available for mothers who receive maternity leave and for parents who adopt a child. The NDAA also included a career intermission pilot program, allowing participating sailors to leave active duty for up to 3 years to pursue personal and professional needs, while maintaining eligibility for certain medical, dental, commissary, travel and transportation benefits and a portion of basic pay. In addition to these new authorities, Navy is also exploring other life-work integration initiatives, such as flexible work schedules and telework in non-operational billets through use of available technologies such as Outlook Web Access for e-mail, Defense Connect Online, and Defense Knowledge Online for document storage and virtual meetings. The Virtual Command Pilot, implemented within the Total Force Domain for an initial group of officers, will allow individuals to remain in their current geographic locations while working for parent commands located elsewhere within the U.S.

Education

We recognize the importance both to the individual and to our mission of providing a life-long continuum of learning and development. Education remains a critical component of this continuum. The Navy's Professional Military Education Continuum, with an embedded Joint Professional Military Education component, produces leaders skilled in maritime and joint planning. Additionally, we offer several college-focused incentives. Tuition assistance provides funds to individuals to pay for college while serving. The Navy College Fund provides money for college whenever the sailor decides to end his or her Navy career. The Navy College Program Afloat College Education provides educational opportunities for sailors while deployed. Furthermore, officers are afforded the opportunity to pursue advanced education through the Naval Postgraduate School (NPS), NPS distance learning programs, the Naval War College, and several Navy fellowship programs. In addition, our Loan Repayment Program allows us to offer debt relief up to $65,000 to recruits who enlist after already earning an advanced degree. The Advanced Education Voucher program provides undergraduate and graduate off-duty education opportunities to selected senior enlisted personnel as they pursue Navy-relevant degrees. The Accelerate to Excellence program, currently in the second year of a 3-year pilot, combines two semesters of education completed while in the Delayed Entry Program, one semester of full-time education taken after boot camp, and college credit earned upon completion of "A" school to complete an Associates Degree. The Navy Credentialing Opportunities Online (COOL) program matches rate training and experience with civilian credentials, and funds the costs of credentialing and licensing exams. As of the end of March 2009, there have been more than 35 million visits to the COOL Web site, with more than 13,000 certification exams funded and approximately 8,500 civilian certifications attained.

CONCLUSION

Despite the challenges we face, I remain optimistic about the future. The men and women, Active and Reserve, sailor and civilian, of our Navy are extraordinarily capable, motivated, and dedicated to preserving our national security and prosperity. We are fully committed to the current fight and to ensuring continued US global leadership in a cooperative world. We look forward to the upcoming Quadrennial Defense Review, which will address how we can best use our military forces to meet the complex and dynamic challenges our Nation faces today and will face in the future. We have seen more challenging times and emerged prosperous, secure, and free. I ask Congress to fully support our fiscal year 2010 budget and identified priorities. Thank you for your continued support and commitment to our Navy, and for all you do to make the United States Navy a force for good today and in the future.

Chairman LEVIN. Thank you very much, Admiral.

General Conway.

STATEMENT OF GEN. JAMES T. CONWAY, USMC, COMMANDANT OF THE MARINE CORPS

General CONWAY. Mr. Chairman, Senator McCain, distinguished members of the committee, thank you for the opportunity to report to you on the posture of your Marine Corps.

My pledge, as always, is to provide you with a candid and honest assessment and it's in that spirit that I appear before you today.

My top priority remains your marines in combat. Since testifying before your committee last year, progress in the Anbar Province of Iraq continues to be significant. Indeed, our marines are in the early stages of the most long-awaited phase of operations: redeployment of the force and the reset of our equipment.

Having recently returned from a trip to theater, I'm pleased to report to you that the magnificent performance of our marines and sailors in Anbar continues across a whole spectrum of tasks and responsibilities.

In Afghanistan, we have substantially another story, as thus far in 2009 the Taliban have again increased their activity. The 2nd Marine Expeditionary Brigade and Air-Ground Task Force, numbering more than 10,000 marines and sailors, has just assumed responsibility for its battlespace under Regional Command (RC) South.

They're operating primarily in the Helmand Province where 93 percent of the country's opium is harvested and where the Taliban have been most active.

We are maintaining an effort to get every marine through the fight and today more than 70 percent of your Marine Corps has done so. Yet, our force remains resilient in spite of an average deployment that is slightly better than 1 to 1 in most occupational specialties.

We believe retention is a great indicator of the morale of the force and the support of our families. By the halfway point of this fiscal year, we have already met our re-enlistment goals for our first-term marines and for our career force.

Our growth in the Active component by 27,000 marines has proceeded 2½ years ahead of schedule with no change to our standards. We have reached the level of 202,000 marines and have found it necessary to throttle back our recruiting efforts. We attribute our accelerated growth to four factors: quality recruiting, exceptional retention levels, reduced attrition, and not least, a great young generation of Americans who wish to serve their country in war time.

Our Corps is deeply committed to the care and welfare of our wounded and their families. The Wounded Warrior Regiment reflects this commitment. We seek through all phases of recovery to assist in the rehabilitation and transition of our wounded, injured, or ill and their families. I would also like to thank those of you on the committee who have set aside your personal time to visit with our wounded warriors.

Secretary Gates seeks to create a balanced U.S. military through the efforts of a QDR. We have always believed that the Marine Corps has to be able to play both ways, to be a two-fisted fighter. Our equipment and major programs reflect our commitment to be flexible in the face of uncertainty. That is to say, 100 percent of Marine Corps procurement can be employed in either a hybrid conflict or in major combat.

If this Nation decides through the QDR that it still needs a forcible entry capability, and we tend to think that it does, we believe, based on the threat and the risk to the ships of the United States Navy, that the requirement for a platform with the capabilities of the Expeditionary Fighting Vehicle is absolutely essential.

The future posture of our Corps includes a realignment of Marine forces in the Pacific. As part of the agreement between Tokyo and Washington, we are planning the movement of 8,000 marines off Okinawa to Guam. We support this move.

However, we believe the development of training areas and ranges on Guam and the adjoining islands of the Marianas are key prerequisites for the realignment of our forces. We're actively working within the Department of Defense (DOD) to align Marine Corps requirements with ongoing environmental assessments and political agreements.

On behalf of your Marine Corps, I extend my gratitude for the support that we have received to date. Our great young patriots have performed magnificently and have written their own page in history. They know, as they go into harm's way, that their fellow Americans are behind them.

On their behalf, I thank you for your enduring support.

We pledge to spend wisely every dollar you generously provide in ways that contribute to the defense of this great land.

Thank you once again for the opportunity to report to you today and I also look forward to your questions.

[The prepared statement of General Conway follows:]

PREPARED STATEMENT BY GEN. JAMES T. CONWAY, USMC

INTRODUCTION

Chairman Levin, Senator McCain, and distinguished members of the committee; my pledge to you remains the same—to always provide my forthright and honest assessment of your Marine Corps. The following pages detail my assessment of the current state of our Corps and my vision for its future.

First and foremost, on behalf of all marines, I extend deep appreciation for your magnificent support of the Marine Corps and our families—especially those warriors currently engaged in Iraq and Afghanistan. Extremists started this war just over 25 years ago in Beirut, Lebanon. Since then, our country has been attacked and surprised repeatedly, at home and abroad, by murderers following an extreme and violent ideology. I am convinced, given the chance, they will continue to kill innocent Americans at every opportunity. Make no mistake, your marines are honored and committed to stand between this great Nation and any enemy today and in the fu-

ture. Whether through soft or hard power, we will continue to fight the enemy on their land, in their safe havens, or wherever they choose to hide.

A selfless generation, today's marines have raised the bar in sacrifice and quality. They know they will repeatedly go into harm's way, and despite this, they have joined and reenlisted at exceptional rates. Exceeding both the Department of Defense (DOD) and our own high school graduate standards, more than 96 percent of our enlistees in fiscal year 2008 had earned their high school diploma. Furthermore, based on a recent study from the Center for Naval Analyses, we are also retaining higher quality marines.

The success in Al Anbar directly relates to the quality of our marines. Several years ago, few would have thought that the conditions we see in Al Anbar today were possible, but rotation after rotation of marines, sailors, soldiers, and airmen practiced patience, perseverance, and trigger control until the Sunni leadership realized that we were not the enemy. Now, the vast majority of our actions in Al Anbar deal with political and economic issues—the Corps looks forward to successfully completing our part in this initial battle of the Long War.

However, our marines are professionals and understand there is still much work to be done. As we increase our strength in Afghanistan, marines and their families are resolved to answer their Nation's call. There are many challenges and hardships that lie ahead, but our marines embrace the chance to make a difference. For that, we owe them the full resources required to complete the tasks ahead—to fight today's battles, prepare for tomorrow's challenges, and fulfill our commitment to our marine families.

Our marines and sailors in combat remain my number one priority. The resiliency of our marines is absolutely amazing. Their performance this past year in Iraq and Afghanistan has been magnificent, and we could not be more proud of their willingness to serve our great Nation at such a critical time. Our concerns are with our families; they are the brittle part of the equation, yet through it all, they have continued to support their loved ones with the quiet strength for which we are so grateful.

To fulfill the Marine Corps' commitment to the defense of this Nation, and always mindful of the sacrifices of our marines and their families that make it possible, our priorities will remain steadfast. These priorities will guide the Corps through the battles of today and the certain challenges and crises in our Nation's future. Our budget request is designed to support the following priorities:

- Right-size the Marine Corps for today's conflict and tomorrow's uncertainty
- Reset the force and prepare for the next contingency
- Modernize for tomorrow to be "the most ready when the Nation is least ready"
- Provide our Nation a naval force fully prepared for employment as a Marine Air-Ground Task Force across the spectrum of conflict
- Take care of our marines and their families
- Posture the Marine Corps for the future

Your support is critical as we continue to reset the force for today and adapt for tomorrow. As prudent stewards of the Nation's resources, we are committed to providing the American taxpayer the largest return on investment. The future is uncertain and invariably full of surprises, but continued support by Congress will ensure a balanced Marine Corps—increasingly agile and capable—ready to meet the needs of our Nation and a broadening set of missions. From humanitarian assistance to large-scale conventional operations, your marines have never failed this great Nation, and thanks to your steadfast support, they never will.

OUR MARINES AND SAILORS IN COMBAT

Our Corps' most sacred resource is the individual marine. It is imperative to the long-term success of the institution that we keep their well being as our number one priority. Over the past several years, sustained deployments in Iraq, Afghanistan, and across the globe have kept many marines and sailors in the operating forces deployed as much as they have been at home station. They have shouldered our Nation's burden and done so with amazing resiliency. Marines understand what is required of the Nation's elite warrior class—to stand up and be counted when the Nation needs them the most. For this, we owe them our unending gratitude.

Marines and their families know that their sacrifices are making a difference, that they are part of something much larger than themselves, and that their Nation stands behind them. Thanks to the continued support of Congress, your marines will stay resolved to fight and defeat any foe today or in the future.

USMC Operational Commitments

The Marine Corps is fully engaged in a generational, multi-faceted Long War that cannot be won in one battle, in one country, or by one method. Our commitment to the Long War is characterized by campaigns in Iraq and Afghanistan as well as diverse and persistent engagements around the globe. As of 6 May 2009, there are more than 25,000 marines deployed to the U.S. Central Command's area of responsibility in support of Operations Iraqi Freedom and Enduring Freedom. The vast majority are in Iraq; however, we are in the process of drawing down those forces and increasing the number of marines in Afghanistan.

In Afghanistan, we face an enemy and operating environment that is different than that in Iraq. We are adapting accordingly. Nearly 5,700 marines are deployed to various regions throughout Afghanistan—either as part of Special Purpose Marine Air-Ground Task Force—Afghanistan, 2d Marine Expeditionary Brigade, Marine Special Operations Companies, Embedded Training Teams, or Individual Augments and those numbers will grow substantially. The Embedded Training Teams live and work with the Afghan National Army and continue to increase the Afghan National Army's capabilities as they grow capacity. Other missions outside Afghanistan are primarily in the broader Middle East area, with nearly 2,800 marines, to include the 13th Marine Expeditionary Unit.

While we recognize the heavy demand in Iraq and Afghanistan, the Marine Corps is very conscious of the need for deployed forces throughout the rest of the globe. As of 6 May 2009, there are roughly 2,800 marines deployed in the U.S. Pacific Command's Area of Responsibility alone, to include the 31st Marine Expeditionary Unit and a 62-man detachment in the Philippines. More than 100 marines are deployed in support of Combined Joint Task Force—Horn of Africa in Djibouti. Additionally, the Marine Corps has participated in more than 200 Theater Security Cooperation events, ranging from small mobile training teams to Marine Air-Ground Task Force (MAGTF) exercises in Latin America, Africa, Eastern Europe, and the Pacific.

RIGHT-SIZE THE MARINE CORPS

The needs of a nation at war demanded the growth of our Active component by 27,000 marines. We have had great success and will reach our goal of 202,000 marines during fiscal year 2009—more than 2 years earlier than originally forecasted. Solid planning and your continued support will ensure we meet the training, infrastructure, and equipment requirements resulting from this growth. This growth will significantly improve the ability of your Corps to train to the full range of military operations. It will also increase our capacity to deploy forces in response to contingencies and to support security cooperation with our partners, ultimately reducing operational risk and posturing the Corps for continued success in the future.

Before we were funded to grow our force, we were forced into an almost singular focus on preparing units for future rotations and counterinsurgency operations. This narrowed focus and the intense deployment rate of many units weakened our ability to maintain traditional skills, such as amphibious operations, combined-arms maneuver, and mountain warfare. Congressionally-mandated to be "the most ready when the Nation is least ready," this growth is an essential factor to improve our current deployment-to-dwell ratio and allow our Corps to maintain the sophisticated skills-sets required for today and the future.

In fiscal year 2008, we activated another infantry battalion and increased capacity in our artillery, reconnaissance, engineer, military police, civil affairs, intelligence, and multiple other key units that have seen a significantly high deployment tempo. With your continued support, we will continue to build capacity according to our planned growth.

Improving the deployment-to-dwell ratio for our operating forces will also reduce stress on our marines and their families. Achieving our goal of a 1:2 deployment-to-dwell ratio for active duty and a 1:5 ratio for Reserves is crucial to the health of our force and our families during this Long War. Our peacetime goal for active duty remains a 1:3 deployment-to-dwell ratio.

Achieving and Sustaining a Marine Corps of 202,000

The Marine Corps grew by more than 12,000 marines in fiscal year 2008 and is on pace to reach an active duty end strength of 202,000 by the end of fiscal year 2009—more than 2 years ahead of schedule. We attribute our accelerated growth to four factors: quality recruiting, exceptional retention levels, reduced attrition, and—not least—an incredible generation of young Americans who welcome the opportunity to fight for their country. Our standards remain high, and we are currently ahead of our fiscal year 2009 goal in first-term enlistments and are on track

with our career reenlistments. Attrition levels are projected to remain at or below fiscal year 2008 rates.

Recruiting

Recruiting is the strategic first step in making marines and growing the Corps. With first-term enlistments accounting for more than 70 percent of our end strength increase, our recruiting efforts must not only focus on our overall growth, but also on attracting young men and women with the right character, commitment, and drive to become marines.

We continue to exceed DOD quality standards and recruit the best of America into our ranks. The Marine Corps achieved over 100 percent of the Active component accession goal for both officer and enlisted in fiscal year 2008. We also achieved 100 percent of our Reserve component recruiting goals.

Retention

Retention is a vital complement to recruiting and an indicator of the resiliency of our force. In fiscal year 2008, the Marine Corps achieved an unprecedented number of reenlistments with both the first-term and career force. We established the most aggressive retention goals in our history, and our achievement was exceptional. Our 16,696 reenlistments equated to a first-term retention rate of almost 36 percent and a career marine retention rate of 77 percent. Through 17 March 2009:

- 7,453 first-term marines reenlisted, meeting 101.6 percent of our goal. This represents the fastest attainment of a fiscal year first-term reenlistment goal in our history and equates to a retention rate of 31.4 percent retention rate; traditional reenlistments average 6,000 or a retention rate of 24 percent.
- 7,329 marines who have completed at least two enlistment contracts chose to reenlist again. This number represents 98.2 percent of our goal of 7,464 reenlistments, and a 72.2 percent retention rate among the eligible population.

Our retention success may be attributed to several important enduring themes. First, marines are motivated to "stay marine" because they are doing what they signed up to do—fighting for and protecting our Nation. Second, they understand that the Marine Corps culture is one that rewards proven performance. Third, our reenlistment incentives are designed to retain top quality marines with the most relevant skill sets. The continued support of Congress will ensure continued success.

The Marine Corps Reserve

Our Reserves continue to make essential contributions to our Total Force efforts in The Long War, particularly in Iraq and Afghanistan. As we accelerated our build to 202,000 Active component marines, we understood that we would take some risk in regards to obtaining our Reserve component end strength of 39,600. During the 202,000 build-up, we adjusted our accession plans and encouraged our experienced and combat-tested Reserve marines to transition back to active duty in support of these efforts. They responded in force, and as a result, we came in under our authorized Reserve component end strength limit by 2,077. As a Total Force Marine Corps, we rely heavily upon the essential augmentation and reinforcement provided by our Reserve marines. We believe our authorized end strength of 39,600 is appropriate and provides us with the marines we require to support the force and to achieve our goal of a 1:5 deployment-to-dwell ratio. With the achievement of the 202,000 Active-Duty Force, we will refocus our recruiting and retention efforts to achieve our authorized Reserve component end strength. The bonus and incentives provided by Congress, specifically the authorization to reimburse travel expenses to select members attending drill, will be key tools in helping us accomplish this goal.

Infrastructure

The Marine Corps remains on track with installation development in support of our personnel growth. With the continued support of Congress, we will ensure sufficient temporary facilities or other solutions are in place until permanent construction can be completed.

Military Construction: Bachelor Housing

Due to previous fiscal constraints, the Marine Corps has routinely focused on critical operational concerns, and therefore we have not built barracks. With your support, we have recently been able to expand our construction efforts and have established a program that will provide adequate bachelor housing for our entire force by 2014. Additional support is required for our fiscal year 2010 program to provide 3,000 new barracks spaces and meet our 2014 goal. We are also committed to fund-

ing the replacement of barracks' furnishings on a 7-year cycle as well as the repair and maintenance of existing barracks to improve the quality of life of our marines.

We are constructing our barracks to a two-person room configuration and assigning our junior personnel (pay grades E1–E3) at two marines per room. We are a young Service; the majority of our junior marines are 18–21 years old, and assigning them at two per room helps assimilate them into the Marine Corps culture, while fostering camaraderie and building unit cohesion. As marines progress to noncommissioned officer rank and take on the added responsibilities of corporal (E4) and sergeant (E5), our intent is to assign them one per room.

Public Private Venture Housing

The Marine Corps supports the privatization of family housing. To date, the Public Private Venture (PPV) program has been a success story. We have benefited from the construction of quality homes and community support facilities, as well the vast improvement in maintenance services. PPV has had a positive impact on the quality of life for our marines and families. The feedback we have received has been overwhelmingly positive.

PPV has been integral to accommodating existing requirements and the additional family housing requirements associated with the growth of our force. By the end of fiscal year 2007, with the support of Congress, the Marine Corps privatized 96 percent of its worldwide family housing inventory. By the end of fiscal year 2010, we expect to complete our plan to privatize 97 percent of our existing worldwide family housing inventory.

We again thank Congress for its generous support in this area. In fiscal years 2008 and 2009, you provided the funding to construct or acquire nearly 3,000 additional homes and two related DOD Dependent Schools through this program; and by 2014, PPV will result in all of our families being able to vacate inadequate family housing.

RESET THE FORCE

Operations in Iraq and Afghanistan have placed an unprecedented demand on ground weapons systems, aviation assets, and support equipment. These assets have experienced accelerated wear and tear due to the harsh operating environments and have far exceeded the planned peacetime usage rates. Additionally, many equipment items have been destroyed or damaged beyond economical repair. High rates of degraded material condition require the Marine Corps to undergo significant equipment reset for our operational forces and our prepositioning programs. Reset will involve all actions required to repair, replace, or modernize the equipment and weapons systems that will ensure the Nation's expeditionary force in readiness is well prepared for future missions. We appreciate the generous support of Congress to ensure that marines have the equipment and maintenance resources they need to meet mission requirements. It is our pledge to be good stewards of the resources you so generously provide.

Reset Costs

Costs categorized as reset meet one of the following criteria: maintenance and supply activities that restore and enhance combat capability to unit and prepositioned equipment; replace or repair equipment destroyed, damaged, stressed, or worn out beyond economic repair; or enhance capabilities, where applicable, with the most up-to-date technology.

Congressional support has been outstanding. Thus far, you have provided more than $12 billion toward reset. We thank you for this funding; it will help ensure that marines have the equipment they need to properly train for and conduct combat operations.

Equipment Readiness

Sustained operations have subjected our equipment to more than a lifetime's worth of wear and tear stemming from mileage, operating hours, and harsh environmental conditions. The additional weight associated with armor plating further exacerbates the challenge of maintaining high equipment readiness. Current Marine Corps policy dictates that as forces rotate in and out of theater, their equipment remains in place. This policy action was accompanied by an increased maintenance presence in theater and has paid great dividends as our deployed ground force readiness remains above 90 percent. While we have witnessed a decrease in supply readiness rates for home station units, the delivery of supplemental procurements is beginning to bear fruit and we expect our readiness rates in supply to rise steadily.

Aviation Equipment and Readiness

Marine Corps Aviation supports our marines in combat today while continuing to plan for crisis and contingency operations of tomorrow. Our legacy aircraft are aging, and we face the challenge of maintaining current airframes that have been subjected to heavy use in harsh, austere environments while we transition to new aircraft. Our aircraft have been flying at rates well above those for which they were designed; however, despite the challenge of operating in two theaters, our maintenance and support personnel have sustained a 74.5 percent aviation mission-capable rate for all marine aircraft over the past 12 months. We must continue to overuse these aging airplanes in harsh environments as we transition forces from Iraq to Afghanistan.

To maintain sufficient numbers of aircraft in squadrons deployed overseas, our non-deployed squadrons have taken significant cuts in available aircraft and parts. Reset and supplemental funding have partially alleviated this strain, but we need steady funding for our legacy airframes as age, attrition, and wartime losses take their toll on our aircraft inventory.

Prepositioning Programs

Comprised of three Maritime Prepositioning Ship Squadrons (MPSRON) and other strategic Reserves, the Marine Corps' prepositioning programs are a critical part of our ability to respond to current and future contingency operations and mitigate risk for the Nation. Each MPSRON, when married with a fly in echelon, provides the equipment and sustainment of a 17,000 man Marine Expeditionary Brigade for employment across the full range of military operations. Withdrawal of equipment from our strategic programs has been a key element in supporting combat operations, growth of the Marine Corps, and other operational priorities. Generous support from Congress has enabled long-term equipment solutions, and as a result, shortfalls within our strategic programs will be reset as equipment becomes available from industry.

Maritime Prepositioning Squadrons

Our MPSRONs will be reset with the most capable equipment possible, and we have begun loading them with capabilities that support lower spectrum operations while still maintaining the ability to generate Marine Expeditionary Brigades capable of conducting major combat operations. The MPSRONs are currently rotating through Maritime Prepositioning Force Maintenance Cycle-9. MPSRON–1 completed MPF Maintenance Cycle-9 in September 2008 and is currently at 86 percent of its full equipment set. As I addressed in my 2008 report, equipment from MPSRON–1 was required to outfit new units standing up in fiscal year 2007 and fiscal year 2008 as part of our end strength increase to 202,000. MPSRON–1 is expected to be fully reset at the completion of its next maintenance cycle in 2011.

MPSRON–2 is currently undergoing its rotation through MPF Maintenance Cycle-9. Equipment from MPSRON–2 was offloaded to support Operation Iraqi Freedom and much of that equipment remains committed to forward operations today. With projected deliveries from industry, MPSRON–2 will complete MPF Maintenance Cycle-9 in June 2009 with approximately 90 percent of its planned equipment set. Our intent is to finish the reset of MPSRON–2 when it completes MPF Maintenance Cycle-10 in fiscal year 2012. MPSRON–3 was reset to 100 percent of its equipment set during MPF Maintenance Cycle-8 in March 2007 and remains fully capable.

We are currently in the process of replacing the aging, leased vessels in the Maritime Prepositioning Force with newer, larger, and more flexible government-owned ships from the Military Sealift Command fleet. Two decades of equipment growth and recent armor initiatives have strained the capability and capacity of our present fleet—that was designed to lift a naval force developed in the early 1980s. As we reset MPF, these changes are necessary to ensure we incorporate hard fought lessons from recent combat operations.

Five of the original 13, leased Maritime Prepositioning Ships will be returned to Military Sealift Command by July 2009. In their place, we are integrating 3 of Military Sealift Command's 19 large, medium-speed, roll-on/roll-off ships (LMSR), a fuel tanker and a container ship into the MPF Program. One LMSR ship was integrated in September 2008 and two more are planned for January 2010 and January 2011. The fuel tanker and container ship will be incorporated in June 2009. These vessels will significantly expand MPF's capacity and flexibility and will allow us to reset and optimize to meet current and emerging requirements. When paired with our amphibious ships and landing craft, the LMSRs provide us with platforms from which we can develop advanced seabasing doctrine and tactics, techniques, and procedures for utilization by the Maritime Prepositioning Force (Future) program.

Marine Corps Prepositioning Program: Norway

The Marine Corps Prepositioning Program-Norway (MCPP–N) was also used to source equipment in support of current operations in both Operations Iraqi Freedom and Enduring Freedom and to provide humanitarian assistance in Georgia. The Marine Corps continues to reset MCPP–N in accordance with our operational priorities while also exploring other locations for geographic prepositioning that will enable combat and theater security cooperation operations in support of forward-deployed Naval Forces.

MODERNIZE FOR TOMORROW

Surprise is inevitable; however, its potentially disastrous effects can be mitigated by a well-trained, well-equipped, and disciplined force—always prepared for the crises that will arise. To that end and taking into account the changing security environment and hard lessons learned from 7 years of combat, the Marine Corps recently completed an initial review of its operating forces' ground equipment requirements. Recognizing that our unit Tables of Equipment (T/E) did not reflect the challenges and realities of the 21st century battlefield, the Corps adopted new T/Es for our operating units. This review was synchronized with our modernization plans and programs, and provided for enhanced mobility, lethality, sustainment, and command and control across the MAGTF. They reflect the capabilities required not only for the Corps' current mission, but for its future employment across the range of military operations, against a variety of threats, and in diverse terrain and conditions. The MAGTF T/E review is an integral part of the critical work being done to reset, reconstitute, and revitalize the Marine Corps.

Additionally, we recently published the Marine Corps Vision and Strategy 2025, which guides our development efforts over the next two decades. Programs such as the Expeditionary Fighting Vehicle and the Joint Strike Fighter (JSF) are critical to our future preparedness. Congressionally-mandated to be "the most ready when the Nation is least ready," your multi-capable Corps will be where the Nation needs us, when the Nation needs us, and will prevail over whatever challenge we face.

Urgent Needs Process

The Marine Corps Urgent Needs Process synchronizes abbreviated requirements, resourcing, and acquisition processes in order to distribute mission-critical warfighting capabilities on accelerated timelines. Operating forces use the Urgent Universal Need Statement to identify mission-critical capability gaps and request interim warfighting solutions to these gaps. Subject to statutes and regulations, the abbreviated process is optimized for speed and involves a certain degree of risk with regard to doctrine, organization, training, materiel, leadership and education, personnel, and facilities integration and sustainment, along with other deliberate process considerations. A Web-based system expedites processing; enables stakeholder visibility and collaboration from submission through resolution; and automates staff action, documentation, and approval. This Web-based system is one of a series of process improvements that, reduced average time from receipt through Marine Requirements Oversight Council decision from 142 days (December 2005 through October 2006) to 85 days (November 2006 through October 2008).

Enhancing Individual Survivability

We are providing marines the latest in Personal Protection Equipment (PPE)—such as the Scalable Plate Carrier, Modular Tactical Vest, Lightweight Helmet, and Flame Resistant Organizational Gear (FROG). The Scalable Plate Carrier features a smaller area of coverage to reduce weight, bulk, and heat load for operations at higher elevations like those encountered in Afghanistan. Coupled with the Modular Tactical Vest, the Scalable Plate Carrier provides commanders options to address various mission/threat requirements. Both vests use Enhanced Small Arms Protective Inserts (E–SAPI) and Side SAPI plates and provide the best protection available against a wide variety of small arms threats—including 7.62 mm ammunition.

The current Lightweight Helmet provides a high degree of protection against fragmentation threats and 9 mm bullets, and we continue to challenge industry to develop a lightweight helmet that will stop the 7.62 mm round. The lifesaving ensemble of FROG clothing items help to mitigate potential heat and flame injuries to our marines from improvised explosive devices.

We are also upgrading our Counter Remote-Control Improvised Explosive Device Electronic Warfare (CREW) systems to meet evolving threats. Our Explosive Ordnance Disposal (EOD) equipment has been reconfigured and modernized to be used with CREW systems and has provided EOD technicians the capability of remotely disabling IEDs.

Marine Aviation Plan

The fiscal year 2009 Marine Aviation Plan provides the way ahead for Marine Aviation through fiscal year 2018, with the ultimate long-range goal of fielding an all-short-takeoff/vertical landing (STOVL) aviation force by 2025. We will continue to transition from our 12 legacy aircraft models to 6 new airframes and expand from 64 to 69 flying squadrons while adding 565 officers and more than 4,400 enlisted marines.

Joint Strike Fighter

The F–35 Lightning II, JSF, will provide the Marine Corps with an affordable, stealthy, high performance, multi-role jet aircraft to operate in the expeditionary campaigns of the future. The JSF acquisition program was developed using the concept of cost as an independent variable, which demands affordability, aggressive management, and preservation of the warfighting requirement. The F–35B's cutting edge technology and STOVL design offer greater safety, reliability, and lethality than today's tactical aircraft.

This aircraft will be the centerpiece of Marine Aviation. Our program of record is to procure 420 aircraft (F–35B, STOVL). Our first flight of the STOVL variant was conducted in the summer of 2008, and the manufacture of the first 19 test aircraft is well under way, with assembly times better than planned. We will reach initial operational capability in 2012, with a standing squadron ready to deploy.

MV–22 Osprey

The MV–22 is the vanguard of revolutionary assault support capability and is currently replacing our aged CH–46E aircraft. In September 2005, the MV–22 Defense Acquisition Board approved full rate production, and MV–22 initial operational capability was declared on 1 June 2007, with a planned transition of two CH–46E squadrons per year thereafter. We have 90 operational aircraft, a quarter of our planned total of 360. These airframes are based at Marine Corps Air Station New River, NC; and Patuxent River, MD. Recently, we welcomed back our third MV–22 squadron from combat. By the end of fiscal year 2009, we will have one MV–22 Fleet Replacement Training Squadron, one test squadron, and six tactical VMM squadrons.

The MV–22 program uses a block strategy in its procurement. Block A aircraft are training aircraft and Block B are operational aircraft. Block C aircraft are operational aircraft with mission enhancements that will be procured in fiscal year 2010 and delivered in fiscal year 2012.

Teaming with Special Operations Command, we are currently on contract with BAE Systems for the integration and fielding of a 7.62mm, all-aspect, crew-served, belly-mounted weapon system that will provide an enhanced defensive suppressive fire capability. Pending successful developmental and operational testing we expect to begin fielding limited numbers of this system later in 2009.

This aircraft, which can fly higher, faster, farther, and longer than the CH–46, provides dramatically improved support to the MAGTF and our marines in combat. On deployments, the MV–22 is delivering marines to and from the battlefield faster, ultimately saving lives with its speed and range. Operating from Al Asad, the MV–22 can cover the entire country of Iraq. The Marine Corps asked for a transformational assault support aircraft—and Congress answered.

KC–130J Hercules

The KC–130J Hercules is the workhorse of Marine aviation, providing state-of-the-art, multi-mission capabilities; tactical aerial refueling; and fixed-wing assault support. KC–130Js have been deployed in support of Operations Iraqi Freedom and Enduring Freedom and are in heavy use around the world.

The success of the aerial-refuelable MV–22 in combat is tied to the KC–130J, its primary refueler. The forced retirement of the legacy KC–130F/R aircraft due to corrosion, fatigue life, and parts obsolescence requires an accelerated procurement of the KC–130J. In addition, the Marine Corps will replace its 28 Reserve component KC–130T aircraft with KC–130Js, simplifying the force to one type/model/series. The Marine Corps is continuing to plan for a total of 79 aircraft, of which 34 have been delivered.

In response to urgent requests from marines currently engaged in combat in Afghanistan, additional capabilities are being rapidly fielded utilizing existing platforms and proven systems to enhance intelligence, surveillance, and reconnaissance (ISR) as well as fire support capability. The ISR/Weapon Mission Kit being developed for use onboard the KC–130J will enable the MAGTF commander to take advantage of the Hercules' extended endurance to provide persistent over-watch of ground units in a low-threat environment. A targeting sensor coupled with a 30mm

cannon, Hellfire missiles, and/or standoff precision guided munitions will provide ISR coverage with a sting. Additionally, this added capability will not restrict or limit the refueling capability of the KC–130J. The USMC is rapidly pursuing fielding of the first two kits to support operations in Afghanistan in 2009.

H–1 Upgrade

The H–1 Upgrade Program (UH–1Y/AH–1Z) resolves existing operational UH–1N power margin and AH–1W aircrew workload issues while significantly enhancing the tactical capability, operational effectiveness, and sustainability of our attack and utility helicopter fleet. Our Vietnam-era UH–1N Hueys are reaching the end of their useful life. Due to airframe and engine fatigue, Hueys routinely take off at their maximum gross weight with no margin for error. Rapidly fielding the UH–1Y remains a Marine Corps aviation priority and was the driving force behind the decision to focus on UH–1Y fielding ahead of the AH–1Z. Three UH–1Ys deployed aboard ship with a Marine Expeditionary Unit in January 2009.

Twenty production H–1 aircraft (14 Yankee and 6 Zulu) have been delivered. Operation and Evaluation Phase II commenced in February 2008, and as expected, showcased the strengths of the upgraded aircraft. Full rate production of the UH–1Y was approved during the fourth quarter fiscal year 2008 at the Defense Acquisition Board with additional low rate initial production aircraft approved to support the scheduled fleet introduction of the AH–1Z in the first quarter of fiscal year 2011.

CH–53K

The CH–53K is a critical ship-to-objective maneuver and seabasing enabler; it will replace our CH–53E, which has been fulfilling our heavy lift requirements for over 20 years. The CH–53K will be able to transport 27,000 pounds externally to a range of 110 nautical miles, more than doubling the CH–53E lift capability under similar environmental conditions while maintaining the same shipboard footprint. Maintainability and reliability enhancements of the CH–53K will significantly decrease recurring operating costs and will radically improve aircraft efficiency and operational effectiveness over the current CH–53E. Additionally, survivability and force protection enhancements will dramatically increase protection for aircrew and passengers; thereby broadening the depth and breadth of heavy lift operational support to the Joint Task Force Commander. Initial operational capability for the CH–53K is scheduled for fiscal year 2015. Until then, we will upgrade and maintain our inventory of CH–53Es to provide heavy lift capability in support of our warfighters.

Unmanned Aerial Systems

When fully fielded, the Corps' Unmanned Aerial Systems (UASs) will be networked through a robust and interoperable command and control system that provides commanders an enhanced capability applicable across the spectrum of military operations. Revolutionary systems, such as those built into the JSF, will mesh with these UAS to give a complete, integrated picture of the battlefield to ground commanders.

Our Marine Expeditionary Forces have transitioned our Unmanned Aerial Vehicle Squadrons (VMU) to the RQ–7B Shadow; reorganized the squadrons' force structure to support detachment-based flexibility (operating three systems versus one for each squadron); and are preparing to stand up our fourth Active component VMU squadron. The addition of a fourth VMU squadron is critical to sustaining operations by decreasing our deployment-to-dwell ratio—currently at 1:1—to a sustainable 1:2 ratio. This rapid transition and reorganization, begun in January 2007, will be complete by the middle of fiscal year 2010.

In Iraq and Afghanistan, the Marine Corps is currently using an ISR services contract to provide Scan Eagle systems to our forces, but we anticipate fielding Small Tactical UAS (STUAS), a combined Marine Corps and Navy program, in fiscal year 2011 to fill that void at the regiment and Marine Expeditionary Unit (MEU) level. In support of battalion-and-below operations, the Marine Corps is transitioning from the Dragon Eye to the joint Raven-B program.

Airborne Electronic Attack

The EA–6B remains the premier electronic warfare platform within DOD. The Marine Corps is fully committed to the Prowler. While the Prowler continues to maintain a high deployment tempo, supporting operations against new and diverse irregular warfare threats, ongoing structural improvements and the planned Improved Capabilities III upgrades will enable us to extend the aircraft's service life through 2018.

Beyond the Prowler, the future of electronic warfare for the Marine Corps will be comprised of a networked system-of-systems. The constituent components of this network include the F–35B JSF, UASs, ISR pods and payloads, the Next Generation

Jammer, and ground systems already fielded or under development. Our future vision is to use the entire array of electronic warfare capabilities accessible as part of the distributed electronic warfare network. This critical and important distinction promises to make Marine Corps electronic warfare capabilities accessible, available, and applicable to all MAGTF and joint force commanders.

Ground Tactical Mobility Strategy

The Army and Marine Corps are leading the Services in developing the right tactical wheeled vehicle fleets for the joint force. Through a combination of resetting and replacing current systems and developing several new vehicles, our work will provide the joint force with vehicles of appropriate expeditionary mobility, protection level, payload, transportability, and sustainability. As we develop new vehicles, it is imperative that our ground tactical vehicles provide adequate protection while still being sized appropriately for an expeditionary force.

Expeditionary Fighting Vehicle (EFV)

The EFV is the cornerstone of the Nation's forcible entry capability and the Marine Corps is in a period of critical risk until the EFV is fielded. Based on current and future threats, amphibious operations must be conducted from over the horizon and at least 25 nautical miles at sea. The EFV is the sole sea-based, surface oriented vehicle that can project combat power from the assault echelon over the horizon to the objective. EFVs are specifically suited to maneuver operations from the sea and sustained operations ashore. It will replace the aging Assault Amphibious Vehicle, which has been in service since 1972. Complementary to our modernized fleet of tactical vehicles, the EFV's amphibious mobility, day and night lethality, enhanced force protection capabilities, and robust communications will substantially improve joint force capabilities.

During the program's Nunn-McCurdy restructure in June 2007, the EFV was certified to Congress as essential to national security. EFV system development and demonstration was extended 4½ years to allow for design reliability. The EFV program successfully released a critical design review in the first quarter of fiscal year 2009 during a capstone event that assessed the EFV design as mature with a predicted reliability estimate of 61 hours mean time between operational mission failures greatly exceeding the exit criteria of 43.5 hours. These improvements will be demonstrated during the developmental test and operational test phases starting second quarter fiscal year 2010 on the seven new EFV prototypes currently being manufactured at the Joint Services Manufacturing Center in Lima, OH. The low rate initial production decision is programmed for fiscal year 2012. The current acquisition objective is to produce 573 EFVs. Initial operational capability is scheduled for 2015 and full operational capability is scheduled for 2025.

Mine Resistant Ambush Protected (MRAP) Vehicles

The Marine Corps is executing this joint urgent requirement to provide as many highly survivable vehicles to theater as quickly as possible. In November 2008, the Joint Requirements Oversight Council established a new 16,238-vehicle requirement for all Services and Special Operations Command. The current Marine Corps requirement of 2,627 vehicles supports our in-theater operations and home station training and was satisfied in June 2008. We are currently developing modifications that will provide for greater off-road mobility and utility in an Afghan environment in those vehicles that have been procured.

Vehicle Armoring

The evolving threat environment requires proactive management of tactical wheeled vehicle programs in order to provide Marine warfighters with the most well protected, safest vehicles possible given technological limitations. Force protection has always been a priority for the Marine Corps. We have fielded a Medium Tactical Vehicle Replacement (MTVR) Armor System for the MTVR; Fragmentation Armor Kits for the High Mobility Multipurpose Wheeled Vehicles (HMMWV); Marine Armor Kits (MAK) armor for the Logistics Vehicle System (LVS); and the Mine Resistant Ambush Protected (MRAP) vehicles. We have developed increased force protection upgrades to the MTVR Armor System, safety upgrades for the HMMWVs, and are developing improved armor for the Logistics Vehicle System. We will continue to work with the science and technology community and with our sister Services to develop and apply technology as required to address force protection. Congressional support for our force protection efforts has been overwhelming, and we ask that Congress continue their lifesaving support in the coming years.

Marine Air-Ground Task Force Fires

In 2007, we initiated "The MAGTF Fires Study." This study examined the current organic fire support of the MAGTF to determine the adequacy, integration, and modernization requirements for ground, aviation, and naval surface fires. The study concluded that the MAGTF/Amphibious Task Force did not possess an adequate capability to engage moving armored targets and to achieve a volume of fires in all weather conditions around the clock. This deficiency is especially acute during Joint Forcible Entry Operations. We are currently conducting a study with the Navy to analyze alternatives for meeting our need for naval surface fires during this phase. Additionally, we performed a supplemental historical study using Operation Iraqi Freedom data to examine MAGTF fires across the range of military operations. These studies reconfirmed the requirement for a mix of air, naval surface, and ground-based fires as well as the development of the Triad of Ground Indirect Fires.

Triad of Ground Indirect Fires

The Triad of Ground Indirect Fires provides for complementary, discriminating, and nondiscriminating fires that facilitate maneuver during combat operations. The Triad requires three distinct systems to address varying range and volume requirements. Offering improved capabilities and mobility, the M777 is a medium-caliber artillery piece that is currently replacing the heavy and aged M198 Howitzer. The High Mobility Artillery Rocket System is an extended range, ground-based rocket capability that provides precision and volume fires. The Expeditionary Fire Support System (EFSS) is a towed 120mm mortar. It will be the principal indirect fire support system for heli-borne and tilt rotor-borne forces executing Ship-to-Objective Maneuver. When paired with an Internally Transportable Vehicle, the EFSS can be transported aboard MV–22 Osprey and CH–53E aircraft. EFSS-equipped units will have immediately responsive, organic indirect fires at ranges beyond those of current infantry battalion mortars. Initial operational capability is planned in 2009 with full operational capability expected for fiscal year 2012.

Naval Surface Fire Support

In the last year, the Naval Services have focused on reinvigorating our strategy for building naval surface fire support capable of engaging targets at ranges consistent with our Ship-to-Objective Maneuver concept. In March 2008, the Extended Range Guided Munition development effort, which was designed to provide naval gunfire at ranges up to 53 nautical miles, was cancelled due to numerous technical and design flaws. The DDG–1000 program, which provides for an Advanced Gun System firing the Long-Range Land Attack Projectile 70 nautical miles as well as for the Dual Band Radar counter-fire detection capability, was truncated as priorities shifted to countering an emerging ballistic missile threat. As a result, the Marine Corps and Navy are committed to re-evaluating methods for providing required naval fires.

Aviation Fires

Marine aviation is a critical part of the MAGTF fires capability. The JSF will upgrade missile and bomb delivery, combining a fifth-generation pilot-aircraft interface, a 360-degree view of the battlefield, and a new generation of more lethal air-delivered ordnance coming online through 2025. Systems, such as Strikelink, will mesh forward air controllers with pilots and infantry officers at all levels. Laser and global positioning systems will provide terminal phase precision to less-accurate legacy bombs, missiles and rockets, providing more-lethal, all-weather aviation fires.

Infantry Weapons

We are also developing infantry weapons systems based on our combat experience and supporting studies. These systems not only support the current fight, but also posture marines to respond across the full spectrum of war. Our goals include increased lethality and combat effectiveness, reduced weight, improved modularity, and integration with other combat equipment. The Marine Corps and Army are co-leading a joint Service capabilities analysis in support of future developments.

The M16A4 and the M4 carbine are collectively referred to as the Modular Service Weapon. While both weapons have proven effective and reliable in combat operations, we must continually seek ways of improving the weapons with which we equip our warriors. With that in mind, we are re-evaluating current capabilities and determining priorities for a possible future service rifle and pistol.

We are in the process of acquiring the Infantry Automatic Rifle, which is shorter and lighter than the M249 Squad Automatic Weapon and will enable the automatic rifleman to keep pace with the fire team while retaining the capability to deliver accurate and sustained automatic fire in all tactical environments. The Infantry

Automatic Rifle will increase the lethality of our rifle squads while reducing logistical burden.

The Marine Corps is also upgrading its aging Shoulder-launched Multipurpose Assault Weapon (SMAW) with a lighter launcher and enhanced targeting and fire control. In concert with this, we are developing a "fire from enclosure" rocket that will enable marines to fire the SMAW from within a confined space.

Non-lethal Weapons

Our joint forces will continue to operate in complex security environments where unintended casualties and infrastructure damage will work against our strategic goals. Therefore, our warfighters must have the capability to respond using both lethal and non-lethal force. As the executive agent for the DOD Non-Lethal Weapons Program, the Marine Corps oversees and supports joint Service operational requirements for non-lethal weapons and their development to meet identified capability gaps. Our efforts extend across the globe, as reflected by the DOD's engagement with the North Atlantic Treaty Organization in identifying emerging non-lethal capabilities. Directed-energy technology is proving to hold much promise for the development of longer-range, more effective non-lethal weapons. Non-lethal weapon applications will provide new options for engaging personnel, combating small boat threats, and stopping vehicles, and are critical to our success against today's hybrid threats.

Command and Control

The Marine Corps' Command and Control Harmonization Strategy articulates our goal of delivering seamless support to marines. We are taking the best of emerging technologies to build an integrated set of capabilities that includes the Common Aviation Command and Control System (CAC2S), Joint Tactical Radio System, Very Small Aperture Terminal, the Combat Operations Center (COC), Joint Tactical Common Operational Picture Workstation, and Blue Force tracking system.

Combat Operations Center

By 2010, the MAGTF COC capability will integrate air and ground tactical situations into one common picture. The COC program has a current authorized acquisition objective of 260 systems, of which 242 are COCs supporting regimental/group-size and battalion/squadron-size operating forces. As of 1 May 2009, 22 COCs have been deployed overseas in support of units participating in Operation Iraqi Freedom; 16 COCs are deployed in support of Operation Enduring Freedom. COC systems will eventually support the warfighter from the Marine Expeditionary Force-level to the company-level and below.

Marine Corps Enterprise Network

The Marine Corps Enterprise Network enables the Marine Corps' warfighters and business domains to interface with joint forces, combatant commands, and the other Services on our classified and unclassified networks.

To meet the growing demands for a modern, networked force, the Marine Corps, as part of a Department of Navy-led effort, is transitioning its Non-Secure Internet Protocol Routing Network from the contract-owned and contract-operated Navy-Marine Corps Intranet to a government-owned and government-operated Next Generation Enterprise Network. This transition will provide the Marine Corps unclassified networks increased security, control, and flexibility.

The Marine Corps continues to invest in the expansion and enhancement of our Secret Internet Protocol Routing Network to ensure a highly secure and trusted classified network that meets our operational and intelligence requirements.

The Marine Corps has enhanced its security posture with a defense-in-depth strategy to respond to cyber threats while maintaining network accessibility and responsiveness. This layered approach, aligned with DOD standards, provides the Marine Corps networks that support our warfighting and business operations while protecting the personal information of our marines, sailors, and their families.

Intelligence, Surveillance, and Reconnaissance

We continue to improve the quality, timeliness, and availability of actionable intelligence through implementation of the Marine Corps ISR Enterprise (MCISR–E). This approach incorporates Marine Corps ISR capabilities into a flexible framework that enables us to collect, analyze, and rapidly exchange information necessary to facilitate increased operational tempo and effectiveness. Through development of the Distributed Common Ground System-Marine Corps, the enterprise will employ fully integrated systems architecture compliant with joint standards. This will allow our units to take advantage of joint, national, interagency, and coalition resources and capabilities, while making our intelligence and combat information available to the

same. MCISR–E will integrate data from our ground and aerial sensors as well as from nontraditional intelligence assets, such as from battlefield video surveillance systems, JSF sensors, and unit combat reports. This will enhance multi-discipline collection and all-source analytic collaboration. Additionally, MCISR–E will improve interoperability with our command and control systems and facilitate operational reach-back to the Marine Corps Intelligence Activity and other organizations.

Recent growth in intelligence personnel permitted us to establish company-level intelligence cells, equipped with the tools and training to enable every marine to be an intelligence collector and consumer. This capability has improved small unit combat reporting and enhanced operational effectiveness at all levels. Collectively, these efforts provide an adaptive enterprise that supports Marine Air-Ground Task Force intelligence requirements across the full range of military operations.

Improved Total Life Cycle Management

To assure effective warfighting capabilities, we are improving the Total Life Cycle Management of ground equipment and weapons systems. Overall mission readiness will be enhanced through the integration of the Total Life Cycle Management value stream with clear aligned roles, responsibilities, and relationships that maximize the visibility, supportability, availability, and accountability of ground equipment and weapons systems.

This will be accomplished through the integration of activities across the life cycle of procuring, fielding, sustaining, and disposing of weapon systems and equipment. Some of the expected benefits include:

- "Cradle to grave" material life cycle management capability
- Clearly defined roles and responsibilities for life cycle management across the enterprise
- Availability of reliable fact-based information for decisionmaking
- Full cost visibility
- Full asset visibility
- Standardized processes and performance metrics across the enterprise
- Improved internal management controls

Water and Energy Conservation

The Marine Corps believes in good stewardship of water and energy resources aboard our installations. In April 2009, we published our Facilities Energy & Water Management Campaign Plan, which includes the steps we are taking to reduce greenhouse gas emissions and our dependence on foreign oil. In our day-to-day operations and long-term programs, we intend to reduce the rate of energy use in existing facilities, increase energy efficiency in new construction and renovations, expand the use of renewable resources, reduce usage rates of water on our installations, and improve the security and reliability of energy and water systems.

A NAVAL FORCE, FOR EMPLOYMENT AS A MAGTF

Your Corps provides the Nation a multi-capable naval force that operates across the full range of military operations. The Navy, Marine Corps, and Coast Guard will soon publish the Naval Operations Concept 2009. This publication describes how, when, and possibly where U.S. naval forces will prevent conflict—and/or prevail in war—as part of a maritime strategy. In this era of strategic uncertainty, forward-deployed naval forces are routinely positioned to support our national interests. The ability to overcome diplomatic, geographic, and anti-access impediments anywhere on the globe is a capability unique to naval forces. Our strategies and concepts address the following requirements: The ability to maintain open and secure sea lines of communication for this maritime nation; the ability to maneuver over and project power from the sea; the ability to work with partner nations and allies to conduct humanitarian relief or noncombatant evacuation operations; and the ability to conduct sustained littoral operations along any coastline in the world. These strategies and concepts highlight the value of naval forces to the Nation and emphasize the value of our Marine Corps-Navy team.

Seabasing

The ability to operate independently from the sea is a core capability of the Navy and Marine Corps. Seabasing is our vision of future joint operations from the sea. Seabasing is the establishment of a port, an airfield, and a replenishment capability at sea through the physical coupling and interconnecting of ships beyond the missile range of the enemy. We believe sea-based logistics, sea-based fire support, and the use of the ocean as a medium for tactical and operational movement will permit our expeditionary forces to move directly from their ships to the objectives—on the shoreline or far inland. From that base at sea—with no footprint ashore—we will

be able to conduct the full range of operations, from forcible entry to disaster relief or humanitarian assistance.

Forcible Entry

Naval forces afford the Nation's only sustainable forcible entry capability. Two Marine Expeditionary Brigades (MEBs) constitute the assault echelon of a sea-based Marine Expeditionary Force. Each MEB assault echelon requires 17 amphibious warfare ships—resulting in an overall ship requirement of 34 operationally available amphibious warfare ships. In order to meet a 34-ship availability rate based on a Chief of Naval Operations-approved maintenance factor of 10 percent (not available for deployment), this calls for an inventory of 38 amphibious ships. This amphibious fleet must be composed of not less than 11 amphibious assault ships (LHA/LHD), 11 amphibious transport dock ships (LPD–17 class), and 12 dock landing ships (LSD), with 4 additional amphibious ships, which could be either LPDs or LSDs. This arrangement accepts a degree of risk but is feasible if the assault echelons can be rapidly reinforced by the Maritime Prepositioning Force (Future). The Navy and Marine Corps agreed to this requirement for 38 amphibious warfare ships.

LPD–17

The recent deployment of the first of the *San Antonio*-class amphibious warfare ship demonstrates the Navy's commitment to a modern expeditionary power projection fleet that will enable our naval force to operate across the spectrum of conflict. It is imperative that, at a minimum, 11 of these ships be built to support the 2.0 MEB assault echelon amphibious lift requirement. Procurement of the 10th and 11th LPD remains one of our highest priorities. The Marine Corps recognizes and appreciates the support Congress has provided in meeting the requirement for 11 LPD–17 ships.

To assist the Navy in transitioning to an optimum number and types of common hull forms, the LPD–17 remains the leading candidate for replacing the dock landing ship (LSD). Constructing new amphibious ships based on the incremental refinement of common hull forms will greatly enhance our ability to meet evolving MAGTF lift requirements. Critical to this strategy is the development of a shipbuilding schedule that will provide a smooth transition from legacy ship decommissioning to new ship delivery, minimizing operational risk while driving costs down.

Today and in the future, LPD–17 class ships will play a key role by forward deploying marines and their equipment to execute global commitments throughout all phases of engagement. The ship's flexible, open-architecture design will facilitate expanded force coverage and decrease reaction times of forward-deployed Marine Expeditionary Units. It will also offer the capacity to maintain a robust surface assault and rapid off-load capability in support of combatant commander forward presence and warfighting requirements.

LHA(R)/LH(X)

A holistic amphibious shipbuilding strategy must ensure that our future warfighting capabilities from the sea are fully optimized for both vertical and surface maneuver capabilities. The MV–22 and JSF, combined with CH–53 K and the UH–1Y/AH–1Z, will provide an unparalled warfighting capacity for the combatant commanders. Two amphibious assault (replacement) (LHA(R)) ships with enhanced aviation capabilities will replace two of the retiring amphibious assault (LHA) ships and join the eight LHD amphibious assault ships. The LHA(R) design traded surface warfare capabilities to provide enhanced aviation hangar and maintenance spaces to support aviation maintenance, increase jet fuel storage and aviation ordnance magazines, and increase aviation sortie generation rates.

Operational lessons learned and changes in future operational concepts have caused changes in MAGTF equipment size and weight and have reinforced the requirement for amphibious ships with flexible surface interface capabilities. The Marine Corps remains committed to meeting the long-standing requirement for simultaneous vertical and surface maneuver capabilities from the seabase. Toward that end, follow-on big deck amphibious ship construction to replace LHAs will incorporate surface interface capabilities while retaining significant aviation enhancements of the LHA Replacement ship.

Maritime Prepositioning Force (Future)

The Maritime Prepositioning Force (Future) (MPF(F)) is a key seabasing enabler and will build on the success of the legacy Maritime Prepositioning Force program. MPF(F) will provide support to a wide range of military operations, from humanitarian assistance to major combat operations, with improved capabilities such as at-sea arrival and assembly; selective offload of mission sets; persistent, long-term, sea-

based sustainment; and at-sea reconstitution. The squadron is designed to provide combatant commanders a highly flexible operational and logistics support capability to meet widely varied expeditionary missions ranging from reinforcing and supporting the assault echelon during joint forcible entry operations to conducting independent operations throughout the remaining range of military operations. The squadron will preposition a single MEB's critical equipment and sustainment capability for delivery from the sea base without the need for established infrastructure ashore.

The Acting Secretary of the Navy, the Chief of Naval Operations, and the Commandant of the Marine Corps approved MPF(F) squadron capabilities and ship composition in May 2005, as documented in the MPF(F) Report to Congress on 6 June 2005. Those required capabilities and ship composition remain fully valid today in meeting the full range of combatant commander mission requirements. The MPF(F) squadron is designed to be comprised of three aviation-capable ships, three modified LMSR, three dry cargo/ammunition (T–AKE) supply ships, three mobile landing platforms (MLPs), and two legacy dense-packed cargo (T–AK) ships.

MPF(F) Aviation Capable Ships: "An Airfield Afloat"

MPF(F) aviation-capable ships are the key seabasing enablers that set it apart from legacy prepositioning programs. These ships are multifaceted enablers that are vital to the projection of forces from the seabase, offering a new level of operational flexibility and reach. MPF(F) aviation capable ships contain the MEB's command and control nodes as well as medical capabilities, vehicle stowage, and berthing for the MEB. They serve as a base for rotary wing/tilt-rotor aircraft, thus supporting the vertical employment of forces to objectives up to 110 nautical miles from the sea base as well as surface reinforcement via the LHD well deck. These ships allow for the stowage, operation, arming, control, and maintenance of aircraft in the seabase, which directly allows for the vertical and surface employment, projection, and sustainment of forces ashore.

Without these ships, the MPF(F) squadron would have to compensate for the necessary operational capabilities and lift capacities, increasing the number of ships, modifying the remaining platforms in the squadron, and/or accepting significant additional operational risk in areas such as vertical maneuver, command and control, and medical.

Mobile Landing Platform: "A Pier in the Ocean"

The MLP is perhaps the most flexible platform in the MPF(F) squadron. MLP will provide at-sea vehicle, equipment, and personnel transfer capabilities from the LMSR to air-cushioned landing craft via the MLP's vehicle transfer system currently under development. The MLP also provides organizational and intermediate maintenance that enables the surface employment of combat ready forces from over the horizon. In short, the MLP is a highly flexible, multi-purpose intermodal capability that will be a key interface between wide varieties of seabased platforms. Instead of ships and lighters going to a terminal on shore, they will conduct at-sea transfers of combat-ready personnel, vehicles, and equipment to and from the MPF(F).

Beyond its critical role within the MPF(F) squadron, the MLP also serves as the crucial joint interface platform with other Services and coalition partners. The MLP will possess an enhanced container-handling capability, allowing it to transfer containerized sustainment from military and commercial ships to forces ashore.

Dry Cargo/Ammunition Ship: "A Warehouse Afloat"

The dry cargo/ammunition ship (T–AKE) is a selectively off-loadable, afloat warehouse ship that is designed to carry dry, frozen, and chilled cargo, ammunition, and limited cargo fuel. It is a versatile supply platform with robust underway replenishment capabilities for both dry and wet cargo that can re-supply other ships in the squadron and ground forces as required. Key holds are reconfigurable for additional flexibility. It has a day/night capable flight deck. The squadron's three T–AKEs will have sufficient dry cargo and ammunition capacities to provide persistent sustainment to the Marine Expeditionary Brigade operating ashore. The cargo fuel—in excess of a million gallons—will greatly contribute to sustaining the forces ashore. These ships can support the dry cargo and compatible ammunition requirements of joint forces and are the same ship class as the combat logistics force T–AKE ships.

Large Medium-Speed Roll-on/Roll-off Ship: "Assembly at Sea"

A LMSR ship platform will preposition MEB assets and will enable at-sea arrival and assembly operations and selective offload operations. Expansive vehicle decks and converted cargo holds will provide sufficient capacity to stow the MEB's vehi-

cles, equipment, and supplies in an accessible configuration. This, combined with selective offload via the MLP's vehicle transfer system, will permit at-sea arrival and assembly operations within the ship. The LMSR will have sufficient berthing for assembly and integration of MEB personnel and associated vehicles and equipment. LMSR modifications will include two aviation operating spots, underway replenishment equipment, a controlled assembly area, and ordnance magazines and elevators. Specific modifications, such as the side port hatch design and inclusion of anti-roll tanks, will facilitate employing the MLP's vehicle transfer system with the MPF(F) LMSR during seabased operations. The LMSR will also have dedicated maintenance areas capable of supporting organizational intermediate maintenance activities for all ground combat equipment.

OUR MARINES AND FAMILIES

While our deployed marines never question the need or ability to live in an expeditionary environment and harsh climates, they have reasonable expectations that their living quarters at home station will be clean and comfortable. Those who are married want their families to enjoy quality housing, schools, and family support. It is a moral responsibility for us to support them in these key areas. A quality of life survey we conducted in late 2007 reflected that despite the current high operational tempo, marines and spouses were satisfied with the support they receive from the Marine Corps. Marines make an enduring commitment to the Corps when they earn the title "marine." In turn, the Corps will continue its commitment to marines and their families. We extend our sincere appreciation for Congress' commitment to this Nation's wounded warriors and their direction for the establishment of Centers of Excellence within DOD that address traumatic brain injury (TBI), post-traumatic stress disorder, eye injuries, hearing loss, and a joint DOD/Department of Veterans Affairs Center addressing loss of limbs.

Family Readiness Programs

Last year, we initiated a multi-year plan of action to put our family support programs on a wartime footing. We listened to our families and heard their concerns. We saw that our commanders needed additional resources, and we identified underfunded programs operating largely on the strength and perseverance of hard-working staff and volunteers.

To address the above concerns, we have established full-time Family Readiness Officer billets in more than 400 units and have also acted to expand the depth and breadth of our family readiness training programs. The Family Readiness Officer is supported in this mission by the Marine Corps Community Services Program. For the families communication with their deployed marines is their number one quality of life requirement. With the Family Readiness Officer serving as the focal point, we have used information technology tools to expand the communication between marines and their families.

These initiatives and others demonstrate the commitment of the Marine Corps to our families and underscore the significance of family readiness to mission readiness. We thank Congress for the supplemental funding during fiscal years 2008 and 2009 that enabled initial start-up. Beginning in fiscal year 2010, the funding required to maintain these critical programs will be part of our baseline budget.

Casualty Assistance

Our casualty assistance program is committed to ensuring that families of our fallen marines are treated with the utmost compassion, dignity, and honor. We have taken steps to correct the unacceptable deficiencies in our casualty reporting process that were identified in congressional hearings and subsequent internal reviews.

Marine Corps commands now report the initiation, status, and findings of casualty investigations to the Headquarters Casualty Section in Quantico, which has the responsibility to ensure the next of kin receive timely notification of these investigations from their assigned Casualty Assistance Calls Officer.

The Headquarters Casualty Section is a 24-hour-per-day operation manned by marines trained in casualty reporting, notification, and casualty assistance procedures. These marines have also taken on the additional responsibility of notifying the next of kin of wounded, injured, and ill marines.

In October 2008, we implemented a mandatory training program for Casualty Assistance Calls Officers that includes a web-based capability to expand the reach of the course. This training covers notification procedures, benefits and entitlements, mortuary affairs, and grief and bereavement issues. We will continue to monitor the effectiveness of these changes and make adjustments where warranted.

Wounded Warrior Regiment

The Marine Corps is very proud of the positive and meaningful impact that the Wounded Warrior Regiment is having on wounded, ill, and injured marines, sailors, and their families. Just over 18 months ago, we instituted a comprehensive and integrated approach to wounded warrior care and unified it under one command. The establishment of the Wounded Warrior Regiment reflects our deep commitment to the welfare of our wounded, ill, and injured, and their families throughout all phases of recovery. Our single process provides active duty, Reserve, and separated marines with non-medical case management, benefit information and assistance, resources and referrals, and transition support. The nerve center of our Wounded Warrior Regiment is our Wounded Warrior Operations Center—where no marine is turned away.

The Regiment strives to ensure programs and processes adequately meet the needs of our wounded, ill, and injured and that they remain flexible to preclude a one-size-fits-all approach to that care. For example, we have transferred auditing authority for pay and entitlements from the Defense Finance and Accounting Service in Cleveland directly to the Wounded Warrior Regiment, where there is a comprehensive awareness of each wounded marine's individual situation. We have also designed and implemented a Marine Corps Wounded, Ill, and Injured Tracking System to maintain accountability and case management for the Marine Corps Comprehensive Recovery Plan. To ensure effective family advocacy, we have added Family Readiness Officers at the Regiment and our two battalions to support the families of our wounded, ill, and injured marines.

While the Marine Corps is aggressively attacking the stigma and lack of information that sometimes prevents marines from asking for help, we are also proactively reaching out to those marines and Marine veterans who may need assistance. Our Sergeant Merlin German Wounded Warrior Call Center not only receives calls from active duty and former marines, but also conducts important outreach calls. In the past year, the Marine Corps added Battalion contact cells that make periodic outreach to marines who have returned to duty in order to ensure their recovery needs are being addressed and that they receive information on any new benefits. The call centers between them have made over 40,000 calls to those marines injured since September 2001 to assess how they are doing and offer our assistance.

To enhance reintegration, our Job Transition Cell, manned by marines and representatives of the Departments of Labor and Veterans Affairs, has been proactively reaching out to identify and coordinate with employers and job training programs to help our wounded warriors obtain positions in which they are most likely to succeed and enjoy promising careers. One example is our collaboration with the U.S. House of Representatives to establish their Wounded Warrior Fellowship Program for hiring disabled veterans to work in congressional offices.

The Marine Corps also recognizes that the needs of our wounded, ill, and injured marines and their families are constantly evolving. We must ensure our wounded marines and their families are equipped for success in today's environment and in the future.

As we continue to improve the care and management of our Nation's wounded, the Marine Corps is grateful to have the support of Congress. In addition to the support provided in the National Defense Authorization Act for Fiscal Year 2009, I would like to thank you for your personal visits to our Wounded Warriors in the hospital wards where they are recovering and on the bases where they live. The Marine Corps looks forward to continuing to work with Congress in ensuring that our wounded, ill, and injured marines receive the best care, resources, and opportunities possible.

Traumatic Brain Injury

With 2,700 new cases of marines with TBI entered into the DOD and Veteran's Brain Injury Center in calendar year 2008, we continue to see TBI as a significant challenge that we are confronting. Many of these new cases represent older injuries that are just now being diagnosed, and our expectation is that, with the institution of the Automated Neuropsychological Assessment Metrics for all marines, we will discover mild TBIs more promptly post-deployment. While the Marine Corps is providing leadership and resources to deal with this problem, we cannot solve all the issues on our own.

The Marine Corps continues to work closely with military medicine, notably DOD's Center of Excellence for Psychological Health and Traumatic Brain Injury, to advance our understanding of TBI and improve care for all marines. We are grateful for your continued support in this area.

Psychological Health Care

Marine Corps commanders are fully engaged in promoting the psychological health of our marines, sailors, and family members. The message to our marines is to look out for each other and to know that it is okay to get help. While culture change is hard to measure, we feel that the efforts we have made to reduce the stigma of combat stress are working.

The Marine Corps Combat and Operational Stress Control Program encompasses a set of policies, training, and tools to enable leaders, individuals, and families to prepare for and manage the stress of operational deployment cycles. Our training emphasizes ways in which to recognize stress reactions, injuries, and illnesses early and manage them more effectively within operational units. Our assessments of stress responses and outcomes are rated on a continuum: unaffected; temporarily or mildly affected; more severely impaired but likely to recover; or persistently distressed or disabled. Combat stress deserves the same attention and care as any physical wound of war, and our leaders receive extensive training on how to establish an environment where it is okay to ask for help.

To assist leaders with prevention, rapid identification, and early treatment of combat operational stress, we are expanding our program of embedding mental health professionals in operational units—the Operational Stress Control and Readiness (OSCAR) program—to provide direct support to all Active and Reserve ground combat elements. This will be achieved over the next 3 years through realignment of existing Navy structure supporting the operating forces, and increases in Navy mental health provider inventory. Our ultimate intent is to expand OSCAR to all elements of the Marine Air-Ground Task Force. In the interim, OSCAR teams are filled to the extent possible on an ad hoc basis with assets from Navy medicine.

Exceptional Family Member Program

Last year, I reported on our intent to establish a continuum of care for our Exceptional Family Member Program (EFMP) families. We are actively helping more than 6,000 families in the EFMP gain access to medical, educational, and financial care services that may be limited or restricted at certain duty stations. We have assigned case managers to all of our enrolled EFMP families, obtained the help of the Bureau of Medicine and Surgery and TRICARE to resolve health care concerns at several bases, and directed legal counsel to advise the EFMP and our families on state and Federal entitlements and processes. Additionally, we are developing assignment policies that will further facilitate the continuum of care.

While no family should have to endure interruptions in care, gaining access to services can be most challenging to families who have autism spectrum disorder (ASD). We sincerely appreciate the support of Congress for our ASD families and others who are entitled to the TRICARE Extended Care Health Option program. For fiscal year 2009, you have increased the monthly reimbursement rate for applied behavioral analysis—a specific therapy that our marine families value.

However, there is still more to do. While appropriate TRICARE reimbursement rates are important, the highly specialized services these families require are not always available. We are evaluating how we can partner with other organizations to increase the availability of these specialized services in areas where resources are currently lacking.

Water Contamination at Camp Lejeune

Past water contamination at Camp Lejeune has been, and continues to be, a very important issue for the Marine Corps. Using good science, our goal is to determine whether past exposure to the contaminated water at Camp Lejeune resulted in any adverse health effects for our marines, their families, or our civilian workers.

The Marine Corps continues to support the Agency for Toxic Substances and Disease Registry in their health study, which is estimated to be completed in late 2009. With the help of Congress, the National Academy of Sciences is assisting us in developing a way ahead on this difficult issue.

The Marine Corps continues to make progress notifying former residents and workers. We have established a call center and registry where the public can provide contact information so that we can notify them when these health studies are complete.

Our outreach efforts include a range of communication venues to include letters to individuals located from DOD databases, paid print and broadcast advertising, publications in military magazines, press releases, and a fully staffed call center. As of 22 March 2009, we have had 131,000 total registrations and mailed more than 200,000 direct notifications.

Sexual Assault Prevention and Response

Sexual assault is a crime, and we take every reported incident very seriously. The impact on its victims and the corrosive effect on unit and individual readiness are matters of great concern. A recent Government Accountability Office study reported several shortcomings in our program. To address these findings, we are refreshing our training program and assessing the requirement to hire full-time Sexual Assault Prevention and Response Program coordinators at installations with large troop populations. We have trained more than 3,200 victim advocates to provide assistance upon the request. All marines receive sexual assault prevention and awareness training upon entry and are required to receive refresher training at least annually. We have also incorporated sexual assault prevention into officer and noncommissioned officer professional development courses and key senior leader conferences and working groups. At the request of our field commanders, we have also increased the number of Marine Corps judge advocates who attend specialized training on prosecution of these crimes and have assembled a mobile training team to teach our prosecutors how to better manage these cases.

Suicide Prevention

With 42 marine suicides in 2008, we experienced our highest suicide rate since the start of Operation Enduring Freedom and Operation Iraqi Freedom. The number of confirmed marine suicides has increased from 25 in calendar year 2006, to 33 in 2007, to 42 in 2008. Through March 2009, we have 8 presumed suicides this year, which place us on a trajectory for 32 this calendar year. Our numbers are disturbing; we will not accept them, or stand idle while our marines and families suffer.

Our studies have found that regardless of duty station, deployment, or duty status, the primary stressors associated with marine suicides are problems in romantic relationships, physical health, work-related issues such as poor performance and job dissatisfaction, and pending legal or administrative action. This is consistent with other Services and civilian findings. Multiple stressors are usually present in suicide.

In November 2008, we reviewed our suicide awareness and prevention program and directed the development of a leadership training program targeted at noncommissioned officers. As in combat, we will rely upon our corporals and sergeants to chart the course and apply their leadership skills to the challenge at hand. This program includes high-impact, engaging videos, and a web-ready resource library to provide additional tools for identifying their marines who appear at risk for suicide. Further, during March 2009, we required all of our commanders to conduct suicide prevention training for 100 percent of the marines under their charge. This training educated marines on the current situation in our Corps; it taught them how to identify the warning signs; it reinforced their responsibility as leaders; and it informed them of the resources available locally for support.

The Marine Corps will continue to pursue initiatives to prevent suicides, to include reevaluating existing programs designed to reduce the stressors most correlated with suicidal behavior; developing and distributing new prevention programs; and refreshing and expanding training materials.

Child Development Programs

To ensure Children, Youth, and Teen Programs continue to transition to meet the needs of our families, a functionality assessment was conducted in June 2008 to identify program improvements, such as the development of staffing models to improve service delivery, as well as recommendations to explore and redefine services to meet the unique and changing needs of marines and their families living both on and off our installations. In addition, the Marine Corps has expanded partnerships to provide long- and short-term support for geographically dispersed marines. We can now provide 16 hours of reimbursed respite care per month for families with a deployed marine. We are expanding our care capacity in many ways, including extended hours as well as through partnerships with resource and referral agencies, off-base family childcare, and Child Development Home spaces.

We are currently providing 11,757 childcare spaces and meeting 63.6 percent of the calculated total need. It is important to note that the Marine Corps has initiated rigorous data collection and analysis improvements. As a result, it will be necessary to correct the 2007 annual summary due to identified reporting errors. Our reported rate of 71 percent of potential need last year is more accurately stated as 59.1 percent. We are not satisfied with our progress to date, and have planned for 10 child development center military construction projects in program years 2008 through 2013. Two of those projects were executed in fiscal year 2008, and one is approved for fiscal year 2009. These approved projects will provide an additional 915 spaces.

We also are considering additional modular Child Development Centers, subject to more detailed planning and availability of funds. Planned military construction and modular centers would add approximately 2,600 spaces, and although our need is expanding, based on our current calculations, this expansion would bring us much closer to the DOD goal. Continued congressional support will help us provide these needed facilities. As the needs of our families change, our program is committed to grow and adapt to meet these developments.

School Liaison Program

The education of more than 51,000 school-age children of marine parents has been identified as a readiness and retention issue of great concern. Our marine children, who are often as mobile as their military parent, face additional stress and challenges associated with frequent moves between schools with differing educational systems and standards. Exacerbating this is the varying degree of satisfaction marines and their spouses have with the quality and sufficiency of local education systems. The Marine Corps is addressing this issue by establishing national, regional, and installation level School Liaison capability. The School Liaison will help parents and commanders interact with local schools, districts, and state governments to help resolve educational issues. The increased family readiness funding has allowed us to establish a School Liaison position at each Marine Corps installation. Complementing our local effort, the Marine Corps is working with the DOD to establish an "Education Compact" with states to enable reciprocal acceptance of entrance, subject, testing, and graduation requirements. The Education Compact has been enacted in North Carolina and Arizona, and is under varying stages of consideration in the other states with Marine Corps installations.

POSTURE THE MARINE CORPS FOR THE FUTURE

As we prepare for an unpredictable future, we must continue to assess the potential future security environments and the challenges of tomorrow's battlefields. Our solid belief is that a forward-deployed expeditionary force, consistently engaged and postured for rapid response, is as critical for national security in the future as it is today. The Marine Corps, with its inherent advantages as an expeditionary force, can be rapidly employed in key areas of the globe despite challenges to U.S. access. Our sea-based posture will allow us to continue conducting security cooperation activities with a variety of allies and partners around the world to mitigate sources of discontent and deter conflict. We must increase our capacity to conduct security cooperation operations without compromising our ability to engage in a major regional conflict.

Realignment in the Pacific: Defense Policy Review Initiative

The Defense Policy Review Initiative was established in 2002 by the United States and Japan as a means to review each nation's security and defense issues. One of the key outcomes of this process was an agreement to move approximately 8,000 marines from Okinawa to Guam. The movement of these forces will address encroachment issues facing marines on Okinawa. Moreover, the relocation will afford new opportunities to engage with our partners in Asia, conduct multilateral training on American soil, and be better positioned to support a broad range of contingencies that may confront the region. Furthermore, the political agreements brokered by the Office of the Secretary of Defense provide for a long-term presence of marines on Okinawa as well as substantial financial support by the Government of Japan.

As can be expected with an effort of this scale and complexity, there are a number of challenges. Developing training areas and ranges on Guam and the Commonwealth of Northern Mariana Islands is a key pre-requisite for moving marine forces to Guam. We also seek a contiguous base design on Guam where housing, operations, and quality of life facilities can be collocated. This will reduce the road traffic on Guam and provide for a better security posture. We have also found that collocated facilities—where marines live and work—tend to be used more often, and serve to unify the military community.

We continue to work within the DOD to align our training and installation requirements with ongoing environmental assessments and political agreements. Planned and executed properly, this relocation to Guam will result in marine forces that are combat ready, forward postured, and value-added to U.S. interests in the Pacific for the next 50 years.

Security Cooperation Marine Air-Ground Task Force

The Security Cooperation Marine Air-Ground Task Force (SC MAGTF) provides geographic combatant commanders with a security cooperation capability for em-

ployment in remote, austere locations across the globe. SC MAGTFs will be organized based upon the specific requirements of each training event or operation they are requested to support and will enhance the combatant commander's ability to alleviate the conditions that cause instability to proliferate.

Training and Education

Our training and education systems, from recruit training to top-level professional military education schools, rigorously instill in our marines the physical and mental toughness and intellectual agility required to successfully operate in today's and tomorrow's complex environments. Marine Corps forces are organized, trained, equipped, and deployed with the expectation of operating under inhospitable conditions against committed and competent foes. Our forces are heavy enough to sustain major combat operations against conventional and hybrid threats but light enough to facilitate rapid deployment. Capability enhancements across the board are supported by a vigorous application of lessons learned from current operations.

Operation Enduring Freedom Pre-deployment Training Program

The Afghanistan Pre-deployment Training Plan provides well-trained individuals and units that are prepared to operate in the austere and challenging environment of Afghanistan. While similar to the current Iraq Pre-Deployment Training Program, the Afghanistan Pre-deployment Training Program emphasizes the inherent capability of the MAGTF to conduct combined arms operations within a joint, multinational, and interagency framework. The capstone event of the Afghanistan Pre-Deployment Training Program incorporates all elements of the MAGTF.

Combined Arms Training, Large Scale Exercises, and Amphibious Operations

Our training programs must prepare marines to support current commitments and maintain MAGTF proficiency in core warfighting capabilities. We are developing a program of nested training exercises that focus on interagency and coalition operations to support the current fight and prepare the Marine Corps for the Long War.

The Combined Arms Exercise-Next is a service-level, live-fire training exercise that develops the core capability of combined arms maneuver from the individual marine to the regimental-sized unit level. This exercise focuses on the integration of functions within and between the MAGTF elements. The MAGTF Large Scale Exercise is a service-level training exercise that develops the MAGTF's capability to conduct amphibious power projection and sustained operations ashore in a joint and interagency environment.

Amphibious operations are a hallmark of the Marine Corps. Through a combination of amphibious-focused professional military education, classroom training, and naval exercises, we will ensure MAGTFs are capable of fulfilling Maritime Strategy amphibious requirements, combatant commanders' operational plans, and future national security requirements.

Training and Simulation Systems

Cost-effective training requires a combination of live, virtual, and constructive training to attain the requisite level of combat readiness. We have leveraged technologies and simulations to augment, support, and create training environments for marines to train at the individual, squad, and platoon levels. Virtual and constructive simulations support the pre-deployment training continuum, while live training systems create a training environment that replicates battlefield effects and conditions. Our long-range effort for infantry skills simulation training is the Squad Immersive Training Environment. This provides realistic training for our infantry squads. Over the past year, we have increased our efficiency and provided greater training opportunities for the individual marine up to the MAGTF and joint level to satisfy Title 10 and joint training readiness standards.

Training Range Modernization-Twentynine Palms Land Expansion

Our facilities at Twentynine Palms are critical to the pre-deployment training of our deploying marine units. These facilities support the integration of fires and maneuver of new and emerging weapons systems, which cannot be accomplished within current boundaries of other Marine Corps bases. The Corps believes that to meet obligations to the Nation's defense, we must conduct live-fire and maneuver exercises at the Marine Expeditionary Brigade level.

The Marine Corps' Mission Capable Ranges Initiative guides Marine Corps range planning and investment. A key to this initiative is the proposed expansion of the Marine Air-Ground Task Force Training Command's range complex at Marine Corps Base Twentynine Palms, CA. This 507,000-acre installation, established in the 1950s, requires expansion to meet today's training requirements. We have begun

the National Environmental Policy Act-required environmental studies to guide decisions during the acquisition process, and we expect acquisition to commence in 2012.

Core Values and Ethics

In an effort to improve values-based training and address the difficult ethical dilemmas faced by marines, the John A. Lejeune Leadership Institute implemented several initiatives and publications to strengthen core values training. Publications include the Leadership, Ethics, and Law of War Discussion Guide. These guides offer 15 contemporary case studies with suggested topics for discussion group leaders. We have also published a primer on the Law of War and Escalation of Force, a discussion aid on moral development, and Issues of Battlefield Ethics and Leadership—a series of brief, fictionalized case studies to develop small unit leaders. These are used in our schools, beginning with recruit training at boot camp and continuing into military occupation specialty training and professional military education schools.

Two video versions of case studies were created to sharpen the focus of our semiannual Commandant's Commanders' Program on the commander's role in setting a climate of positive battlefield ethics, accountability, and responsibility. In addition, the John A. Lejeune Leadership Institute held the first Russell Leadership Conference since 2002 with 230 first-line leaders from across the Corps. The conference broadened and reinforced our leaders' understanding of the role they fill as ethical decision-makers, mentors, and critical thinkers.

Marine Corps University

The Marine Corps University established a Middle East Institute in 2007 to research, publish, and promote regional awareness. A highly successful Iran Conference clearly demonstrated the utility of the institute. The new Marine Corps University Press was a successful step in our outreach program that includes publishing a professional journal. These initiatives were all part of Marine Corps University's health assessment and are an integral part of the University Strategic Plan.

CONCLUSION

Marines take extreme pride in the comment attributed to journalist Richard Harding Davis, "The marines have landed, and the situation is well in hand." Our history has repeatedly validated that statement. Our training and organization ensures our fellow Americans that they should never doubt the outcome when her marines are sent to do the Nation's work. Our confidence comes from the selfless sacrifices we witness every day by courageous young marines. They responded magnificently after September 11—took the fight to the Taliban and Al Qaeda, conducted a lightening-fast offensive campaign in Iraq, and turned the tide in the volatile Al Anbar province. Now, we are ready to get back to the fight in Afghanistan—or wherever else our Nation calls.

Your Marine Corps is grateful for your support and the support of the American people. Our great young patriots have performed magnificently and written their own page in history. They have proven their courage in combat. Their resiliency, dedication, and sense of self-sacrifice are a tribute to this great Nation. They go into harm's way knowing their country is behind them. On their behalf, I thank you for your enduring support. We pledge to be good stewards of the resources you most generously provide and remain committed to the defense of this great land. Thank you again for the opportunity to report to you today.

Chairman LEVIN. Thank you very much, General.

Let's try an 8-minute first round. Mr. Secretary, let me address my first question to you.

The LCS program has seen significant cost growth. That was driven in part by the changing requirements that the Navy has placed on it after the design and construction contracts were signed.

There's a question as to whether or not the Navy and the contractors can build the fiscal year 2010 ships within the legislative cost cap of $460 million per ship.

Is the Navy going to be able to buy these ships within that cost cap?

Secretary MABUS. Mr. Chairman, as you pointed out, the lead ships for both classes of the LCS, because they were the lead ships and because, frankly, a lot of requirements were added during the construction phase, are expensive.

The follow-on ships that are now in the queue, the costs are being driven down. They're being driven down because Admiral Roughead and the Navy have frozen the requirements, not adding requirements to the LCS where the technology is mature, and we're moving forward with both variants.

We're committed to competition between the variants. We're committed to fixed price contracts, and we are very aware of the $460 million legislative cap and that is the goal that we are driving toward.

Whether or not we will be able to meet that goal, I cannot tell you today, but it is a focus of ours and we are doing everything that we can in terms of freezing commitments, in terms of competition, and in terms of contracting practices, to make sure that we do.

Chairman LEVIN. Is there a realistic prospect that you're going to be able to do it?

Secretary MABUS. I think there's a realistic prospect that we can drive toward that goal. There were no escalators built into that cap and things outside of our control and the contractors' control, escalating cost of materiel, escalating labor costs, have frankly made that less realistic.

Chairman LEVIN. When will you know whether you can keep within that cap? Is it a matter of weeks, months? When will you know that?

Secretary MABUS. My best guess is we will know by the early fall.

Chairman LEVIN. You're going to let us know as soon as you know because that can affect our decision on our authorization bill.

Secretary MABUS. Absolutely.

Chairman LEVIN. Admiral, you've talked about these IAs, the sailors who are performing outside of their normal trained military specialties and I know that you're rightfully proud, we all are, of the campaign and the way in which the Navy's put in their part, more than their part sometimes in the effort, but sometimes you've had to pull individuals away from organizations where they are needed.

As I understand it, the supervisor of shipbuilding that was monitoring the LCS program, which was already in trouble, was one of those who was pulled off to be an IA.

How are you assessing the impact of this program? Is it true that that supervisor was one of the IAs?

Admiral ROUGHEAD. Senator, thank you, and you're absolutely correct when you said I could not be more proud of the contributions our sailors are making in roles that are not normally part of the traditional Navy mission.

We have done a great deal of work in realigning the process that we use to select and prepare and train those sailors to take care of their families. As we make assignments and selections for those sailors who are going forward, we not only look at what the requirement is in theater, we look at what the impact is going to be

on the command where they leave and we work to make that balance optimal.

I would say that, quite frankly, we have sailors who are volunteering to go but can't because of the impact they would have on their current command.

With regard to a specific sailor assigned from a supervisor of shipbuilding, I would say that that has likely occurred. I do not have any specifics on that, but I would say that with regard to the ships manning, particularly as applied to LCS, when I made my first visit to the shipyard building, it was apparent to me that we did not have enough LCSs. IAs had nothing to do with it.

Our Commander of Naval Sea Systems Command has reassessed that. We're getting more people into the oversight function of LCS, but with respect to IAs doing great work, we monitor it very carefully and our IAs promote at a higher rate than those who do not go.

Chairman LEVIN. It may not have been the cause of the problem with the LCSs but if in fact such a supervisor was taken away from that capacity, it could surely worsen the problem.

Will you just check that one issue out as an example of the problem?

Admiral ROUGHEAD. Yes, sir, we will.

Chairman LEVIN. Admiral, I'd like to talk to you about some of the piracy issues which have arisen. Some have suggested that the maritime industry do more to protect against pirate attacks, but there have been some suggestions that the Navy has an obligation to protect all U.S.-flag vessels that transit the problem area.

Please give us your view as to whether or not the Navy has the capacity and whether it's appropriate to put military security teams on all U.S.-flag commercial vessels that travel in that problem area.

Admiral ROUGHEAD. Yes, sir. With regard to the mission and activity since May 7, there has not been a successful act of piracy in and around Somalia. I attribute that to the effort not just of our sailors but of the informal coalition that has formed.

I believe that one of the reasons that we're seeing some progress is the fact that the ships and the shippers are taking more aggressive action to avoid being taken by pirates and also it's helped significantly by our patrols.

I believe that at the end of the day, the shipping companies need to look at their security requirements and provide for those security requirements. We, in cooperation with our allies and partners there, will provide the maritime security environment in which the ships can pass, but there has to be a willingness on the part of shippers to adjust procedures. They are often driven by the business in which they are engaged in, but I believe we're seeing very positive trends.

The problem of piracy will not go away until the problem ashore is addressed. We are patrolling an area four times the size of Texas but until there's a shore component to it, we're going to continue to chase pirates at sea.

Chairman LEVIN. On the question of whether or not we should place military security teams on all U.S.-flag commercial vehicles,

have you been asked to do that? Have you considered that? Is it appropriate? Is it doable?

Admiral ROUGHEAD. I have not been asked to do that. I believe that the responsibilities for the security of ships also lies with the shippers. We will provide the security environment at sea, but I personally believe that the shipping companies bear responsibility for the protection of their ships.

Chairman LEVIN. Thank you.

Senator McCain.

Senator MCCAIN. Thank you, Mr. Chairman.

I want to thank the witnesses again. Secretary Mabus and Admiral Roughead, the Secretary of Defense, as we all know, made a decision to reduce the purchases of the F–22 with the commitment for increased procurement of the F–35 and the Services, as I understand it, are planning on purchasing around 2,450 F–35s at a cost of about $300 billion. That's a cost increase of 47 percent beyond the original 2002 estimates.

The Navy is obviously relying on the F–35 to close the gap that it sees in strike-fighter capability.

Now, the Government Accountability Office (GAO) recently issued a report on the JSF program that was critical of its past cost overruns and predicted that the development will cost more and take longer than what has been reported to Congress.

In 2008, a Pentagon Joint Estimating Team said that the JSF Program would require an additional 2 years of testing and would need another $15 billion to cover new development costs.

Are we going to be able to keep these costs under control and procure the numbers that we have predicted or are we going to unfortunately repeat the record that we've had on previous aircraft purchases where the price has gone up and up, so therefore the numbers procured are less? Are we not taking something of a gamble here?

Secretary Mabus or Admiral Roughead?

Admiral ROUGHEAD. Senator, we are the last Service to get the JSF. The Marine Corps will go first and then Air Force and then us, and in this budget we have provided for the four test articles that we need. The JSF is important to naval aviation as we move to another generation of airplane and also have a mix of airplanes on our carrier decks.

The on-time delivery of the JSF is critical to naval aviation. We have committed to that in this budget, but we are going to continue to have to pay very, very close attention to this.

Senator MCCAIN. General Conway, since the Marine Corps is getting it sooner than the Navy, what's your estimate of the situation right now?

General CONWAY. Sir, right now we know that we're experiencing a 7- to 9-month delay in first flight of the vertical variant, the 35B. We're told that it should fly this Fall.

We're also told, however, that that's slipped to the right of some several months and will not impact the 2012 initial operating capability that's been promised to us by the vendor. We anxiously await its arrival, sir. We have accepted risk for some time now by not buying the E&F variant of the F–18. So we're pretty adamant that it has to stay on schedule at this point.

Senator MCCAIN. Mr. Chairman, there's a lot of controversy about the decision and I support Secretary Gates' decision, but I think we need a good estimate as to whether actually the JSF will be available at a reasonable cost so that we will have a sufficient number of aircraft.

Admiral Roughead, my understanding is that you are going to be 240 aircraft short by 2018.

Admiral ROUGHEAD. Senator, as we move forward and into our QDR and address the issue of tactical air (TACAIR), we have to look at what some of the options are to mitigate what will be a tactical aircraft shortage.

Senator MCCAIN. But right now the tactical shortage, you can't man 11 carrier decks, is that right?

Admiral ROUGHEAD. As we move into around the 2017 timeframe that shortage for us, depending on mitigation actions, could be as low as 70 airplanes, but we will be working on this in the QDR to determine whether its life extension that will allow us to close that gap down, but being able to keep the carrier decks full is very important to me and I look forward to the discussions in the QDR.

Senator MCCAIN. Well, I'd like you to keep this committee informed because some of our decisions will be based on the realities of production cost overruns and delays and, frankly, the history of the development of new weapon systems has not been particularly impressive as far as staying on costs and on schedule.

General Conway, all of us are so proud of what the Army, Marine Corps, Air Force, and Navy are doing and achieving, but isn't it true that our goal is 1 to 2 deployment to time back, and under the present, even though you've made your recruiting goals, it's closer to 1 to 1, is that correct? What effect does that have long term since it's pretty clear we're going to be in Afghanistan in large numbers for an extended period of time?

General CONWAY. Sir, you are correct in that the objective is 1 to 2. Seven months deployed for marines and 14 months home. Right now our infantry battalions are experiencing 1 to 1.5. You have some units that are better than that, some military occupational specialties that are experiencing longer deployments to dwell, and, quite frankly, sir, 2009 is going to be a tough year for us because we have a foot in both camps.

It's our belief that we will not see more than 18,000 marines deployed to Afghanistan, depending upon the decisions yet to be made by the administration. If we can achieve that figure, that virtually gives us 1 to 2 across the board.

Senator MCCAIN. Is that planning for the 10,000 increase that General McKiernan asked for?

General CONWAY. Yes, sir. That's our calculation. If General McKiernan's request for force is fully validated, that would raise the numbers of marines there to something just short of 18,000 and again at 18, we're in pretty good shape with that objective goal of 1 to 2.

I might also add, sir, we look monthly at this resilience of the force I spoke to in the opening statement, and our force, because of our turnover and the relative youth of our force, the families and the efforts that we've devoted towards their quality of life while the

marine is deployed, are all in reasonably good shape, considering how long we've been at this and with the projections.

Senator MCCAIN. You still have a challenge at the captain and major level and senior NCO level?

General CONWAY. Sir, we do not, and I took a note when you commented. Our captains stay 91 percent beyond their original contracts.

Senator MCCAIN. NCOs?

General CONWAY. No problem, sir. Again, we re-enlisted our career force which is our NCOs, staff NCOs, really.

Senator MCCAIN. How much has the economy impacted this?

General CONWAY. Sir, we say with some parochialism that Marine Corps recruiting really doesn't vary much with the economy. We continue to get quality enlisted and officers almost regardless. Still, I think it has to have some positive impact right now but over time it runs a sine wave and it doesn't seem to matter with regard to our recruiting.

Senator MCCAIN. Admiral Roughead, are you concerned about the reports we have about the Chinese becoming a maritime power and also acquiring missiles that can attack an aircraft carrier as far away as 1,200 miles, and apparently continued information that the Chinese either will be or are constructing aircraft carriers?

Admiral ROUGHEAD. Yes, sir. I've been watching the Chinese Navy up close and personal for about 15 years now, and there's no question that they are stepping out on to the world stage. They're becoming a significant regional navy with real capability.

But more than just what they are acquiring, I watch their operational patterns which have increased significantly over the past year and a half, simultaneous patrols, different patterns in northeast Asia and southeast Asia. I believe that it is in our interests to continue to watch and engage the Chinese.

I do pay attention to naval developments around the world. There's no question that they're introducing an aircraft carrier that will take some time for them to be able to operate with any degree of efficiency.

But I also see advances in ballistic missiles, as you have pointed out, and it was that development as well as developments in Iran and the proliferation of those missiles and sophisticated cruise missiles that was the basis for my decision to recommend that we truncate the DDG–1000 and invest more in our ability to conduct integrated air and missile defense, and blue water ASW.

So I do watch the Chinese, as I watch all other navies around the world, and this program in 2010 reflects the developments that I see and our ability as a Navy to continue to be able to influence events and have options.

Senator MCCAIN. I thank you, Mr. Chairman, and the marines who will be going to Afghanistan. Thank you very much, Mr. Chairman. Thanks to the witnesses.

Chairman LEVIN. Thank you, Senator McCain.

Senator Lieberman.

Senator LIEBERMAN. Thanks, Mr. Chairman. Thanks to the three of you. Welcome, Secretary Mabus. It's great to have you assume this important position.

General Conway, I first want to identify myself with the line of questioning of Senator McCain on the TACAIR programs. He had some very important questions that this committee really has to wrestle with and next Tuesday afternoon our Airland Subcommittee is holding a public hearing on these questions with representatives from the Navy, the Marines, and the Air Force there. So we hope that we can generate some information that will enable the subcommittee to inform the full committee's judgments on these questions.

General Conway, I was going to ask you again along the lines of Senator McCain about the stress on personnel. The Navy and the Air Force have contributed greatly to our effort in Iraq and Afghanistan, but clearly it's our ground forces, the Marines and the Army, that are carrying the largest burden of the fight there and doing so brilliantly and bravely.

There's been a lot of focus in this committee about the stress on the Army and the inadequacy of the dwell time now, and I think there's going to be a significant effort here in this committee to increase the end strength authorized for the Army. Also, you referred to something similar, that when you put together the wounded Army warriors and others in transit, you actually end up with not the full 547 that you're authorized for now.

So my question to you, although I heard your answer to Senator McCain, shouldn't we also on this committee be considering increasing the end strength of the Marines? We're talking here in the near-term. If all goes well in Iraq and hopefully Afghanistan, the pressure will be for the next year or 2, but for that year or 2, shouldn't we be looking at an end strength increase for the Marines?

General CONWAY. Senator, we are comfortable at 2002. When offered the opportunity for growth under the previous administration and the previous secretary, we submitted our requirements at about 27,000 additional marines with the anticipations we had at that point of what the requirements would be, both for Iraq and for Afghanistan.

We think that this 1 to 2 is achievable and is reasonable for a war time kind of scenario. So my outright recommendation to you at this point, sir, is that I would not propose growth. I think that we are fine where we are.

Senator LIEBERMAN. That's an unusual response but I accept it with respect.

Admiral Roughead, Chairman Levin spoke in his opening statement directly about our concern about price overruns in various Navy programs, some quite significant, but I appreciated, and you'll forgive the parochialism here, but I think it has a broader application, the reference in your prepared statement that, "*Virginia*-class submarine cost reduction efforts are a model for all our ships, submarines, and aircraft."

The Navy's been tough with the two submarine builders, one obviously existing in Connecticut, Electric Boat, but there's been quite a partnership formed that has now reduced the cost of the subs below what they were coming in for the companies. This is a benefit. Obviously it's a benefit for the Navy because you're paying

less, but for the companies it's a benefit because you rewarded that by increasing the production rate.

Are there lessons to be learned here? In other words, as you look at this, why has this program worked in a cost-effective way and some of the others have not?

Admiral ROUGHEAD. Sir, I would say that—and you touched on it—it's the type of relationship that we have with the builder, the commitment on the part of the builder and the Navy to drive down to the $2 billion per unit cost, the commitment and the understanding that if we do that, we can realize the force structure that we've planned.

It's supplying smart engineering practices and openness on considering different approaches to coming at a problem and I would also say that, in addition to just bringing the procurement costs down, *Virginia*-class is one of the programs that we are using to get our arms around total ownership costs over the life of the program because it's important that we can sustain those ships over the period which we expect them.

I also believe it's how we invested in the research and development (R&D) for those submarines and as you know in this budget request, we have a request for R&D funds for the replacement for the *Ohio*-class submarine.

There are some who may say that we're beginning that process too early. We are right about where we have to be with the replacement for *Ohio*. Those funds will allow us to put in place and to do the work in a way that we don't get into this concurrent design and build.

So *Virginia*'s a great model. In this budget we're requesting the funding for the *Ohio* replacement, and I'm hopeful that we can sustain that approach that we learned so well in *Virginia* and that will translate into the same type of results for the *Ohio* replacement.

Senator LIEBERMAN. I appreciate that answer and I appreciate the commitment to ramp up the investment in the new *Ohio*-class, the missile-carrying submarines. I think that's a very important decision for our country.

You referred earlier to China and the extent to which you're keeping an eye on China. I think submarines are part of that. I note that they're turning out submarines at a pretty good pace, maybe 3½ a year. We're not involved in a conflict with China and we hope we never are, but we're involved, if I may put it this way and ask your response, in what seems to me to be a silent competition for territory, in some way, dominance in the Pacific.

It's silent for the most part, unless an event, such as the recent harassment of the USS *Impeccable* occurs when it becomes public, but give me your reaction to that and the role of the submarine in that competition.

Admiral ROUGHEAD. Yes, sir. As a former commander of the Pacific Fleet, submarines were, as I used to say, the most important arrow in my quiver.

Submarines are extraordinarily capable. They perform a variety of missions, not just against other submarines, but they can operate in areas where others can't, and particularly with our nuclear

submarines, we can move them quickly and they are the ultimate stealth weapon compared to anything else.

The use of our submarines will be critical in any type of operation or engagement. We use them heavily and they are as relevant to our future as they have played such an important role in our past. That's why I'm an advocate for them and it's not just China and the growth in their submarines. There are business predictions, albeit some that preceded the current global economic situation, that say in the next 20 years, the world submarine population will increase by 280 and these are very capable, very quiet conventional submarines and in some cases nuclear-powered submarines.

Senator LIEBERMAN. What kind of multiple is that? In other words, what's the number out there now?

Admiral ROUGHEAD. I would say globally we're at around the upper 100s.

Senator LIEBERMAN. Okay.

Admiral ROUGHEAD. It's a significant increase.

Senator LIEBERMAN. That's more than a doubling. It's almost a tripling.

Admiral ROUGHEAD. We're seeing countries that have not had submarine forces before wanting to acquire them and it becomes a very challenging naval problem because one submarine can disrupt an operation in ways that one ship cannot.

Senator LIEBERMAN. Are some of the countries that we worry most about today, like Iran, investing in submarines?

Admiral ROUGHEAD. Yes, sir, they are.

Senator LIEBERMAN. Thanks, Mr. Chairman. Thank you.

Chairman LEVIN. Thank you, Senator Lieberman.

Senator Wicker.

Senator WICKER. Thank you very much.

Admiral Roughead, you've accepted an invitation to Mississippi in October to speak to the Salute to the Military. I can assure you that that is a well-attended, very important event on the Gulf Coast, and we appreciate you accepting that invitation early, and I think former Governor and Secretary Mabus can tell you what an important event that is going to be and how well you will be received by the civilians and the military on the Gulf Coast.

Admiral ROUGHEAD. Thank you, sir.

Senator WICKER. So thank you for that.

In your testimony, you say that, "Our Navy's operational tempo over the past year reaffirms our need for a minimum of 313 ships." Further down you say, "American shipbuilding is not broken but improvements are needed. Since becoming CNO, I have focused on our need to address and control procurement and total ownership costs."

Shipbuilding costs have been increasing as a result of a number of factors, you said, but the first you listed is the reductions in the number of ships procured.

So let me ask you. My information is that we are decommissioning ships at a rate that has outpaced production. Are we going to need to increase the current rate of production to allow the Navy to achieve this goal of 313 ships?

It seems there's a significant difference between the current and projected annual Navy shipbuilding budgets. A June 2008 Congressional Budget Office (CBO) report on the Navy's 2009 30-year Shipbuilding Plan states that, "CBO's analysis indicates executing the Navy's shipbuilding plan will cost an average of between $25 and $27 billion per year, more than double the $12.6 billion a year that the Navy has spent on average since 2003."

Could you address that?

Admiral ROUGHEAD. Yes, sir. First off, with regard to the comment about shipbuilding is not broken, that was a response that oftentimes I hear that comment, and you don't build ships like the *Virginia*-class submarines, *Arleigh Burke*-class destroyers, or aircraft carriers like the *George Herbert Walker Bush* with a broken industry. No one can do what the United States shipbuilder does, but I do believe that there are certain things that we can do together: requirements control; commonality of hull forms to get away from starting new ship types too frequently but rather adapting the capability.

So all of those, to include appropriate oversight and other cost reduction efforts, combined to allow us to build to that 313 ship floor.

We must get some of the ships running in good production lines. LCS clearly is a driver for the number that we have, but, as you pointed out in the decommissioning aspect, we also have to be able to get the ships to their full service life and that's why this year I instituted the Life Cycle Management Program that allows us to better estimate on an engineering basis the type of work that has to be done to ships so we can get them to their life expectancy.

Senator WICKER. Thank you. I'm very interested in the common hull forms. Some of the advantages of the common hull form would be self-evident, but if you would speak to that specifically to the committee?

Also, could you be more specific about the amount of savings, based on the common hull form, and which specific future platforms you foresee being built with common hull or existing hull forms?

Admiral ROUGHEAD. Yes, sir. With regard to specific savings, because we rarely have gone into the common hull form approach, I do not have any good accurate numbers on what those savings would be, but I do know that if we can get good long production runs of ships that have a significant amount of commonality to them, ships that have common components in them that allows for more economic orders of quantity for their production but also for their maintenance, that that will pay off greatly.

We know, for example, that we're going to have to replace the landing ship docks, one of our amphibious ships. Our normal practice has been to start from scratch to redesign those ships. We have a good hull form in the amphibious transport dock (LPD)–17 and my thought is we should simply make a variant of that ship.

As we look to replace our command ships, of which we have two, there are a couple of options that we can look at there. An LPD, perhaps, or the T–AKE that is one of our logistics ships that could be adapted, but again I come back to why do we pay to start from a blank sheet of paper?

We should take what we have, adapt what we have, and move forward and realize those efficiencies.

Senator WICKER. Okay. One other thing about the Navy's recently instituted series of cost reduction measures.

These include cutting at-sea time for non-deployed ships by about one-third and decreasing flight hours for carrier air wings, reducing or eliminating ships sent to promotional fleet weeks, delaying permanent change of station (PCS) transfers for approximately 14,000 sailors who had expected to do it this summer, and eliminating many re-enlistment bonuses.

Now, does the re-enlistment bonus, following up on Senator McCain's question, have something to do with the current economy? Is it less needed? We're doing this to help close a projected $417 million shortfall in ship maintenance. Are we asking the Navy to do too much with too little?

Admiral ROUGHEAD. As I mentioned, Senator, we are a very busy Navy and what we have done as we've moved into the latter part of this year, we've been using the Navy extensively and as we await the passage of the Overseas Contingency Operation funding, it became apparent to me that absent that money, we would not be managing to our budget.

So in the area of operations, in order to sustain our forward warfighting operations that we have going on, we did throttle back on those operations of non-deployed ships. However, we still are continuing to invest in those who are preparing to maintain that combat capability forward.

With regard to the manpower reductions and PCS orders, that really is a function of extraordinary retention that we're seeing and low attrition which has taken my manpower count significantly over what any projections would have been.

With regard to the re-enlistment bonuses, we are seeing, similar to the Marine Corps, re-enlistment behavior the likes of which we have not seen before and those bonuses are there to incentivize re-enlistment and we're seeing great re-enlistment and we have the opportunity to throttle back on those.

Senator WICKER. Thank you.

Chairman LEVIN. Thank you very much, Senator Wicker.

Senator Reed.

Senator REED. Thank you very much, gentlemen.

Admiral Roughead, there's always a debate about the right number of ships in the Navy, but I want you, if you could, to comment on the ability of employing unmanned aerial vehicles (UAVs) and unmanned undersea vehicles as a way to sort of bring that number down. Is that being considered actively and consciously by the Navy?

Admiral ROUGHEAD. Absolutely, sir. In fact, a couple of events took place in the last few weeks that I think show how the Navy is leaning forward.

We've signed a contract for a large UAV, the Broad Area Maritime Surveillance System. Fortunately, it's the same program that the Air Force has. I think there's going to be some great opportunities there.

When we rescued Captain Phillips from the pirates, it was a Navy UAV flying off a guided missile destroyer, not a program of

record, that provided the intelligence, surveillance, and reconnaissance that the decisionmakers could use as they successfully rescued Captain Phillips.

A couple of weeks ago, for the first time in history, an unmanned vertical take-off and landing aerial vehicle took off at night autonomously from a Navy ship and landed back on the Navy ship and the tests for that are going very, very well. So we are moving in that direction.

I do think it is important, as we move into the world of UAVs, I often say that there's no such thing as one. There may be a pilotless aircraft. There may be an uncrewed submarine, but there are always people associated with it and the costs of those people are something that we have to figure in to that capability as we go forward, but we're seeing some very good progress in our UAV program.

Senator REED. That raises the other side of the issue, not just the number of ships but the ability to use this type of technology and other technology to lower your manpower requirements over time, and again is that a conscious and deliberate process you're undertaking?

Admiral ROUGHEAD. Absolutely, Senator, and as I tell my team when they come in to brief me on something, a program or a policy, that they don't come in and talk about it without being able to talk about the manpower and the total ownership costs. But we have to keep our eye on that ball.

Senator REED. The decision by the Secretary of Defense to limit the *Zumwalt* production to three and then to renew production of the *Arleigh Burke* destroyer, based on your recommendation, is something that I think has received general approval and support. But there is an issue that is inherent what happens after *Zumwalt*, which is one of the aspects of *Zumwalt*; it was going to be a transformational technology that the next surface combatant would eventually take the systems and the sophisticated processes and also the concentration of limiting personnel.

Where are we in thinking through that next surface combatant and actually being able to benefit from the significant investment that we will make in *Zumwalt*?

Admiral ROUGHEAD. I think what we are doing with the truncation and the restart of the DDG–51 and advancing the integrated air and missile defense capability in the DDG–51 is that we can bring what we learned from the DDG–1000, advances that we make in DDG–51, and as we put together the plan for the replacement for the cruiser fleet that we have, that's where we can bring that together.

It will also be important for us nationally to understand the nature of the architecture that integrated air and missile defense will fit into and we have to have that architecture before we can thoughtfully design the cruisers.

So I think all of this comes together with a more thoughtful design for the replacement for the *Ticonderoga*-class cruisers.

Senator REED. Thank you. General Conway, if I could, we've mentioned the strain on your marines and they've done a magnificent job.

What about your equipment? You're deploying marines into some of the most hostile terrain in the world in Afghanistan. They'll need mine resistant ambush protected (MRAP) vehicles. They'll need significant protection for improvised explosive devices (IEDs) and major weapons being deployed.

Can you comment on the status of your equipment?

General CONWAY. Sir, we were able to get equipment from all over the world really to satisfy the Afghan requirement. There's a strain on equipment, I think it goes without saying. Our units that are home are operating off training sets, not entire tables of equipment, that represent all that would be assigned, and yet we're getting by.

We're in the process of rehabilitating our three maritme prepositioning ship squadrons. The last one is at work right now down at Blount Island and so in that context, our equipment is in pretty good shape.

We are concerned about the IED threat in Afghanistan and we're moving forward in advance of developmental efforts with the new model of MRAP to reconfigure our CAT–1 MRAPs with off-road suspension taken from our 7-ton vehicle.

Our initial experimentation with this has been pretty successful. We're going to be doing some more tests this month, but if they prove equally successful, we're going to plug those to theater rapidly. Less expensive, more readily available, heavier really than the updated version which will still work for us in the south and will give our marines the protection against what is the major battlefield weapon system being deployed against us.

Senator REED. Do you have the appropriate funding authorized to carry that out?

General CONWAY. We came back to your committee, sir, and got the reprogramming authority to be able to do that. Yes, sir.

Senator REED. All right. Admiral, one other question.

We talked about common hull forms previously.

There's discussion of the next class of the cruiser. Is there discussion of a common hull form for that?

Admiral ROUGHEAD. There are some hull forms that have been considered in some of the preliminary work that we have done. I think the fundamental questions that need to be informed by what architecture is it going to fit in will determine the size of the ship.

I believe there's a very significant decision that has to be made as to the type of propulsion for that ship and those will come into play in deciding the size and type of ship it should be.

Senator REED. Mr. Secretary, again we're very pleased that you have now taken over the, I think the term would be, helm, and I would note that you began your career at Newport and we have a very proud tradition in Newport of the Navy and we're awfully grateful you're going to be up there shortly to say some words to the students. So thank you, Mr. Secretary.

Secretary MABUS. Thank you, Senator.

Senator REED. Thank you, gentlemen.

Chairman LEVIN. Thank you, Senator Reed.

Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

Admiral Roughead, to follow up on Senator Reed's questions, is the Navy considering the DDG–1000 hull design as a candidate for the future surface combatant?

Admiral ROUGHEAD. Senator, I'm very interested in the hull design of the DDG–1000. We've never attempted or designed a hull form like that. I think that it will be important that we get the ship out and assess it and see what that hull form does for us. It's a fairly radical departure, but as we look to the cruiser replacement, I believe that that's going to inform us significantly.

Senator COLLINS. The staff said the Navy is not submitting its 30-year shipbuilding plan along with its budget this year was very unusual and it's raised a lot of concerns. It's also raised questions about whether the Navy is backing off from your previous endorsement of a 313-ship fleet as the minimum.

Are you still supporting a 313-ship fleet?

Admiral ROUGHEAD. Yes, ma'am. What I have seen operationally, the demands on the fleet, I still see that as a floor from which we would work.

With respect to not submitting the 30-year shipbuilding plan, in order to put a plan that really has some merit to it, we have to work our way through the QDR and take the inputs from that review as to the balance and the types of mission that we'll have and then from that put it into a plan that's fiscally executable and responsible and so not submitting a 30-year plan this year just based on the fiscal year 2010 budget, awaiting the QDR, I really believe is the right way to go, and that after the QDR, we will be able to provide to Congress a plan that has merit to it.

Senator COLLINS. Is this budget adequate to keep us moving toward the goal of a 313-ship fleet?

Admiral ROUGHEAD. I believe that this budget positions us very well. We have the eight ships that we've requested in 2010. In addition to those eight ships, there are seven ships where there's advanced procurement in there.

It represents the start of significant production in the LCS which is the number driver. It includes the Joint High-Speed Vessel, the first one is in this budget.

So I believe all of the steps are there that allow us to be well positioned. We'll go into the QDR and then move forward from there.

Senator COLLINS. General, there are press reports that the costs of moving some 8,000 marines from Japan to Guam are far higher, some $5 billion higher than DOD had anticipated.

In addition, GAO has put out a report saying that it's going to cost $88 million more per year to have these marines stationed in Guam rather than Japan.

On top of the cost factors, we have the recent provocations by North Korea. Should we be reconsidering the plan of moving some 8,000 marines from Japan to Guam?

General CONWAY. Ma'am, I think it's safe to say that the QDR will have that move as well as other overseas infrastructure adjustments and costs under their consideration before they report out. I know there are special groups that are formed to discuss that.

So our recommendation would be to await the results and the recommendation coming out of the QDR. They're aware of these in-

creased projections in costs associated with the move. They're also aware of some other problems that we have associated with the move with regard to training, with regard to the quality of the Futenma Replacement Facility, and all those things.

I think it will be duly considered and there will be a recommendation coming out of the QDR on the moves.

Senator COLLINS. Are you going to recommend a change in the plan?

General CONWAY. We have some modifications we think are worthy of consideration and we have some keystone areas, if you will. Again, this Futenma Replacement Facility has to be a fully capable replacement for what we're giving up on Okinawa.

We are concerned about training opportunities on Guam and the nearby islands as well as the rest of the Asia Pacific Basin. So there are some things like that that we certainly want to see considered and negotiated as need be with the Japanese before we slap the table.

Senator COLLINS. Mr. Secretary, year after year the Portsmouth Naval Shipyard in Kittery, ME, as well as the other three public naval shipyards have had to rely on congressional plus-ups to meet the infrastructure needs that are outlined in the program objective memorandums in the outyear budgets.

Have you taken a look yet at how we can get the needed infrastructure improvements moved up so that they're actually budgeted for by the Navy rather than the Navy relying on Congress doing plus-ups?

Secretary MABUS. Well, as a general rule, Senator, we are trying to move from additional budget items to putting things in the base budget, so that the base budget represents what we need, and Admiral Roughead has been very diligent in terms of the infrastructure requirements of the Navy, in terms of repair and maintenance facilities for the fleet, and I think, as you move ahead, that you will see an emphasis on these sorts of things.

Senator COLLINS. Thank you. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Collins.

Senator Burris.

Senator BURRIS. Thank you, Mr. Chairman.

I'd just like to congratulate Admiral Roughead for christening the USS *Gravely*. Sam Gravely was the first black admiral.

Secretary Mabus, it's really an honor for the Navy to make that recognition of an African American, our first black Vice Admiral in the Navy.

General Conway, you mentioned the fact that you have recruitment at 91 percent of your captains. The question was asked by Senator Wicker, did you pay a lot of bonuses to those captains? Did those bonuses have something to do with their retention of that number?

General CONWAY. Sir, I don't think so. Again to clarify, 91 percent of our captains stayed beyond their initial contractual obligation. I think they're doing so because of the fact that the Marine Corps is at war, the country needs their services, and I think they like what they're doing right now. They realize we're trying to put the best materials in their hands to fight for this Nation and at the

same time we're taking care of their families while they're deployed.

We were able to gain from Congress last year a $4,000 bonus for our captains who offered to extend 1 year beyond their initial obligation, if you will. Frankly, it was in an attempt to recognize that dedication to service and country more so than it was to get them to stay because we already knew 91 percent were staying.

Senator BURRIS. I was just concerned about your minority officer status. Could you give me an assessment of how the minority officers are in the rank and file of the Navy and, General, in the Marines?

Admiral ROUGHEAD. Yes, sir. As the CNO, diversity has been at the top of my list because it is important for the Nation to have a Navy where the leadership reflects the face of our Nation and we have done several things in the past year to enhance our minority outreach recruiting.

We have expanded the number of Reserve Officer Training Corps (ROTC) units. I've expanded the number of Navy Junior ROTC units to make more young people aware of the opportunities that exist, and——

Senator BURRIS. I have not seen any Navy ROTC units. I'm glad to hear that. I go to all these schools and I see the Air Force and the Army. I haven't seen any Navy ROTC units.

Admiral ROUGHEAD. Senator, we have some great ROTC units around the country, for example, this year we've expanded to Arizona State and the University of Texas, El Paso, because I believe it's important to reach out to the Hispanic community.

We are also working with Tuskegee for an ROTC unit at Tuskegee. We have the largest percentage of minority midshipmen entering the Naval Academy this year, the same increase in ROTC units for minority midshipmen in ROTC.

We have had more minority takers of our scholarships for ROTC. I require each community leader within the Navy to come in and what I do is sit down with them and I have what I call a diversity review. This is not a quota check or anything like that. It is for the leaders of these communities to talk to me about how they are mentoring and how they are moving officers from under-represented communities through the Navy and giving them the opportunities to compete fairly for the types of assignments that we all know will allow some young man or woman to rise to the heights like Admiral Gravely did.

Senator BURRIS. General Conway?

General CONWAY. Sir, we have the same objectives, not quotas, that we're endeavoring for. Our percentages right now put us slightly below the national average, if you will, of minorities, both Hispanic and black.

I would highlight some very good coordination with the Congressional Black Caucus (CBC) that we've had. We've met now on three different occasions to try to ensure that we're attacking the problem in a coordinated fashion and I would salute the CBC for their efforts in making sure that there are qualified minorities taking advantage of both the Naval Academy as well as the ROTC Programs.

Senator BURRIS. Following up on a question that Senator Collins raised, I was at Great Lakes which is a very much improved facility, but in touring that facility, Admiral, they have buildings there that are over 100 years old and they're just hard to keep up.

Is there a facility check on these facilities that would give costs to go in the budget, either the tearing down of these buildings, or I don't even think they can be retrofitted to be of any service. They might need new structures. So is there anything being specifically done with Great Lakes?

Admiral ROUGHEAD. Yes, sir. As you saw up there, we, on the recruit side, have done a significant number of taskings.

Senator BURRIS. It's a tremendous disgrace.

Admiral ROUGHEAD. We are in the process of moving to take the same approach with what we call our Service school commands where many of those old buildings are and one of the things that we do is to try to remove excess infrastructure and that will be part of the plan that we engage in at Great Lakes.

I would add, however, that many times it is difficult to take some of that old infrastructure out of service and demolish it because of historic interests that exist in those buildings and I believe that we have to continue to work with historic organizations to perhaps look more toward representative elements of a particular historic period than trying to preserve everything that is there.

Senator BURRIS. The report I got from the command there is it's costly to try to keep those up.

Admiral ROUGHEAD. It is extraordinarily costly. Yes, sir.

Senator BURRIS. Now, let's switch from costly to this F–18, the Super Hornet. I understand you ordered nine of those. That's half what you had planned and there are 22 of the planes, the electronic versions, called the Growler which can jam signals.

Now, a recently-released House Appropriations Committee report stated that DOD and Congress must seriously consider and come to grips with the looming shortfall of fighters and a multiyear F–18 deal is the most cost-effective approach. Likewise, the Senate Appropriations Committee said that the multiyear F–18 purchase is needed to ensure that the Navy has sufficient aircraft on the fleet.

What are your thoughts on that, Admiral and Mr. Secretary? Where are we with reference to that F–18 situation which would certainly, I understand, replace three or four of those other old planes that are on the decks because of the technology and improvement on that F–18?

Secretary MABUS. As you pointed out, Senator, there's a request in the fiscal year 2010 budget for 31 of the new FA–18s, with 22 Growlers. That is sufficient to keep that line going, to keep the workforce stable, to make sure that that plane is available, and one of the big areas in the QDR is to look at the TACAIR requirements for not only Navy and Marines but also all Services and having this request in that will keep this line open, maintaining all options for the QDR.

Senator BURRIS. I was at Boeing and they're complaining about that's just not enough to keep the line going. We've cut back on them and they're concerned about keeping that line up.

So you're saying that they will be able to keep that line going?

Secretary MABUS. That is my understanding, sir. That, plus some purchases from other nations for the F–18 will keep that line going at a stable rate.

Senator BURRIS. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Burris.

Senator Martinez.

Senator MARTINEZ. Thank you, Mr. Chairman, and welcome, gentlemen.

I wanted to take a moment to also welcome Mrs. Roughead who is here in the audience today. Not only do we thank you for serving, gentlemen, but we also know the families are so important and so we also welcome you, Mrs. Roughead. Nice to have you here.

There's another young lady next to her that I have not met. Would you mind introducing her to the committee?

Admiral ROUGHEAD. That is our daughter Elizabeth who graduated from college a little over a week ago. She had never been to a hearing, so this is a little bit of a civics class late in her life.

Senator MARTINEZ. I thought that might be the case and welcome, Elizabeth. Glad to have you.

Admiral Roughead, in a discussion we had in my office a few days ago, we were discussing the importance to the Navy of the United States Naval Base at Guantanamo, and I wanted to touch on that because so often we hear these days about the closing of Guantanamo and the whole debate about the detention facility within that naval base.

Irrespective of what occurs with that detention facility in the future, I know that the naval presence at Guantanamo Bay has been there for over 100 years and over that time it has had a great significance and importance to the Navy mission, and I wonder if you might touch upon that and the importance not only of continuing the mission there, aside from the detention facility, but also the importance to continue to upgrade and do the things that are necessary to maintain that as the viable naval base that it is.

Admiral ROUGHEAD. Yes, sir, Senator. Thank you for that question because oftentimes when Guantanamo Bay is discussed, it is always in terms of the detention facility that is there, but as you pointed out, Guantanamo Bay has served the Navy and the Nation for decades.

It is an important location and base for us strategically and operationally. The ability for us to more effectively conduct counter-narcotics patrols is greatly facilitated by Guantanamo Bay. At times when there have been flows of migrants that come across the waters north of Cuba and from Haiti, the ability to more effectively operate is made possible by Guantanamo Bay, not simply for efficiency of the operations but I would also submit but by having that capability down there, you also save lives as those who are fleeing their land sometimes take great risks.

It is also a terrific place to operate in the Caribbean and out into the approaches in the Atlantic Ocean, and I believe, as we look more toward Africa in the future, the sea lanes coming across the South Atlantic will become more important. Having the type of capability that we have in Guantanamo Bay where you can conduct great logistics operations and simply being able to put in there

from time to time facilitates operations I think will become increasingly important to the country.

Senator MARTINEZ. It also provides us the only existing base in the 4th Fleet AOR, if I'm not mistaken.

Admiral ROUGHEAD. Yes, sir. The only base that we have control over in the 4th Fleet area of operations.

Senator MARTINEZ. May I ask about the tragic Air France Flight 447 which was lost on June 1? I wonder if the Navy is providing any support or assistance in that operation.

Admiral ROUGHEAD. Yes, sir. Indeed, a tragedy of significant proportion. We have one of our maritime patrol planes that had been conducting counternarcotics operations on the West Coast of South America operating in the search area as we speak. We moved it over there very quickly.

We have also prepared for movement some unique capabilities that we have that are capable of being towed at higher speeds to locate the pingers that are going to be very important.

Yesterday I spoke with my French counterpart offering my condolences but also any support that they may need and later today my Brazilian counterpart and I will also be talking and I would just like to add that that's the power of the navy-to-navy relationships that we have and the way that our navies work together to be able to pick up the phone and to be able to support one another in tragedies like this is very important, but we're standing by to do whatever we might be able to do.

Senator MARTINEZ. Moving on to another area, obviously the shipbuilding has been touched upon, and I think maintaining the goal, Secretary Mabus, of the 313-ship Navy is essential and I think we've all spoken of that through the course of the hearing.

But I want to also ask about the situation with the frigates. Next year, the *McInerney* will be decommissioned as the first of 13 frigates in Mayport scheduled for decommissioning, and I was just wondering whether there was any intent to introduce a service life extension plan for the frigates.

It seems to me that these are valuable assets and inexpensive hulls in the water which can be used in a variety of missions to support the 4th Fleet and U.S. Southern Command, as well, and also to maintain us on that goal to a 313-ship fleet.

Would you both comment on that, please?

Admiral ROUGHEAD. Yes, sir. The frigates have served our Navy and Nation very well. I was a young officer when we first introduced those into the fleet and they are great utility players, but they're, as you mentioned, getting on in years.

We are programming in improvements to their hull, mechanical and electrical. However, we are not making any investments in advancing the combat system to those ships. The replacement for the frigates will be full combat ships which is why it's so important that we get those introduced, but we are making investments so that the ships can continue to operate safely.

But we also will be taking them out of service as they are replaced by the LCSs and several foreign navies are very interested in those frigates when we take them out of service.

Senator MARTINEZ. I know there was a lot covered on the LCS which I think again is so vital to the future of the Navy, but I know we've run into some problems obviously in that procurement.

Secretary Mabus, do you have any recommendations to the shipbuilding plan? Obviously the cost situation with all of our military procurements seems to be an issue, and can we get the LCS forward in a timely and cost-effective fashion?

Secretary MABUS. Senator, we have the first LCS undergoing tests now. It's in the water. The second one is undergoing shipyard tests on both its engines. The two follow-on ships have been contracted for and in this budget we're asking for three more LCSs.

As the numbers increase, as we continue to keep requirements stable, as the contractors with this stable flow through their shipyards are able to make the investments to drive some of the costs down, and as we look at common elements for the two variants to further allow us to get costs down, I think in the two follow-on ships already you're seeing costs being driven down and certainly in the three that we're asking for in the fiscal year 2010 budget, you're going to see costs go down even further.

One of the great benefits of LCS is its modularity and as you have technological advances, particularly in weapons systems, you don't have to have a whole new hull. You don't have to have a whole new platform. You can put those advances in future modules and so to keep the number of ships progressing to where we want it to be, I think that it's imperative that we make sure that the costs are kept within control and also that schedules are met so that as frigates retire, and the Navy's needs increase, that we do have the ships there at a reasonable cost but also on time.

Senator MARTINEZ. Thank you, gentlemen, very much.

Chairman LEVIN. Thank you, Senator Martinez.

Senator McCaskill.

Senator MCCASKILL. Thank you, Mr. Chairman.

I know that you all have probably had enough of the F–18 for today, but as you well know, it's pretty darn important to the people where I live in St. Louis and so I need to go through a couple of things with you on that.

First of all, I think we need to put on the record that our manufacturing base in this country is incredibly important to who we are. Second, we've spent a lot of time around these buildings talking about stimulus over the last 6 months and typically defense spending is very stimulative and obviously this year is no exception and may be very important because of that.

I understand that earlier in the testimony, Admiral Roughead, you indicated that for the F–18s on our 11 carriers, the low number is 70. I believe that's the first time I've heard that number.

If you think the low number is 70, what is the high number?

Admiral ROUGHEAD. Senator, the predictions of past analysis have indicated that that number could be up in the 250 range but that's for the Department of the Navy because both the Marines and us fly the older A through Ds which would be part of a solution. We think in the case of Navy aviation, there would be about 300 A through Ds that could be extended, but as I always say, you simply don't extend them, you buy more life and that's something that we're going to be getting into with the QDR.

Senator MCCASKILL. I understand the QDR is important, but I'm sitting here with my common sense hat on. I know we have this shortage. I know in your testimony you said the F–18 was the backbone to project power ashore. We all know how strategically important the F–18 is. In Iraq and Afghanistan and as far as the eye can see, it's incredibly important to our efforts.

What I'm trying to figure out as an auditor, if we are waiting for the QDR in terms of getting back into a multiyear, aren't we purposely denying the taxpayers a savings that we know would occur if we did the multiyear and does that make sense? I don't want to be pessimistic about the JSF. I want to be optimistic. I understand we've made a commitment there and I understand that nothing's going to move that commitment.

But we have one plane that if we do multiyear we get it to $50 million. We have an estimate right now on the JSF that is as high as $133 million a copy. We still haven't had it proven. We've spent an incredible amount of money. We've talked about it in Senator Levin's bill. We've talked about procurement on things without flight testing. We are going to have 273 aircraft we've procured costing an estimated $42 billion before we have completed flight testing.

It just seems to me, I hope I'm wrong, that if we don't do multiyear, aren't I going to be here in 3 years saying I told you so? We could have saved almost $1 billion by doing the 5-year multiyear procurement to fill in this gap with this plane that is in fact this fighter that is the backbone of our ability to push power ashore?

Admiral ROUGHEAD. Well, Senator, the F–18 is integral to our Navy air power, but we, as you pointed out, remain committed to the JSF because we have to be able to always be evolving our capability from one generation to the next. So JSF is important to us. The four aircraft that we have in the fiscal year 2010 budget are extremely important.

But the QDR will inform us and by building the 18 variants, the Growlers and the Es and Fs, the line remains hot as a result of that which affords us the time to get into the QDR to look not only at Navy TACAIR, but also Marine Corps and Air Force and be able to make decisions about what is the best way forward, what are the costs associated with extending the life, and pulling all of that together and making a good decision about where we're taking Navy and DOD TACAIR.

Senator MCCASKILL. But aren't we going to pay more for waiting for the QDR when we know we have to have FA–18s and the JSF is not going to be ready? I think most people think 70 is a pretty low number, Admiral. I think I'd be shocked if we ended up with just 70 as a shortfall. I think you would be too, candidly. I think it's going to be much higher than that.

If we know we're going to need them and we know we save money by multiyear, I still haven't heard a good answer why we wouldn't continue with a multiyear right now.

Admiral ROUGHEAD. Well, I think, Senator, what we would really have to do is look at TACAIR at large and make the cost-benefit analysis on life extensions and if there is a consideration for a multiyear, to perhaps take that into account. But I believe that the

way the line is running right now, we do have some time to make those decisions that are in the best interests of the department and also for the Navy, as well.

Senator MCCASKILL. We yell at you to plan and to do cost estimates and then we yell at you when you're doing that and you're not doing multiyear today. I get that.

But I have a feeling that we're going to end up with a multiyear. At least I hope we do, because I think we're going to need at least 150 of these, and that's what 5-year multiyear would give us. If we're going to do it and everybody knows we're going to do it, it seems like to me we ought to take advantage of those savings every single year and not wait for the QDR.

Thank you, Mr. Chairman. That's all I had.

Chairman LEVIN. Thank you, Senator McCaskill.

Senator Akaka.

Senator AKAKA. Thank you very much, Mr. Chairman.

To our esteemed panel of military leaders, I want to say aloha and welcome to the committee here.

First, I want to say thank you to the three of you for your dedicated service to our country, and I also want to commend the men and women of the Navy and the Marine Corps for their outstanding service and I want to thank their families for the support of their loved ones.

Secretary Mabus, in recent testimony before this committee, Secretary Gates discussed the shortage of mental health providers in parts of DOD, particularly for military facilities in rural areas, like we have in my home state of Hawaii.

To address this issue, he recommended expanding the DOD Medical Education Program to include mental health care providers.

Mr. Secretary, how would you assess the Navy's current level of available mental health care providers?

Secretary MABUS. Senator, the Navy has seen the need for these mental health care providers. We've added 170 over the past year into our Service to address these issues. We need to do more in that regard. We need to address mental health as effectively and aggressively as we address physical health problems.

One of the ways to do this is through additional mental health professionals. Another way, which the Navy and Marine Corps are also actively involved, is to make sure that there's no stigma attached to reaching out for mental health care for either our sailors or our marines, and one of the things that both Admiral Roughead and General Conway have done very effectively, I believe, is to inform their commanders and begin to train the people in command to look for symptoms that would indicate a need for mental health care.

We need to attack these things aggressively and comprehensively. I think the Navy and the Marine Corps have made a very good start in this. We're not where we need to be in the total sense but we are moving in that direction and we certainly agree with Secretary Gates' analysis on this.

Senator AKAKA. Thank you.

Admiral Roughead, I would like to take the opportunity to thank you for your service out in U.S. Pacific Command and also our long

association that dates back many years as you're coming up in the Navy. I think I would daresay it goes back to 1978 in China.

But I would like to take an opportunity to acknowledge Captain Greg Thomas and the men and women of the Pearl Harbor Naval Shipyard for their dedication and commitment. They continue to provide excellent support to fleet readiness.

Admiral Roughead, I think that we both can agree that our depot level maintenance capability is essential to support fleet operations as well as allowing our ships to reach their expected service life.

What steps are being taken at your level to continue improving our depot level maintenance?

Admiral ROUGHEAD. Thank you, Senator, and I, too, echo your comments with regard to the Pearl Harbor Naval Shipyard. The work that they've done, the progress, the improvements that they've made in the last couple of years speak volumes about the dedication of the workers who are there and we're seeing some very good work out of that.

One of the things that we have done in the last couple of years is to appropriately size and estimate the amount of work that's required, particularly for our submarine force.

Over time we had kind of shortened it down. As the submarines had aged, we were out of balance and so consequently when submarines would go in the shipyards, they would be there for longer than we had planned but not longer than they needed to be.

We're doing the same thing with our conventional surface ships. We have instituted this year a management method that is based on sound engineering and engineering estimates so that we can better estimate what that ship will require throughout its lifetime. We had walked away from that several years ago. We've reinstituted that this year. That's very important.

I also would say that not just in Pearl Harbor but all of our public shipyards and even in our private shipyards, the importance of the apprenticeship programs that all have in place where we can attract young people into that line of work that's extraordinarily rewarding. I think those programs are so important and I thank you for your support of those, but those are some of the things that we have going on, as well as very carefully watching our maintenance budgets and making sure that we're making the right long-term investments in our ships.

Senator AKAKA. Secretary Mabus, do you have any additional comments on that question?

Secretary MABUS. First, I want to say how much I agree with Admiral Roughead and his estimation of this.

Second is how important it is to maintain our industrial base in terms of shipbuilding and particularly the trained workforce that we have. As we are able to better predict and better schedule, as Admiral Roughead has said, our maintenance requirements, also our building requirements for shipyards, the availabilities that we will need so that these shipyards are able to keep particularly the trained workforce that we have now and to attract the workforce that we're going to need for the future.

Senator AKAKA. Thank you. Admiral Roughead and General Conway, I'm encouraged with additional funding in the defense budget for wounded warrior care.

The Navy Safe Harbor Program and the Marine Corps Wounded Warrior Program show a continued commitment to our servicemembers that we will take care of them and their families.

Gentlemen, how would you assess the approach within your Services to care for our wounded, ill, and injured servicemembers and their families? Let me ask General Conway.

General CONWAY. Senator, we're extremely proud of the effort. I think it's unprecedented if you compare what's happened, say, during Vietnam or during Korea with what is occurring today.

We took our commander of the 3rd Marine Regiment out of Hawaii and put him specifically in charge of the program with a loose set of guidelines in terms of where we wanted to go but certainly a concept that said we would take care of those marines who are currently being treated as wounded but all the way back to the beginning of this war. We wanted to seek those people out and ascertain how they're doing, and, Senator, he has taken the program even beyond our initial expectations.

It has been beautifully resourced by both your committee and DOD. So I am very, very proud, as all Americans should be, of the way that their marines are being treated who have been hit.

Senator AKAKA. Thank you for your responses. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Akaka.

Senator Thune.

Senator THUNE. Thank you, Mr. Chairman, and Secretary Mabus, welcome to the job, and General and Admiral, thank you very much for your service to our country.

Admiral, I want to direct a question to you. When Secretary Gates announced his defense budget recommendations for fiscal year 2010, he explained that, "the department will examine its nuclear and strategic force requirements during the QDR, the Nuclear Posture Review, and in light of post-Strategic Arms Reduction Treaty (START) negotiations."

Now, presumably these reviews and the arms negotiations will affect the future size and shape of our nuclear triad and using that rationale, Secretary Gates decided to delay the development of a follow-on Air Force bomber, presumably due to the uncertainty of whether or not the future nuclear force will require a nuclear-capable bomber.

However, his decision to begin an *Ohio*-class Ballistic Missile Submarine Replacement program doesn't show a deference to the outcome of a QDR, a Nuclear Posture Review, and post-START negotiations and how these events will affect the requirement for a future ballistic missile submarine.

My question is, given the uncertainty of the future size and shape of the nuclear force, how do you reconcile why the Air Force follow-on bomber program should be delayed while the replacement Ballistic Missile Submarine program is initiated?

A follow-up question to that would be how confident are you in the future size and shape of the U.S. nuclear force requirements?

Admiral ROUGHEAD. Thank you for the question, Senator, and I'll talk about the sea-based strategic deterrent because that's my area of expertise and responsibility.

In the analysis of the alternatives that are done relative to this, the sea-based strategic deterrent has remained constant throughout those. This is very similar to the timeline that we were on when we developed the *Ohio*-class submarine that's serving the Nation so well today.

We are about at the time where the development of that system needs to start to take place and I believe that that investment is important because, as we've seen in some of our other shipbuilding programs, when we've waited and waited and then we've tried to rush to judgment, we end up with a less than optimal program.

So we're about where we should be with regard to starting the development of the replacement for the *Ohio*-class. We are also working cooperatively with our allies in the United Kingdom who also are in the process of doing the same thing.

I believe the analysis of alternatives that reaffirms the sea-based portion, the timeline that we must be on to have a good introduction and cost control over the replacement, that time is now.

What the Nuclear Posture Review will allow us to do is to determine numbers that I believe don't have to be addressed for some time but at least to get the design of an extraordinarily complex ship underway, now is the time to do that, sir.

Senator THUNE. Well, I think you could make the same argument about some of the others. The next generation bomber arguably has a long lead time in the development, the technology associated with that, and in fact was called for in the QDR to field one by 2018.

Secretary Gates' more recent recommendation on that was to delay it, subject to the QDR. It just seemed to make the argument that we need to delay that aspect of our nuclear deterrent while pursuing the other, it seemed to be an inconsistent position to take.

If you're queuing on the QDR and some of these other upcoming discussions with respect to one of those platforms that you would also use the same rationale for the other. I guess that was the only point I was making.

Admiral ROUGHEAD. Yes, sir.

Senator THUNE. I know where your focus is and rightly should be. It was more, I guess, a question about nuclear posture than anything else.

The second question I asked, though, was how confident are you in the future size and shape of U.S. nuclear force requirements?

Admiral ROUGHEAD. I'm confident in the Nuclear Posture Review, which we are underway with. I have some superb officers who are working in that review and participating in it. I believe it's going to be a very good process that will answer the questions that you have posed and particularly the size of that force structure that we will need into the future.

Senator THUNE. Let me ask a follow-up.

Senator NELSON. Would the Senator yield? We had a Strategic Subcommittee hearing directly on point yesterday, of which the Senator's a member of, and the upshot of that hearing was, in essence, we're not going to let the Nuclear Posture Review get ahead of the design and so forth of either the systems of the Air Force or the Navy.

Senator THUNE. Very good. I want to follow up with you, Admiral, and this is a question that may have been posed earlier by Senator McCain; in your prepared testimony you discuss the proliferation of ballistic missile capabilities and advanced weaponry and specifically point out how Hezbollah, a non-state actor, demonstrated the capability to acquire and successfully employ a sophisticated anti-ship missile against an Israeli ship in 2006.

How concerned are you that high-end asymmetric capabilities that threaten us in the Pacific Region will proliferate to state and non-state actors around the globe?

Admiral ROUGHEAD. Senator, I believe that we are going to continue to see proliferation. We see developments occurring in many countries. Some are proliferated, some are indigenous that are enabled by the proliferation.

I think to get into any greater detail would require perhaps a different venue to be able to really dig into that, but I have seen in just the last 15 or 20 years proliferation of ballistic missiles around the world.

If you go back to the early 1990s, a country comes on with a ballistic missile capability about once every 3 years, but the thing that really got my attention about Hezbollah in 2006, that's not even a state, that's an organization, and so I do believe that we're going to be in a period of disorder for the foreseeable future where those types of capabilities will be proliferating and our abilities to access, operate, and influence is going to be based on our capabilities that allow us to go in and counter those types of threats.

Senator THUNE. Thank you, Admiral. Based on the threats to our power projection capabilities, how important will it be for the Navy to field a long-range carrier-based aircraft, like the Navy unmanned aircraft system currently being demonstrated?

Admiral ROUGHEAD. I believe as threats continue to evolve and proliferate, we, too, have to be moving generationally with our capabilities. That's why the JSF is important to us and that's why in this budget we have put money into the budget to begin the development for what we're calling the Navy's Unmanned Combat Aviation System (N–UCAS).

So we're moving even before we have our first JSF, we're already investing for the follow-on to the JSF, and we have to do that because other countries, and I'm hopeful that it won't happen, but even other organizations will be moving along that same type of a timeline.

Senator THUNE. What is your opinion of the timeframe for that sort of an unmanned system to be deployed?

Admiral ROUGHEAD. I do not believe that you'll see the N–UCAS deployed until into the 2020s, perhaps mid-2020s, but the investments that we're making now will allow us to start really getting into some good work in 2012 to 2014. We can start working around an aircraft carrier which is a very complex environment because of the electromagnetic environment that we operate in and just the difficulty of even a piloted aircraft of landing and taking off from an aircraft carrier.

This is the path that we need to be on and I'm pleased that we've been able to put the money in the fiscal year 2010 budget.

Senator THUNE. Great. Thank you. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Thune.

Senator Hagan.

Senator HAGAN. Thank you, Mr. Chairman, and Admiral Roughead and Secretary Mabus and General Conway, thank you for being here today and for your service to our country.

General Conway, last week I had an opportunity to go to Afghanistan and I had an opportunity there to obviously speak to a number of the leaders and a lot of our wonderful generals and marines on the ground. I spoke with Brigadier General Lawrence Nicholson, who is the Commander of the 2nd Marine Expeditionary Brigade, and the Marine footprint of units in Afghanistan from Camp Lejeune and Cherry Point in North Carolina represents about over 4,000 marines.

I understand that they are dealing with the violence in the RC South. We had an opportunity to go to Kandahar and to the Helmand Province, but I wanted to know if you could provide your opinion on the combat readiness and the capabilities of our marines with respect to being resourced, trained, and equipped and if there are any problems that our committee should be aware of.

General CONWAY. Ma'am, first of all, thank you for going. It's great that you would take the time and trouble to go all that way. I know it's pretty remote out there and hopefully you had a really good stay.

We're comfortable with where we are right now with perhaps one exception that I will mention. As I indicated to an earlier question, we've had to draw gear from really all over the globe to put into Afghanistan to support the 10,000-plus marines there, but we've been successful in doing that.

We had an end date on that effort of around May 31 and I think, with some rare exceptions, the marines are there with their equipment and they have now assumed operations in that area of Helmand and RC South.

The one thing that we want to do better and faster is provide them a defense mechanism against the IEDs that they face as the primary weapon system employed against them and so we're in the process of creating a capability by taking the suspension off our 7-ton trucks and putting it on what we call our CAT–1 MRAPs and, if successful, we'll get that to them in rapid fashion, await the development of an Afghan style of MRAP, determine what our buy needs to be, but our first and most critical consideration is providing them protection against the enemy weapon of choice.

Senator HAGAN. Speaking of that, one of the discussions was on the biometric measurements that were being taken.

Do you see that as an area that's really helping us to find the people who are putting the IEDs out there?

General CONWAY. It was tremendously helpful for us in Iraq and those systems are being transported now with the force into Afghanistan. We have every expectation that it will be as successful there.

We imported it through the host government. We have the same types of plans with the Afghan Government, National Police, and the Army that we work with. So it's too early to say but the expectations are great.

Senator HAGAN. Good. Thank you.

Admiral Roughead, I had an opportunity recently to meet with the Ambassador from Saudi Arabia, Ambassador Al-Jaber, and earlier I believe you underscored the importance of establishing naval partnerships with foreign countries as a key pillar to our maritime strategy.

But one of the discussions I had with the Ambassador was on the Saudi naval expansion program and he emphasized your involvement in the first iteration of that program back in the early 1980s.

But as part of this, I understand that in November of last year our Navy completed a Combined Naval Capabilities Analysis of the Royal Saudi Naval Forces and the study provided the blueprint for the recapitalization of this fleet and in particular, the Eastern Fleet to improve the Saudi maritime deterrent capability and enhance its interoperability.

It's my understanding that if implemented, this plan is going to transform the Saudi Navy into a modern, self-sufficient, sustainable naval force. If this happens, this fleet, we hope, can contribute to the enhanced maritime security protection of the Arabian Gulf from conventional and asymmetric threats from other nation states in the area like Iran, regional proxy surrogates, and terrorists.

Can you describe the status of the training elements of this Saudi naval expedition?

Admiral ROUGHEAD. Yes, ma'am, and thank you for the question on that.

As you mentioned, my involvement with their Navy goes back several years and in fact the navy that they're operating in the Eastern Fleet today is essentially the navy that I participated in putting together as a young officer and to say that we've aged a bit is no understatement.

We were pleased to work closely with the Saudi Navy to put together a capabilities assessment and made recommendations to them as to what would be in the best interests of the Eastern Fleet, to participate in the security needs of the Gulf at large, to be able to operate with the other navies that are there, to be able to operate with us, and also to be able to protect their very critical infrastructure which is not just oil but also water desalinization, things like that.

I anxiously await the decision on the part of the Saudi Government, and based upon the decisions they make and the needs they identify, we will then continue our support to them, but I look forward to hearing their decisions on that important program.

Senator HAGAN. Is there a timeframe on that?

Admiral ROUGHEAD. Senator, I would like to see that move forward as quickly as possible, but the decision is really theirs to make.

Senator HAGAN. Once again, thank all of you very much. We appreciate it.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Hagan.

Senator Webb.

Senator WEBB. Thank you, Mr. Chairman, and gentlemen, I apologize for having had to leave. I had an event on the House side that I had to go to. I'm very interested in all the testimony.

Let me start by saying, just as a quick reaction, Admiral Roughead, to your comment on the piracy situation, in response to a question, that I would fully agree with you that in terms of shipboard security, that's really not something that our military should be getting involved in. I've made that comment to the business executives for these different carriers. It seems to me a pretty simple process for them to be able to put security on ships where it's appropriate.

At the same time I think we put ourselves in a pretty vulnerable situation if we basically say that the real problem here is the instability ashore, those situations that we're very likely not going to change for a long period of time, if ever, and the greatest deterrent is essentially what we did.

I think the message gets out when pirates attempt to attack U.S. flag vessels and appropriate action is taken, there is a clear deterrent to further activity. I think the word probably gets out pretty fast.

General Conway, I would again like to express my appreciation for the comments that you made on dwell time when you assumed your position well before this became fashionable. When I was getting ready to come into the Senate, it was an issue that I was very concerned with and you were, I think, alone among the key leaders who were talking about your goal of moving toward a 2 to 1 dwell time as existed historically and it's kind of refreshing to me to hear some of my colleagues now talking about dwell time and hearing people come up talking about dwell time.

As you'll recall when I introduced that amendment twice 2 years ago, we got 56 votes both times, but there was a lot of pushback on that and we were just trying for a 1 to 1.

So I just again want to reiterate my appreciation for you having spoken your conscience on an issue that really goes to the well-being of the people that we all lead one way or another.

Also, I want to reiterate my concern that this isn't simply a career issue. We tend too often on this committee to talk about retention and maintaining the career force and that's very much the business that a lot of people are in, but when you look at the numbers, where 75 percent of the Army and 70 percent of the Marine Corps typically in this volunteer situation leave on or before the end of their first enlistment, I think the true measure of leadership isn't simply technical competence. It's the commitment that we make to these people for the rest of their lives and dwell time is a big part of that.

So I just want to say that I think the example that you've set on that issue has reverberated in good ways.

Secretary Mabus, you've had kind of a boring morning, I think.

Secretary MABUS. It's not hurting my feelings at all.

Senator WEBB. The last time we did this, Senator Nelson and I got into one of these vulgar brawls over Mayport. I don't intend to go there today. The issue will be resolved at the appropriate place.

But I would like to say that at bottom, this is a decision that will be made by the civilian leadership in DOD after hearing the recommendations of people who are involved. It's always been that way. That's how the decision that came down from Secretary Winter was made. It was made by the civilian process.

I've, quite frankly, never heard a CNO who hasn't been in favor of some sort of strategic dispersal. That's part of your job. When I was in the Pentagon as Assistant Secretary of Defense and then as Secretary of the Navy, we had a strategic dispersal program going on. It was very big at the beginning of the Reagan administration. As reality started to hit, it got a little smaller but we were going to put ships in Corpus Christi.

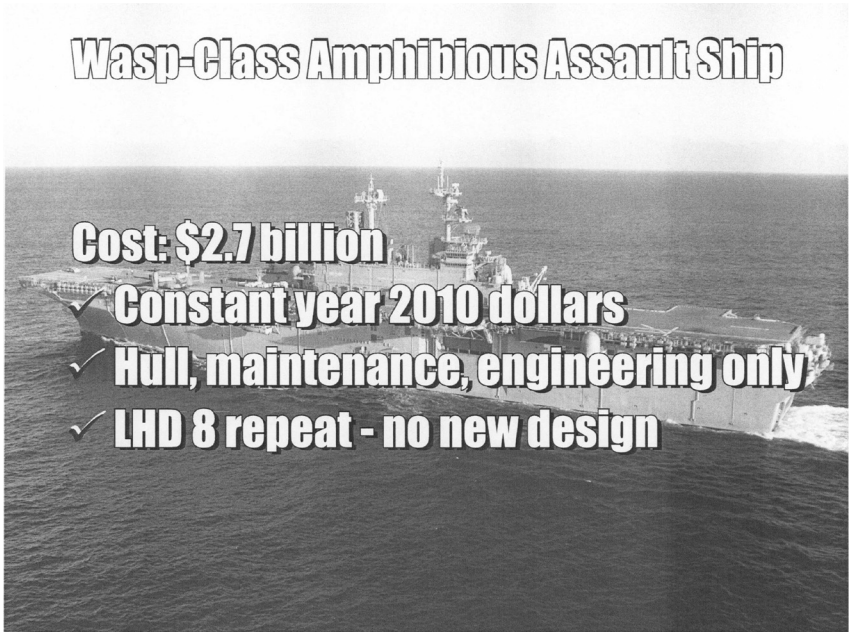
We had Senator Stevens talking about some sort of home porting in Alaska. You can take a logical proposition and expand it to the point that when you measure it against risk, it's not exactly equal and in the Navy testimony today, there's a good bit of comment about different sorts of risks, a lot of risks.

Admiral Roughead speaks about the risks of additional operational demands and the warfighting risk being moderate today but trending towards significant in the future and talking about shore infrastructure readiness and the risks in there, and we know it's a very strong issue in Virginia.

If you look at the backlog in naval shipyards, just from the time that this Mayport announcement was made until today, it has gone from about $800 million up to $1.3 billion. So the question really is how you measure all of the elements that you have to take into account in order to build the Navy and in order to protect it.

I have a thought. Let me just put it out there. Chart Number 3. This is something we've been talking about on our staff and with other people. We understand the realities of what Mayport has been going through in terms of losing ship components.

[The chart referred to follows:]



Senator WEBB. On the one hand, we have the Commandant saying in his testimony quite clearly that we need 38 amphibious warfare ships.

We also know that to reconfigure Mayport, you're really talking about $1 billion, and the numbers that we got from people in industry say that if you're going to build a first-class amphibious assault ship, it's going to cost about $2.7 billion. Now, we might argue whether it be a little bit more or a little bit less, but that's in constant 2010 dollars, those are the numbers that we receive.

So what would be so terrible about taking $1 billion, instead of putting it into reconfiguring Mayport and putting it into an amphibious assault ship, basically getting about a 35 percent reduction in the deal?

Secretary MABUS. Senator, the QDR is going to look not only at the home porting issue but also at amphibious lift requirements that our Nation's going to need going forward and what ships that that amphibious lift will require, and obviously General Conway, Admiral Roughead, and I are participating in this. We're active participants, and I think that your statement about civilian decisionmaking at this QDR is one of the instruments that is being used not only for the home porting but also for this amphibious lift requirement.

Senator WEBB. As they say, not a song, just a thought.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you.

Senator Bill Nelson.

Senator BILL NELSON. Mr. Chairman, I had intended to corroborate the argument made by Senator Akaka of which, Admiral, you've already addressed with regard to the industrial base and specifically Pearl Harbor.

On behalf of Senator Webb, I would also talk about Hampton Roads. I'd talk about Northeast Florida. I'd talk about, as Senator Akaka did, Pearl Harbor, San Diego, the Pacific Northwest, and, of course, that's something you've already done, and I was also intending to talk about the E–2D Hawkeye.

As the Navy has already stated an essential element of the Navy Integrated Fire Control Counter Air Program, imperative for protection against the theater air and missile threat, and that the Navy wanted three. You're ordering two and, of course, that's making the unit cost an additional $120 million, and so I would encourage you to look back, that you do not in your budget request include a 5-year projection.

The $120 million increase in unit cost is not a positive sign, and what will the risk be by Navy delaying the initial operating capability of that system?

So I won't ask you directly. I would just ask you to go back and look at that, if you will.

Now, as the Chairman well knows, I did not intend to bring up Mayport but since it was, I am compelled to do so. The thrust of the argument here is what has been estimated by the Navy to be about a $650 million expenditure in order to make Mayport nuclear capable, the Navy ought to be spending that elsewhere with all of the other unfunded needs, when in fact you all, I think rightly,

have gone ahead with the long lead items which are the dredging of the channel.

Since Mayport is right at the mouth of the St. John's River, you have to dredge basically a mile and a half to get out to deep enough water in the Atlantic. So basically that's a mile and a half on the channel that you're dredging to get in. It is not 8 or 10 miles up river, as it is in another east coast port.

You're going ahead with the repairs, the modernization to the pier and that's a long lead item and I certainly commend you having put that in your budget request.

But should this be put some place else in all of the Navy's other needs, the ship maintenance shortfall of $417 million? Well, the DOD budget is divided into Title 1, procurement; Title 2, research, development, test, and evaluation; and Title 3, operations and maintenance and military construction (MILCON).

Appropriations are further divided into Defense, MILCON, and Veterans Affairs, and so when an argument is made that it's wrong to spend MILCON funds at Mayport because the Navy should be spending more money for ship and aircraft repair or procurement, the DOD budget is a lot more complex than that.

The estimated cost of MILCON for a CVN homeport is $550 million which is 7.2 percent of the Navy's total MILCON request over the next 2 years and the Navy request.

So the $550 million investment to strategically disperse our aircraft carriers which we've always done, we do it on the west coast in three homeports and we've always done it in two ports on the east coast. There were two carriers at Mayport until 1987. There has been one carrier dispersing until the year before last in two ports when the *John F. Kennedy*, a conventional carrier, was shut down under the theory of strategic dispersal.

The cost to replace a carrier is about $11 billion. The MILCON cost of making Mayport nuclear capable is 5 percent of the replacement cost of a carrier. I don't know what more I can say than the lessons of Pearl Harbor and there was a four-star admiral who was relieved. His name was Kimmell. He was relieved of command because of allowing all those assets to be bottled up in one place for a surprise attack. He was forced to retire and he was stripped of two of his stars and his family over the last half century has tried to get the Navy to change that and the Navy has not changed that because of the lessons of Pearl Harbor.

I didn't intend to put up any charts but since there was a chart put up before, I'm going to put up this one picture. This is 1997. I have photographs from 2001 and as you can see, particularly with a commercial channel that goes right here, that's not a good thing to have five carriers all tied up in one place at one time next to a commercial channel.

[The chart referred to follows:]

Senator BILL NELSON. So I rest my case. I am confident that the civilian leadership will make the right decision and again I don't mean to beat this to death, but it was raised and I'm compelled to raise it, as well.

By the way, the decision was made. The Secretary of the Navy concurred by the Secretary of Defense in his letter to Senator Warner and Senator Webb in mid-December of last year, this decision was made, but it got opened up again and therefore I am compelled to raise the issue of strategic dispersal.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Nelson.

I just have a few additional questions and if there are no other Senators that show up, then we'll leave the record open for questions that they or I might have.

First, Admiral, relative to the question of accession to the Law of The Sea Convention, you say in your prepared statement that "accession remains a priority for our Navy."

Is that your own personal and professional view regarding accession to that convention?

Admiral ROUGHEAD. Absolutely, Senator. I think that being party to that Treaty is critical to our ability to operate globally and as a Nation. I believe being party to that Treaty is in our best interests, not just from operational interests but also from resource interests. I cannot recommend it more strongly.

Chairman LEVIN. Mr. Secretary, when we asked you a similar question at your confirmation hearing, I believe that you indicated that you did not have sufficient information at that time to address the merits of that issue. I don't know whether you've been able to focus on that question.

If you have, do you have an opinion on that subject?

Secretary MABUS. Yes, sir, and I strongly support our accession to that Treaty, based on the grounds that Admiral Roughead just laid out.

Chairman LEVIN. Admiral, 2 years ago Congress rejected the idea of deploying conventional warheads on ballistic missile subs.

Are there any plans to utilize the next generation ballistic missile submarine for both conventional and nuclear weapons?

Admiral ROUGHEAD. Senator, I believe with regard to the next generation submarine, that we're in the very nascent stages of that and that level of detail has not been touched on at all.

Chairman LEVIN. All right. Now, we also specifically prohibited conventional applications for the D–5 missile. Recent press reports indicated that the Navy was testing conventional applications during recent tests of the D–5 ballistic missile which only carries nuclear weapons.

Now, what testing was being conducted during the D–5 missile tests?

Admiral ROUGHEAD. Senator, I'm not familiar with that statement but I'd like to take that for the record.

[The information referred to follows:]

The Navy fully understands and is in compliance with congressional direction on Conventional Trident Modification. Any test conducted with the Trident D–5 that may have conventional prompt global strike application is in accordance with the 2008 National Defense Authorization Act Conference Report.

The Life Extension Test Bed Reentry Body (LETB–2) is a highly instrumented test bed designed to evaluate materials and components in a harsh flight environment. The LETB–2 flight test scheduled for August 2009 has been planned for years to gather data on an alternate heat shield material for ballistic reentry bodies. At the request of Secretary of Defense's staff, an experiment was added to assess the impact of plasma blackout on the ability to feed destruct signals into a hypersonic flight vehicle during the reentry phase of flight.

The unique capabilities of the LETB–2, and the D–5 system in general, make them ideal vehicles for these experiments. At no point were these experiments designed or planned to support employment of conventional warheads on D–5 missiles. The destruct signal experiment in particular was requested by the Office of the Secretary of Defense staff and is supported by $3 million in the Fiscal Year 2008 Defense-wide Account funding.

Chairman LEVIN. All right. That'd be fine.

Senator Nelson, do you have any further questions?

Senator NELSON. No, thank you.

Chairman LEVIN. Okay. As I indicated, I will have questions for the record and there may be some from colleagues.

We are very grateful for your presence and the presence of your family. We are delighted to have them with us, and Admiral, we congratulate your daughter on her graduation. I hope she's not looking for a job in some States which are in tough shape but maybe she has her eye on something. All three of you do a great job, and we're very proud of you and the men and women that you command.

Thank you.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR CARL LEVIN

NEXT GENERATION BALLISTIC MISSILE SUBMARINE

1. Senator LEVIN. Secretary Mabus and Admiral Roughead, the Navy fiscal year 2010 budget request includes $387 million for study and design work for a next generation ballistic missile submarine (SSBN) designed to carry nuclear weapons beyond fiscal year 2027. This work is being requested in advance of any decision in the Nuclear Posture Review (NPR) that a next generation SSBN for strategic deterrence is needed.

Will you wait for the NPR to make decisions with respect to the number of ballistic missiles that any next generation submarine will carry or whether a new missile will be developed?

Secretary MABUS and Admiral ROUGHEAD. Yes, the NPR will inform the number of ballistic missiles carried by the SSBN replacement submarine. There are currently no plans to develop a new missile specifically for the next generation SSBN. The Trident II (D–5) missile is currently undergoing a life extension and will be the initial strategic weapon deployed on the next generation SSBN.

We are starting design of the SSBN replacement submarine before the NPR concludes because the focus of the NPR will be on the number of weapons and warheads required, rather than on the design of our nuclear submarines. Early designs for the SSBN replacement are flexible enough to accommodate any conclusion of the NPR.

The President has reaffirmed the need to maintain a strong strategic deterrent for the foreseeable future. To ensure there is no gap in strategic coverage when the *Ohio*-class SSBNs begin to retire in 2027, we need to start concept and system definition for the *Ohio*-class replacement in fiscal year 2010. Starting this work now is consistent with the 20-year timeline used to develop, build, and test the existing *Ohio*-class submarines.

2. Senator LEVIN. Secretary Mabus and Admiral Roughead, have you made any decisions with respect to the number and type of nuclear warheads the next generation SSBN will carry or whether a new nuclear weapon will be needed?

Secretary MABUS and Admiral ROUGHEAD. No decisions have been made on the number of nuclear warheads the *Ohio* replacement SSBN will carry. The Trident II (D–5) missile is undergoing a life extension and will be the initial strategic weapon deployed on the next generation SSBN.

Some combination of our existing submarine-launched ballistic missile nuclear warheads, the W–76 and W–88, could support any outcome of the NPR. The W–76 is in the process of being life extended and will support the initial follow-on *Ohio*-class submarine strategic outload. The W–88 is undergoing a joint fuze development effort with the Air Force as part of the initial phase of W–88 life extension.

CONVENTIONAL PROMPT GLOBAL STRIKE

3. Senator LEVIN. Admiral Roughead, 2 years ago Congress rejected the idea of deploying conventional warheads on SSBNs. Are there any plans to utilize the next generation SSBN for both conventional and nuclear weapons?

Admiral ROUGHEAD. No, the next generation SSBN will deploy the life extended Trident II (D–5LE) missile as the initial payload. The Navy ceased all studies evaluating the modification of the Trident II (D–5) strategic weapon system to deliver conventional warheads in accordance with congressional direction in 2008. There are no plans to develop a conventional capability for the Trident II D–5LE missile or a new conventional missile for the next generation SSBN.

4. Senator LEVIN. Admiral Roughead, recent press reports indicated that the Navy was testing conventional applications during recent tests of the D–5 ballistic missile, which only carries nuclear weapons. I would note that conventional applications for the D–5 missile were specifically prohibited by both the fiscal year 2009 authorization and appropriations acts. What testing was being conducted during the D–5 missile tests?

Admiral ROUGHEAD. The Navy fully understands and is in compliance with congressional direction on Conventional Trident Modification. Any test conducted with the Trident D–5 that may have conventional Prompt Global Strike (PGS) application is in accordance with the 2008 National Defense Authorization Act Conference Report.

The Life Extension Test Bed Reentry Body (LETB–2) is a highly instrumented test bed designed to evaluate materials and components in a harsh flight environment. The LETB–2 flight test scheduled for August 2009 has been planned for years to gather data on an alternate heat shield material for ballistic reentry bodies. At the request of the Secretary of Defense's staff, an experiment was added to assess the impact of plasma blackout on the ability to feed destruct signals into a hypersonic flight vehicle during the reentry phase of flight.

The unique capabilities of the LETB–2, and the D–5 system in general, make them ideal vehicles for these experiments. At no point were these experiments designed or planned to support employment of conventional warheads on D–5 missiles. The destruct signal experiment in particular was requested by the Office of the Secretary of Defense (OSD) staff and is supported by $3 million in fiscal year 2008 Defense-wide Account funding.

5. Senator LEVIN. Admiral Roughead, what work is the Navy currently conducting on conventional PGS?

Admiral ROUGHEAD. The Navy has no plans or programs to develop a conventional PGS capability. However, as part of the Defense-wide PGS Account, the Navy is completing an fiscal year 2008 funded effort to support conventional PGS technology maturation which could have applicability to other Services' PGS programs.

MINE RESISTANT AMBUSH PROTECTED VEHICLES

6. Senator LEVIN. General Conway, first let me say that the Marine Corps mine resistant ambush protected (MRAP) vehicle program office should be congratulated for its superb performance in fielding thousands of excellent MRAP vehicles in a very short period of time for our troops. They saved many lives. Many people doubted it could be done, especially by a small program office in our smallest Service. Secretary Gates recently criticized the Army and the Future Combat System for failing to incorporate the MRAP vehicle into the Service's long-term force planning. Has the Marine Corps made plans to permanently maintain the MRAP vehicles?

General CONWAY. The Marine Corps enduring requirement for MRAP vehicles was presented to and approved by the senior leadership of the Marine Corps during July 2009. The approved course of action proposed that all MRAPs presently allocated to the Marine Corps and determined to be in an appropriate operational condition, will be retained and designated for one of three purposes:

- A small portion, 745 vehicles, will be maintained in the operating forces.
- An additional number of the remaining MRAPs, 733 vehicles, will be placed in prepositioned short-term storage (accessible within 30 days worldwide). This would potentially place MRAP vehicles on Maritime Preposition Shipping, War Reserve, Albany, GA, Depot Maintenance Float Allowance and Norway.
- The remaining MRAP vehicles, 1,024 vehicles, will be placed in long-term storage (accessible within 90 days worldwide) at existing Marine Corps Depot locations, most likely Barstow, CA, based on cost and climate.

Location of 25 MRAP ambulance variants will be determined by operational requirements.

7. Senator LEVIN. General Conway, will they be part of your prepositioned force?

General CONWAY. Yes, the Marine Corps is planning to incorporate MRAP vehicles into each Maritime Prepositioning Ships Squadron as well as the Marine Corps Prepositioning Program-Norway beginning in March 2010.

8. Senator LEVIN. General Conway, what is the strategy for redesigning and fielding MRAP vehicles for the more-demanding terrain of Afghanistan, where the roads are very poor?

General CONWAY. The Joint Program Office has looked into ways of improving MRAP performance in Afghanistan and has seen some initial success with putting the suspension of a Medium Tactical Vehicle Replacement (MTVR) 7-ton truck onto the CAT–1 variant. Early tests indicate that it improves ride quality, enhances off-road maneuverability, and decreases lifecycle costs. The first installations of the new suspensions began the week of 8 July 2009.

The Marine Corps and U.S. Army have also embarked on developing a MRAP All-Terrain Vehicle (M–ATV) which will be a more maneuverable off-road vehicle for use in Afghanistan and incorporates MRAP-like level protection. A 6-month selection effort was just completed and the first order for 2,244 vehicles was placed on contract with Oshkosh Corporation, Oshkosh, WI, on 30 June 2009.

DEFERRAL OF MARINE CORPS ARMORED PERSONNEL CARRIER

9. Senator LEVIN. General Conway, the Marine Corps decided to defer acquisition of an armored personnel carrier for sustained ground operations. Is this decision consistent with Secretary Gates' guidance to prepare for hybrid warfare requiring substantial armor protection for ground forces?

General CONWAY. Yes. In accordance with the Secretary's guidance, we have focused primarily on vehicle force protection improvements that are essential to counter hybrid threats in the current fight. For example, in cooperation with the Army, OSD, and Congress, the Marine Corps aggressively developed the Improved Suspension System for our Cougar MRAPs, and the prototype development for the MRAP M–ATVs. Since neither of these vehicles provide the mobility or modularity that is essential for expeditionary warfare, the deferral of the acquisition of an armored personnel carrier allows us to continue to improve our tactics, training and equipment to counter hybrid threats, while simultaneously developing vehicle capabilities to meet the demand for a medium-weight armored personnel carrier.

10. Senator LEVIN. General Conway, what factors led to this decision and what is the Corps' future plan?

General CONWAY. Since the Expeditionary Fighting Vehicle (EFV) is the cornerstone of our amphibious mission, we've prioritized our resources support its successful development, testing and production. When combined with the Joint Light Tactical Vehicle (light-weight) and the Marine Personnel Carrier (medium-weight), these vehicles will provide a triad of armored personnel carriers that allow us to adapt to the spectrum of conflict as well as hybrid threats. We remain committed to the Marine Personnel Carrier as part of that ground tactical vehicle strategy, and have plans to achieve Milestone B in fiscal year 2012, and Milestone C in late fiscal year 2015.

NAVAL SURFACE FIRE SUPPORT

11. Senator LEVIN. General Conway, the Navy-Marine Corps amphibious assault strategy is to operate at least 25 nautical miles from shore. This makes it harder for an adversary to target and attack our ships, but it also makes it hard to provide indirect fire support to assaulting forces. Within the last year, the Navy cancelled the Extended Range Guidance Munition, which would have extended the range of naval gunfire to about 50 miles, as well as the DDG–1000 program, which was to provide an Advanced Gun System with a projectile of 70 miles in range. The ability to support an amphibious assault from 25 miles from shore requires naval gunfire support. Is it realistic to expect that a new capability will be fielded before initial operational capability (IOC) is reached on the EFV in 2015?

General CONWAY. I would prefer to defer this answer to Admiral Roughhead and his experts, however, in my opinion, given the demanding technical and fiscal challenges involved in developing this degree of advanced naval surface fire support, I think 6 years is an aggressive estimate to actually field this capability.

12. Senator LEVIN. General Conway, what are you recommending to address this problem?

General CONWAY. The Marine Corps is currently participating in a "Joint Expeditionary Fires" analysis of alternatives (AoA) sponsored by the Office of the Chief of Naval Operation (OPNAV). This is designed to identify potential materiel solutions to address previously identified capability gaps. The AoA is scheduled to be complete this summer and the Marine Corps' way ahead will be based on these results.

LAND EXPANSION AT TWENTYNINE PALMS

13. Senator LEVIN. General Conway, from your posture statement, I understand that you are looking to expand Twentynine Palms for greater training area. What training do you need to do there that isn't possible now, and what steps are you taking to expand the base?

General CONWAY. The Marine Corps has a requirement to provide a Marine Expeditionary Brigade (MEB) with sustained, live-fire, combined arms (integrated air- and ground-based fire support assets in support of maneuver) training at the Marine Air-Ground Task Force Training Command/Marine Corps Air-Ground Combat Center (MAGTFTC/MCAGCC) Twentynine Palms, CA. This requirement is based on the Marine Corps' need to realistically train MEBs in our combined arms core competency, as well as support joint operations. To meet this requirement, the Marine Corps is examining lands and associated airspace that may provide for:

(1) Independent, offensive maneuver of three battalion task forces abreast, with three battalion task forces converging on a single MEB objective;

(2) 48–72 hours of continuous offensive operations by the battalions; and

(3) Integrated air and ground maneuver live fires with optimized freedom of action (within reasonable constraints).

On 15 Sep 08, the Bureau of Land Management, at the request of the Marine Corps, segregated about 366,000 acres of public land from further claims so that the Marine Corps could study these lands for acquisition. The Bureau of Land Management held public meetings to collect comments from the public on this land segregation. In addition, the Marine Corps identified about 66,000 acres of privately-owned land to be studied for acquisition. A total of about 422,000 acres were identified for study.

On 30 Oct 08, the Marine Corps published a Notice of Intent to prepare an Environmental Impact Statement (EIS) to acquire land and establish airspace at MCAGCC to support MEB training.

On 3, 4 and 5 Dec 08, the Marine Corps held public meetings in Twentynine Palms, Victorville, and Ontario, CA, to collect the scope of issues that the public believes the Marine Corps should evaluate. A total of about 650 people attended these meetings. The Marine Corps has received approximately 20,000 comment letters (many are e-mails generated by advocacy groups). Although we are still processing these comments, a few themes have emerged and include concerns about access to off-highway vehicle recreational areas, impacts to natural resources, acquisition of private land, and competing civilian land uses (e.g., energy infrastructure).

We anticipate publicly distributing a Draft EIS in summer 2010 and will hold public meetings in order to collect comments on the sufficiency of the analysis.

The Marine Corps continues to meet with a large number of stakeholders, including those associated with off-highway vehicle recreational use, community associations, energy companies, counties and municipalities, State of California agencies and Federal agencies.

We are working with the Bureau of Land Management to refine the study area and are working to relinquish about 60,000 acres, thus reducing the study area to approximately 360,000 acres.

QUESTIONS SUBMITTED BY SENATOR JOHN MCCAIN

NAVAL AVIATION STRIKE-FIGHTER SHORTFALL

14. Senator MCCAIN. Secretary Mabus and Admiral Roughead, our Nation's need for the continued presence of U.S. Navy aircraft carriers to protect and defend the interests of America and its allies is self-evident. But the Department of the Navy has identified a naval aviation strike-fighter shortfall, which it projects to be more than 240 aircraft by 2018. This shortfall has apparently been caused by delays in the F–35 Joint Strike Fighter (JSF) program and the challenges associated with extending the life of older strike fighters. What is the Department of the Navy's current assessment of its aviation strike fighter shortfall?

Secretary MABUS and Admiral ROUGHEAD. The Navy is experiencing a decrease in strike fighter capacity due to the continued high pace of operating our older F/A–18 A–D aircraft. The timely delivery of the JSF is critical to our ability to meet future operational demands for expeditionary strike and maintain a mix of strike fighter aircraft on our carrier decks. Until JSF reaches initial operating capability (IOC) in 2015, we are managing our existing strike fighter inventory by extending service life of our F/A–18A–D Hornets beyond their originally-designed 6,000-hour service life to 8,000–8,600 flight hours. There is also the potential to extend the service lives of some of our A–D Hornets further, to 10,000 hours.

The Quadrennial Defense Review (QDR) will review tactical air (TACAIR) requirements across all the Services and determine the required number of carrier-capable strike fighters our Nation needs. Navy will then do a cost-benefit analysis to determine the best option for buying additional life in our strike fighter inventory: through service life extensions of existing aircraft; through procurement of new aircraft; or through a combination of these two options. The fiscal year 2010 budget contains appropriate funding to continue development and procurement of JSF and buy an adequate number of F/A–18 aircraft to keep that production line open until QDR completes its review.

15. Senator MCCAIN. Secretary Mabus and Admiral Roughead, how concerned are you about that shortfall and its effect on future carrier warfighting capability?

Secretary MABUS and Admiral ROUGHEAD. Carrier-based tactical aviation is the backbone of our Navy's expeditionary strike capability. The Navy is experiencing a decrease in strike fighter capacity due to the continued high pace of operating our older F/A–18 A–D aircraft. The timely delivery of the JSF is critical to our ability to meet operational demands for expeditionary strike and maintain a mix of strike fighter aircraft on our carrier decks. Until JSF reaches IOC in 2015, we are managing our existing strike fighter inventory by extending service life of our F/A–18A–D Hornets beyond their originally-designed 6,000-hour service life to 8,600 flight hours. There is also the potential to extend the service lives of some of our A–D Hornets further, to 10,000 hours.

The QDR will review TACAIR requirements across all the Services to include the required number of carrier-capable strike fighters our Nation needs. Navy will then do a cost-benefit analysis to determine the best option for buying additional life in our strike fighter inventory: through service life extensions of existing aircraft; through procurement of new aircraft; or through a combination of these two options. The fiscal year 2010 budget contains appropriate funding to continue development and procurement of JSF and buy an adequate number of F/A–18 aircraft to keep that production line open until QDR completes its review.

16. Senator MCCAIN. Secretary Mabus and Admiral Roughead, why is it not premature for the Navy to assess the significance of its projected strike fighter shortfall (or its operational impact) before the pending QDR is completed?

Secretary MABUS and Admiral ROUGHEAD. It is not premature for the Navy to assess its strike fighter capacity because this analysis is required to inform OSD decisions in the QDR, which will review TACAIR requirements across all the Services and determine the required number of carrier-capable strike fighters our Nation needs.

17. Senator MCCAIN. Secretary Mabus and Admiral Roughead, the Department of the Navy has apparently exhausted all options to reduce its projected 240-aircraft strike fighter shortfall. There are no viable plans to speed up production of the carrier version of the JSF—planned to be fielded on carrier decks around 2015. Some already suggest that this date may slip an additional year or 2. Finally, a Navy plan to extend the life of the older legacy Hornets may be too costly. Is it a viable solution to consider purchasing additional F/A–18 Super Hornets—the only new strike-fighter aircraft in production? If not, how will the Navy expect to mitigate the shortfall (and the operational risks associated with that shortfall)?

Secretary MABUS and Admiral ROUGHEAD. The timely delivery of the JSF is critical to our ability to meet operational demands for expeditionary strike and maintain a mix of strike fighter aircraft on our carrier decks. It is currently on track to its planned U.S. Marine Corps (USMC) IOC of 2012 and U.S. Navy (USN) IOC in 2015, with all variants projected to meet their respective Key Performance Parameters.

Until JSF reaches IOC, Navy is managing its existing strike fighter inventory by extending service life of our F/A–18A–D Hornets beyond their originally-designed 6,000-hour service life to 8,000 to 8,600 flight hours. There is also the potential to extend the service lives of some of our A–D Hornets further, to 10,000 hours.

The QDR will review TACAIR requirements across all the Services and determine the required number of carrier-capable strike fighters our Nation needs. Navy will then do a cost-benefit analysis to determine the best option for buying additional life in our strike fighter inventory: through service life extensions of existing aircraft; through procurement of new aircraft; or through a combination of these two options. The fiscal year 2010 budget contains appropriate funding to continue development and procurement of JSF and buy an adequate number of F/A–18 aircraft to keep that production line open until QDR completes its review.

F–35 LIGHTNING II JOINT STRIKE FIGHTER PROGRAM

18. Senator MCCAIN. Secretary Mabus, Admiral Roughead, and General Conway, the Services are planning on purchasing approximately 2,450 JSFs at a cost of over $300 billion, a sum that reflects a cost growth of nearly 47 percent beyond original 2002 estimates. The Department of the Navy is obviously relying on the JSF to close the gap that it sees in strike fighter capability over the intermediate term.

However, the Government Accountability Office (GAO) recently issued a report on the JSF program that was critical of its past cost overruns and schedule slips, and predicted that development will cost more and take longer than what has been reported to Congress. In November 2008, a Pentagon Joint Estimating Team reportedly said the JSF program would require an additional 2 years of testing and would need another $15 billion to cover new development costs.

If the JSF program costs continue to significantly increase and development does not go as well as promised, draining resources from other priority programs that are needed by the Department of the Navy, what alternatives may be available to the Navy to remedy its projected strike fighter shortfall and preserve its limited procurement base?

Secretary MABUS, Admiral ROUGHEAD, and General CONWAY. The timely and affordable delivery of the JSF is critical to our ability to meet operational demands for expeditionary strike and maintain a mix of strike fighter aircraft on our carrier decks.

Until the Navy variant of JSF reaches IOC in 2015, we are managing our existing strike fighter inventory by extending service life of our F/A–18A–D Hornets beyond their originally-designed 6,000-hour service life to 8,000–8,600 flight hours. There is also the potential, to extend the service lives of some of our A–D Hornets further, to 10,000 hours.

The QDR will review TACAIR requirements across all the Services to include the required number of carrier-capable strike fighters our Nation needs. Navy will then do a cost-benefit analysis to determine the best option for buying additional life in our strike fighter inventory: through service life extensions of existing aircraft; through procurement of new aircraft; or through a combination of these two options. The fiscal year 2010 budget contains appropriate funding to continue development and procurement of JSF and buy an adequate number of F/A–18 aircraft to keep that production line open until QDR completes its review.

19. Senator MCCAIN. Secretary Mabus, Admiral Roughead, and General Conway, if the JSF costs increase further and its schedule continues to slip, is it sound to hedge against further delays in fielding this strike-fighter by continuing the manufacturing lines of legacy aircraft, such as F/A–18s, for example?

Secretary MABUS, Admiral ROUGHEAD, and General CONWAY. The timely delivery of the JSF is critical to our ability to meet operational demands for expeditionary strike and maintain a mix of strike fighter aircraft on our carrier decks. Until JSF reaches IOC in 2015, we are managing our existing strike fighter inventory by extending service life of our F/A–18A–D Hornets beyond their originally-designed 6,000-hour service life to 8,000 to 8,600 flight hours. There is also the potential to extend the service lives of some of our A–D Hornets further, to 10,000 hours. The QDR will review TACAIR requirements across all the Services to include the required number of carrier-capable strike fighters our Nation needs. Navy will then perform a cost-benefit analysis to determine the best option for buying additional life in our strike fighter inventory: through service life extensions of existing aircraft; through procurement of new aircraft; or through a combination of these two options. The fiscal year 2010 budget contains appropriate funding to continue development and procurement of JSF and buy an adequate number of F/A–18 aircraft to keep that production line open until QDR completes its review.

MARINE CORPS JOINT STRIKE FIGHTER CONCERNS

20. Senator McCAIN. General Conway, the Marine Corps plans to take initial deliveries of the B Model, Marine Corps, short takeoff and vertical landing (STOVL) variant of the JSF beginning in September 2010 at Eglin Air Force Base (AFB) to support initial joint training for pilots and crews on the aircraft. Recently, the Air Force has run into potential problems due to environmental litigation in establishing the Initial Joint Training Site at Eglin as required by the 2005 round of Base Realignment and Closure. If the Air Force basing action supporting joint training on the JSF at Eglin is delayed, does the Marine Corps have a contingency plan?

General CONWAY. The Corps continues to invest in the Integrated Training Center at Eglin, AFB. We believe those problems encountered to realize the potential of JSF training at Eglin will be resolved in time to meet our training requirements. Until then the operations allowed and the associated under the Environmental Impact study Record of Decision (ROD) meets our initial training requirements while we standup our activities over the next few years. We are looking at various options in conjunction with the Air Force and Navy if Eglin proves to be unworkable but we are not prepared at this early date to give up on our commitment to training both pilots and enlisted maintainers at Eglin, AFB.

21. Senator McCAIN. General Conway, are you aware of any potential production problems with the B Model of the JSF that could delay the schedule for standing-up the training squadron by September 2010 and the IOC for the first Marine Corps operational squadron scheduled for December 2012?

General CONWAY. At this time we are not aware of any significant problems that would delay production. The JSF Program Office in concert with Lockheed Martin is managing the suppliers as well as the other partners of Northrup Grumman, BAE, and Pratt & Whitney. It is critical that funding remain as programmed to maintain the stable production rate that will ensure we receive our training jets in 2010 and meet our 2012 IOC.

F–35 LIGHTNING BASING FOR THE MARINE CORPS

22. Senator McCAIN. General Conway, I noticed in your opening statement regarding the acquisition of 420 F–35B Lightnings that the Marine Corps "will reach IOC in 2012 with a standing squadron ready to deploy." I do have a concern that the manufacturer, Lockheed, has not yet completed testing for the STOVL variant, and yet this variant has the most urgent production demand. What is the current program of record for the number of F–35s to be stationed at your first operational location?

General CONWAY. We will stand up our first operational squadrons at MCAS Yuma, AZ. We are in the process of conducting our environmental impact studies, dependent upon the study findings our preferred option is to base up to 86 STOVL aircraft.

23. Senator McCAIN. General Conway, are you on track with all environmental actions and construction activities to be able to meet your deadline?

General CONWAY. We are well into the study phase of our environmental studies for both the east and west coast basing options. The construction is dependent upon the study findings; however we are conducting detailed planning for each of the potential beddown options to ensure adequate facilities are available as the aircraft are delivered.

24. Senator McCAIN. General Conway, will you have aviation training ranges ready to support the full spectrum of F–35 operations? If not, what is the plan for the Marine Corps to get ranges ready?

General CONWAY. The Marine Corps will utilize our existing ranges for the STOVL variant. In addition we plan to leverage the advancements in full mission simulators. With these simulators and our existing ranges we believe we will be prepared to train to the full capabilities of the JSF.

It is possible that future Barry M. Goldwater Range (BMGR) upgrades will be necessary and the Marine Corps basing EIS will contain programmatic language to address any future evolving training needs as the platform matures and requirements are refined. For example, the USMC and U.S. Air Force (USAF) operate threat emitters on BMGR that may need to be upgraded to support F–35 training. Any upgrade required would be functionally independent of F–35A/B basing and would be required regardless of any F–35A/B basing decision. However, no requirement to upgrade BMGR threat emitters has been identified at this time.

USMC and USAF have prepared numerous EIS documents over the years in support of aviation operations on BMGR. Most of the contentious environmental issues involve impacts to endangered species, in particular the Sonoran pronghorn. USMC and USAF have received Biological Opinions for their operations from Federal Wildlife Service and are fully compliant with all environmental regulations.

25. Senator MCCAIN. General Conway, will the EIS being conducted by the Marine Corps to support the basing of the F–35 account for the unique noise and flight characteristics of the STOVL variant?

General CONWAY. The environmental impact studies will be a full and in depth assessment of the F–35 to include aircraft performance and associated noise signatures.

26. Senator MCCAIN. General Conway, are you concerned that the establishment of a joint pilot training base for the F–35 at Eglin AFB, which is currently delayed due to litigation over the EIS, will affect Marine Corps pilot production by 2012? If so, what actions are you taking to mitigate the risk?

General CONWAY. The initial standup of training capabilities at Eglin is on track, we currently are experiencing no delays in the necessary construction of facilities required to commence training activities. We are firmly committed to training aircrew and enlisted maintainers at the Integrated Training Center at Eglin, AFB. We believe there are synergies to be gained by training aircrew and maintainers at the same location with our sister services as well as the current USMC pooling agreement with the United Kingdom.

27. Senator MCCAIN. General Conway, are these actions fully supported and funded in the budget request for fiscal year 2010?

General CONWAY. The actions required to train our aircrew and enlisted maintainers at Eglin are fully supported and funded in the fiscal year 2010 request.

28. Senator MCCAIN. General Conway, could Marine Corps Air Station (MCAS) Yuma serve as a permanent location for the training of Marine Corps Lightning pilots in case Eglin AFB cannot fully support the Marine Corps requirement?

General CONWAY. MCAS Yuma will serve as our first operational base as we transition our legacy fleet to the STOVL JSF. We are firmly committed to training our aircrew and enlisted maintainers at the Integrated Training Center at Eglin, AFB. We are looking at options to conduct training elsewhere, if Eglin becomes unavailable, but are awaiting the findings of our west coast EIS to inform any decision.

29. Senator MCCAIN. General Conway, what efficiencies can the Marine Corps gain by combining training and operational squadrons at one location?

General CONWAY. Any efficiency to combine operational and training squadrons will have to be studied extensively before any decisions could be made. Right now the Marine Corps is committed to standing up the first ITC at Eglin, AFB followed by our stand-up of operational squadrons at MCAS Yuma starting in 2012.

LITTORAL COMBAT SHIP

30. Senator MCCAIN. Secretary Mabus and Admiral Roughead, I have been very concerned about cost growth and delivery schedule delays in the Littoral Combat Ship (LCS) program. I appreciated the aggressive action that former Navy Secretary Winter took to radically restructure the program to bring the cost of acquiring those vessels under control (including cancelling LCS–5 and LCS–6; requiring the prime contractors to execute a fixed price-type contract; and imposing a cost cap on the LCS sea frames). That having been said, I remain concerned about the program's execution. What difficulties, if any, will the Navy have in keeping the LCS seaframes to be procured under the fiscal year 2010 budget request under the statutorily-mandated cost cap?

Secretary MABUS and Admiral ROUGHEAD. Navy is actively engaged with industry to implement cost reductions with the intent to procure the fiscal year 2010 ships within the $460 million cost cap. We have formalized a cost reduction effort that primarily targets cost drivers in ship design, Navy specifications, and program management costs. Until manufacturing efficiencies can be achieved for the follow on ships Navy will require some legislative relief regarding the fiscal year 2010 LCS cost-cap.

31. Senator MCCAIN. Secretary Mabus and Admiral Roughead, what help, if any, do you need from Congress to improve the program's ability to proceed into stable production and sustain competition?

Secretary MABUS and Admiral ROUGHEAD. Congressional support for the three LCSs requested in the fiscal year 2010 budget would support Navy's efforts to provide stability and sustain competition in the LCS program. Stable production is necessary to gain manufacturing efficiencies that will drive down the cost of LCS.

32. Senator MCCAIN. Secretary Mabus and Admiral Roughead, where does the LCS program stand now in relation to the Nunn-McCurdy provision, which under the newly enacted Weapons Systems Acquisition Reform Act of 2009 requires (among other things) presumptive termination, if acquisition costs rise above certain thresholds?

Secretary MABUS and Admiral ROUGHEAD. The Nunn-McCurdy Provision and the newly-enacted Weapons Systems Acquisition Reform Act of 2009 compare thresholds to projected program costs that are established in a program's Acquisition Program Baseline (APB). Since LCS is a pre-Milestone B program, an APB has not been formally submitted and established.

33. Senator MCCAIN. Secretary Mabus and Admiral Roughead, is the Navy financing cost growth on LCS sea frames by reducing funding for the procurement of LCS mission packages? If so, how might this reduce the overall capabilities of the planned 55-ship LCS fleet?

Secretary MABUS and Admiral ROUGHEAD. The Navy is not financing cost growth on LCS seaframes by reducing funding for the procurement of LCS mission packages. The reduction of LCS mission package funding is due to the alignment of mission package procurement to seaframe delivery schedules.

34. Senator MCCAIN. Secretary Mabus and Admiral Roughead, how might the increase in LCS unit procurement costs affect the affordability and executability of the Navy's overall shipbuilding plan?

Secretary MABUS and Admiral ROUGHEAD. The 55-ship LCS program is an essential component of the long-range shipbuilding program and is critical to meeting Navy's capacity needs. Navy continues to factor LCS cost adjustments into the Navy shipbuilding plan. While the lead LCS ships significantly exceeded initial cost estimates, the Navy is already experiencing cost savings on the second two ships. Future LCS ships are expected to achieve further cost reductions as industry learning and facilities investments increase, larger quantities are procured, and additional cost reduction efforts are implemented in the program. These cost reductions will improve the Navy's overall shipbuilding plan affordability.

MARINE CORPS READINESS FOR AFGHANISTAN AND FULL-SPECTRUM OPERATIONS

35. Senator MCCAIN. General Conway, over the last several weeks, Congress has been briefed by both the Department of Defense (DOD) and the GAO on the readiness of the Armed Forces. The general theme of these briefings is that while deployed forces continue to have high readiness rates, the readiness of nondeployed forces for full-spectrum operations has yet to significantly improve despite efforts by Congress to increase funding for reset and procurement of new equipment and to grow the size of the Army and the Marine Corps. How do you assess the readiness of Marine Corps deployed forces and the nondeployed forces that would be called on should full-spectrum combat operations become necessary in theaters outside Iraq and Afghanistan?

General CONWAY. The Marine Corps continues to be the Nation's expeditionary force in readiness and is meeting all Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF) requirements. All forward-deployed units are trained, manned, and equipped to accomplish their assigned missions. To ensure that forward-deployed units maintain the highest states of readiness, we have been forced to tax our nondeployed units and strategic programs for equipment and personnel. Our training focus for the war in Iraq and Afghanistan, coupled with our limited dwell time, leave limited opportunity for units to train to full spectrum operations. The necessary focus on OIF/OEF presents strategic risk in our ability to respond quickly to other contingencies, and delays in the deployment of forces would be necessary to adequately form and train units for full spectrum operations. To meet the demands of this war and to respond to any crisis, we must continue to reset the force so that we can simultaneously fight, train, and sustain our Corps. We appre-

ciate the generosity of Congress to ensure that marines have the equipment and maintenance resources they need to meet mission requirements.

36. Senator MCCAIN. General Conway, what is your assessment of the increase in risk on the Korean Peninsula as a result of the recent nuclear test and missile launch activity there?

General CONWAY. Although unsettling, the recent nuclear test and missile launch activity in North Korea have the appearance of a self-manufactured crisis for the purpose of establishing the credibility of Kim Jong-un, Kim Jong-il's youngest son, apparent heir to the communist regime. Similar methods were used to train Kim Jong-il during the succession from his father, Kim Il-sung. These events do not appreciably change the risk assessment or the probability of a major military incident on the Korean Peninsula.

37. Senator MCCAIN. General Conway, how would the Marine Corps respond to a requirement to reinforce the U.S. presence in South Korea?

General CONWAY. In the event of a crisis, the marines are prepared to execute flexible deterrent options or existing contingency plans. Forward-deployed forces in the Pacific are readily available for immediate employment. Forces at home station could be rapidly deployed to reinforce operations, as well as Reserve Forces mobilized to augment the active component in order to round out force requirements if needed.

38. Senator MCCAIN. General Conway, how will the Marine Corps manage the shift of combat operations from Iraq to Afghanistan in terms of the crucial enablers, such as logistics support, intelligence, military police, explosive ordnance disposal, and civil affairs that will be needed both during the drawdown in Iraq and during the expansion of Marine Corps forces in Afghanistan?

General CONWAY. The transition from Iraq to Afghanistan presents some unique challenges. Much of the Marine Corps planned force expansion to 202,000 marines calculated growth in critical enablers required in the current fight that included military intelligence, military police, combat engineering, and key combat service support occupations to support logistical requirements. Additionally, the phased drawdown of Marine Corps forces from Iraq supports sustaining current Afghanistan requirements and postures the Marine Corps to support additional requirements as needed.

NEW CHINA THREAT AGAINST U.S. NAVY AIRCRAFT CARRIERS

39. Senator MCCAIN. Admiral Roughead, China is reportedly developing a new long-range anti-ship ballistic missile, which can attack an aircraft carrier at a range of 1,200 miles. This new missile was apparently not developed in isolation, as it would ostensibly be guided to a carrier by a combination of low-Earth-orbit satellites, radar, and unmanned vehicles. To what extent do Navy ships have a defense against ballistic missile attacks against them?

Admiral ROUGHEAD. The long-range anti-ship ballistic missile challenges our access in an important region. The Navy is taking action across a broad front to develop effective capabilities to counter this emerging threat, the details of which are classified. If you desire, I will arrange a classified briefing for the committee to discuss this issue further.

40. Senator MCCAIN. Admiral Roughead, please describe what funding, if any, the Navy is requesting in its budget proposal to sufficiently deal with this near-term threat?

Admiral ROUGHEAD. The Navy is funding a variety of capabilities that address threats to our aircraft carriers. Our surface combatant modernization program upgrades ship combat systems to improve capability in ballistic missile defense (BMD), integrated air and missile defense, anti-submarine warfare, anti-surface warfare, and force protection. All of these capabilities enhance our ability to defend our carriers and other forces.

Navy's fiscal year 2010 budget requests $89 million for development of software and hardware for the combat system upgrade and $83 million for procurement of equipment that will be delivered in the first DDG combat system upgrade in fiscal year 2012.

More specific programmatic information related to Navy's efforts to address China's long-range anti-ship ballistic missile is classified. If you desire, I will arrange a classified briefing for the committee to discuss this issue further.

TEN-CARRIER FORCE

41. Senator MCCAIN. Secretary Mabus and Admiral Roughead, during the projected 33-month period between the scheduled decommissioning of the *Enterprise* in 2012 and the scheduled commissioning of the next nuclear-powered aircraft carrier (CVN–78) in 2015, the carrier force is to temporarily decline from 11 ships to 10. But, for this to happen, the Navy needs legislative relief from a law that requires the Navy to maintain a force of at least 11 operational carriers. The Navy is asking for this relief as part of the fiscal year 2010 budget.

But, I am concerned that problems with developing the electromagnetic aircraft launch system (EMALS) or other issues could delay the CVN–78's entry into service. That could increase the time during which the Navy has 10 operational carriers from 33 months to some longer period. How confident are you that the EMALS system will come on line on time so as not to delay the delivery of the CVN–78?

Secretary MABUS and Admiral ROUGHEAD. Navy anticipates that the EMALS will successfully complete System Development and Demonstration (SDD) testing and deliver on time, without delaying the planned delivery of CVN–78 in September 2015. The development of EMALS is currently performing to the approved program baseline with major subsystem testing and long lead time material procurement underway. SDD technical risks identified to date are manageable and Navy has taken steps to minimize the likelihood of overruns or schedule delays.

42. Senator MCCAIN. Secretary Mabus and Admiral Roughead, what other risks do you see in the CVN–78 program?

Secretary MABUS and Admiral ROUGHEAD. CVN–78 is the first newly-designed U.S. aircraft carrier in more than 40 years and is being developed under the Future Carriers Program. The Program has a robust risk monitoring activity to effectively identify, mitigate, and manage program risks for the entire *Gerald Ford* class by using a Critical Technology Integrated Product Team (IPT) that oversees design maturation of developmental systems critical to meeting CVN–78 operational requirements.

Critical technologies/capabilities currently maturing for integration into the lead ship include: EMALS, Advanced Arresting Gear (AAG), Dual Band Radar (DBR), Joint Precision Approach Landing System (JPALS), Evolved Sea Sparrow Missile Joint Universal Weapon Link (ESSM JUWL), enhanced flight deck materials, and Advanced Weapons Elevator (AWE).

EMALS and JPALS have reached a level of design maturity that no longer requires Critical Technology IPT oversight; however, I maintain a personal interest in the progress of EMALS and its integration into CVN–78. The IPT is tracking the remaining systems, which are projected to reach the same acceptable level of design maturity by fiscal year 2011, well in advance of system required in-yard dates.

43. Senator MCCAIN. Secretary Mabus and Admiral Roughead, in light of the risks associated with the EMALS or other issues, why wouldn't it be prudent to keep the *Enterprise* in operation beyond 2012?

Secretary MABUS and Admiral ROUGHEAD. Keeping USS *Enterprise* (CVN–65) in operation beyond 2012 involves significant technical risk, challenges manpower and the industrial base, and requires expenditures in excess of $2.8 billion with minimal operational return. The minor gain in carrier operational availability would be more than offset by the negative impact on carrier maintenance periods and operational availability of the force in the future.

Navy remains confident the development of the EMALS will successfully complete SDD testing and deliver on a timeline which will not cause a delay to the planned delivery of CVN–78 in September 2015. As with any developmental technology, cost and schedule risk exist; however, the Navy has taken steps to minimize the likelihood of overruns or schedule delays.

44. Senator MCCAIN. Secretary Mabus and Admiral Roughead, on the other hand, what effect would doing the required maintenance work on the *Enterprise* have on the schedule for performing mid-life nuclear refueling overhauls on other Navy CVNs and the operational availability of those ships?

Secretary MABUS and Admiral ROUGHEAD. Executing the required maintenance work on the USS *Enterprise* (CVN–65) to extend her beyond November 2012 would delay the start of the USS *Abraham Lincoln* (CVN–72) Refueling Complex Overhaul (RCOH) scheduled for February 2013 and the USS *George Washington* (CVN–73) RCOH scheduled for June 2016 by 13 months each, delaying their return to the Fleet and impacting more modern aircraft carrier operational availability.

45. Senator MCCAIN. Secretary Mabus and Admiral Roughead, what steps could the Navy take to mitigate the operational risks associated with having the carrier force temporarily decline to 10 ships so that the operational availability of the 10 carriers is maximized during the 2012–2015 period?

Secretary MABUS and Admiral ROUGHEAD. To mitigate the operational risks associated with having the carrier force temporarily decline to 10 ships, the Navy will adjust carrier maintenance schedules, air wing maintenance and operational schedules, and leverage the inherent flexibility of carrier deployment patterns. This includes selective, one-time rescheduling of carrier maintenance availabilities either advancing or delaying the planned start of selected availabilities. These actions will result in the availability of appropriate forces to sustain the necessary Carrier Strike Group (CSG) Fleet response capability.

NAVY AEGIS CRUISER AND DESTROYER MODERNIZATION AND SEA-BASED MISSILE DEFENSE

46. Senator MCCAIN. Secretary Mabus and Admiral Roughead, in August 2008, the Navy reportedly decided to expand the scope of its DDG–51 modernization program to include the installation of a BMD capability so that all DDG–51s would eventually be BMD-capable. In this year's budget request, DOD proposes to add $200 million to fund conversion of six additional Aegis ships to provide BMD capabilities. Will the Navy similarly commit to expanding the scope of its CG–47 modernization program? How far off is DOD from making that decision?

Secretary MABUS and Admiral ROUGHEAD. Six of our 22 cruisers are programmed for the addition of BMD capability. The Navy is reviewing a strategy to add 9 more for a total of 15 cruisers with BMD capability within the next several years.

The seven oldest Aegis cruisers, hull numbers 52 through 58, have an early version of the SPY radar as the centerpiece of their combat system. The basic engineering to install BMD capability in those ships is more difficult and more expensive than in the newer cruisers. We have decided that providing BMD capability in those seven cruisers does not offer sufficient return on investment and we do not plan to provide BMD in those ships.

If Navy plans are fully realized, we will have 15 Aegis cruisers and all Aegis destroyers (62 plus) with BMD capability. The Navy and Missile Defense Agency (MDA) are developing a strategy to achieve this end state in the most cost effective manner possible.

47. Senator MCCAIN. Secretary Mabus and Admiral Roughead, what are cost impacts of the Navy's decision in 2008 to expand the scope of the DDG–51 modernization program to include the installation of BMD capabilities on every DDG–51 being modernized? Specifically, how does the Navy's decision affect the total estimated cost of the Aegis modernization program?

Secretary MABUS and Admiral ROUGHEAD. BMD capability is only one of 45 capabilities we are introducing across all mission areas in the Advanced Capability Build (ACB)–12 modernization of the Flight I DDGs beginning in fiscal year 2012. DDG Modernization also includes Technology Insertion (TI)–12, which provides the computer processing and display upgrades in conjunction with ACB–12 software. The combination of ACB–12 and TI–12 upgrades enhance air warfare, anti-surface warfare, and force protection, as well as adding BMD capability.

BMD upgrades are developed cooperatively with the MDA. MDA historically funds the BMD nonrecurring engineering development, and Navy funds procurement of equipment. Navy's fiscal year 2010 budget requests $89 million for development of software and hardware for integration of the overall combat system which includes the incorporation of BMD 5.0. There is also $83 million in the Navy fiscal year 2010 budget request for procurement of equipment that will be delivered in the first DDG combat systems upgrade in fiscal year 2012.

48. Senator MCCAIN. Secretary Mabus and Admiral Roughead, to what extent was funding for other Navy programs reduced to finance this decision?

Secretary MABUS and Admiral ROUGHEAD. There have been negligible reductions to other programs in order to finance the inclusion of BMD capability in the DDG Modernization Program. BMD, as part of DDG Modernization, was initially planned in the fiscal year 2008 President's budget with the first installation scheduled for fiscal year 2012. Advanced procurement will begin in fiscal year 2010 for that installation. This upgrade is part of the DDG Modernization Program, and is programmed and fully funded in the budget.

49. Senator McCAIN. Secretary Mabus and Admiral Roughead, how were those other programs affected by the funding reduction?

Secretary MABUS and Admiral ROUGHEAD. The decision to fund BMD capability as a part of the DDG Modernization program had a negligible effect on other programs. BMD, as part of DDG Modernization, was initially planned in the fiscal year 2008 President's budget with the first installation scheduled for fiscal year 2012. Advanced procurement will begin in fiscal year 2010 for that installation. This upgrade is part of the DDG Modernization Program, and is programmed and fully funded in the budget.

50. Senator McCAIN. Secretary Mabus and Admiral Roughead, what is your long-term understanding of the Aegis role in the BMD shield?

Secretary MABUS and Admiral ROUGHEAD. BMD is an inherently joint mission and the maritime domain will always be an important segment of the joint fight. Aegis is the centerpiece of Navy's BMD. Because of the inherent mobility, flexibility, and sovereign status of United States warships, Aegis BMD will be a part of our Nation's missile defense capability for the foreseeable future. BMD ships operate on the high seas and require no host nation permissions to fulfill combatant commander requirements for presence and defense of the U.S. and its allies. Aegis BMD ships will continue to deploy to the Mediterranean, Arabian Gulf, and Western Pacific to support Combatant Commander warfighting demands.

51. Senator McCAIN. Secretary Mabus and Admiral Roughead, are we converting enough Aegis ships fast enough to address the role these ships are expected to play?

Secretary MABUS and Admiral ROUGHEAD. Over the last 5 years the MDA and the Navy developed and installed BMD capability in 3 cruisers and 15 destroyers for a total of 18 ships. In the fall of 2008, due to an increasing demand for BMD capable ships, MDA and the Navy collaborated in co-funding the installation of Aegis BMD capability in three additional East Coast Aegis ships in 2009 and 2010, increasing the Aegis BMD fleet to 21 ships. In the President's budget for fiscal year 2010, the Department added $200M across the FYDP to install the Aegis BMD capability on six additional Aegis ships.

The combatant commander demand for Aegis BMD capability exceeds our current capacity under normal operating guidelines. Navy is meeting combatant commander BMD demands with the BMD ships that we have now; but, consequently, we are deploying them at a rate that reduces the time those crews are at home. The recent additional ship installations added to the program provide a near-term bridge to meeting the long-term Aegis BMD capacity demand. To satisfy the long-term demand, the Navy plans to install Aegis BMD capability in stride within the Aegis Cruiser and Destroyer Modernization (AMOD) program. The AMOD program, with Integrated Air and Missile Defense (Air Warfare plus BMD), begins in 2012. This upgrade program will eventually provide BMD capability to all of our Aegis destroyers and majority of our Aegis cruisers.

52. Senator McCAIN. Secretary Mabus and Admiral Roughead, given current expectations, would a decision to develop and deploy a land-based variant of the Standard Missile 3 (SM–3) interceptor help reduce the growing demands on the Aegis fleet?

Secretary MABUS and Admiral ROUGHEAD. Land-based SM–3 is a defensive option that is currently being explored by the MDA.

A layered approach of sea and land-based missile defenses is an effective architecture to provide the surety of kill that is required against enemy ballistic missiles. This layered approach capitalizes on the strengths of both mobile BMD ships and transportable land defenses by providing a depth of fire that is advantageous against some of the difficult emerging threats and ensures that defended assets are protected most effectively. The ability of our Aegis fleet to operate freely at sea, both independently and in conjunction with land based defenses, is key to effective missile defense.

53. Senator McCAIN. Secretary Mabus and Admiral Roughead, last June, the MDA indicated that it anticipates increasing the planned number of SM–3 Block 1A and 1B interceptors to be deployed on Aegis ships from 133 to 249, and having all 249 interceptors deployed by 2016. In light of the proposed addition of $700 million to field more of our most capable theater missile defense systems, including the SM–3, what is the current procurement objective for SM–3 interceptors; in other words, how many total SM–3 interceptors does DOD now intend to buy?

Secretary MABUS and Admiral ROUGHEAD. The total number of missile interceptors DOD intends to buy is classified; however, the addition of $700 million in the

President's fiscal year 2010 budget will increase the inventory beyond the 249 already planned for deployment. If desired, we will provide a separate classified briefing on this topic in conjunction with the MDA, which is the cognizant authority for procurement of BMD weapons under the current acquisition strategy.

54. Senator MCCAIN. Secretary Mabus and Admiral Roughead, in your view, is the number of SM–3 interceptors that DOD plans to procure sufficient to counter newly emerging strategic threats from China and North Korea?

Secretary MABUS and Admiral ROUGHEAD. The actual SM–3 inventory we seek remains classified. At an unclassified level, the Navy reviews threats across warfare areas globally. With regard to the strategic threats posed by China and North Korea, we are taking action across a broad front to develop effective defenses, both non-kinetic and kinetic, against challenges to our access in this important theater.

In response to increased Combatant Commander demand, OSD added resources to DOD's fiscal year 2010 budget request for the procurement of THAAD interceptors and Standard Missile-3s (SM–3). We are working with OSD and the Missile Defense Agency (MDA) to procure a larger number of SM–3 missiles in the near term and at a greater rate than the deliveries currently in the MDA program of record.

If desired, we will provide a separate classified briefing on this topic in conjunction with MDA, which is the cognizant authority for procurement of BMD weapons under the current acquisition strategy.

FUTURE SURFACE COMBAT

55. Senator MCCAIN. Secretary Mabus and Admiral Roughead, in a memo dated January 26, 2009, then-DOD acquisition chief John Young stated, "The Navy proposed and [the Office of the Secretary of Defense] agreed with modification to truncate the DDG–1000 Program to three ships in the fiscal year 2010 budget submission." That memo proposed procuring one DDG–51 in fiscal year 2010 and two more in fiscal year 2011, followed by the procurement in fiscal year 2012–fiscal year 2015 of a ship called the "Future Surface Combatant (FSC)" that could be based on either the DDG–51 design or the DDG–1000 design. The memorandum stated that the FSC might be equipped with a new type of radar, but the memo did not otherwise specify the FSC's capabilities. The memorandum stated that further analysis would support a decision on whether to base the FSC on the DDG–51 design or the DDG–1000 design.

Secretary Gates' April 6, 2009, announcement did not explicitly address the proposal for an FSC discussed in Under Secretary Young's January 26, 2009, memo. Rather, on April 6, Secretary Gates merely said that "the DDG–1000 program would end with the third ship".

What is the status of former Under Secretary Young's proposal for procuring in fiscal year 2012 and subsequent years a ship called the FSC that could be based on either the DDG–51 design or the DDG–1000 design?

Secretary MABUS and Admiral ROUGHEAD. USD AT&L directed a baseline study to compare capabilities, cost and technical feasibility of a range of radar systems for DDGs.

In June 2009, the Navy began an Integrated Air and Missile Defense (IAMD) capability study. The goal of this study is to determine radar and hull requirements necessary to obtain an upgraded IAMD capability in the 2012 to 2017 timeframe. Subject Matter Experts on advanced radars, combat system integration, hull forms, and cost engineering are contributing to the study's efforts.

The study team is analyzing both radar and hull options with the intention of improving and leveraging existing systems and capabilities. They will make recommendations on hull forms and radar combinations that address the threat while balancing cost, schedule and risk.

MARINE CORPS END STRENGTH

56. Senator MCCAIN. General Conway, despite the Marine Corps' success in achieving its 202,000 active-duty end strength 2 years earlier than planned, the increased demand for Marine Corps forces has not allowed for an increase in the dwell time for Marine Corps units, which is still closer to 1:1 than the desired 1:2 for Active-Duty Forces. Senator Lieberman, among others, has advocated for a temporary increase in Army end strength to address similar concerns. Do you believe we should consider a temporary increase in Marine Corps end strength, or are existing statutory authorities that allow the Marine Corps some end strength flexibility sufficient?

General CONWAY. Sir, we are comfortable at 202,000. When offered the opportunity for growth under the previous administration and the previous Secretary of Defense, we submitted our requirements at about 27,000 additional marines to support Iraq and for Afghanistan. We believe that a 1:2 deployment-to-dwell ratio is achievable and reasonable for wartime. An additional end strength increase is not recommended at this time.

MARINE CORPS RESET COSTS

57. Senator MCCAIN. General Conway, the fiscal year 2010 budget is the first effort made by the Obama administration to include the costs of the wars in Iraq and Afghanistan in the base budget for DOD. However, the Marine Corps has reset costs beyond the $12 billion already invested that will require billions of dollars of reinvestment in repair or replacement of war-worn equipment for years after the end of hostilities, whenever that may be. What is your estimate of total reset costs beyond the $12 billion already invested, knowing that this will fluctuate depending on the length and intensity of our operations in Afghanistan?

General CONWAY. Our current estimate for future reset costs is $6 billion. This includes the Fiscal Year 2010 Overseas Contingency Operation request and the future retrograde of assets as we transition from Iraq to Afghanistan. However, as long as the war continues, our costs will continue to grow.

58. Senator MCCAIN. General Conway, how confident are you that these extraordinary expenses can fit inside an essentially flat-growth budget for DOD given the competing requirements for large increases in personnel costs, including health care, continued operation and maintenance demands, and procurement?

General CONWAY. The Marine Corps would not be able to meet all its war-related funding requirements within the normal baseline budget. Reset costs have not been in the baseline budget because both Congress and OSD have generally agreed that war-related costs should be a part of supplementals. Without the OCO the Marine Corps would be hard-pressed to continue its mission in Iraq and Afghanistan.

EXPEDITIONARY FIGHTING VEHICLE

59. Senator MCCAIN. General Conway, Secretary of Defense Gates did not kill the EFV in the fiscal year 2010 budget, deferring action on that troubled program until completion of the QDR later this year. What is your outlook and level of support for this program going forward into the QDR?

General CONWAY. It is a cornerstone of our Nation's forcible entry capability.

During the Nunn-McCurdy restructure in 2007, the EFV was certified by the Secretary of Defense as essential to national security. Additionally, there were several design modifications that have been incorporated into the second set of prototypes being built for a SDD–2. Following a critical design review in December 2008, the new prototypes are projected to get an estimated 61 hours mean time between operational mission failures, greatly exceeding the exit criteria of 43.5 hours.

Successful results of testing, redesign, and integration of new components and subsystems into the overall system design will continue the reliability progression through the established points and into the scheduled manufactured of the low-rate initial production (LRIP) vehicles in 2013 for the Initial Operational Test and Evaluation (IOT&E) events scheduled for 2014. With reliability growth validated through all remaining points, the vehicles field to operating forces in 2015 can be expected to demonstrate at or above the program's reliability key performance parameter (KPP) requirement.

60. Senator MCCAIN. General Conway, do we continue to need a forced entry capability, which the EFV affords, given the sort of lower-level insurgency fights that appear to be the prevailing mode of combat for the foreseeable future?

General CONWAY. The fact that our Nation has not done a major amphibious landing since Korea often overshadows the reality that the Marine Corps has conducted more than 100 amphibious operations in the past 25 years, including everything from show of force missions to noncombatant evacuations, to humanitarian assistance, to assaults.

The National Defense Strategy 2008, the Joint Operating Environment, and the Capstone Concept for Joint Operations (CCJO) have all identified the growing challenges to overseas access and the requirement to increase the expeditionary characteristics of the joint force. The EFV is going to revolutionize the battlefield and will provide the needed forcible entry capability. While critics have questioned the need

for the EFV, they do not understand its importance. The United States Marine Corps, the Navy and, arguably, Army paratroop units represent the Nation's forcible-entry capability. The EFV is inextricably linked to that capability and an absolutely critical requirement for the Marine Corps.

FUTURE OF MINE RESISTANT AMBUSH PROTECTED VEHICLES IN THE MARINE CORPS

61. Senator MCCAIN. General Conway, the Marine Corps has completed its buy of 2,627 MRAP vehicles as of June 2008. The ongoing increase in Marine Corps force levels in Afghanistan has led to discussions of what the right vehicle is for that theater, given Afghanistan's poorer infrastructure and more mountainous terrain as compared to Iraq. The recent growth in improvised explosive device (IED) attacks in Afghanistan has made this decision more difficult, although the Marine Corps seems to have settled on producing and installing a new independent suspension system for its present fleet of MRAP vehicles and has not yet identified a firm requirement for the new, lighter-weight, MRAP-all terrain vehicle (M–ATV) that the Army is about to buy in quantity for Afghanistan. What is the future of the current MRAP vehicles in the Marine Corps now that the investment has been made in this capability?

General CONWAY. The Marine Corps enduring requirement for MRAP vehicles was presented to and approved by the senior leadership of the Marine Corps during July 2009. The approved course of action proposed that all MRAPs presently allocated to the Marine Corps and determined to be in an appropriate operational condition, will be retained and designated for one of three purposes:

- A small portion, 745 vehicles, will be maintained in the operating forces.
- An additional number of the remaining MRAPs, 733 vehicles, will be placed in prepositioned short-term storage (accessible within 30 days world wide). This would potentially place MRAP vehicles on Maritime Preposition Shipping, War Reserve, Albany, GA, Depot Maintenance Float Allowance and Norway.
- The remaining MRAP vehicles, 1,024 vehicles, will be placed in long-term storage (accessible within 90 days worldwide) at existing Marine Corps Depot locations, most likely Barstow, CA, based on cost and climate.

Location of 25 MRAP ambulance variants will be determined by operational requirements.

62. Senator MCCAIN. General Conway, what vehicle or mix of vehicles will the Marine Corps use in Afghanistan?

General CONWAY. The Marine Corps will use a mixed fleet of tactical vehicles to support the full range of combat and combat support operations in Afghanistan. This tailored fleet is made up of light, medium and heavy combat and tactical vehicles. These include proven platforms such as the MRAP vehicle, Expanded Capacity Vehicle (ECV), MTVR, Logistics Vehicle System (LVS), and the Light Armored Vehicle (LAV). New variants such as the M–ATV and the Improved Suspension System MRAP (ISS MRAP) will be fielded to our deployed forces in the near future.

MRAP vehicles are currently used in every type of combat operation from logistics convoys to route reconnaissance and clearance missions. While providing the "gold standard" in IED protection, this comes at a cost in mobility and maneuverability. Though MRAPs may be challenged by the terrain in Afghanistan, the vehicle has been established as a viable bridging effort in the Marine Corps Ground Combat Tactical Vehicle Strategy. The success of the MRAP program, with its inherent protection and survivability characteristics, will remain in the Marine Corps inventory for the foreseeable future. To counter the challenges in mobility, we are upgrading the suspension of the category I MRAP (Cougar) with an improved suspension system (ISS) to provide increased performance and mobility.

The Expanded Capacity Vehicle (ECV) M1150/1160 series of vehicles are in current use as the multi-mission tactical vehicle for missions requiring flexibility, mobility and protection. These vehicles are scheduled to be replaced by the M–ATV, with planned delivery in 2010. The M–ATV is a lighter variant of the MRAP that provides IED protection with decreased weight, improved performance, and increased mobility in restrictive terrain.

Logistical support is provided by the MTVR. The MTVR is an all-weather, ground transport vehicle that has proven to be both flexible and reliable in all environments. Heavy lift is provided by the tactical LVS. The LVS is employed as the Marine Corps heavy lift ground cargo and equipment transportation system and moves a wide range of different types of palletized cargo and equipment for deployed marines.

The LAV is organic to our Light Armored Reconnaissance Battalions. The LAV provides a logistically self-contained, highly mobile, and lethal combined-arms combat system to the Marine Air-Ground Task Force (MAGTF).

The current Marine Corps vehicle tactical vehicle strategy seeks to leverage the best equipment available to give our marines the most effective balance between mobility and protection. As the performance of our current tactical vehicle fleet is evaluated in theater, this information will help shape the Marine Corps future vehicle requirements and strategy. Balancing the current and future Marine Corps vehicle strategy will require continuous analysis to prosecute and win the current fight and to meet our Nation's distant challenges.

NAVAL SURFACE FIRE SUPPORT AFTER DDG—1000

63. Senator MCCAIN. General Conway, the Marine Corps requirement for naval surface fire support was intended to be met by the DDG–1000 land attack destroyer, which the Department of the Navy and DOD has now capped at only three ships. What is the way ahead on meeting this naval surface fire support after the DDG–1000?

General CONWAY. While DDG–1000 and its Advanced Gun System were and are critical elements needed to close the naval surface fire support (NSFS) gap, the *Arleigh Burke*-class destroyers, outfitted with the MK–45 Mod 4 5″ 62 gun mount, have the potential to provided accurate and lethal fires at extended ranges when firing extended range munitions. These solutions and others are considerations in the Navy's ongoing AoA. It is our intent to use the results of the AoA with full consideration of affordability and to work with the Navy to develop a viable way forward. We expect the AoA to be completed later this summer.

64. Senator MCCAIN. General Conway, can precision delivery of air-dropped munitions from Marine Corps, Navy, and Air Force manned and unmanned aviation platforms take the place of naval surface fire support?

General CONWAY. Aviation certainly provides a precise and lethal fire support platform, but one of the enduring principles of fire support is to have "overlapping and redundant" capabilities in order to ensure the availability of fire support when it is required. Over reliance on one means of support could leave us without that support when it is most required. NSFS provides for around the clock, all-weather capability whereas aviation-delivered fires has some limitations due to weather conditions that might restrict operations, particularly from the sea-base.

MV–22 RELIABILITY AND SUSTAINABILITY

65. Senator MCCAIN. General Conway, the MV–22 Osprey program had a troubled procurement history marked by delays and cost overruns, efforts by DOD to cancel the program, and early crashes that took the lives of good marines. The MV–22 is now operational and full-rate procurement is underway with 90 aircraft delivered on the way to a procurement objective of 360. The capabilities of the aircraft in comparison to the CH–46 helicopter which it replaces appear to be a significant improvement. What have we learned about the operational capabilities and reliability and sustainability of the MV–22 during its operational deployments to Iraq?

General CONWAY. We have learned that the MV–22 is a tremendously capable platform. Its unprecedented speed and range are rewriting the book on assault support operations. In Iraq, our MV–22 squadrons flew almost 10,000 flight hours, carried 45,000 troops and over 2.2 million pounds of cargo, without incident or loss. This aircraft is a game changer, and we look forward to getting it in the hands of our marines in the protracted landscape of Afghanistan, where its operational characteristics are precisely what we need.

As to reliability and maintainability, this aircraft's usage has leapt dramatically since its deployment to Iraq and employment in combat. The V–22 community has flown 85 percent of its total flight hours since 2004, with 50 percent of its total program flight hours in the past 2 years alone. These numbers are high in themselves; they are even more dramatic when one realizes that these hours have been flown in some of the world's harshest environments, in a combat zone, and in response to urgent operational warfighting requirements. Most new aircraft—especially innovative technological advances like the Osprey—fly their first years at a slow and controlled rate of increasing hours, in a peacetime environment, and under highly controlled operational conditions. Like other types of aircraft in the early operational phase of their lifecycles, the MV–22B has experienced lower-than-desired reliability of some components and therefore higher operations and support costs, but

this aircraft has experienced them in an acute fashion due to its early employment overseas. In effect, the operations and maintenance costs and reliability issues which we are addressing are compressed: they seem more intense because they are happening in a shorter time, to fewer airplanes, in a more intense environment than is normal with new technology.

With the cooperation and support of our industry partners, we are tackling these issues head on with aggressive logistics and support plans that will increase the durability and availability of the parts needed to raise reliability and concurrently lower operating costs.

66. Senator MCCAIN. General Conway, do you plan to deploy MV–22 squadrons to Afghanistan?

General CONWAY. Yes. We will deploy the MV–22B to Afghanistan this fall.

67. Senator MCCAIN. General Conway, how has engine life and maintainability in the field compared with expectations?

General CONWAY. As with any aircraft operating in harsh desert climates, the MV–22B's engines have experienced lower time on wing than we experience when operating from our home bases. However, while operating in the desert, MV–22B engine time-on-wing is in the same ballpark as our legacy rotorcraft. We are working diligently with our industry partner Rolls Royce to make improvements to these engines that will raise time-on-wing. As to maintainability, this engines performance is exemplary. With the performance-based logistics type of contract in which we are partnered with Rolls Royce, the MV–22B fleet has yet to experience a "bare firewall." When it's time to replace an engine, we don't have to wait; a new one is ready and waiting.

68. Senator MCCAIN. General Conway, MV–22 squadrons in Iraq have had maintenance provided by a Power-by-the-Hour© contract in which the contractor is paid to perform maintenance. Will this contractor-performed maintenance continue and will adjustments be made to the contract to deal with reliability issues?

General CONWAY. The contractor is paid to provide new engines and technical assistance where necessary. The marines in the squadron perform all organizational level maintenance. We are currently working with Rolls Royce to develop a follow on, mid-term contract beginning in calendar year 2010 that will carry us through the next 5 years in a similarly based performance-based logistics contract, under which the vendor will perform all maintenance above the organizational level. With respect to engine availability, this construct has served us very well and we expect this will continue. However, we do want to see improvements made that will allow us to keep the engines on wing longer and ensure our costs are fair and reasonable. These improvements are being made now and will continue to be made based on lessons learned in both deployed and contiguous United States (CONUS)-based operations. During the execution of this mid-term contract, we will be able to gather the data we need in order to do the system of systems analysis required to determine what the long-term propulsion system solution for this aircraft is going to be.

KC–130J INTELLIGENCE, SURVEILLANCE, AND RECONNAISSANCE AND WEAPONS MISSION KIT

69. Senator MCCAIN. General Conway, earlier this year, you asked this committee to approve your request to reprogram monies to modify several KC–130J tanker aircraft with intelligence, surveillance, and reconnaissance (ISR) capability and a weapons mission kit. Despite that, this reprogramming request sought to essentially start what could be a new major weapons program outside of the traditional procurement process; this committee approved the request on the basis that it reflected a critical need to field ISR and close air support (CAS) capabilities for marines in the Afghanistan theater. What is the current status of that program?

General CONWAY. On May 11, 2009, Naval Air Systems Command (NAVAIR) entered into a contract agreement with Lockheed Martin Aeronautics to begin work on the first ISR/Weapon Mission Kit that will consist of a targeting ISR sensor, roll-on/roll-off fire control station, and Hellfire missile capability. During July 9–10, 2009, NAVAIR and Lockheed Martin held a system design review and determined that the system in its current configuration was mature and ready for fabrication and test. Test will occur in mid-August and will consist of 12 sorties in the vicinity of NAS China Lake, CA. Upon completion of test, the system will be turned over to the warfighter for training and then subsequent deployment into Afghanistan in support of marines engaged in combat operations.

Funding for the second and third mission kits has been provided, and these two kits will go on contract in late August 2009. Once procured and delivered, these two mission kits will deploy to Afghanistan to support marines engaged in combat operations, and the initial kit will return to CONUS to be used as a trainer for follow-on deployment rotations and upgrade testing.

In parallel, NAVAIR, NAVSEA Dahlgren, and Special Operations Command (SOCOM) are working to incorporate a stand-alone battle management system that will allow for the deployment of low-collateral damage, precision guided munitions. As fielded system with SOCOM, once cleared on USMC aircraft, this capability will be incorporated onto deployed aircraft as a stand-alone system.

70. Senator McCain. General Conway, will you be able to field the needed capability afforded by this program when you originally said you needed to?

General Conway. The original request for this capability was submitted to congress in August of 2008 with the intent to deploy the system as soon as possible. Our initial target was for the system to be engaged in combat operations in the spring of 2009, or within 6 months of contract award. After the initial funding and operational concept concerns were alleviated, our request was approved on 25 March 2009. As such, we were able to sign a firm-fixed price contract on 11 May 2009, and it is still our intent to provide this capability to the warfighter as soon as possible. We expect to deploy the first system in early September, or within 4 months of contract award.

Although a summer of 2009 deployment does not meet our original timeline and is late to need to the warfighter, I am pleased with the rapid response from both government and industry to rapidly field this capability as it will directly support marines that are engaged in combat operations.

71. Senator McCain. General Conway, in considering your reprogramming request, this committee was concerned about, among other things, the lack of comprehensive training plans and long-term sustainment associated with the capability you sought to rapidly field under the request. What additional resources and planning will be provided to fund those costs?

General Conway. With support from SOCOM, personnel from Marine Aviation Weapon and Tactics Squadron-1 (MAWTS–1) have developed an extensive training syllabus to support this mission qualification. The syllabus consists of 10 days of academic courses taught by MAWTS–1 instructors, followed by 10 days of device ground training. The courseware was adapted from existing AFSOC courseware to meet the needs of the USMC. Initial device training will be provided by Lockheed Martin Skunk Works in Palmdale, CA and ATK in Mesa, AZ. As part of the system procurement, a desktop trainer will be provided for follow-on training. All pilot training can be accomplished in existing KC–130J flight simulators.

The flight syllabus consists of 9 sorties for basic qualification and 3 additional sorties for advanced qualification. These sorties are listed below:

Core Basic:

Flight 1: Day sensor FAM, Target Acquisition, Intro procedures
Flight 2: Night sensor familiarization, Target Acquisition, Practice procedures
Flight 3: Day cannon dry/captive Hellfire/captive Griffin
Flight 4: Day cannon live-fire/captive Hellfire/captive Viper Strike
Flight 5: Night live-fire Hellfire/cannon live-fire refinement
Flight 6: Night live-fire Griffin, Viper Strike/cannon live-fire refinement
Flight 7: Night TACP integration, cannon live-fire/captive Hellfire
Flight 8: Night intro to Urban CAS, dry fire, TACP
Flight 9: Qualification sortie, live-fire

Core Advanced:

Flight 10: Convoy Escort
Flight 11: FW/RW integration, live-fire
Flight 12: Qualification sortie, live-fire

Upon completion of these sorties, a pilot would be qualified for the ISR/Weapon Mission Kit and would continue to maintain proficiency and currency based on normal training guidelines outlined in the KC–130J Training and Readiness manual (NAVMC 3500.53).

As upgrades are developed, funding will be requested through the normal PPBE process.

72. Senator MCCAIN. General Conway, according to the universal urgent needs statement that supported the reprogramming request, "[Marine Corp] ground forces have needed, but have not benefitted from, capabilities of aircraft such as the very high demand, low density [Air Force] AC–130." Please elaborate on to what extent the Air Force or the Navy have turned down a Request For Forces (RFFs) to support marines on the ground in the Afghanistan theater.

General CONWAY. Marine Corps lessons learned have, on multiple occasions, pointed toward the value of AC–130 aircraft. Marine ground forces, in named operations, have often benefitted from AC–130 support. The benefit of taking advantage of USMC KC–130J aircraft, assets that are already deployed and operating/airborne in theater and available for immediate tasking, is recognized, and the thought of equipping these aircraft with ISR and limited strike capability appeals to USMC ground forces as a way to fill the trade space between a fully capable AC–130 aircraft and a KC–130J in its current configuration. This ISR/Weapon Mission Kit is not meant to take the place of USAF or Navy CAS support, but rather to increase the amount of coverage available to Marine ground forces that are distributed over a large area. During joint operations, the MAGTF commander retains operational control of organic Marine Corps air assets, in accordance with Joint Publication 0–2 (Unified Action Armed Forces). When the MAGTF commander determines that he needs this capability, Marine KC–130Js can be configured to provide ISR with limited strike capability. Other ISR and CAS platforms from both services can provide useful support to Marine ground forces, but the ISR/Weapon Mission Kit when deployed on a KC–130J aircraft will provide a unique and complementary capability that is very valuable in COIN operations as high situational awareness reduces the probability of fratricide and collateral damage.

The USMC is not looking to fill a CAS gap but to increase the area of coverage for ground forces by equipping assets that already exist in theater with ISR and CAS capability. Again, the intent of the KC–130J ISR/Weapon Mission Kit is to take advantage of the extended endurance of existing, deployed KC–130J aircraft to provide a unique and complimentary capability that is not resident in other platforms, with the exception of the AC–130.

IRREGULAR WARFARE (NAVAL EXPEDITIONARY WARFARE-ASHORE)

73. Senator MCCAIN. Admiral Roughead, how do you envision the Navy's conventional and expeditionary maritime forces adapting to the irregular warfare (IW) area?

Admiral ROUGHEAD. Maritime challenges in the IW environment are not new to the Navy. The Navy has a long history of operations in extended littoral regions where many irregular challenges exist. From our Nation's Revolutionary War to today, the Navy has controlled sea lines of communication, defended commercial shipping, countered piracy, drug smuggling and human trafficking, and conducted coastal surveillance and interdiction operations as part of counter-insurgency and IW.

Today, Navy is demonstrating smart power to prevail against a range of threats while simultaneously deterring future conflicts. In Iraq and Afghanistan, Navy air power protects coalition and host nation forces, flying 46 percent of all tactical missions. We fly 75 percent of the electronic attack in Iraq and 100 percent in Afghanistan, combating IEDs and disrupting insurgent and extremist network communications. Through our riverine warfare operations, we are providing secure waterways on the Tigris and Euphrates Rivers and protecting critical Iraqi oil infrastructure. In the Horn of Africa, our civil affairs "Seabee" battalions are constructing infrastructure while our ships are part of an international task force combating piracy off the coast. Additionally, Navy's global presence, scalable sea basing, and flexible capability allow us to influence situations across the spectrum of irregular challenges as they emerge.

Our operations in IW are consistent with our Cooperative Strategy for 21st Century Sea Power. We continue to adapt our flexible, multi-mission force to evolving irregular challenges. To this end, the Navy is focusing additional attention in three areas:

- Enhanced regional awareness gained through partnerships, interagency collaboration, and improved intelligence, surveillance, and reconnaissance to better inform our whole-of-government understanding of opportunities and threats in coastal and inland areas. Such understanding will enable better planning, decision making, and ability to adapt to changing situations.

• Building maritime partner capability and capacity to enhance long-term stability and good maritime governance in countries and regions at risk. The Navy, through targeted security force assistance and partner-centric joint and combined operations with weak and fragile states, is denying sanctuary to violent extremism and its infrastructure.
• Outcome-based effects that address security force assistance, civic and disaster assistance, maritime security, counterpiracy, counternarcotics, counterterrorism/counterinsurgency and enhancing partner capability through kinetic and nonkinetic actions that can have influence globally and be tailored to specific areas of conflict.

74. Senator MCCAIN. Admiral Roughead, how are they pertinent?

Admiral ROUGHEAD. Today, Navy is demonstrating smart power to prevail against a range of threats while simultaneously deterring future conflicts. In Iraq and Afghanistan, Navy air power protects coalition and host nation forces, flying 46 percent of all tactical missions. We fly 75 percent of the electronic attack in Iraq and 100 percent in Afghanistan, combating IEDs and disrupting insurgent and extremist network communications. Through our riverine warfare operations, we are providing secure waterways on the Tigris and Euphrates Rivers and protecting critical Iraqi oil infrastructure. In the Horn of Africa, our civil affairs "Seabee" battalions are constructing infrastructure while our ships are part of an international task force combating piracy off the coast. Additionally, Navy's global presence, scalable sea basing, and flexible capability allow us to influence situations across the spectrum of irregular challenges as they emerge.

Our operations in IW are consistent with our Cooperative Strategy for 21st Century Sea Power. The Navy continues to adapt our flexible, multi-mission force to optimize near-shore and on-shore IW missions, and is establishing "partner-centric" approaches to improve maritime domain awareness and achieve preventive maritime security. These initiatives strengthen alliances through multi-platform training exercises, improved information sharing with partners, and training to increase maritime capabilities in regions at risk.

75. Senator MCCAIN. Admiral Roughead, since a large proportion of Naval Expeditionary Combat Command (NECC) force structure is ground equipment, that is vehicles, small boats, and riverine craft that are exposed to the harsh elements and persistent use in Iraq, much of that equipment will be left behind or given to the Iraqi National Army or police forces. Have NECC requirements been addressed in the 2010 baseline budget request, in terms of replacing worn-out equipment or funding other NECC needs?

Admiral ROUGHEAD. Yes. In the President's budget submission for 2010, we have addressed NECC's recapitalization, modernization and table of allowance shortfalls in the baseline budget rather than in the cost of war allocations as we have in the past. We have captured immediate requirements for battle losses, worn-out equipment and equipment beyond economic repair through the Navy's Overseas Contingency Operation submission for fiscal year 2010.

76. Senator MCCAIN. Admiral Roughead, what further investments do you believe must to be made to support the IW mission beyond what is being requested in the budget proposal?

Admiral ROUGHEAD. Our fiscal year 2010 budget request, including Overseas Contingency Operations funding, addresses our current requirements in support of the IW mission. Combating future IW challenges will require sustainable presence with minimal shore-based footprint, international partnerships to improve maritime domain awareness and achieve preventive maritime security, training for sailors in language, regional, and cultural expertise, and technologies that support enhanced intelligence, surveillance, and reconnaissance.

77. Senator MCCAIN. Admiral Roughead, in advance of the QDR, what force structure implications do you see in light of the Secretary of Defense's balanced force concept?

Admiral ROUGHEAD. The Secretary of Defense's balanced force concept, which targets 10 percent of the force for IR, 50 percent for conventional warfare, and 40 percent for dual purpose missions, is consistent with our Maritime Strategy and future force structure plans. Navy continues to employ a force of multi-mission ships and aircraft that can operate across the full spectrum of warfare.

Examples of investments in our fiscal year 2010 budget request that meet the balanced force concept include funding the procurement of three LCSs, moving Navy

Expeditionary Combat Command operations into our base budget, and enhancing BMD capability.

Navy continually adapts its forces across the full spectrum of warfare to meet national demands. QDR will consider Navy's balancing efforts against updated future force planning requirements and in the context of the total joint force.

78. Senator MCCAIN. Admiral Roughead, what in your view makes the Navy relevant to the Secretary's vision?

Admiral ROUGHEAD. Navy is relevant to Secretary of Defense's vision for a balanced force because we employ a force of multi-mission ships, aircraft, and people that operate across the full spectrum of warfare, globally, and without the requirement for a footprint ashore. Additionally, Navy continues to apply general purpose forces in IW missions in several ways. We have extended sea control and regional influence through alternative uses of large deck amphibious ships, surface combatants, guided missile submarines (SSGN), and Joint High Speed Vessels. We are leveraging information and technology sharing as part of our maritime domain awareness efforts and the use of unmanned ISR platforms to build on our partnership capacity and enhance cultural awareness. Our flexible forces forward, such as Naval Special Warfare, Naval Expeditionary Combat Command, Foreign Security Assistance/Foreign Internal Defense, and Navy individual augmentees, continue to provide stability and security locally, regionally, and globally.

79. Senator MCCAIN. Admiral Roughead and General Conway, please speak to your maritime civil affairs team role in U.S. Africa Command, U.S. European Command, and U.S. Pacific Command (PACOM) areas of responsibility. How do those forces relate to SOCOM's overall designation as proponent of all civil affairs forces?

Admiral ROUGHEAD. Our Maritime Civil Affairs Teams (MCATs) are currently engaged with multiple operations globally. Contributions of our team focus on building partner capacity, peace keeping operations, humanitarian assistance and disaster relief. MCATs consistently provide scalable, adaptive and responsive operations that facilitate partnership building, provide means to develop/restore the maritime infrastructure in host regions, and refine capabilities to address cooperative maritime security.

USSOCOM was designated the Joint Proponent for Civil Affairs (CA) by SECDEF in April 2009. As the proponent for CA, SOCOM responsibilities include training standardization across the Joint CA force as well as setting policy for the development of CA mission essential task lists. SOCOM will develop the joint CA strategy, of which the maritime domain is a part. Maritime civil affairs (MCA), under NECC, will continue to focus on the maritime aspect of CA to include port operations and security, port infrastructure, maritime interagency coordination, and international maritime law.

Under a single Joint Proponent, it is anticipated that the following focus areas will be further defined over time:

- Training Standardization: Currently the U.S. Army is training Army and USMC CA personnel at Fort Bragg and Fort Dix. MCA training is based on the U.S. Army's curriculum and is instructed at Dam Neck, VA. Development of CA mission essential task lists and SOCOM's designation as the Joint Proponent for CA will improve training standardization across the CA force.
- "Whole of government approach": One proponent coordinating CA efforts with OSD, COCOMs, U.S. and other government agencies, and NGOs will ensure a more coordinated, holistic CA effort in the future.
- Joint Civil Information Management (JCIM): A single proponent will allow for development of a joint program to best fit interoperability of all CA forces and other entities in support of CA operations.

General CONWAY. Our Maritime Civil Affairs Teams (MCATs) are currently engaged with multiple operations globally. Contributions of our team focus on building partner capacity, peace keeping operations, humanitarian assistance and disaster relief. MCATs consistently provide scalable, adaptive and responsive operations that facilitate partnership building, provide means to develop/restore the maritime infrastructure in host regions, and refine capabilities to address cooperative maritime security.

USSOCOM was designated the Joint Proponent for Civil Affairs (CA) by SECDEF in April 2009. As the proponent for CA, SOCOM responsibilities include training standardization across the Joint CA force as well as setting policy for the development of CA mission essential task lists. SOCOM will develop the joint CA strategy, of which the maritime domain is a part. MCA, under NECC, will continue to focus

on the maritime aspect of CA to include port operations and security, port infrastructure, maritime interagency coordination, and international maritime law.

Under a single Joint Proponent, it is anticipated that the following focus areas will be further defined over time:

- Training Standardization: Currently the U.S. Army is training Army and USMC CA personnel at Fort Bragg and Fort Dix. MCA training is based on the U.S. Army's curriculum and is instructed at Dam Neck, VA. Development of CA mission essential task lists and SOCOM's designation as the Joint Proponent for CA will improve training standardization across the CA force.
- "Whole of government approach": One proponent coordinating CA efforts with OSD, COCOMs, U.S., and other government agencies, and NGOs will ensure a more coordinated, holistic CA effort in the future.
- Joint Civil Information Management (JCIM): A single proponent will allow for development of a joint program to best fit interoperability of all CA forces and other entities in support of CA operations.

80. Senator McCain. Admiral Roughead, how do you see employment of Navy personnel in host-nation training with respect to IW maritime capability?

Admiral Roughead. Our ongoing efforts in partnership stations (e.g. African Partnership Station, Southern Partnership Station, Pacific Partnership, and many of our other exercises) emphasize building host nation maritime safety and security, increase host nation maritime infrastructure, and provide training facilities for our partners in regions at risk. The Navy will continue to provide personnel with appropriate expertise across the spectrum of operations in the maritime domain, including security force assistance, civil-military humanitarian operations, and maritime security, in order to promote relevant information sharing and address mutual security concerns with our partners. To accomplish this mission, we have established the Navy Expeditionary Training Center (NETC) to provide Navy instructors with expertise in building partnership capacity. Additionally, we continue to grow our Foreign Area Officer program and promote foreign language proficiency, and we have established the Language and Regional/Cultural Expertise program to ensure our sailors have the right tools to interact with our international partners.

FUTURE OF SEABASING AND THE MOBILE LANDING PLATFORM

81. Senator McCain. General Conway, Secretary of Defense Gates deferred decisions to the QDR on funding for the mobile landing platform (MLP) which is part of the Maritime Prepositioning Force (Future) and a key component of the seabasing concept as the pier in the ocean that will allow for flexible, intermodal transfer capability between a variety of seabased platforms to support Marine Corps forces ashore. How important is the seabasing concept to the future of Marine Corps amphibious capabilities and how does the MLP support Marine Corps requirements?

General Conway. The National Defense Strategy 2008, the Joint Operating Environment, and the CCJO have all identified the growing challenges to overseas access and the requirement to increase the expeditionary characteristics of the joint force. The ability to overcome diplomatic, geographic, and military impediments to access has re-emerged as a critical necessity for projecting U.S. influence and power overseas to achieve national strategic goals. Amphibious forces provide the most capable and flexible means of overcoming challenges to access in order to conduct the range of military operations, from military engagement and security cooperation, to crisis response and limited contingencies, to major operations and campaigns.

Unfortunately, the amphibious ship inventory, which during an earlier expeditionary era constituted 37 percent of the U.S. fleet, now comprises only about 11 percent of the fleet. Additionally, the military sealift and merchant marine ships which transport the preponderance of the joint force's materiel, as well as that of our multinational partners, remain dependent upon secure ports for offload. In areas where such infrastructure is unavailable, either because it was wrecked by natural disaster, manmade destruction, threatened by sophisticated anti-access weapons in the hands of non-state actors, or non-existent to begin with, the global reach and carrying capacity inherent in these ships is rendered useless. MPF(F) is envisioned as a complementary capability that would partially compensate for the lack of amphibious ships, while also expanding the utility of the military sealift/merchant marine fleet.

MPF(F) is a critical enabler toward a joint seabasing capability, providing the ability to conduct at-sea transfer of personnel and materiel from sealift/merchant ships onto vessels capable of conducting ship-to-shore movement via vertical and

surface connectors, thereby eliminating the dependence on infrastructure ashore. MPF(F) platforms will allow the sea-based arrival and assembly of naval, joint, and multi-national forces by providing a "port and airfield" at sea to enable the projection of soft and hard power ashore. MLP is the critical lynchpin in the MPF(F) system, providing the ability to conduct at-sea surface transfer of forces and equipment and subsequent throughput ashore. MLP is the key enabler that will allow other Joint, Multi-national, and civilian shipping to leverage seabasing and the idea of a port and airfield afloat.

82. Senator McCAIN. General Conway, how do you intend to approach the QDR on the issue of future funding for the MLP?

General CONWAY. The Marine Corps remains committed to seabasing and the need for the capabilities resident within the Maritime Prepositioning Force (Future) (MPF(F)). We support the funding of the MLP and all associated MPF(F) platforms. Our approach to Phase I of the QDR was to actively participate in all issue teams, specifically the IW and High End Asymmetric Teams, validating the need for sea-based platforms. We will continue involvement during Phase II by participating in the efforts of OSD PA&E as they look at expeditionary force mix and fleet balance and affordability issue teams.

TOTAL OWNERSHIP COSTS

83. Senator McCAIN. Admiral Roughead, given the operations and sustainment costs can comprise as much as three-quarters of the total life-cycle costs of a weapons system, we should be at least as concerned about managing the total ownership of costs of those systems as we are about the costs of acquiring them. How is the Navy attempting to manage, as opposed to merely track, the total ownership costs (TOCs) of its ships and aircraft?

Admiral ROUGHEAD. The Navy is currently amending SECNAVINST 5000.2D, "Implementation and Operation of the Defense Acquisition System and the Joint Capabilities Integration Development System (JCIDS)," as well as the Naval Probability of Program Success (PoPS) manuals which provide senior leadership with an objective and quantifiable method for comparing and evaluating the likely success of acquisition programs relative to TOC "management" requirements. The key changes are:

- Ensuring AoA guidance articulates how TOC for all alternatives will be estimated and evaluated. This will be accomplished as an output of the first of six review processes (gates) utilized to better understand costs and how those costs affect the decision trade space within the AoA process.
- TOC reporting requirements (content, templates) have been developed and will be included in the PoPS Version 2.0 release later this year. Of significance is the establishment of explicit metrics for TOC.

In addition to formal policy changes, we are establishing a more effective interaction among the Planning, Programming, Budgeting, and Execution process, the JCIDS process, and the defense acquisition process. We will also standardize TOC elements and reporting data.

ACQUISITION REFORM WITHIN THE NAVY

84. Senator McCAIN. Secretary Mabus and Admiral Roughead, I understand that in 2008, the Navy instituted a more comprehensive acquisition governance process to better link requirements and costs throughout the procurement process. Please explain.

Secretary MABUS and Admiral ROUGHEAD. The two-pass/six-gate process was established in January 2008 and incorporated into the revised Secretary of the Navy Instruction 5000.2D in October 2008.

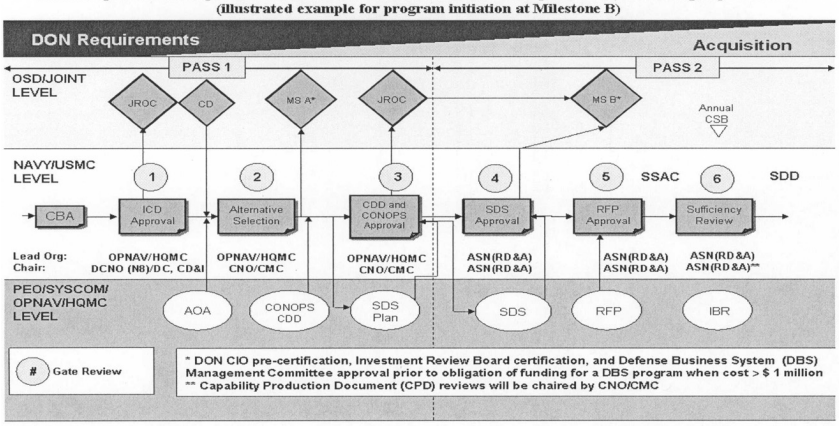
The two-pass/six-gate process (depicted graphically below) ensures programs are ready to proceed to the next phase of acquisition or, alternatively, rebaselines or restructures programs that breach estimated cost, schedule, technical or performance requirements. The process is designed to improve transparency and governance of the Department of the Navy's (DON's) acquisition programs by ensuring regular, periodic program reviews by DON senior leadership at each gate. These reviews assess alignment between capability requirements and acquisition plans and improve understanding of risks and costs throughout a program's entire development and acquisition cycle.

The Gate 1 (Initial Capabilities Document), Gate 2 (Alternatives Selection) and Gate 3 (Capabilities Development Document and Concept of Operations) reviews are

chaired by the Chief of Naval Operations (CNO) and the Commandant of the Marine Corps (CMC) as the requirements and sponsor advocates. The Assistant Secretary of the Navy for Research, Development and Acquisition (ASN(RDA)) has responsibility for chairing reviews for Gates 4 (System Design Specifications (SDS) approval), 5 (Request For Proposal (RFP) approval), and 6 (Sufficiency reviews). Gate 6 reviews assess overall program health including readiness for production, the sufficiency of the SDS, the earned value management system (EVMS), program management baseline (PMB), and the integrated baseline review (IBR). They review program health prior to and post Milestone C, examine full-rate production decision review (FRP DR), and serve as the DON forum for a Configuration Steering Board (CSB).

Implementation of the two-pass/six-gate process increases opportunities to ensure program oversight, control cost growth, and more effectively monitor contractor performance. The CSB has been established and incorporated into the two-pass/six-gate process to control requirements changes and growth as well as offer an opportunity to propose and evaluate programmatic trade-offs regarding cost, capability and schedule. Implementation has also brought about closer coordination between ASN(RDA), CNO, and CMC.

DON Requirements/Acquisition Two-Pass/Six-Gate Process with Development of System Design Specification (illustrated example for program initiation at Milestone B)



AOA	Analysis of Alternative	IBR	Integrated Baseline Review
ASN(RD&A)	Asst Secretary of the Navy (Research, Development and Acquisition)	ICD	Initial Capabilities Document
CBA	Capabilities-Based Assessment	JROC	Joint Requirements Oversight Council
CD	Concept Decision	PEO	Program Executive Officer
CDD	Capability Development Document	R3B	Resources and Requirements Review Board
CMC	Commandant of the Marine Corps	RFP	Request for Proposal
CNO	Chief of Naval Operations	SDD	System Development & Demonstration
CONOPS	Concept of Operations	SDS	System Design Specification
CSB	Configuration Steering Board	SSAC	Source Selection Advisory Council
HQMC	Headquarters Marine Corps		

U.S. NAVAL FORCES-OPERATION VALUE OF THE AMPHIBIOUS NAVY

85. Senator MCCAIN. Admiral Roughead and General Conway, we have heard your views on the need for a 38-vessel amphibious ship fleet consisting of 11 amphibious assault ships (LHA/D), 11 transport dock ships (LPD), 12 dock landing ships (LSD), and 4 additional LPD and LSD vessels. With only 31 ships in inventory now, potentially 33 or 34 amphibious ships currently resourced in service budget plans, and planned decommissioning, please share with us your views on the size and type of capability the Nation must maintain in its amphibious capacity.

Admiral ROUGHEAD. In the January 2009 Report to Congress on Naval Amphibious Force Structure, the Commandant of the Marine Corps and I reaffirmed that 38 amphibious ships are required to lift the assault echelon of 2.0 MEBs. We agreed to sustain, resources permitting, an amphibious force of about 33 total amphibious

ships in the assault echelon, evenly balanced at 11 aviation capable ships, 11 LPD–17 class ships, and 11 LSD 41 class ships. The 33-ship force accepts risk in the arrival of combat support and combat service support elements of the MEB but has been judged to be adequate in meeting the needs of all parties within the limits of today's fiscal realities.

The Navy and Marine Corps continuously evaluate amphibious lift capabilities to meet current and projected requirements. In addition to our internal reviews, the QDR is assessing future amphibious force structure requirements.

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ENHANCED TRAINING FOR MARINE EXPEDITIONARY BRIGADES AND LAND EXPANSION AT TWENTYNINE PALMS

86. Senator MCCAIN. General Conway, from your posture statement, I understand that your ability to train MEBs, that is, units involving about 15,000 marines, across the full range of military operations is very important to you and that you are looking to expand, among other areas, the Marine Corps Air-Ground Combat Center at Twentynine Palms. What steps you are taking at Twentynine Palms and at other bases and installations to achieve that warfighting capability?

General CONWAY. As you are well aware, the Marine Corps task-organizes for any given mission. Our planning for the expansion at Twentynine Palms is based on a MEB sized to approximately 15,000 marines and sailors.

On 15 Sep 08, the Bureau of Land Management, at the request of the Marine Corps segregated about 366,000 acres of public land from further claims so that the Marine Corps could study these lands for acquisition. The Bureau of Land Management held public meetings to collect comments from the public on this land segregation. In addition, the Marine Corps identified about 66,000 acres of privately-owned land to be studied for acquisition. A total of about 422,000 acres were identified for study.

On 30 Oct 08, the Marine Corps published a Notice of Intent to prepare an EIS to acquire land and establish airspace at MCAGCC to support MEB training.

On 3, 4 and 5 Dec 08, the Marine Corps held public meetings in Twentynine Palms, Victorville, and Ontario, CA, to collect the scope of issues that the public believes the Marine Corps should evaluate. A total of about 650 people attended these meetings. The Marine Corps has received approximately 20,000 comment letters (many are e-mails generated by advocacy groups). Although we are still processing these comments, a few themes have emerged and include concerns about access to off-highway vehicle recreational areas, impact to natural resources, acquisition of private land, and competing civilian land uses (e.g., energy infrastructure).

We anticipate publicly distributing a Draft EIS in summer 2010 and will hold public meetings in order to collect comments on the sufficiency of the analysis.

The Marine Corps continues to meet with a large number of stakeholders, including those associated with off-highway vehicle recreational use, community associations, energy companies, counties and municipalities, State of California agencies and Federal agencies.

We are working with the Bureau of Land Management to refine the study area and are working to relinquish about 60,000 acres, thus reducing the study area to approximately 360,000 acres.

The MEB training we envision conducting at Twentynine Palms will satisfy the live fire and maneuver training requirements of the MEB as we know them today. Most of our training infrastructure dates from, and was designed to support, World War II. To that end, I have directed an analysis of our future training requirements and the land and airspace that may be required to meet not only the needs of a MEB, but also accounts for emerging tactics and new weapons that are on the horizon. I expect the results of that analysis next year and look forward to sharing them with the committee at that time.

CAMP LEJEUNE WATER CONTAMINATION

87. Senator MCCAIN. General Conway, the Agency for Toxic Substances Disease Registry recently backed away from its 1997 Public Health Assessment on the impact of water contamination at Camp Lejeune and is conducting further research into the possible adverse health impacts on adults and children who were potentially exposed to volatile organic compounds through contaminated wells that served the Camp Lejeune water system until the mid–1980s. What is the way ahead to ensure the Marine Corps, Department of the Navy, and the country as a whole does right by marines and their families who may have been exposed to water contamination at Camp Lejeune from the 1950s until the mid–1980s and who feel they may have suffered adverse health impacts as a result?

General CONWAY. The Marine Corps cares deeply about the health and well-being of our Marine Corps families. That is why we have instituted a comprehensive public outreach program and supported the Agency for Toxic Substances and Disease Registry (ATSDR) and the National Academies, National Research Council's (NRC) important work to find answers to the many health-related questions surrounding the historic water quality issue at Camp Lejeune.

On June 13, 2009, the NRC released a comprehensive review of potential health risks related to past contaminated drinking water at Marine Corps Base Camp Lejeune. The independent committee reviewed evidence regarding potential associations between exposure to contaminated drinking water and adverse health effects in prenatal children, children, and adults. The NRC report concludes that it cannot be determined reliably whether diseases and disorders experienced by former residents and workers are associated with their exposure to contaminants in the water supply; furthermore, additional studies are unlikely to provide definitive information about the health effects of such exposure. The Marine Corps is continuing to support the current ATSDR study and after a thorough review and consideration of the NRC committee's report, the Marine Corps will identify the next steps to take as it continues to work with stakeholders and other appropriate agencies.

The Marine Corps has established an extensive outreach program to include a Notification Registry to inform former Camp Lejeune residents and workers that they may have been exposed to impacted drinking water and keep them informed of the results of research initiatives. The registry can be accessed at www.marines.mil/clwater or via the toll-free hotline at 1–877–261–9782. To date, there are over 135,000 individuals who have registered. These individuals are being sent a copy of the NRC Public Summary report.

The Marine Corps will continue to look for opportunities to support the well-being of our marines, sailors, their families, and civilian workers.

NAVY NUCLEAR AIRCRAFT CARRIER HOMPORTING AT MAYPORT

88. Senator MCCAIN. Secretary Mabus and Admiral Roughead, on January 14, 2009, the Navy announced that it wants to transfer one of its CVNs to the Naval Station Mayport, at Mayport, FL. But, on April 10, 2009, DOD announced that it will delay a final decision on whether to propose transferring a CVN to Mayport until it reviews the issue as part of its 2009–2010 QDR.

The Navy's proposed fiscal year 2010 budget requests $46.3 million in military construction (MILCON) funding for channel dredging. In addition, the fiscal year 2010 budget requests includes $29.7 million for Charlie wharf improvements at Mayport to include the construction of a second deck, an improvement used to support nuclear aircraft carriers. I understand that an important reason why the Navy wants to transfer a CVN to Mayport is to hedge against the risk of a catastrophic event that could damage the Navy's CVN homeporting facilities in the Hampton Roads area of Virginia. What is the actual risk of a catastrophic event damaging Atlantic Coast CVN homeporting facilities, and how might that risk be altered by homeporting a CVN at Mayport?

Secretary MABUS and Admiral ROUGHEAD. It is difficult to quantify the precise likelihood of a natural or man-made catastrophic event in the Hampton Roads area; however, the Navy must be prepared to continue CVN operations should Norfolk maintenance and repair infrastructure be lost, damaged, or inaccessible for any reason. Having a second east coast, CVN-capable facility at Naval Station Mayport will mitigate risk and ensure the Navy is able to meet its national defense obligations should a disaster occur.

Of note, the Charlie wharf improvements are not associated specifically with an alternate carrier facility, but are necessary to improve the primary ammunition loading wharf capability for the existing big deck ships (LHD, LHA, etc.) in Mayport.

89. Senator MCCAIN. Secretary Mabus and Admiral Roughead, if a catastrophic event were to damage Atlantic Coast CVN homeporting facilities, what would be the operational impact on the Navy, and how quickly could the Navy repair the damage and return to normal operations?

Secretary MABUS and Admiral ROUGHEAD The operational impact of a catastrophic event in Hampton Roads, and the time required to repair the damage and return to normal operations would depend upon the nature and extent of the catastrophe. If the event damaged any of the three bridges/bridge-tunnels that are chokepoints in the transit into/out of Hampton Roads, the Navy could possibly be detained in port or unable to access critical maintenance and training facilities until those bridges are repaired by state or Federal agencies.

Currently, if existing east coast maintenance facilities are damaged or destroyed, our CVNs would need to transit 12,700 nm around South America to access nuclear-capable maintenance and training facilities on the west coast. A second CVN homeport on the east coast would give us the strategic flexibility to ensure there is no gap or lapse in Navy's ability to meet Title 10 requirements and maintain seamless CVN operations.

90. Senator MCCAIN. Secretary Mabus and Admiral Roughead, are the costs associated with homeporting a CVN at Mayport, which is currently estimated to exceed $600 million and may run as high as a $1 billion, worth the benefits in terms of hedging against the risk of a catastrophic event damaging Atlantic Coast CVN homeporting facilities?

Secretary MABUS and Admiral ROUGHEAD. The cost of homeporting a CVN at Naval Station Mayport is more than offset by the additional operational flexibility we gain from having a second CVN-capable facility on the east coast. Without a second east coast CVN homeport, our six Atlantic Fleet CVNs would have to transit at least 12,700 nm to the west coast around South America to access nuclear-capable maintenance and training facilities should a catastrophic event occur in Hampton Roads. A second east coast CVN homeport will mitigate risk and ensure the Navy is able to meet its national defense obligations should a disaster occur.

91. Senator MCCAIN. Secretary Mabus and Admiral Roughead, the requirements of homeporting a CVN at Mayport include the construction of shore nuclear maintenance facilities dedicated to the one CVN. With the expectation that the CVN will be in port only 6 months out of every 2 years, is the Navy's plan for these facilities and the associated workforce to remain idle when the CVN is not in port?

Secretary MABUS and Admiral ROUGHEAD. The facilities will not remain idle. During the average 32-month carrier operating cycle, the carrier is deployed for 7 months and either in or operating from homeport for 19 months.

The shore nuclear maintenance is conducted using a controlled industrial facility (CIF). The Navy's plan for the Mayport CIF is to employ 50 full-time personnel (mostly civilians) and temporarily surge to up to 750 people from other CIFs during the carrier's extended 6-month maintenance availabilities. There are nominally two of these availabilities for every three, 32-month CVN operating cycles. The facilities will still perform other carrier planned and emergent maintenance requirements when the carrier is in the 19-month homeport periods.

STATUS OF THE TRANSFER OF FORMER NAVAL STATION TREASURE ISLAND, CALIFORNIA

92. Senator MCCAIN. Secretary Mabus, the Department of the Navy has been negotiating with the City of San Francisco, CA, for the past 7 years over the transfer of the former Naval Station Treasure Island, a beautiful tract of land located in the middle of the San Francisco Bay. The city contends that the land is worth no more than $40 million while the Navy has appraised the land at a value of over $250 million. Our committee supported the Navy's position last year against legislation proposed by the House that would have favored the city, because proceeds from this property disposal are used by the Department of the Navy to invest in the environmental clean-up of other Navy property planned for disposal. Can you provide the committee a status of the negotiations?

Secretary MABUS. I have had an opportunity to become familiar with the issues regarding this land transfer over the last several weeks and I am committed to taking a new look at all options to arrive at the alternative that best serves the interests of the City of San Francisco, local businesses, and the taxpayer. I have spoken personally to Mayor Newsom to assure him of my commitment and directed my staff to re-engage and explore alternatives. At the mayor's request, the new Deputy Under Secretary of Defense for Installations and Environment, Dr. Dorothy Robyn,

has reached out to the City's Director of Economic and Workforce Development, Mr. Michael Cohen, to discuss the way ahead. We understand the City is operating under a time constraint and I will work hard to resolve this issue as soon as practicable.

93. Senator MCCAIN. Secretary Mabus, is the official Navy position still to seek fair market value for the property based on an independent appraisal?

Secretary MABUS. Yes. One of the congressional goals of the Defense Base Closure and Realignment Act of 1990, as amended, is to recoup the taxpayers' investment in installations. The Navy continues to act consistent with that direction. The Navy would support a revised independent appraisal and believes this would be the most appropriate assessment of property value.

94. Senator MCCAIN. Secretary Mabus, will you notify this committee as soon as you reach an agreement with the city of San Francisco?

Secretary MABUS. Yes, we will notify the committee when an agreement or decision is made regarding the transfer of the former Naval Station Treasure Island.

REALIGNMENT IN THE PACIFIC: DEFENSE POLICY REVIEW INITIATIVE

95. Senator MCCAIN. Secretary Mabus, the President's budget request for fiscal year 2010 includes an authorization of $378 million towards the first MILCON projects required to support the relocation of 8,000 U.S. marines from Okinawa to the Island of Guam. Eventually, the bill for U.S. taxpayers may well exceed $6 billion in MILCON, with another $3 billion owed to the Japanese Government in the form of lease payments for Marine housing on Guam. As of this date and despite numerous formal requests from Congress in previous legislation, DOD has yet to provide a master plan detailing the facilities to be constructed and the final costs of construction to support the marines on Guam. How can this committee authorize almost $400 million in MILCON in fiscal year 2010 when we have no way to review or assess the overall cost estimates of this initiative?

Secretary MABUS. The Guam master plan is dependent on ongoing environment impact studies. In light of this, the cognizant committees have been provided a notional plan for the Marine Corps relocation to Guam. I understand and fully support the vital role of congressional oversight and upon completion of the Environment Impact Statement; DOD will submit a master plan as soon as possible.

Realigning portions of the Okinawa-based U.S. Marine Corps forward presence to Guam is a key element of the transformation of the U.S.-Japan alliance. The realignment integrates Guam into the U.S. basing strategy, taking advantage of Guam's unique strategic location. The Government of Japan (GOJ) has demonstrated its commitment to the Realignment Roadmap and Guam International Agreement, appropriating $336 millionin Japan's current fiscal year to transfer to the United States to help fund Guam development. It is important to show our Japanese partners that we are committed to our international agreement. Failure to authorize and appropriate a comparable amount for fiscal year 2010 will place Japan's $6 billion financial commitment to Guam at risk. Furthermore, delays resulting from reductions or deferral of program funding requirements into future years will only serve to increase the total cost of the realignment to the United States.

96. Senator MCCAIN. Secretary Mabus, when do you expect to release a master plan and detailed cost estimate?

Secretary MABUS. The master plan and a detailed cost estimate cannot be completed until after the EIS ROD is completed. Interim planning documents have been provided to the cognizant committees and we will continue to provide updates as appropriate. The relocation of marines to Guam is a unique situation in that the master planning process and the effort to comply with the National Environmental Policy Act are ongoing simultaneously. The master plan and project list are still in the notional stages and will not be completed until after the EIS ROD is signed. The Department is employing smart growth development principles and searching for synergies for construction on Guam to eliminate redundant facility requirements such as common use conference rooms and training spaces. Additionally, ongoing environmental studies and planning may require the Department to reconsider the location and number of facilities to construct. Therefore, it is premature to produce a master plan project list at this point.

97. Senator MCCAIN. Secretary Mabus, with respect to the U.S. Government's agreement with the Government of Japan recently signed by Secretary of State

Clinton, Title 3 states that "the relocation shall be dependent on tangible progress made by the Government of Japan towards completion of the Futenma relocation facility (FRF)." Who will decide what is defined as tangible progress?

Secretary MABUS. Based on input from the Department of the Navy, and in coordination with the State Department, the DOD will determine if tangible progress is being met in accordance with the agreement.

98. Senator MCCAIN. General Conway, concerning the FRF, I have been briefed that the plan is to replace the existing runway used by all existing Marine Corps aviation assets at Futenma with a runway constructed at Camp Schwab in the shape of a hairpin that is two 4,500-foot runways with a hairpin turn in the middle. Did the Marine Corps help develop and agree to the requirements for this runway?

General CONWAY. The Marine Corps provided input to the process but was not part of the final OSD negotiations that led to the selection of the site (adjacent to Camp Schwab), the general airfield design (V-shaped) or the length (1600M of runway with two 100M overruns). Subsequent to the 4 party agreement, the USMC has participated in the ongoing master planning efforts for the agreed upon facility design.

99. Senator MCCAIN. General Conway, what requirements is this runway designed to meet?

General CONWAY. The FRF is being designed to accommodate rotary-wing, tilt rotor, and some fixed-wing aircraft (OSA aircraft and limited KC–130) operations.

100. Senator MCCAIN. General Conway, can these requirements be met with the current design?

General CONWAY. NAVAIR has listed the runway length (specifically 100-meter overruns versus required 305-meter overruns), unusual V-shaped configuration, and 10-meter seawalls at the end of the runways as critical risks. The penetration of the inner horizontal surface is considered a serious risk, and future encroachment moderate risk. We are studying various mitigation efforts to ensure that the final FRF will be a safe airfield that meets both U.S. and Japanese safety standards.

The FRF was not designed to support the full mission set currently aboard MCAS Futenma. The GOJ has committed to providing access to other airfields in Japan as mitigation for loss of long-runway capability at MCAS Futenma.

101. Senator MCCAIN. General Conway, what mitigations are being considered to address any design concerns?

General CONWAY. The Department of the Navy (USMC, Naval Air Systems Command and Naval Facilities Engineering Command) is pursuing, with the help of OSD, the following mitigations options for the FRF:

(1) Runway length: Reduction in runway length to 1190M to allow for the full 305M of required overrun or the use of Engineered Material Arresting System as a safety mitigation to shorter overruns.

(2) Inner Horizontal Surface: Burial of power lines, both on and off base, and the relocation on cell towers, both on and off base. While the GOJ has agreed to relocate some towers currently located on base, we are not aware of any discussion with GOJ regarding cost and responsibility for relocating towers and burying power lines off base. Regarding the inner horizontal surface penetrations resulting from the Henoko technical college and dormitory, currently no suitable mitigation has been found.

102. Senator MCCAIN. General Conway, does the Marine Corps support this plan? If not, why not, and what alternatives within the framework of the current bilateral agreement has the Marine Corps proposed?

General CONWAY. The Marine Corps fully supports the strategic tenants of the Defense Policy Review Initiative and is committed to the relocation of Guam. As with any large, complex plan, things have changed over time and we think it would be worthwhile to reevaluate how we accomplish certain aspects of the plan. These issues are being addressed within the DOD at the Guam Oversight Council and Guam Executive Council. Furthermore, the QDR has been directed to look at certain issues that have an impact on the Marine Corps force posture in the Pacific.

MARINE CORPS TRAINING ON GUAM

103. Senator MCCAIN. General Conway, I noticed in your opening statement an observation that "developing training areas and ranges on Guam and the Common-

wealth of the Northern Mariana Islands (CNMI) is a key prerequisite for moving marines to Guam." What are the training requirements for the marines in Okinawa today?

General CONWAY. Training requirements for marines on Okinawa exist to ensure the Marine Corps forces assigned in the Western Pacific sustain their MAGTF core competencies. Individual, collective, and MAGTF skills training requirements are defined in our Training and Readiness Manuals. These training events build upon one another to eventually provide the capability to conduct the full range of military operations and contribute to readiness metrics reported through the combatant commanders to the DOD. These training requirements exist for all Marine forces, to include marines forward based or deployed to Okinawa, and will also apply to Marine forces stationed on Guam. The Marine Corps is working within the DOD to develop the necessary training capabilities and the necessary capacity to properly support MAGTF readiness in the Pacific.

104. Senator MCCAIN. General Conway, how much of those requirements do they meet by training within Okinawa and how much do they meet by leaving Okinawa?

General CONWAY. Marine Corps training requirements are generally characterized as individual, collective, and MAGTF skills training. The available ranges on Okinawa meet many individual training requirements and some battalion-level collective training requirements, for example, rifle marksmanship or gas chamber training and some battalion-level non-live fire maneuver training.

Over the last 20 years or so, because of encroachment on Okinawa and other reasons, we've lost significant collective skills training opportunities on the island. As an example, machine gun and mortar ranges have become so restrictive that the marines are no longer able to practice the full set of requalification and sustainment training associated with those weapons. As a result, much of the collective skills training is conducted off of Okinawa at Camp Fuji, on mainland Japan, or through Theater Security Cooperation training venues throughout the Pacific.

Okinawa also lacks the ranges to exercise MAGTF level training, specifically the integration of combined arms in a live-fire setting, which is critical to the sustainment of MAGTF core competencies. Some of those skills are practiced at Camp Fuji, but the majority of MAGTF level training occurs elsewhere in the Pacific.

105. Senator MCCAIN. General Conway, do the Okinawa marines today sometimes use Guam and the CNMI for training?

General CONWAY. While Marine units from III MEF do deploy to Guam and CNMI for specific Marine Expeditionary Unit training, these events have been infrequent and mostly as a result of sporadic opportunities or for elements of Marine Expeditionary Unit small unit evaluations. These are, by and large, training venues for specific elements of the MAGTF and in general for small unit evolutions. In general, the current Guam and CNMI ranges do not meet Marine Corps collective training requirements and do not enable MAGTF-level core competency training.

106. Senator MCCAIN. General Conway, do marines not based in Japan today sometimes conduct training in Japan?

General CONWAY. CONUS based marines not participating in the unit deployment program typically do not visit Japan to conduct training. Camp Fuji supports approximately three deployments for training, including two artillery battery deployments and one battalion-level deployment for year. These units deploy from Okinawa to Camp Fuji.

107. Senator MCCAIN. General Conway, does the Defense Policy Review Initiative (DPRI) agreement prohibit the marines located in Guam from sometimes conducting training in Japan with other III MEF marines?

General CONWAY. The DPRI does not address deployments from Guam to Japan to conduct training. However, we expect that this would be problematic as the overall objective of DPRI is to reduce our presence on Okinawa, hence it would be contrary to the intent of DPRI to deploy marines back to Okinawa for training. In addition, most collective skills training ranges on Okinawa do not meet Marine Corps training requirements and face continuing encroachment that impact capacity and throughput. While Japanese-controlled ranges at Fuji could meet Marine Corps training requirements, those ranges are subject to availability. Currently, the GOJ funds the movement of people and the transportation of equipment from Okinawa to Fuji and return. This GOJ funding does not exist for movement from Guam or elsewhere in the Pacific.

Of note, the agreed implementation plans associated with the Defense Policy Review Initiative specify increased U.S.-Japan bilateral training on Guam and CNMI.

108. Senator MCCAIN. General Conway, how much of the marines requirements in Guam and CNMI are directly a function of the relocation to Guam and how much are training requirements the marines have developed to address training shortfalls that exist whether or not any marines move to Guam?

General CONWAY. To best answer this question, we must first clarify that Marine Corps training requirements apply to all units, including Okinawa and future units on Guam. Individual, collective, and MAGTF skills training capabilities will need to be established to support future units aboard Guam, to include forward-based and deployed marines, transient units, and Japanese Self Defense Force units deployed on a near-continuous basis on Guam.

While the requirement to construct training ranges on Guam and CNMI is a stand-alone requirement to support the MAGTF capability on Guam, those ranges will also address existing joint training deficiencies in the Pacific. These additional joint requirements are currently being studied in the QDR.

109. Senator MCCAIN. General Conway, does the bilateral agreement stipulate that "developing training areas and ranges on Guam and CNMI is a key prerequisite for moving Marine forces to Guam?"

General CONWAY. The bilateral agreement lists training ranges as an assumption, not a prerequisite. However we have always maintained that adequate training capability must be available in the area commensurate with relocation of our marines.

110. Senator MCCAIN. General Conway, did the Marine Corps and PACOM concur on the DPRI bilateral agreement?

General CONWAY. The Marine Corps and PACOM agreed to the basic tenets of the bilateral agreement, but were not directly involved in the U.S.-Japan negotiations that led to the final DPRI bilateral agreement.

111. Senator MCCAIN. General Conway, what programming has the Marine Corps done over the years to address these long-standing shortfalls and to create training solutions, including on Guam and CNMI?

General CONWAY. The Marine Corps does not program for training ranges and areas in Okinawa. In order to mitigate training shortfalls on Okinawa, the Marine Corps budgets in concert with the Pacific Command to sustain an active Theater Security Cooperation plan to sustain collective and MAGTF training, to include firing of machine guns, mortars, rockets and artillery, and conducting integrated, live-fire combined arms training. Programming for training ranges and areas in Guam and CNMI will be informed by the QDR.

112. Senator MCCAIN. General Conway, lacking a firm master plan, do you have any concerns about the ability of marines to adequately train on Guam and CNMI?

General CONWAY. Training remains a key concern, shared within the DOD, for the relocation to Guam. While training ranges currently being planned on Guam and CNMI should adequately address our individual skills training requirements for the MAGTF based on Guam, we are working through the QDR to inform the full scope of our title 10 training and readiness responsibilities in the Pacific.

113. Senator MCCAIN. General Conway, what challenges do you foresee?

General CONWAY. There are numerous challenges with the relocation to Guam, including an ambitious construction timeline. Construction was to begin in 2007 and be complete in 2014, though construction is now anticipated to start in 2010 without a corresponding extension of the completion timeline. We are actively working within the DOD to address this challenge. Our ongoing planning efforts are designed to ensure that marines and their families arrive on Guam with established quality-of-life facilities and services; that we have the right unit laydown on Guam and throughout the Pacific, and that the capabilities and capacity to sustain the readiness of the force and support operational plans and contingencies are appropriately addressed.

QUESTIONS SUBMITTED BY SENATOR ROGER WICKER

PARTICIPATION OF NONTRADITIONAL SOURCES IN NAVY PROGRAMS

114. Senator WICKER. Secretary Mabus, as I understand it, the Navy has engaged Historically Black Colleges and Universities (HBCUs) using programs such as Small Business Innovation Research (SBIR), Small Business Technology Transfer (STTR), and basic research grants. Considering these efforts, what else is the Navy doing to increase participation of nontraditional sources, such as HBCUs and Minority-Serving Institutions, in Navy programs?

Secretary MABUS. The Naval HBCU and Minority-Serving Institutions (MI) program is designed to increase the quantity and quality of minority scientists and engineers engaged in research related to national defense. This engagement substantially expands the opportunity for HBCU/MIs to produce employees through Navy related research performed on campus.

The Office of Naval Research (ONR) is responsible for management of the Navy's HBCU/MI program for the Secretary of the Navy. Opportunities for expanded HBCU/MI participation are being pursued in naval research, undergraduate and graduate student internships at naval labs, summer faculty research and sabbatical leave, postdoctoral fellowships, and undergraduate and graduate student scholarships. Contracts, grants, and research opportunities sustain and grow HBCU/MI infrastructure and research capabilities, while helping to better prepare students for possible military or civilian service careers in the Navy.

ONR encourages HBCU/MI research proposals through HBCU/MI matching funds and partnerships. Matching funds are provided to the ONR science and technology departments as an incentive to promote more HBCU/MI participation in naval research. The benefit is that HBCU/MIs are integrated into the naval research enterprise and the base of institutions capable of performing naval research is expanded.

For example, the ONR Summer Faculty Program provides an opportunity for faculty members to participate in research of mutual interest to the faculty member and their professional peers at U.S. Navy laboratories. The Summer Faculty Research Program is a 10-week program, in which HBCU/MI faculty participant costs are centrally funded from ONR.

Another program initiative is to link HBCU/MI institutions with our university affiliated research centers—Georgia Technical Research Institute, Pennsylvania State University's Applied Research Laboratory, Johns Hopkins University's Applied Physics Laboratory, University of Texas, Austin, and the University of Washington Applied Physics Laboratory. This approach affords opportunities to leverage the Navy's investments in science and technology by providing technical assistance to HBCU/MIs to better manage and administer contracts.

115. Senator WICKER. Secretary Mabus, additionally, have these technologies and innovations been quickly transitioned to the fleet?

Secretary MABUS. Substantial investments have been made to date in technology research via the SBIR and STTR programs through Navy Systems Commands that have brought several technologies to the Fleet. These programs have fostered collaboration between small businesses and universities, in which the HBCUs and Minority-Serving Institutions (MIs) have engaged, to develop technologies that can be used on current and future Fleet assets.

As a quick transition example, North Carolina Agricultural & Technical State University (NCA&T) is working with a small business, Mentis Sciences, Inc., on SBIR efforts for composite materials to reduce weight and maintenance for LCS applications. The initial transition to the Fleet will occur in the third quarter of fiscal year 2010, within 1 year of the SBIR Phase II award.

NCA&T has also partnered with 3Phoenix on two STTR awards under competition conducted by the Office of Naval Research.

As Navy acquisition programs and HBCU/MIs continue to refine their working relationships, we'll capitalize on more opportunities for success. The Navy looks forward to a broader application of HBCU/MI(s) in the long term.

UNMANNED AERIAL SYSTEMS

116. Senator WICKER. Secretary Mabus and Admiral Roughead, Admiral Roughead's prepared testimony mentioned the Navy's increased reliance on unmanned aerial systems (UAS). As UAS operations continue to increase and become integral to more mission areas, have you consulted with the Federal Aviation Administration (FAA) to ensure that units have the opportunity to train with UAS in FAA-controlled airspace?

Secretary MABUS and Admiral ROUGHEAD. As a member of the OSD UAS Task Force Airspace Integration IPT, the Navy has worked closely with the other members of the IPT to review and assess operational requirements, identify acquisition solutions, assist in the development of UAS technical standards, and recommend training and policy changes necessary to fully integrate UAS into all necessary classes of airspace. The IPT, through the Joint UAS Center of Excellence (JUAS COE) and the DOD Policy Board on Federal Aviation (PBFA), has worked closely with the FAA to develop both short- and long-term strategies for increased UAS access to the National Airspace System. These strategies include updating the DOD/FAA UAS Memorandum of Agreement to accelerate improved access for small UAS and addressing capability gaps unique to UAS. The Department of Navy will continue to work closely with the Joint Staff, the OSD UAS Task Force and the PBFA as they engage the FAA to ensure current and future UAS airspace integration needs are met.

117. Senator WICKER. Secretary Mabus and Admiral Roughead, has the FAA placed any restrictions on UAS operations in existing airspace, and if so, how have those restrictions affected unit readiness?

Secretary MABUS and Admiral ROUGHEAD. When USN/USMC UAS require access to FAA-controlled airspace, the operational unit requests a Certificate of Waiver or Authorization (COA) from the FAA. Restrictions on FAA COAs have sometimes resulted in operational workarounds to meet operational/training needs.

The Department of the Navy continues to work with the FAA to address these issues. As a member of the DOD UAS Airspace Integration IPT, the Department of the Navy will continue to work closely with the Joint Staff, the OSD UAS Task Force, and the PBFA to ensure current and future UAS airspace integration needs are met.

[Whereupon, at 12:01 p.m., the committee adjourned.]

DEPARTMENT OF DEFENSE AUTHORIZATION FOR APPROPRIATIONS FOR FISCAL YEAR 2010

TUESDAY, JUNE 16, 2009

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

BALLISTIC MISSILE DEFENSE PROGRAMS

The committee met, pursuant to notice, at 9:33 a.m. in room SD–106, Dirksen Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Lieberman, Reed, Bill Nelson, Bayh, Udall, Hagan, Begich, McCain, Sessions, Thune, Vitter, and Collins.

Committee staff members present: Richard D. DeBobes, staff director; and Leah C. Brewer, nominations and hearings clerk.

Majority staff members present: Richard W. Fieldhouse, professional staff member; Gerald J. Leeling, counsel; and Peter K. Levine, general counsel.

Minority staff members present: Joseph W. Bowab, Republican staff director; and Daniel A. Lerner, professional staff member.

Staff assistants present: Kevin A. Cronin, Mary C. Holloway, and Paul J. Hubbard.

Committee members' assistants present: Jay Maroney, assistant to Senator Kennedy; James Tuite, assistant to Senator Byrd; Christopher Griffin, assistant to Senator Lieberman; Carolyn A. Chuhta, assistant to Senator Reed; Patrick Hayes, assistant to Senator Bayh; Gordon I. Peterson, assistant to Senator Webb; Jennifer Barrett, assistant to Senator Udall; Roger Pena, assistant to Senator Hagan; Lindsay Young, assistant to Senator Begich; Rob Soofer, assistant to Senator Inhofe; Lenwood Landrum, assistant to Senator Sessions; Jason Van Beek, assistant to Senator Thune; and Chip Kennett, assistant to Senator Collins.

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good morning, everybody. The committee meets today to consider the ballistic missile defense programs and budget requests of the Department of Defense (DOD).

We're pleased today to have a distinguished panel of witnesses: Bill Lynn, the Deputy Secretary of Defense; General James Cartwright, Vice Chairman of the Joint Chiefs of Staff; and Lieutenant

General Patrick O'Reilly, the Director of the Missile Defense Agency (MDA).

We welcome you all. We thank you for your long service to this Nation.

On April 6, Secretary of Defense Gates, along with General Cartwright, announced a number of his recommendations for the fiscal year 2010 defense budget. These recommendations included changes to missile defense programs, and all were included in the President's budget request that's now before Congress. These changes included an increased focus on regional missile defense against existing short- and medium-range ballistic missiles that currently can reach our forward-based forces and allies.

Secretary Gates announced that the Department would add $700 million to field "more of our most capable theater missile defense systems, specifically the Terminal High-Altitude Area Defense (THAAD), and the Standard Missile-3 (SM–3) programs." Now, that's a welcome and important change of emphasis, and one that is consistent with the actions of this committee and Congress in years past, which have focused on missile defense against short- and medium-range missile threats. It also reflects the analysis of the joint staff that our regional combatant commanders need many more THAAD and SM–3 interceptors to meet our inventory requirements for their operational needs.

For instance, the report of this committee, last year accompanying the National Defense Authorization Act, made the point clearly, "The committee notes that the Joint Capabilities Mix study conducted by the Joint Staff concluded that U.S. combatant commanders need about twice as many SM–3 and THAAD interceptors as currently planned, to meet just their minimum operational requirements for defending against the many hundreds of existing short- and medium-range ballistic missiles. The committee is deeply disappointed," we wrote, "that the MDA has not planned or budgeted to acquire more than a fraction of the SM–3 interceptors needed to meet the warfighters' minimum operational needs."

The report accompanying last year's National Defense Authorization Act Conference Report had a similar direction to the agency, "We are deeply disappointed that the DOD has not planned or budgeted for even this minimum requirement, and believe that achieving at least this minimum inventory should be the highest priority for the MDA. We expect DOD to budget accordingly, starting with the budget submission for fiscal year 2010."

The Department has done exactly that in its budget request; it did what Congress legislated last year. The budget request before us would increase our missile defense capability significantly against the preponderance of the missile threats that we face today.

Secretary Gates also announced several other changes to the missile defense program. These include a decision to cap the deployment of the Ground-based Midcourse Defense (GMD) System in Alaska and California at 30 interceptors and to focus on further development and robust testing to improve the capability of this system to defend against the limited missile threat to our country from nations such as North Korea.

Under the budget request, the Department would continue to buy all 44 interceptors, but with 14 of these planned for testing or for spares.

To illustrate the point about needing to improve GMD capability, the director of Operational Test and Evaluation reported, in December, 4 years after the system was initially deployed, that "GMD flight testing to date will not support a high degree of confidence in its limited capabilities."

Secretary Gates's decision on the GMD program is of major significance and of great interest to Congress. I hope our witnesses will explain how the Department came to this decision and their view of how it meets our security needs. I also hope that they'll explain how the Department plans to improve the capability of the system, including through robust and operationally realistic testing, and how it plans to sustain the system throughout its operational life.

This is an important and a complex topic. I believe it would benefit our security if we could be unified on this issue, and I think such unity is possible, since I believe there is common ground on the need to have operationally effective and cost-effective missile defense systems.

I'll put the balance of my statement in the record and call upon Senator McCain.

[The prepared statement by Senator Levin follows:]

PREPARED STATEMENT BY SENATOR CARL LEVIN

The committee meets today to consider the ballistic missile defense programs of the Department of Defense.

We are pleased to have a distinguished panel of witnesses. Our witnesses today are the Honorable William Lynn, the Deputy Secretary of Defense, General James Cartwright, Vice Chairman of the Joint Chiefs of Staff, and Lieutenant General Patrick O'Reilly, Director of the Missile Defense Agency (MDA). We welcome you all and thank you for your many years of service to our Nation.

On April 6, Secretary of Defense Robert Gates, along with General Cartwright, announced a number of his recommendations for the fiscal year 2010 defense budget. These recommendations included changes to missile defense programs, and all were included in the President's budget request now before Congress.

These changes included an increased focus on regional missile defense against existing short- and medium-range ballistic missiles that currently can reach our forward-based forces and allies. Secretary Gates announced that the Department would add $700 million to field "more of our most capable theater missile defense systems, specifically the Terminal High Altitude Area Defense (THAAD) and the Standard Missile-3 programs."

This is a welcome change of emphasis, and one that is consistent with the actions of this committee and Congress in years past which have focused on missile defense against short- and medium-range missile threats. It also reflects the analysis of the Joint Staff that our regional combatant commanders need many more THAAD and Standard Missile-3 interceptors to meet inventory requirements for their operational needs.

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> "We are deeply disappointed that the Department of Defense has not planned or budgeted for even this minimum requirement, and believe that achieving at least this minimum inventory should be the highest priority for the MDA. We expect the Department of Defense to budget accordingly starting with the budget submission for fiscal 2010."

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To illustrate the point about needing to improve GMD capability, the Director of Operational Test and Evaluation reported in December, 4 years after this system was initially deployed, that "GMD flight testing to date will not support a high degree of confidence in its limited capabilities."

Secretary Gates' decision on the GMD program is of major significance and great interest in Congress. I hope our witnesses will explain how the Department came to this decision, and their view of how it meets our security needs. I also hope they will explain how the Department plans to improve the capability of the system, including through robust and operationally realistic testing, and how it plans to sustain the system throughout its operational life.

This is an important and complex topic. I believe it would benefit our security if we could be unified on this issue, and I think such unity is possible since I believe there is common ground on the need to have operationally effective and cost-effective missile defense systems.

Another issue to consider is the future course of missile defense in Europe against a potential future Iranian long-range missile threat, and whether we might be able to cooperate with Russia on such missile defense.

In April, I travelled with Senators Collins and Bill Nelson to Russia, Poland, and the Czech Republic to explore this topic. We returned with the view that there may be an opportunity to forge an agreed and cooperative path forward with Russia and with our European allies on missile defense. Such an approach could help in our efforts to dissuade Iran from pursuing nuclear weapons and long-range missiles. It could also permit missile defense to serve as a uniting issue between us and Russia, rather than continuing to be a divisive issue.

The Obama administration is reviewing the previous administration's proposal to deploy a "third site" missile defense system in Poland and the Czech Republic, and considering a range of options for the future. Neither of these allies has yet ratified any agreements to deploy the system, and the Czech Republic is awaiting elections in October before deciding how it wants to proceed.

There may be other means of providing defenses for Europe, and I hope our witnesses today will provide their perspectives on the possibility of cooperating with Russia and on whether systems such as the Standard Missile-3 could play a substantial role in the future defense of Europe.

These are among the important topics we will discuss today, and we look forward to your testimony.

STATEMENT OF SENATOR JOHN MCCAIN

Senator MCCAIN. Thank you, Mr. Chairman. I thank the witnesses for being here at this very important hearing.

When President Ronald Reagan first introduced his vision of missile defense in March 1983, he asked a fundamental question, which still resonates today. He said, "Isn't it worth every investment necessary to free the world from the threat of nuclear war?" While he asked that question in quite different circumstances from those that face us now, today, just as then, it's our duty to assess what investments are necessary to ensure our security, and that of our allies.

The threat we face today is certainly different from the one we faced during the Cold War. However, the need, today, for robust missile defense is as important to our security as it's ever been. That's why I have some concerns about the President's fiscal year 2010 budget now. For some time now, this committee has urged the Department to increase its focus to rogue-state in-theater threats, and I applaud the decision to increase funding for both THAAD and SM–3. However, I am concerned by the substantial reduction to our GMD, the system primarily responsible for the protection of the United States against ballistic missiles from rogue nations and accidental launches.

I look forward to hearing from our witnesses how a more than 30-percent reduction, from 44 interceptors to 30, in Ground-based Interceptors (GBIs) will affect our ability to protect the United States from emerging threats. North Korea and Iran are certainly not reducing funding to develop missiles capable of hitting the United States.

So, I look forward to hearing why the administration believes that we should, and what additional security risks to the homeland we may incur, and what has changed to warrant an almost $800-million reduction below what the last administration deemed necessary in fiscal year 2010 to protect the homeland.

GMD aside, I applaud the MDA's decision to explore a new early-intercept, ascent-phased strategy. This proposed system steps outside of MDA's past practices of developing brand-new systems, and looks to utilize already proven assets, such as unmanned aerial vehicles (UAVs), to enhance pre-existing capabilities.

Such an approach represents a fundamental shift for missile defense spending, and it is significant, as it could provide substantial capability at a cost more onerous on our adversaries than the American taxpayer.

We must move forward with a missile defense system that not only provides the necessary security of the United States and our allies, but does so in the more effective and efficient way possible. A system representative of today's threats should not only deter, but impose significant and growing costs on our adversaries.

Undoubtedly, the ultimate responsibility of our missile defenses must be the protection of the United States. As rogue nations, including North Korea and Iran, push the nuclear envelope and work tirelessly to develop delivery vehicles capable of reaching America, we must aggressively develop the systems necessary to counter such belligerent efforts.

I welcome the prospect that this budget represents a concerted effort towards reform. However, I hope that our witnesses will explain why they believe that this reform will not come at increased risk.

Given what former Secretary of State Henry Kissinger recently described as an apparent lack of action and, "de facto acquiescence" towards the North Korean nuclear program, now is not the time to downplay the importance of missile defense as a deterrent, or scale back the planned missile defenses responsible for protecting the United States.

Again, I appreciate each of the witnesses being here today, and I thank each of you for your service.

Thank you, Mr. Chairman.

[The prepared statement of Senator McCain follows:]

PREPARED STATEMENT BY SENATOR JOHN MCCAIN

When President Ronald Reagan first introduced his vision of missile defense in March 1983, he asked a fundamental question which still resonates today, "isn't it worth every investment necessary to free the world from the threat of nuclear war?" While he asked that question in quite different circumstances from those that face us now, today, just as then, it is our duty to assess what investments are necessary to ensure our security and that of our allies. The threat we face today is certainly different than the one we faced during the Cold War; however, the need today for a robust missile defense is as important to our security as it has ever been.

That is why I have some concerns about the President's fiscal year 2010 budget. For some time now, this committee has urged the Department to increase its focus to rogue state in-theater threats and I applaud the decision to increase funding for both THAAD and SM–3. However, I am concerned by the substantial reduction to our Ground-based Midcourse Defense (GMD), the system primarily responsible for the protection of the United States against ballistic missiles from rogue nations and accidental launches. I look forward to hearing from our witnesses how a more than 30 percent reduction (from 44 interceptors to 30) in Ground-based Interceptors will affect our ability to protect the United States from emerging threats. North Korea and Iran are certainly not reducing funding to develop missiles capable of hitting the United States, so I look forward to hearing why the administration believes that we should, what additional security risks to the homeland we may incur, and what has changed to warrant an almost $800 million reduction below what the last administration deemed necessary in fiscal year 2010 to protect the homeland.

GMD aside, I applaud the Missile Defense Agency's (MDA) decision to explore a new early intercept, ascent phase strategy. This proposed system steps outside of MDA's past practices of developing brand new systems and looks to utilize already proven assets such as unmanned aerial vehicles to enhance preexisting capabilities. Such an approach represents a fundamental shift for missile defense spending and is significant as it could provide substantial capability at a cost more onerous on our adversaries than the American taxpayer. We must move forward with a missile defense system that not only provides the necessary security of the United States and our allies, but does so in the most effective and efficient way possible. A system representative of today's threat should not only deter, but impose significant and growing costs on our adversaries.

Undoubtedly, the ultimate responsibility of our missile defenses must be the protection of the United States. As rogue nations, including North Korea and Iran, push the nuclear envelope and work tirelessly to develop delivery vehicles capable of reaching America, we must aggressively develop the systems necessary to counter such belligerent efforts. I welcome the prospect that this budget represents a concerted effort towards reform; however, I hope that our witnesses will explain why they believe that this reform will not come at increased risk. Given what former Secretary of State Henry Kissinger recently described as an apparent lack of action and "de facto acquiescence" towards the North Korean nuclear program, now is not the time to downplay the importance of missile defense as a deterrent, or scale back the planned missile defenses responsible for protecting the United States. I appreciate each of the witnesses being here today and I thank each of you for your service.

Mr. Chairman, thank you.

Chairman LEVIN. Thank you, Senator McCain.

Let me now start by calling on Secretary Lynn.

Welcome.

STATEMENT OF HON. WILLIAM J. LYNN, DEPUTY SECRETARY OF DEFENSE, DEPARTMENT OF DEFENSE

Mr. LYNN. Thank you very much, Mr. Chairman, Senator McCain. I very much appreciate the opportunity to be back before the committee and discussing this important topic.

What I'd like to do is give a brief opening statement and put the full statement in the record.

What I want to discuss is what you've asked, the administration's missile defense policy, and do that in the context of the changing strategic environment in which we expect to field and utilize those defenses; also, talk about some of the programmatic choices and policy implications that they have.

The United States faces current and long-term security challenges that require a rebalancing of U.S. defense priorities and strategy. Specific security challenges the United States faces range from violent extremist movements, to failed and failing states, to the spread of weapons of mass destruction and their delivery systems, and ultimately to rising powers with sophisticated weapons.

In particular, as you've both noted, North Korea and Iran pose serious nuclear and missile proliferation concerns to the United States and other nations. In President Obama's April 5 speech in Prague, he reiterated the threat posed by North Korea's missile tests and emphasized the threat from Iranian ballistic missiles, stating "Iran's nuclear and ballistic missile activity poses a real threat, not just to the United States, but to Iran's neighbors and our allies." In short, the risks and dangers from missile proliferation are growing problems.

The Department recently initiated the Ballistic Missile Defense Review (BMDR), which is closely linked to the Quadrennial Defense Review (QDR), as well as two other congressionally mandated reviews of U.S. nuclear posture and its space posture. The BMDR is reviewing all aspects of missile defense plans, programs, operations, and requirements, as well as management and oversight of missile defense in the Department. Several broad principles will guide our efforts. We will focus on defending the United States from rogue states and protecting U.S. forces; we will also prepare for emerging threats; we will ensure our missile defenses are effective; and we will utilize missile defense to pursue international cooperation.

U.S. missile defense plans will focus on defending the United States from rogue states and protecting our deployed forces from theater threats. That is our first priority.

We are committed to continuing effective defense of the United States against those rogue threats, including North Korea and, if it continues down its current path, Iran.

We also remain committed to more effective theater missile defenses that include continued and increased cooperation with our allies.

Short-, medium-, and intermediate-range missiles pose a real danger to our forces, as well as to the territory of, and populations of, our friends and allies. To better protect them, we will increase the capabilities available to the warfighter by fielding more of our more capable, shorter-range and mobile missile defense systems. For example, we added an additional $900 million to field more systems, such as THAAD, Aegis BMD ships, and SM–3 interceptors for defense of deployed forces for our friends and allies.

While we focus on the current ballistic missile threat, we must also prepare for the emerging ones. To that end, we will continue to invest in upgrades for our national missile defense systems. We will also continue to invest in research and development to pursue new and more effective technologies for theater missile threats.

One such technology, that Senator McCain mentioned, we think holds promise as the threat develops, is Early Intercept. This program targets a missile before apogee in order to successfully destroy the missile and allow additional intercept opportunities. This may reduce the number of interceptors ultimately used in the overall defense.

The President has made clear that we will move forward with missile defenses that are affordable, proven, and responsive to the threat. This means a renewed emphasis on robust testing. It is imperative that we demonstrate the maturity, reliability, and effectiveness of our missile defense systems. We also need measures to ensure and demonstrate that missile defense testing is conducted under operationally realistic conditions.

On the international level, two items in particular are the subject of special attention, missile defense in Europe and missile defense cooperation with Russia. For European missile defense, we are in the process of thoroughly analyzing a number of options, including the current plan for placing GBIs in Poland and a radar in the Czech Republic. We are analyzing each alternative for the level of protection it affords both Europe and the United States, its responsiveness to the threat, and its projected cost. No final decisions have been made. We will be closely consulting with our allies as we progress with this analysis. We will also continue to explore cooperative opportunities with Russia for capabilities that could be additive to our missile defense efforts.

The United States is committed to working with Russia on a range of issues, including missile defense. Missile defense cooperation with Russia has been a consistent U.S. goal since the 1990s. Secretary Gates has said that he believes there is real potential for cooperation on missile defense and a genuine interest in it from Russia. The United States will work to identify new areas where our two countries could advance our missile defense cooperation. For example, there are Russian radars near Iran that would provide helpful early-warning detection in the case of an Iranian ballistic missile attack. Working with Russia in areas where we have common security concerns is in the interest of both nations.

In conclusion, ballistic missile defense is an important part of our current and future national defense strategy and must be fully integrated into the broader deterrence and alliance considerations that inform that strategy. Missile defenses play a key role in both responding to current threats and hedging against future contingencies. As we move forward with missile defense plans and programs, DOD will ensure they are affordable, effective, and responsive to the risks and threats that confront the United States, our friends, and our allies.

Thank you very much, Mr. Chairman.

[The prepared statement of Mr. Lynn follows:]

PREPARED STATEMENT BY HON. WILLIAM J. LYNN III

INTRODUCTION

I am here to discuss the administration's missile defense policy, the changing strategic environment in which we expect to field and utilize missile defenses, and some programmatic choices and their policy implications that have been made so far. While U.S. missile defense policy and planning is currently under review, we have established a broad set of principles which will serve to guide and shape our

overall approach to missile defense. Before turning to these principles I would like to provide some broader context about the threat and the Department's ongoing review efforts.

CHANGING STRATEGIC ENVIRONMENT

The United States faces current and long-term security challenges that require a "rebalancing" of U.S. defense priorities and strategy. Specific security challenges the United States faces include violent extremist movements, the spread of weapons of mass destruction (WMD) and their delivery systems, rising powers with sophisticated weapons, and failed or failing states. Among these, the proliferation of WMD and ballistic missiles is particularly troubling because it demonstrates one aspect of the complexity of what Secretary Gates has termed "hybrid threats"—an environment characterized by state and non-state adversaries using a combination of conventional and high-end capabilities in asymmetric ways.

In particular, North Korea and Iran pose serious nuclear and missile proliferation concerns for the United States and other nations. In President Obama's April 5th speech in Prague, he reiterated the threat posed by North Korea's missile tests and emphasized the threat from Iranian ballistic missiles, stating, "Iran's nuclear and ballistic missile activity poses a real threat, not just to the United States, but to Iran's neighbors and our allies."

Moreover, the risk and dangers from missile proliferation are growing problems. As the former Director of the Defense Intelligence Agency, General Maples, recently testified to this committee, "the threat posed by ballistic missile delivery systems is likely to increase while growing more complex over the next decade. Current trends indicate that adversary ballistic missile systems with advanced liquid- or solid-propellant propulsion systems are becoming more flexible, mobile, survivable, reliable and accurate and possess greater range. Pre-launch survivability is also likely to increase as potential adversaries strengthen their denial and deception measures and increasingly base their missiles on mobile sea- and land-based platforms. Adversary nations are increasingly adopting technical and operational countermeasures to defeat missile defenses."

BALLISTIC MISSILE DEFENSE REVIEW

The Department recently initiated the Ballistic Missile Defense Review (BMDR), which is closely linked to the Quadrennial Defense Review as well as two other congressionally-mandated reviews on the U.S. nuclear posture and space posture. The BMDR is reviewing all aspects of missile defense plans, programs, operations, and requirements—as well as management and oversight of missile defense in the Department. The BMDR is just getting underway and no decisions have yet been made. Several broad principles will guide our efforts: we will focus on defending the United States from rogue states and protecting U.S. forces, prepare for emerging threats, ensure our missile defenses are effective, and utilize missile defense to pursue international cooperation.

DEFENDING AGAINST ROGUE STATES AND PROTECTING U.S. FORCES

U.S. missile defense plans and programs will focus on defending the United States from rogue states, and protecting our deployed forces from theater threats.

We are committed to a continued effective defense of the United States against rogue threats, including North Korea and, if it continues down its current path, Iran.

As this committee knows well, North Korea has recently tested a nuclear device and continues to expand its ballistic missile capability. For example, North Korea continued its development of Taepo Dong 2, which could be used for Space Launch or as an Intercontinental Ballistic Missile (ICBM). Although its most recent attempt at using this missile for space launch failed, North Korea continues to demonstrate determination to develop an ICBM. North Korea continues to work on other missile programs including Intermediate Range Ballistic Missiles.

Iran views its ballistic missiles as an integral part of its strategy to increase its regional influence, deter, and, if necessary, retaliate against the United States and regional powers. On 20 May 2009, Iran announced the successful flight test of a 2000 km Medium Range Ballistic Missile, which is able to range both Israel and central Europe. Just this year, Iran also successfully completed a space launch which shows progress in some technologies relevant to the future development of ICBMs. Defending against the rogue state threat illustrated by these developments is the focus of our missile defense program.

We also remain committed to more effective theater missile defenses that include continued and increased cooperation with allies. Short-, medium-, and intermediate-

range ballistic missiles pose a real danger to our forces as well as to the territory and populations of our friends and allies. To better protect them, we will increase the capabilities available to the warfighter by fielding more of our most capable shorter-range and mobile missile defense systems. For example, we added an additional $900 million to field more systems such as THAAD, Aegis BMD ships, and SM–3 interceptors for defense of deployed forces, friends and allies.

PREPARING FOR EMERGING THREATS

While we focus on the current ballistic missile threat we must also prepare for the emerging ones. To that end, we will continue to invest in critical upgrades for our National Missile Defense systems. We will also continue to invest in research and development to pursue new and more effective technologies for theater missile threats. One such technology that may hold promise as the threat develops is Early Intercept, which targets a missile (before apogee) in order to successfully destroy the missile and allows additional intercept opportunities, which may reduce the number of interceptors used.

ENSURING EFFECTIVE MISSILE DEFENSES

The President has made clear that we will move forward with missile defenses that are affordable, proven, and responsive to the threat. This means a renewed emphasis on robust testing. It is imperative that we demonstrate the maturity, reliability, and effectiveness of our missile defense systems. We also need measures to ensure and demonstrate that missile defense testing is conducted under operationally realistic conditions.

The pursuit of effective missile defenses resulted in our decision to terminate the Kinetic Energy Interceptor and Multiple Kill Vehicle programs and to return the Airborne Laser to a technology demonstration program. These troubled programs repeatedly failed to meet their cost and schedule objectives and therefore could not meet our requirement of being effective.

INTERNATIONAL MISSILE DEFENSE COOPERATION

Another broad principle guiding our thinking on missile defense is to ensure we undertake activities that foster international defense cooperation relationships. The United States currently cooperates on missile defense with several nations across the globe, from Europe to the Pacific Rim to the Middle East. On the international level, two items in particular are the subject of special attention: missile defense in Europe and missile defense cooperation with Russia. No final decisions have been made regarding missile defense in Europe. However, the U.S. approach to missile defense in Europe will be to seek cooperation with international partners—to include Russia—in order to reduce the threat from Iran. As the President stated in Prague:

> "As long as the threat from Iran persists, we intend to go forward with a missile defense system that is cost-effective and proven. If the Iranian threat is eliminated, we will have a stronger basis for security, and the driving force for missile defense construction in Europe at this time will be removed."

The United States is committed to working with Russia on a range of issues, including missile defense. Missile defense cooperation with Russia has been a consistent U.S. goal since the 1990s. Secretary Gates has said that he believes there is real potential for cooperation on missile defense and a genuine interest in it from Russia. The United States will work to identify new areas where our two countries could advance our missile defense cooperation. For example, there are Russian radars near Iran that would provide helpful early warning detection in the case of an Iranian ballistic missile launch. Working with Russia in areas where we have common security concerns is in the interest of both countries. This topic will be an important area of discussion during the upcoming U.S.-Russia summit in July.

Over the years we have reached out to allies and friends and established a number of important missile defense relationships. In some instances, missile defense is now a key alliance capability for our mutual defense. In other cases, we are pursuing security cooperation programs for the benefit of the acquiring nation. In yet other cases, we have established cooperative engagement programs to identify and develop promising missile defense-related technologies and information. Missile defense can also serve as a catalyst for transformation in areas outside of the missile defense mission area, further enhancing our alliances and promoting additional cooperation. Going forward, cooperative bilateral and multilateral missile defense co-

operation will continue to be a major feature of U.S. relations with allies, friends, and new partners.

CONCLUSION

In conclusion, ballistic missile defense is an important part of our current and future national defense strategy, and must be fully integrated into the broader deterrence and alliance considerations that inform this strategy. Missile defenses play a key role in both responding to current threats and hedging against future contingencies. Internationally, missile defense offers opportunities for cooperation with allies, friends, and new partners on common security concerns. As we move forward with missile defense plans and programs, the Department of Defense will ensure they are affordable, effective, and responsive to the risks and threats that confront the United States and our friends and allies.

Chairman LEVIN. Thank you, Secretary Lynn.

General Cartwright?

STATEMENT OF GEN. JAMES E. CARTWRIGHT, USMC, VICE CHAIRMAN, JOINT CHIEFS OF STAFF

General CARTWRIGHT. Thank you, Chairman Levin, Senator McCain, and thank you for the opportunity to appear here today.

For many years—actually, now over 15 years, for me—members of this committee have worked with us to keep our forces ahead of the Nation's threats. I thank you for that commitment.

I'd like to submit the balance of my statement for the record, and I stand ready for your questions.

[The prepared statement of General Cartwright follows:]

PREPARED STATEMENT BY GEN. JAMES E. CARTWRIGHT, USMC

Chairman Levin, Senator McCain, thank you for the opportunity to appear here today. For many years now, the members of this committee have worked to keep our forces ahead of threats our Nation faces. I thank you for that commitment.

As you are well aware, the Department is engaged heavily in the Quadrennial Defense and Nuclear Posture Reviews. I would like to speak briefly, about three overriding points that guide my thinking as these reviews relate to missile defense.

First, our objective in some form will be to seek to prevent future conflict, and failing that, to prevail in any conflict we enter. The global nature of the threats we face, and the rapid pace of technological change, impose significant challenges on any deterrent strategy. No longer will a monolithic, mutual-assured destruction approach deter our aggressors. With the proliferation of ballistic missile delivery and weapon system technologies, the promise of closing general purpose forces in days or weeks, or in the extreme, countering with strategic nuclear weapons will be inappropriate or insufficient to prevent or terminate conflict on our terms. Our deterrent strategy will need to handle the rapid advances in technologies across a broad range of threats and conditions.

At the essence of tomorrow's strategy is the credibility to adapt our strategy and capabilities that are more in line with Moore's Law than the threat-based, platform-centric solutions of the 20th century.

Second, given the challenges of rapid technology change and global proliferation, we will need to integrate our offensive and defensive capabilities rather than continuing on an either-or strategy. Tailoring our capabilities for both known and unexpected challenges will be essential vice relying on a one-sized deterrent fits all approach.

Today, our offensive strategic deterrent is challenged to remain credible and relevant as more and more, nations and potentially non-nation states, aspire to possess weapons of mass destruction. There is compelling need to develop defensive capabilities such as ballistic and cruise missile defense, integrated with our offensive capabilities, to provide a strategy tailored to the threats we actually face versus threats we want to face.

Third, deterrent strategies have at least two enduring qualities: to impose cost and to deny benefit. As we move to the future, our legacy threat-centric platforms are unlikely to accomplish either. Competitive edge is more likely found in our ability to string ad hoc sensor, command and control and weapons together in order to create credible counters to emerging threats before they manifest themselves. In the

case of ballistic missiles, the constant proliferation of these lethal, fast-acting weapon systems must be neutralized and turned back against the adversary in a cost imposing strategy. We must deny others the benefit of their use.

So whether we are challenged with the latest upgrade to an existing missile, the emergence of a new missile, or an asymmetric challenge we did not anticipate, we cannot wait years to field a counter. We must be able to find competitive advantage inside much more stressing timelines, similar to the destruction of an errant satellite last year. The rapid adaptation of existing sensors, command and control and weapons is far more responsive than developing a threat-based system to counter the threat.

I look forward to continuing our work together on these important issues.

Chairman LEVIN. Thank you.

All the statements will be made part of the record.

General O'Reilly?

STATEMENT OF LTG PATRICK J. O'REILLY, USA, DIRECTOR, MISSILE DEFENSE AGENCY

General O'REILLY. Thank you, sir.

Good morning, Mr. Chairman, Senator McCain, and distinguished members of the committee. I appreciate the opportunity to testify on the MDA's proposed fiscal year 2010 budget to improve the development and deployment of our Nation's missile defenses.

The proposed $7.8-billion fiscal year 2010 MDA budget is focused on three areas of improvement: our current protection against theater and rogue-nation threats, our hedge against future threats, and improving the acquisition of our missile defense capability.

First, we are leveraging our successes to date to address the current theater and emerging rogue-nation missile threat. Today, there are 5,900 ballistic missiles and hundreds of launchers in countries other than NATO, China, Russia, and the United States. Ninety-three percent of those missiles have ranges less than 1,000 kilometers, and 6 percent have ranges between 1,000 and 3,000 kilometers, and less than 1 percent have ranges over 3,000 kilometers.

During fiscal years 2008 and 2009 to date, we demonstrated capability against these threats by achieving four out of five missile intercepts using the Navy SM–3, the Army's THAAD interceptors, and a GBI. We delivered 28 additional SM–3 interceptors, the first THAAD unit for testing, six THAAD interceptors, two GBIs, refurbished two other GBIs, and deployed a forward-based X-band radar to Israel. We also continued our significant enhancements to command and control communications and sensors to integrate our autonomous missile defenses into a unified Ballistic Missile Defense System that maximizes our combined capability.

In fiscal year 2010, we're proposing $665 million for THAAD research, development, test, and evaluation, and $420 million to procure 26 more THAAD interceptors, $169 million for 26 more SM–3s, and $60 million to begin installing missile defense capability on six more Aegis ships. Equally important, we are expanding our production capacity to procure much larger numbers of these interceptors in the near term. We are also proposing $1.3 billion for command and control and sensor development, and $1.4 billion for the rigorous testing of our current capability.

Second, to hedge against future missile-threat growth, we propose $368 million for research and development, and $2.3 billion for long-range missile defense. Iran and North Korea continue to

develop intercontinental ballistic missile (ICBM) technology, as evidenced by Iran's successful placement of a satellite in orbit on 2 February and the successful performance of North Korea's first and second stages of their April 5 Taepodong-2 missile flight. We propose $982 million to continue GBI refurbishment, upgrades, training, models and simulations, fire-control upgrades, and operation of the GMD system. We have limited the number of operational silos to 30, to more efficiently and effectively manage the long-term health of a fleet of GBIs with sufficient firepower to counter the emerging rogue-nation ICBM threats. We also propose an additional $1.3 billion in sensors, battle management, and testing that improves the performance and reliability of our long-range missile defense. Furthermore, we continue to pursue or propose missile defense of Europe to the maximum extent allowed by last year's appropriation and authorization acts.

Many of our research programs have also showed great promise during the past year as a hedge against future threat growth. UAV operators have tracked missile intercepts, and the airborne laser has fired an atmospheric compensated beam 15 times in flight, including last Saturday's track of a boosting missile, as we prepare for our first shootdown of a missile later this year.

But, the greatest hedge against missile defense threats of all ranges is a persistent missile tracking capability from space. In fiscal year 2009, our near-field infrared experiment satellite collected extremely close data of a boosting missile, and we are preparing the space-tracking and surveillance system demonstration satellites for a launch later this year.

In fiscal year 2010, we are focusing our research on the most cost- and operationally-effective approach to destroying future ballistic missile threats in their early phases of flight. Due to this refocus, I propose terminating the midcourse phased multiple-kill vehicle (MKV) research program. Additionally, I proposed terminating the kinetic interceptor (KEI) program, which was focused on countering a highly advanced ICBM threat. Emerging medium- and intermediate-range threats can be more operationally effectively countered early in their flights by utilizing near-term interceptors and leveraging sensors and command and control networks. Thus, we propose $368 million in fiscal year 2010 for the development of an early intercept capability that will be available years sooner than KEI and avoids KEI's significant cost, operational, and platform integration issues. We will apply knowledge gained from KEI to our research.

Third, we are committed to improve the acquisition of missile defense to overcome significant flight test delays, target and interceptor failures, cost growth, quality control, and program delays we have encountered in the past.

The Department established the Missile Defense Executive Board (MDEB), chaired by the Under Secretary of Defense of Acquisition, Technology, and Logistics, with the participation of the Joint Chiefs, combatant command commanders, Services, Director of Operational Test and Evaluation, and other senior Office of the Secretary of Defense and Department of State leadership. The MDEB provides guidance and oversight over resource capability development, prioritization, and acquisition processes. The fiscal year

2010 missile defense budget reflects the results of the MDEB process. In MDA, we are also instituting milestone reviews to provide clear transparency that we are complying with the Weapon Systems Acquisition Reform Act of 2009.

Finally, with the service operational test agencies and the Director of Operational Test and Evaluation, we will soon propose a rigorous and comprehensive test program to enhance the confidence of the United States and allied stakeholders and to deter potential adversaries from acquiring ballistic missiles.

I submit the remainder of my written statement for the record, and I look forward to answering your questions.

Thank you.

[The prepared statement of General O'Reilly follows:]

PREPARED STATEMENT BY LTG PATRICK J. O'REILLY, USA

Good morning, Mr. Chairman, Senator McCain, and distinguished members of the committee. I appreciate the opportunity to testify before you today on the proposed fiscal year 2010 budget for developing and improving the Department of Defense's missile defense program.

We are proposing approximately $7.8 billion for missile defense in fiscal year 2010 in response to Secretary Gates's budget guidance and to allow for programmatic flexibility to respond to the Quadrennial Defense Review and the congressionally-mandated Ballistic Missile Defense Review. Specifically, "we will restructure the program to focus on the rogue state and theater missile threat." The dramatic increase of over 1,200 additional short- and medium-range ballistic missiles in just over the past 5 years, explains the warfighter's strong interest in fielding more regional and theater missile defenses. But, our focus on the rogue-state threat was not done at the expense of our long-range defenses. We are improving operational readiness of the Ground-Based Interceptor (GBI) fleet and the ground-based mid-course defense capability to defeat a limited long-range rogue state threat. Additionally, we propose investing $368 million in fiscal year 2010 for the development and deployment of capabilities to cost-effectively intercept missiles in their early phases of flight during the first half of the next decade. Leveraging emerging technologies to intercept missiles early in their flight can hedge against threat growth and realize the greatest potential for reducing cost and increasing operational effectiveness of missile defense. Our overall approach to developing ballistic missile defenses is also consistent with the findings of the Congressional Commission on the Strategic Posture of the United States: "The United States should develop and, where appropriate, deploy missile defenses against regional nuclear aggressors, including against limited long-range threats. It should also develop effective capabilities to defend against increasingly complex missile threats."[1] Additionally, we will continue to execute to the fullest extent of the law the upper tier European Capability program to counter long-range attacks, deferring radar and interceptor deployments until policy reviews are complete. We also will execute a rigorous test program, which includes expanding our flight test program to test our capability against medium-, intermediate-, and long-range threats, to build the confidence of U.S. and allied stakeholders in the Ballistic Missile Defense System (BMDS), bolster deterrence against their use, and send a powerful message to potential adversaries looking to acquire ballistic missiles.

Finally, the National Defense Authorization Act for Fiscal Year 2008 required the Missile Defense Agency (MDA) to submit its budget using four appropriations: Research, Development, Test, and Evaluation (RDT&E), Procurement, Operation and Maintenance (O&M) and Military Construction (MILCON). The fiscal year 2010 component of our recent budget submission includes three of these appropriations, and we will satisfy the requirement for the fourth appropriation (O&M) by fiscal year 2012. In developing PB10, we considered several candidates for O&M funding and determined all of these candidates were still developmental assets and did not satisfy the criteria for O&M beginning in fiscal year 2010. The Terminal High Altitude Area Defense (THAAD) program is planned to be fielded to the Army and we will request O&M funding beginning in fiscal year 2012.

[1] William J. Perry and James R. Schlesinger, America's Strategic Posture: The Final Report of the Congressional Commission on the Strategic Posture of the United States, May 2009, http://media.usip.org/reports/strat—posture—report.pdf, p. 33.

THREAT

The proliferation of ballistic missiles of all ranges continues. I defer to the Intelligence Community for more detailed estimates, but current trends indicate that proliferation of ballistic missile systems, using advanced liquid- or solid-propellant propulsion technologies, are becoming more mobile, survivable, reliable, accurate and capable of striking targets over longer distances. The proliferation of ballistic missiles is increasing the number of anti-access weapons available to potential regional adversaries. These weapons could be used to reduce military options for combatant commanders and decrease the survivability of regional military assets.

Iran has grown its short- and medium-range missile inventories, while improving the lethality, deployability, and effectiveness of existing systems with new propellants, more accurate guidance systems and payloads. Iran's launch of a solid-fuel, 2,000 km medium-range ballistic missile last month demonstrates a capability to strike targets in Israel as well as southern Europe. With the successful launch of the Safir Space Launch Vehicle on February 2, 2009, Iran demonstrated technologies that are directly applicable to the development of ICBMs. North Korea deploys a No Dong ballistic missile capable of reaching Japan and South Korea and U.S. bases throughout the region, and continues to develop a new intermediate-range ballistic missile (IRBM) capable of reaching Guam and the Aleutian Islands. Despite the failure to place an object in orbit on April 5, 2009, North Korea successfully demonstrated the same staging and separation technologies required to launch a two-stage Taepo-Dong 2 ICBM capable of reaching the United States. An additional concern is North Korea's and Iran's repeated demonstrations of salvo launches, indicating large ballistic missile attack raid sizes must be considered in developing the BMDS capability. Syria continues to field updated short-range ballistic missile (SRBM) systems and acquire Scud-related equipment and materials from North Korea and Iran.

In sum, there has been an increase of over 1,200 additional ballistic missiles over the past 5 years. The total of ballistic missiles outside the United States, the North Atlantic Treaty Organization (NATO), Russia, and China to over 5,900 (with SRBMs making up 93 percent of this total and MRBMs making up 6 percent), with hundreds of launchers and missiles within the range of our deployed forces today.

MISSILE DEFENSE INTERCEPTOR DEVELOPMENT

The SRBM defense capabilities of the BMDS consist of the Patriot Advanced Capability-3 (PAC–3), THAAD, and the Aegis SM–2 Block IV and a portion of the SM–3 Block IA missile battle space with associated fire control software. PAC–3 uses hit-to-kill technologies to intercept SRBMs in the atmosphere in the terminal phase of flight. MDA transitioned PAC–3 to the U.S. Army in March 2003, and although we continue to exercise configuration management, provide sustaining engineering, and retain architectural responsibility, MDA does not manage the upgrades to PAC–3 such as the Missile System Enhancement.

Terminal High Altitude Area Defense

THAAD is a near-term transportable capability that will enhance the ability of combatant commanders to wage theater wars by intercepting SRBM and MRBM threats using hit-to-kill technologies. THAAD consists of interceptors, command and control, and a THAAD-configured AN/TPY–2 radar software. The THAAD missile is uniquely designed to intercept targets both inside and outside the Earth's atmosphere, making the use of countermeasures against THAAD in their terminal phase difficult. For fiscal year 2010, we are requesting $420 million for THAAD procurement. The full funding policy using procurement funds has been applied to the THAAD procurements beginning in fiscal year 2010. We also are requesting $665 million of Research, Development, Test & Evaluation (RDT&E) funding for THAAD. We will deliver 25 THAAD interceptors in fiscal year 2010 for batteries 1 and 2 using RDT&E funds and, in response to warfighter requests to bolster defenses against rogue state threats to our forces and allies, increase the production rate from three to four interceptors per month using procurement funds. We also propose to invest in communication hardware and software to enhance THAAD integration into the BMDS, enhance testing and modeling and simulation, and conduct risk reduction development for increasing the range of THAAD interceptors.

THAAD's test record is six intercepts out of six attempts against SRBMs. Early in fiscal year 2008, soldiers of the U.S. Army's Sixth Air Defense Brigade conducted THAAD's demonstration of autonomously intercepting a short-range "Scud-type" unitary target just outside the atmosphere. In June 2008 THAAD intercepted a separating SRBM target. On March 18, 2009, we launched a salvo of two THAAD interceptors based on a cue from an Aegis BMD ship to intercept a separating target

high in the Earth's atmosphere. Not only did the primary interceptor hit the target, but the second THAAD interceptor also hit the largest remaining piece of target debris seconds later.

In fiscal year 2008, THAAD participated in six wargames and exercises with combatant commanders to train soldiers and help develop tactics, techniques and procedures. THAAD's involvement with C2BMC, PAC–3 and Aegis in MDA ground tests for theater and strategic missile defense engagements provided data to support BMDS capability assessments.

Through Foreign Military Sales, the United Arab Emirates Government requested three THAAD batteries and one additional radar to maximize availability. This will represent a potential $6.9 billion FMS sale for the U.S. Government, which would greatly enhance deterrence in the region. Additionally, other Gulf Cooperation Council countries have requested performance and cost data for THAAD.

Despite THAAD's significant successes, the program continues to address production qualification issues of several remaining missile components, including a critical ordnance initiation safety device. Successful qualification of this component by the end of fiscal year 2009 is necessary to gain my approval for an Army Material Fielding Review in fiscal year 2010.

Aegis Ballistic Missile Defense

Aegis Ballistic Missile Defense (BMD) cruisers and destroyers integrated with SM–3 hit-to-kill interceptors and SM–2 terminal interceptors provide a unique mobile capability that may be surged to a region to protect deployed forces and allies against SRBMs and MRBMs. In fiscal year 2010, we are requesting $169 million for Aegis BMD procurement and $60 million to begin installing missile defense capability on six more Aegis ships. We will deliver 26 SM–3 Block IAs in fiscal year 2010. Like THAAD, additional funding ($60 million) is included for Aegis BMD to move towards meeting the full funding policy for the procurement of each lot of missiles. We are also requesting $1.691 billion for fiscal year 2010 for RDT&E to develop enhanced theater-defense capabilities, hardware and software development and ship upgrades, fielding of the initial Aegis BMD regional/theater defensive capabilities, Aegis BMD sustainment, near-term seabased terminal development and initial development of a land-based SM–3 interceptor.

In fiscal year 2008, Aegis BMD began significant upgrades to the BMD Signal Processor in the Aegis BMD weapon system and delivered 20 SM–3 Block IA interceptors. We also updated software (BMD 3.6) on 8 U.S. destroyers, bringing the total number of U.S. Aegis BMD-capable ships ready on station at the end of 2008 to 18, a year ahead of the original schedule. MDA also installed engagement software (3.6) on the Japanese Destroyer Kongo and began installation of the more advanced fire control software (4.0.1) in the U.S.S. *Lake Erie*. Aegis weapons system software build 4.0.1 will allow Aegis to launch SM–3 missiles sooner than the organic Aegis Spy-1 radar allows by leveraging external BMDS sensors thus greatly expanding the area defended by a single Aegis ship. We plan to continue software development for potential installation on all Aegis BMD ships during the next decade to enable the deployment of the more capable SM–3 Block IB interceptor and, eventually, the long-range SM–3 Block IIA interceptor currently being developed with our Japanese partners for operational capability in the later half of the next decade.

Early in fiscal year 2008, we demonstrated Aegis capability to simultaneously engage two short-range unitary ballistic missile targets using SM–3 Block IA interceptors. In fiscal year 2008, we also completed an end-to-end Multiple Element Integration & Test for the 3.6.1 software and deployed the first Aegis BMD ship (USS *Ramage*) on the east coast. In December 2007, we conducted the first intercept of a ballistic missile with an allied navy ship. Using the SM–3 Block IA, the upgraded Japanese Destroyer successfully intercepted the medium-range separating target in space. This test also marked a major milestone in the growing missile defense cooperative relationship between Japan and the United States. In a subsequent test in November 2008, the Japanese Maritime Self Defense Force performed another successful interceptor launch and fly-out, but a few seconds prior to intercept, the kill vehicle's guidance control motor failed resulting in a test failure. The failure investigation of the SM–3 Block IA continues with a confirmatory flight test this summer.

The U.S. Navy and MDA are also collaborating on plans for a near-term sea-based terminal defensive capability to enhance the combatant commander's ability to protect seaborne forces and complement other regionally deployed missile defense assets. MDA is upgrading the Aegis BMD weapon system, and the Navy is upgrading the SM–2 Block IV missile with plans to eventually deploy approximately 70 interceptors to provide a near-term terminal engagement capability on Aegis BMD ships

that began in 2008. Additionally, in June 2008 we intercepted a short-range target in the terminal phase of flight using a dual salvo SM–2 Block IV with modified Aegis ship software. Unlike the SM–3 interceptors, which use hit-to-kill technologies to collide with a target, the SM–2 missiles for the near-term sea-based terminal defense capability use an explosive charge in very close proximity to the target to destroy the threat missile. We continue to develop with the Navy an advanced sea-based terminal defense solution for more effectively countering short-range ballistic missiles.

The SM–3 Block IB missile with Aegis 4.0.1 BMD fire control software is being developed to counter SRBMs, MRBMs, and IRBMs. The SM–3 Block IB will have greater reliability, producibility and performance against more advanced threats and clutter during end-game. The first controlled test flight of the SM–3 IB is scheduled for fiscal year 2010.

We are continuing our work with Japan to substantially increase Standard Missile-3 range and lethality by developing a 21-inch diameter SM–3 Block IIA interceptor. We are working to add this capability to the BMDS in the next decade, after we complete the necessary testing with Japan, as a hedge against the possibility we may see a proliferation in longer range threats over the next decade. This effort is one of the largest and most complex cooperative projects ever undertaken between Japan and the United States.

Ground-based Midcourse Defense

We are requesting $983 million in RDT&E for GMD to improve protection of the United States against the limited number of rogue state launches of IRBMs and ICBMs. In fiscal year 2010, we will maintain this long-range defense capability with missile fields at Fort Greely, AK (FGA), and Vandenberg Air Force Base (VAFB), CA, where we will maintain 26 and 4 GBIs, respectively. While the number of missile silos will remain at 26 at FGA, we will transition to newer silos to improve operational readiness. Thirty highly ready operational GBIs will provide the United States with a substantial fire power of operational interceptors considering the limited number of ICBM capable launch complexes in North Korea and Iran. The fiscal year 2010 budget reflects our commitment to procure the complete buy of 44 GBIs on contract, of which some will go to the replacement and refurbishment of the 14 oldest interceptors to improve the operational readiness of the fleet and extend the U.S. GBI production capacity. Further need for additional GBIs will be studied. Additionally, two-stage GBI development will help sustain the GBI production base and upgrade of avionics in fiscal year 2010 while missile defense testing and the Ballistic Missile Defense Review, which will determine the need for additional GBI production, are completed.

In fiscal year 2010, we also propose to fund GMD models and simulations, upgrades to increase the robustness and reliability of GMD communications, upgrades to the command and launch systems, and security, infrastructure and sustainment operations at FGA and VAFB.

In addition to this budget request for GMD, there are other significant midcourse defense development activities to enhance GMD's contribution to the BMDS in our proposed fiscal year 2010 budget. Approximately $650 million will benefit and enhance the operation of our long-range defenses, namely, test planning and execution and target development ($160.6 million); development and operation of the Sea-Based X-Band radar ($174.6 million); software development, system engineering, and External Sensors Lab work for the AN/TPY–2 X-band radar ($201 million); operation of the Upgraded Early Warning Radars ($28 million); modeling and simulations ($51.3 million); and work on the Single Simulation Framework ($36 million). Additionally, if fiscal year 2009 Authorization and Appropriation Act requirements for Poland and Czech Republic ratification of our ballistic missile defense agreements are met, additional funding for the European Capability in fiscal year 2010 includes fiscal year 2009 carry-over funding for RDT&E ($113 million), and MILCON ($151 million); and C2BMC, X-band radar sensor control and capability, and GMD battle management support ($253.2 million).

We recently completed the construction of a second GMD missile field at Fort Greely (Missile Field #3) and a new multi-function test and operational silo and an additional In-Flight Interceptor Communication System Data Terminal (IDT) at VAFB. Additionally, we are upgrading the security infrastructure and completing the construction of a new power plant and power distribution system at Fort Greely. In fiscal year 2008, we refurbished two existing GBIs, delivered two upgraded EKVs and emplaced two new interceptors early in fiscal year 2009. One of our emplaced GBIs was removed in mid-year 2008 in order to provide a backup flight test interceptor for future flight tests. Unfortunately, we also experienced issues with unexpected health and status indicators of several GBIs in their silos that warranted re-

moval to perform unscheduled maintenance and missile refurbishment. Furthermore, two of our emplaced GBIs have upgraded EKVs to address obsolescence issues, but will not be declared operational until their EKV configuration is flight-tested later this year. Once operational GBIs are emplaced in all 30 silos, we will begin replacing the oldest emplaced GBIs with the newest interceptors from the total 44 produced to maintain a high state of operational readiness in their latest configuration.

Due to problems associated with a nontactical telemetry data encryption electronic card encountered in February 2008, we did not conduct GMD flight test 5 (FTG–05) until early fiscal year 2009. During that flight test, the GMD system intercepted an IRBM warhead within an operational architecture of sensors deployed in the Pacific region. We also intended to test the GMD exoatmospheric kill vehicle (EKV) against simple countermeasures, but the interstage panels on the target failed to eject when commanded, and the countermeasures did not deploy. This was our last test using this particular target configuration, and we have added simple countermeasures to the next GBI test. During FTG–05 we also verified that Aegis BMD performed as expected and conducted a simulated engagement of this IRBM target.

MISSILE DEFENSE SENSOR AND C2BMC DEVELOPMENT

Continuously available, transportable, and mobile BMDS sensors provide real-time detection and tracking data to the system and the warfighter through command, control, battle management and communications (C2BMC). We are requesting $637 million for sensors in fiscal year 2010. Major programmatic content in our request includes $45 million for contractor logistics support and another $73 million for additional operations support for the AN/TPY–2 X-band radars deployed in Japan and Israel. We are also requesting $340 million for C2BMC in fiscal year 2010. Most of the request is allocated to the continued upgrading of C2BMC hardware and software to employ the sensor management and communication for our initial defense capabilities and develop the C2BMC planning and architecture to field a near-term early intercept capability.

The BMDS relies on space-based (Defense Support Program, space-based infrared satellites and, in the future, an operational Space Tracking and Surveillance System (STSS) constellation), sea-based mobile (Aegis BMD ships and Sea-Based X-band), and ground-based (Cobra Dane, Upgraded Early Warning Radar (UEWR), AN/TPY–2 and European Midcourse Radars) sensors to provide detection, tracking, classification, and hit assessment information. The U.S. Air Force currently operates the UEWR at Beale Air Force Base, CA, and the Cobra Dane radar at Shemya, AK. The Royal Air Force operates the UEWR at Fylingdales Moor in the United Kingdom and, this year, we plan to complete system upgrades to the UEWR at Thule, Greenland using funds appropriated for fiscal year 2009.

In July 2008 we conducted a major integrated sensor and C2BMC test (FTX–03) involving the simultaneous observation of an IRBM launched from Kodiak, AK, using five operational BMDS sensors—the Air Force early warning satellite system, the forward-based X-band AN/TPY–2 radar near Juneau, AK, the UEWR at Beale, Aegis SPY–1 radar (USS *Benfold*), and the Sea-Based X-band radar (SBX) radar in the Pacific Ocean. We were able to conduct simultaneous processing of data from multiple sources, correlate this data into a single threat track, and develop an engagement solution for GBI to achieve the simulated intercept. Warfighters conducted the associated radar, fire control, and simulated launcher operations. This same sensor and C2BMC architecture supported the intercept of an IRBM target by a GBI in FTG–05.

MDA is developing a C2BMC system that integrates the BMDS elements into a layered defense system. Key to C2BMC integration of the GMD, THAAD, Aegis and Sensor elements into an effective BMDS is the centralized development of seven common missile defense functions called the BMDS "Unifying Missile Defense Functions" (UMDF). The UMDF (Communications, Sensor Registration, Correlation and System Track, System Discrimination, Battle Management, and Hit-To-Kill Assessment) will allow combatant commanders to automatically and manually optimize sensor coverage and interceptor inventory to defend against all ranges of ballistic missile threats.

MISSILE DEFENSE TECHNOLOGY DEVELOPMENT

A robust advanced missile defense technology development program is part of our strategy to hedge against future threat uncertainties. MDA is intensifying its focus on intercepting threat missiles early in their flight. Using new tactics, existing capabilities, and new applications of sensor technologies on Unmanned Aerial Vehicles,

forward based radars and satellites, an early intercept strategy could allow us to execute a shoot-look-shoot tactic. The development and fielding of command, control, communications, and sensor network, especially sensors to track missiles in the early phases of their flight, requires my greater emphasis. The capability to execute early intercepts places a premium on persistent surveillance of threat missile launches in specific regions of interest. Likewise, the emerging architecture will emphasize the forward positioning of mobile and transportable missile defense assets, which would include sensors for early detection, a highly responsive and reliable C2BMC infrastructure, and energetic and agile interceptors.

The technological and operational challenges of intercepting threat missiles early in flight is significantly less challenging than in the boost phase, yet it can achieve almost the same benefits. By giving our mobile interceptors the opportunity to shoot early, we will be able to put several interceptors in the air at a given time to defeat large raids of threat missiles in a theater or region within the next several years

For fiscal year 2010, we are requesting $180 million for the STSS to demonstrate the technology to track cold threat objects from space by using two STSS demonstration satellites to be launched this summer. Sensors on STSS satellites could provide fire control quality tracking data for engagements of threat reentry vehicles and, when combined with radar data, will provide improved threat object discrimination. Following launch of the STSS, we will enter into a 6-month on-orbit check-out period, after which we plan to use both targets of opportunity and dedicated targets to demonstrate STSS capabilities. Knowledge point-based lessons learned from these demonstrations will guide our decisions on the development of an affordable, continuously available operational precision track space sensor constellation.

The Near Field Infrared Experiment (NFIRE) satellite launched in April 2007 continues to operate in good health. We conducted NFIRE test mission 2B in September 2008 to collect first-of-a-kind high resolution plume and hard body data of a boosting missile at approximately 8 km range from a boosting missile. In this test, we collected multiple frames of data in multiple wavebands, which will help anchor plume to hard body handover algorithms for boost phase intercept applications. We continue to collect data on other targets of opportunity. We also demonstrated very high capacity laser communications on board the NFIRE satellites.

Our boost phase intercept technologies include the Airborne Laser (ABL) and Net Centric Airborne Defense Element (NCADE) technology programs. We are requesting $187 million for fiscal year 2010 to further develop these technologies. In fiscal year 2008 we verified ABL can acquire, track, and perform atmospheric compensation in flight against a noncooperative target and completed installation of the high power laser on the aircraft. We achieved first light through the Beam Control/Fire Control and successfully fired the complete high energy laser weapon system from the aircraft on the ground in November 2008. Earlier this month, we tracked and demonstrated laser beam atmospheric compensation against a boosting target for the first time. While we will cancel the planning for Tail #2 aircraft, we will maintain Tail #1 and continue ABL research and development to address many of the program's affordability, technical, and operational challenges. We are focusing the ABL program on achieving repeated shoot-downs of missiles in their boost phase in fiscal year 2010. We are requesting funding for two follow-on lethal shoot-down flight test campaigns in the first half of fiscal year 2010, retaining critical skills needed for optics and fire control, and continuing test flights. If there are problems with the lethal shoot-downs, we are prepared to de-commission the Tail #1 aircraft. Additionally, we addressed an optics contamination issue which delayed the return to flight, but we are currently flying a fully integrated ABL today and are on track for a shoot-down of a ballistic missile later in 2009.

In 2008 we also demonstrated the NCADE, a promising air-launch missile defense concept that uses a modified AIM–9X seeker to intercept a boosting missile target. Plume-to-hard body aim point transition was completed, and sensors on-board an F–15 aircraft successfully detected, acquired, and tracked three stages of a boosting missile. We are requesting $3.5 million for fiscal year 2010 for continued work on NCADE technologies and to study the concept further.

TERMINATED PROGRAM ACTIVITIES

We are terminating two technology programs, the Multiple Kill Vehicle (MKV) program and the Kinetic Energy Interceptor (KEI) program, which do not match our strategy of focusing on near-term, rogue state, and theater missile threats. We are reviewing both programs to assess their contribution to follow-on early intercept capabilities and other R&D efforts to contribute to our "hedge" against future threats. The MKV technology program was established for integration onto midcourse interceptors to address complex countermeasures by identifying and destroying all lethal

objects in a cluster using a single interceptor. Instead, we are now assessing the feasibility of destroying threat missiles early in flight to reduce the effectiveness of countermeasures as a hedge against advanced future threats. The KEI mission was to counter advanced missile defense threats and is inconsistent with the Secretary of Defense's fiscal year 2010 budget guidance to focus missile defense development on rogue and theater missile threats. Also, KEI's size limits its ability to be operationally deployed without dramatic and costly changes to our military infrastructure and a significant reduction in firepower. The original KEI mission grew from a boost phase only mission to a boost and midcourse mission. The development schedule grew from 5½ years to 12 to 14 years (depending on spirals), program cost grew from $4.6 billion to $8.9 billion, and the missile average unit production cost grew from $25 million to over $50 million per interceptor. Technical issues delayed the first booster flight test date (established in 2007) by over a year. The contractor indicated they could complete their flight test by the end of September 2009 in a manner that accommodates our legal liabilities for program termination. However, I have reviewed their proposal, found it insufficiently substantiated, and determined the contractor's proposed flight test schedule is high risk and not affordable given fiscal year 2009 funding. Furthermore, since the KEI test was a "proof of concept" demonstration only, few of the components flown in the September test would actually be part of the objective missile design. Affordability and government requirements growth, not contractor performance, was the main contributor to KEI's execution problems. Given the above and that 15 percent of the $8.9 billion worth of work on contract till 2018 has been accomplished, the KEI program was terminated.

BMDS CONTINGENCY DEPLOYMENTS

Due to the limited integrated missile defense capability fielded today, developmental elements of the BMDS have been deployed on a contingency basis at the request of combatant commanders and the Joint Staff. U.S. Strategic Command (STRATCOM) provides the requesting combatant commander an assessment of the capabilities and limitations of the requested capabilities based on test information collected at the time of the combatant commander's request. Contingency deployments directed by the Joint Staff usually require MDA to alter affected development programs' budget execution plans and schedules. An example is the unplanned deployment of the AN/TPY–2 X-band radar to Israel in August 2008 to bolster Israel's regional ballistic missile defense capabilities at a cost of over $80 million. Additionally, we spent analytical and test resources supporting the Department's plans to provide options for dealing with any contingency associated with the recent launch of a Space Launch Vehicle from North Korea.

The February 2008 satellite-shoot down is another example of how the Department has leveraged MDA's expertise and products to respond to contingencies. The impact to the Aegis BMD program was a 3-month delay at a cost of $112 million to MDA. While the funding was subsequently reimbursed to MDA, the schedule delays were not recoverable.

U.S.-ISRAELI COOPERATIVE PROGRAMS

We are requesting $120 million in fiscal year 2010 for U.S.-Israeli cooperative missile defense efforts. The United States and Israel have cooperated on missile defense for over 20 years. Collaboration has grown from early feasibility studies to the development and employment of the Arrow Weapon System, a fully-operational missile defense architecture that is interoperable with U.S. BMDS elements. New joint programs have advanced this cooperation: United States and Israeli industrial coproduction of Arrow interceptors; the joint Short-Range Ballistic Missile Defense Program's David's Sling Weapon System; and an initiative to provide Israel an upper-tier defense system.

The upcoming year will include several significant events that will demonstrate combined U.S. and Israeli missile defense capabilities. Israel conducted the first intercept test of the enhanced and co-produced Arrow-2 in April 2009, successfully acquiring, tracking, and intercepting a separating target. AN/TPY–2 and C2BMC sent cueing data on the target to the Arrow Weapon System. The Juniper Cobra exercise between European Command (EUCOM) and the Israeli Defense Forces to be held later in 2009 will be the fifth and most complex exercise yet designed. U.S. BMDS elements will participate in these exercises to demonstrate the interoperability and develop operational tactics, techniques and procedures associated with this coalition architecture.

MDA and Israel are also jointly developing the David's Sling Weapon System to defend against shorter range threats, to include some ranges that the PAC–3 system cannot engage. The first booster fly-out was successfully conducted in February

2009, with additional interceptor fly-outs scheduled later this year. The first intercept test is scheduled to occur in 2010. Additionally, MDA is coordinating with the U.S. Services to identify opportunities for U.S. utilization of the David's Sling Stunner interceptor.

Finally, the United States and Israel have initiated development of an upper-tier component to the Israeli Missile Defense architecture. An Analysis of Alternatives of a land-based SM–3 and a new Arrow 3 missile indicated that the Arrow 3 alternative may have a reduced 30 year life cycle cost and potentially better performance to meet Israel's requirements, but was also deemed to have very high schedule and technical risk to meet the Israeli proposed need date. We have proposed fiscal year 2010 funding for the Israeli upper tier project that is consistent with historically authorized and appropriated funding levels and are coordinating an agreement that contains knowledge points to measure progress and joint U.S.-Israeli management responsibility. To mitigate the Arrow 3 development schedule risk, we are ensuring that the development of a land-based variant of the proven Aegis SM–3 missile is available to meet Israel's upper tier requirements.

EUROPEAN IRBM AND ICBM DEFENSE CAPABILITY

We remain committed to working with our NATO partners to address the growing threat from ballistic missiles. In the summit declaration issued on April 4, 2009, all NATO Heads of State and Government reaffirmed the conclusions of the Bucharest Summit, that "(b)allistic missile proliferation poses an increasing threat to Allies' forces, territory, and populations. Missile defence forms part of a broader response to counter this threat." As part of this response, NATO agreed that "a future U.S. contribution of important architectural elements could enhance NATO elaboration of this Alliance effort." The Department has previously proposed to field sensors, interceptors, communications, and the C2BMC infrastructure needed to improve protection of the United States and, for the first time, with the United Kingdom and Denmark, extend upper-tier, ICBM and IRBM, defense coverage to all European NATO allies vulnerable to long-range ballistic missile attack from the Middle East. The NATO Active Layered Theater Missile Defense (ALTBMD) program will develop the lower-tier, MRBM and SRBM, defense necessary for complete defense of NATO against all missiles of all ranges launched from the Middle East. We will continue to work closely with our NATO allies, and we will continue to assess potential missile defense architectures for optimum effectiveness.

INTERNATIONAL COOPERATIVE BMD ACTIVITIES

As stated at the April 2009 NATO Summit, missile defense is part of the broader response to ballistic missile proliferation. The global proliferation of MRBMs and IRBMs warrants an international coalition approach to deter further acquisition of these offensive missiles. Therefore, under the guidance of Office of the Secretary of Defense, MDA works closely with combatant commanders, the U.S. Department of State, and other government agencies to support their missions and goals. As a result, MDA has significant cooperative missile defense technology development efforts, including six "framework" agreements, signed by the Secretary of Defense, to facilitate BMD cooperative research with Japan, the United Kingdom, Australia, Denmark, Italy, and, most recently, the Czech Republic. Cooperative activities are under consideration with several other nations.

With the purchase of Aegis BMD and PAC–3 assets, Japan is fielding a multi-layered system that is capable of being interoperable with the U.S. system. Japan's C2BMC (JADGE) system will integrate Japanese BMD sensors and interceptors and will be capable of exchanging information with U.S. missile defenses, including the forward-based X-band radar at Shariki and U.S. Aegis BMD ships in the region. The X-band radar at Shariki provides precise early detection and tracking to increase the probability we will destroy any lethal target launched by North Korea.

MDA's C2BMC will continue leading the integration of the BMDS with NATO command and control. In November 2008 and January 2009, we completed initial tests confirming integration between the NATO Active Layered Theater BMD program office and our C2BMC.

MDA continues to support administration efforts to propose transparency and confidence-building measures, technology development programs, and missile defense architectures to collaborate with the Russian Government. I visited the Russian radar at Gabala, Azerbaijan in 2007 and personally assessed its valued contribution to U.S. and NATO missile defense efforts. Recently, I discussed in Moscow potential areas of missile defense collaboration with representatives of the Russian Government, including high energy lasers, collaborative testing, and information-sharing initiatives such as the Joint Data Exchange Center. We remain engaged with the

Russians to ensure we take every opportunity to develop U.S.-Russian missile defenses.

ENHANCING OVERSIGHT OF MDA AND COLLABORATION WITH THE SERVICES AND WARFIGHTERS

As our missile defense development processes have matured, the Department has taken several significant steps to enhance accountability for MDA decision making and oversight by senior Department of Defense officials in collaboration with combatant commands and the Services. The Weapon Systems Acquisition Reform Act of 2009 (section 201) directs oversight to consider program and requirements tradeoffs for cost, schedule, and performance. The Missile Defense Executive Board (MDEB) was established by the Deputy Secretary of Defense and is chaired by the Under Secretary of Defense for Acquisition, Technology and Logistics (AT&L) to provide guidance and oversight of U.S. missile defense activities. The MDEB is comprised of the following members: Assistant Secretary of State for International Security and Nonproliferation; Under Secretary of Defense for Policy; Under Secretary of Defense for Intelligence; Vice Chairman, Joint Chiefs of Staff; Commander, U.S. Strategic Command; Director of Operational Test & Evaluation (DOT&E); Director of Defense Research & Engineering; Vice Chief of Naval Operations; Assistant Secretary of the Army for Acquisition, Logistics and Technology; Deputy Under Secretary of the Air Force for Space Programs; Director of Program Analysis & Evaluation; and Director, Missile Defense Agency. The MDEB meets bimonthly to review program progress, inform missile defense budget decisions, conduct missile defense development portfolio trades, and provide guidance to MDA.

In September 2008, the Deputy Secretary of Defense established "business rules" that outline the transition and transfer of missile defense capabilities between the MDA and the Services. These rules designate that "transition" of an element of the BMDS begins when the Deputy Secretary of Defense designates a "lead Service" to ultimately receive that capability through formal transfer. MDA is responsible for the development, manufacturing and testing for the lifecycle of BMDS elements, and the Services are responsible for developing the doctrine, organizations, training, logistics, personnel and facilities to effectively field and operate the element sub-systems of the BMDS. Once the MDEB concurs that transfer criteria, approved by the Deputy Secretary of Defense, have been met, the physical accountability and control of missile defense units, operations and support, and infrastructure responsibilities transfer to the lead Service. Research, development, manufacturing, and testing activities remain the responsibility of MDA after a BMDS element capability has been transferred to a lead Service. Accordingly, "hybrid" program offices, comprised of a MDA component working with a Service component reporting to MDA and the lead Services, respectively, will be formed to execute this division of responsibility once a lead Service has been designated for a BMDS element.

In support of the MDEB as the COCOM advocate for missile defense, STRATCOM, in collaboration with the other combatant commands, Joint Staff, and the Services, assesses and prioritizes the development of future missile defense capabilities. As previously stated, STRATCOM also performs Military Utility Assessments (MUAs) to determine the capabilities and limitations of our systems under development when they are considered for contingency deployments by the combatant commanders.

Meeting the challenges of countering the proliferation of ballistic missiles requires the participation of missile defense assets in all our Services, thus developing and deploying the BMDS is inherently a joint endeavor. The Deputy Secretary of Defense's transition and transfer business rules define the roles and responsibilities of developing and fielding missile defense capabilities. Accordingly, the Services and MDA have begun developing Memorandums of Agreement (MOAs) to define the management and interrelationship of MDA's research, development, testing and manufacturing responsibilities and align them with the Services' Title 10 Operations and Support responsibilities. The Secretary of the Army and I signed an "overarching" Army/MDA Transition and Transfer MOA on January 21, 2009, and drafts of the Navy and Air Force MOAs are being coordinated by their respective staffs. A key aspect of the MDA/Service MOAs is the establishment of MDA/Service Boards of Directors to collaboratively review cooperative development, resolve issues associated with the development and fielding of the Service designated BMDS elements, and raise unresolved issues to the MDEB.

IMPROVING ACQUISITION OF THE BMDS

As we strive to make the BMDS more affordable and effective, MDA is implementing the direction of the Acquisition Reform Act of 2009. This includes: an in-

creased emphasis on standard contract constructs that fosters competitive contracting to motivate innovation and keep costs down, increased emphasis on government ownership of Intellectual Property supporting weapon system development, and the establishment of acquisition milestones to ensure compliance with policies and employ contract constructs to ensure appropriate competitive acquisition strategies.

Acquisition Oversight

As the development of missile defenses matures, the Department has engaged in MDA's acquisition oversight process to ensure optimum weapon system transition to the Services receiving this capability. As I continue as the Acquisition Executive for the initial phases of missile defense concept through initial production and test, I am implementing milestone review and baseline reporting processes that are closely aligned with the principles of DOD 5000. We will rely on the MDEB process to oversee the implementation of this approach. Under my authority as the missile defense acquisition authority prior to initial production, potential programs that may provide technological or material solutions we need will undergo a milestone "A" decision to determine if they should become a program. These technology-based programs will be managed by knowledge points and incubated until maturity, at which time MDA along with the Service Acquisition Executive will be able to make a milestone "B" decision as to whether they should be converted to a development program. The Under Secretary (AT&L) makes a milestone "C" decision.

Enhancing System Engineering

The key to the effective and efficient management of the acquisition of a large, technically complex enterprise, such as the missile defense program, is the establishment of management baselines resulting from a disciplined systems engineering process. MDA manages its programs via resource, schedule, operational, technical, contract and test baselines. To strengthen the systems engineering process to create, manage and implement those baselines, MDA designated a senior executive position (designated the "Director for Engineering") to establish engineering policy, ensure the disciplined practice of systems engineering fundamentals, and develop the systems engineering competencies of the missile defense workforce. The Director for Engineering at MDA has been implementing section 102 of the Acquisition Reform Act of 2009. He oversees a number of system engineering activities, to include the career development of an engineering cadre that focuses on leveraging national expertise to assist MDA program managers in the cost, schedule, performance, and risk trades inherent in the development of executable baselines. Additionally, we created engineering "Knowledge Centers" (for Interceptor, C2BMC, Sensor, and Space application disciplines), staffed by highly qualified senior engineers from Federally Funded Research and Development Centers (FFRDCs), academia, government laboratories, and industry, to mentor and foster the practical application of missile defense engineering competencies and technical problem-solving skills across the MDA workforce. Finally, to ensure the future health of MDA's engineering workforce, we have dramatically increased the number of recent engineering school graduates inducted into our 2-year Career Development Program from 6 to 60 students per semester in order to sustain a population of over 200 entry level government engineers being mentored as they enter the MDA workforce.

Technology Maturity Assessments

To ensure the risk of technology insertion is well understood prior to advanced system development, we set specific knowledge points when sufficient data or knowledge is obtained from discrete events (typically the completion of a major test campaign) to make decisions on the readiness of development efforts to continue on their current plans. MDA's risk-based knowledge points directly implement section 104 of the Acquisition Reform Act, which requires technology maturity and risk be assessed at critical program junctures. This approach enables us to assign Technology Readiness Levels (TRLs) that support programmatic decisions based upon the proven maturity of a technology under consideration.

Developmental Testing

While the benefit of early operational input to the development of missile defense systems is clear, premature entry into operational development and testing (i.e., before the design and configuration has been stabilized and basic technical concepts have been validated) risks expensive repetition of nonrecurring engineering and operational development. As the Acquisition Reform Act of 2009 (section 102) directs enhanced focus on solid developmental testing, MDA is enforcing rigorous developmental test to mitigate risk prior to operational assessments. We are doing this by transitioning from "architecture-based" test objectives to "technical parameter-

based" objectives identified early in a program to anchor models and simulations (M&S). These M&S will estimate performance characteristics and cost-effectively demonstrate the impact of technical risk mitigation prior to committing to full acquisition development of a capability.

Independent Cost Assessments

Consistent with section 101 of the Acquisition Reform Act of 2009, MDA and the Services are establishing agreements to collaboratively develop high fidelity cost estimates, and we have invited the Office of the Secretary of Defense (OSD) Cost Analysis Improvement Group (CAIG) to independently assess the assumptions, product description, cost estimating relationships, and methodologies as cost estimates are developed. These cost estimates will be the basis of system engineering trades and programmatic decisions at all levels.

Working with Combatant Commanders

In accordance with the 2008 Unified Command Plan, STRATCOM systematically assesses and establishes the priorities for developing and fielding BMDS capabilities. This biannual Warfighter Involvement Process involves all combatant commands and the Services and produces a Prioritized Capability List (PCL) of desired missile defense capabilities. Although this product is developed once every 2 years, the MDEB and the Joint Staff (J–8) review BMDS development priorities and progress on a frequent basis. Working with OSD, government laboratories, and industry, MDA responds to the PCL with an assessment (called the Achievable Capabilities List) of the technical and schedule risks and programmatic feasibility of delivering the requested capabilities in the timeframe specified. STRATCOM, as a member of MDA's program control board that manages the configuration of MDA's programmatic and operational baselines, then rates the degree to which the ACL satisfies the PCL in the Capability Assessment Report (CAR). The CAR forms the rationale and justification for MDA's annual budget submission.

STRATCOM used MDA's 2008 ACL and other studies, war games and exercises to develop the CAR delivered in April 2009, which covers the timeframes through 2015. The CAR connects combatant command priorities with actual MDA development activities and allows for an assessment of overall missile defense development trends. This process directly supports section 105 of the Acquisition Reform Act requiring input from combatant commanders and ensures a comprehensive and accurate description of the combatant commander's needs and the responsiveness of OSD and MDA to meeting those needs. In no case did the warfighter assess that progress toward achieving desired capabilities is unsatisfactory.

Cost, Schedule, and Performance Trades

Missile defense cost, schedule, and performance trade-offs, below the level of the Deputy Secretary of Defense, are executed at the MDEB. If there are major variances in program baselines resulting from, for example, new policy guidance, real world contingencies involving deployments of missile defense assets, or significant changes in cost or development schedule, MDA brings those changes, to include options, impacts, and trade proposals, before the MDEB for review and decision. MDA uses Earned Value Management (EVM), as directed by section 302 of the Acquisition Reform Act of 2009, in collaboration with the Defense Contract Command (and validated by joint MDA/DCMA Integrated Baseline Reviews), to ensure contractor cost, schedule and performance execution is rigorously implemented to rapidly identify program execution issues to expedite resolution. Additionally, knowledge points and definitive test assessments complement EVM to provide early insight into program progress. Execution issues, opportunities, and scope, specification and schedule trades are proposed to the MDEB on an as-needed basis to ensure senior DOD officials program expectations are met.

Preliminary Design Review

It is MDA policy to structure contracts using a framework of incremental knowledge points that provide insight into the achievement of meeting contract objectives. Evaluations of these knowledge points are conducted at Critical Design Reviews and Preliminary Design Reviews (PDRs). Knowledge points form the basis for entrance criteria for PDRs, where we assess to what extent technologies are mature enough for achieving BMDS-required capabilities. PDRs ultimately support critical investment decisions.

Life-Cycle Competition

Consistent with section 202 of the Acquisition Reform Act of 2009, MDA is standardizing contracting methodologies to remove impediments to the program's lifecycle competitive contracting through a construct that: (1) ensures appropriate gov-

ernment rights to use contractor intellectual property and ensures the use of government-funded intellectual property; (2) ensures all government-funded infrastructure is transferable and fully documented; and (3) prohibits exclusive teaming arrangements where appropriate, ensuring the use of only highly qualified suppliers. We are ensuring the government has root control over the management of our development programs thereby eliminating prime contractors as lead system integrators. Every opportunity to foster open competition will be pursued for all phases of missile defense programs.

Baselines

We recognize the need to incorporate the tenets of DOD 5000 to ensure programs are affordable, justified by the warfighter, and demonstrate acceptable risk through a milestone review process overseen by the MDEB. Also, we are segregating the management of our technology and development programs. We will be establishing baselines for our development programs. Managing by these cost, schedule, and performance baselines will allow us to anticipate potential baseline variances and allow us to satisfy secton 204 of the Acquisition Reform Act of 2009.

Organizational Conflict of Interest

As directed by the Acquisition Reform Act (section 206), MDA strives to prevent Organizational Conflict of Interest (OCI) by rigorously applying prohibition of contracting for inherently governmental functions in the transition to new consolidated services contracts, prohibiting developmental contractors from participating in the requirements process, and tightening oversight of potential organizational conflicts involving our system engineers and support contractors. In compliance with Secretary of Defense direction, we are looking for opportunities to transition support contractors to government positions, thus reducing OCI concerns.

Acquisition Excellence

Implementation of a functional management construct (where the MDA acquisition workforce is assigned to functional areas rather than projects) has resulted in greater focus on our human capital development at the enterprise workforce level and implements parts of section 102 of the Acquisition Reform Act of 2009 to develop the acquisition workforce. Our functional managers maintain a broad focus on career development and education of acquisition professionals rather than a narrow focus on enhancing skills for current job performance. This often involves transferring personnel between assignments every few years to challenge them with new opportunities, education, and give them a greater acquisition experience base over their careers. In the functional acquisition area alone, over 20 very senior program managers or acquisition career field specialists have been moved between programs, bringing with them expertise, knowledge and a fresh focus. We seek to reward excellence with greater opportunities for career development and greater responsibilities as well as personal and team recognition for outstanding performance as outlined in section 301 of the Acquisition Reform Act of 2009.

Contract Management and Oversight

MDA has expanded our partnership with the Defense Contracting Management Agency (DCMA). For example, we have recently requested that DCMA provide: an independent review of the cost growth in our GMD intercept flight tests; an assessment of our supply chain vendor viability and compliance with best industry practices; a certification in preparation for contract recompetition activities; and an independent assessment of GMD EKV failures (including a validation that a EKV recently submitted to extensive overtesting is viable and ready for use). Finally, we are assessing how we can benefit from DCMA's risk management best practices.

MDA CONTRACT COST OVERRUNS

In a March 2009 report, the Government Accountability Office (GAO) noted that 11 of 14 MDA contractors overran their fiscal year 2008 budgeted costs by $152 million, or 3.7 percent. STSS accounted for more than 50 percent of the $152 million fiscal year 2008 overrun. Technical issues caused most of the overruns seen with STSS. The GAO report also noted that Aegis BMD (SM–3 interceptor deliveries), the GMD prime, and MKV (engagement management algorithm development) performed their fiscal year 2008 scope of work under budget. Since current BMDS contracts were initiated, we have had 31 contract realignments, adding nearly $14 billion to the value of the contracts. MDA realigns contracts as required to accurately reflect contract changes, technical redirection, contractor internal replanning, and the impacts of program funding changes. Our contractors' EVM Systems require them to update the Integrated Master Schedule and related Performance Measure-

ment Baseline in a timely manner to reflect an accurately planned program after programmatic decisions have been made. This helps to ensure cost metrics are realistic and used to understand cost trends, causes, and impacts, which in turn helps to ensure continuous management and minimization of cost growth. As of December 2008, MDA had a $37 billion contract budget base allocated to current MDA prime contracts, initiated between 1996 and 2009. With 71 percent of that contract work having been completed, we are estimating a total overrun of $2.1 billion or about 6 percent. We will continue to conduct a rigorous Integrated Baseline Review process with our contractors to help ensure we have executable programs and use EVM to effectively manage cost, schedule, and technical performance. Our cost overruns have been accommodated and addressed within the overall fiscal year 2008 and fiscal year 2009 MDA budget.

MDA and Mission Assurance

During the 1990s and early part of this decade, we painfully learned that missile defense systems have very little tolerance for quality control errors, as we experienced a number of flight test failures. Out of necessity, MDA nurtured a culture of mission assurance within the agency and within the missile defense industry. Today, quality control and mission assurance remain the agency's highest priority. The agency performs routine mission assurance evaluations and has permanent Mission Assurance Representatives at several sites.

I am concerned with lapses in quality management involving several of our industry partners that have impacted system element cost, schedule, and performance. There have been frequent schedule slips on the STSS program, some resulting in significant delays, due to quality issues caused by lack of discipline and detail in the procedures. Similarly, we have recently suffered over 50 days of manufacturing delays due to a lack of discipline during EKV assembly and testing. There are many other examples over the past year. We are working closely with DCMA to hold our industry partners accountable and sufficiently improve contractor execution of quality control in their manufacturing facilities.

IMPROVING BMD TEST PLANNING

We are requesting $967 million in fiscal year 2010 for test and targets compared to the $912 million appropriated for fiscal year 2009. Our commitment is to prove, through comprehensive testing, that the ballistic missile defense system works. Evaluating the BMDS is likely one of the most challenging test endeavors ever attempted by the Department of Defense. Ideally, comprehensive and rigorous testing is enabled by a stable configuration of the system being tested; a clearly defined threat; a consistent and mature operational doctrine; sufficient resources to repeat tests under the most stressing conditions; and a well-defined set of criteria of acceptable performance. Unfortunately, none of these situations applies to the BMDS. The hardware and software configurations of the BMDS frequently change since the system elements are still under development. There are many significant uncertainties surrounding the nature and specifics of the ballistic missile defense threat. Moreover, the operational doctrine for simultaneous theater, regional, and homeland defense is immature. Finally, costs range between $40 million to over $200 million per BMDS flight test, making the repetition of a complex flight tests cost-prohibitive.

In light of these challenges, the BMDS performance evaluation strategy is to develop models and simulations of the BMDS and compare their predictions to empirical data collected through comprehensive flight and ground testing to validate their accuracy, rather than physically testing all combinations of BMDS configurations, engagement conditions, and target phenomena. We are changing from an architecture-based goal approach to a parameters-based test-objectives approach. The focus of the ongoing BMDS test review has been to determine how to validate our models and simulations so that our warfighting commanders have confidence in the predicted performance of the BMDS, especially when those commanders consider employing the BMDS in ways other than originally planned or against threats unknown at this time.

In Phase I of the test review, MDA and the multi-Service Operational Test Agency (OTA) Team studied the BMDS models and simulations and determined the variables (key factors) most sensitive to the predicted results. The OTAs and MDA then combined sets of key factors with test conditions that provide the greatest insight into the BMDS models' predictive capability, when compared to test results, and called them Critical Engagement Conditions (CECs). However, there are many cases where the only practical way to measure, rather than simulate, performance is by ground or flight testing under operationally realistic conditions. OTAs and MDA call these tests Empirical Measurement Events (EMEs). Much of the data needed for the

OTA Critical Operational Issues (COIs), such as survivability, reliability, performance in extreme natural environments, and supportability, can only be collected through the conduct of EMEs. MDA then combined the CECs, EMEs, and COIs into test objectives. Phase I identified the need to collect data for 101 CECs and EMEs in order to accredit the BMDS models and simulations and facilitate comprehensive operational assessments.

In Phase II, the OTAs and MDA combined these critical test objectives and selected 144 test scenarios, including 56 flight tests involving 37 tests where threat targets are intercepted. These test objectives not only address data necessary to validate the models of individual missile defense interceptor systems, but also demonstrate the performance of the BMDS working as an integrated system. The OTAs and MDA prioritized the resulting test scenarios according to the need to determine BMDS capabilities and limitations and the combatant commanders' urgency of need for a specific missile defense capability.

In Phase III, MDA identified the funding and infrastructure (including targets, interceptors, ranges, instrumentation, and personnel) needed to implement the test events designed in the second phase. In fiscal year 2010 and fiscal year 2011 available targets (either on contract or available within the current acquisition strategy) and available test infrastructure were a key driver in the revised test schedule. For example, one of our high priority test events is to conduct a GBI intercept with a high closing velocity, but the target to support that engagement will not be available until fiscal year 2013. In fiscal year 2011 and beyond, our ability to establish an inventory of reliable target configurations to satisfy test objectives over a variety of BMDS flight tests will be a key cost driver. Throughout the process of sequencing and resourcing the test program, MDA has considered the OTA and warfighter priorities.

At the conclusion of the three-phase test plan review, the OTAs and MDA will produce, with full involvement by DOT&E and STRATCOM JFCC–IMD, an Integrated Master Test Plan (IMTP) that is event-oriented and extends until the collection of all identified data is completed to ensure adequate test investments. We are still working to fully assess infrastructure and affordability and are on track to sign the IMTP by June 30, 2009.

I want to assure you that MDA is focused on conducting meaningful ballistic missile testing that rigorously demonstrates the capabilities of the BMDS. Executing our testing program in accordance with our testing schedule as established in the IMTP is one of our highest priorities. Due to the increasing complexity of our test program, we may encounter technical issues in the future that may necessitate a delay in testing. When these issues become apparent, you have my personal commitment that MDA will consult with the Under Secretary of Defense (Acquisition, Technology, and Logistics) (USD/AT&L), DOT&E, and the Operational Test Agencies before deciding to delay or cancel a ballistic missile defense test. Finally, in order to ensure our government and industry teams are not incentivized to avoid operationally realistic testing, I have directed we stop the practice of using award fee associated with flight test results. Instead, we will incentivize quality control in the manufacture of our hardware and software.

BALLISTIC MISSILE TARGETS

The MDA is fundamentally overhauling the target acquisition program to: (1) match the pace and increasing complexity of BMDS testing; (2) shorten the lead-time to contract, build, and deliver targets; (3) improve target program management; (4) improve target reliability; (5) reduce and control target program costs; and, (6) represent BMDS responses to dynamic intelligence and assure threat realism through a combination of flight test targets that represent basic target characteristics, ground tests, hardware-in-the-loop, simulations, and Foreign Material Acquisitions to provide high-fidelity representations.

In fiscal year 2008 and fiscal year 2009 to date, we launched 18 targets with 4 failures. Unfortunately, those failures had significant negative impacts on demonstrating key capabilities for both GMD and THAAD. We had two failures of the STARS target, which we will no longer be launching. Another failure was a foreign made target, and we have determined root cause and corrected that problem for the most recent THAAD test.

Target failures impacting our test schedules have driven us to adopt a new approach to acquiring targets. First, we have issued a Request for Information from industry to identify all potential sources of targets. After an assessment, we will determine if a competitive acquisition strategy would improve target cost, schedule, and performance issues. Second, we are standardizing target requirements based on intelligence data to emphasize the fundamental characteristics of each of the four

target classes (SRBM, MRBM, IRBM, and ICBM). This will allow the Agency to economically purchase greater quantities of basic threat representative targets. Third, to mitigate the likelihood that target failures will have a severe impact on our flight tests and development programs, we are implementing a "rolling spare" concept by building a target contingency inventory.

We began the "Flexible Target Family" (FTF) program in December 2003 to develop a single set of targets with common components that can be tailored to simulate known or potential short-, medium-, or long-range threats. Emphasis on common components and inventory buys down lead times for new missions and facilitates the quick tailoring of missions when needed.

Unfortunately, the FTF program has not met cost and schedule expectations to date. High costs and changes in target requirements led to the discontinuation of all variants except the 72-inch-diameter LV–2. Late production qualifications and environmental impact concerns has delayed the initial launch of the first longrange (72-inch) target until fourth quarter fiscal year 2009. The 72-inch target, which is based on the newer Trident C4 motor, completed qualification testing in December 2008 in extremely rigorous environments.

Funding improvements also will help increase the quantity of targets available for testing. We have adopted a common cost model to help adjust outyear funding requirements with improved accuracy. With the fiscal year 2009 Defense Appropriations Act, we transferred target funding from other program elements to a Test and Targets Program Element and were provided an additional $32 million for FTF to initiate an inventory build up of critical long-lead hardware items.

MDA PERSONNEL/BASE REALIGNMENT AND CLOSURE

The 2005 Defense Base Realignment and Closure (BRAC) Commission approved recommendations directing the realignment of several MDA functions from the National Capital Region (NCR) to government facilities at Fort Belvoir, VA, and the Redstone Arsenal in Huntsville, Alabama. Specifically, a Headquarters Command Center (HQCC) for MDA will be located at Fort Belvoir, while most other MDA mission and mission support activities originally in the NCR will be realigned to Redstone Arsenal. In support of these realignments, MDA has awarded contracts to construct two new facilities: a $38.5 million Headquarters Command Center (HQCC) at Fort Belvoir, and a $221 million addition to the Von Braun Complex at Redstone Arsenal. Construction of the HQCC will begin this spring, with expected completion and occupancy in fall 2010. The HQCC will accommodate 292 positions. Construction of the Von Braun III project is already underway. The Von Braun III facility is being constructed in two phases—with the first phase being readied for occupancy in the summer of 2010, and the second phase scheduled for completion and occupancy in the summer of 2011. The transfer of government and contractor positions from the NCR is in progress. MDA has already transitioned approximately 1,300 of the planned 2,248 positions to Huntsville/Redstone Arsenal. We are currently reassessing our facility needs in Huntsville given the anticipated expansion of our government acquisition workforce and the Secretary of Defense's PB10 guidance.

CONCLUSION

Our plans for the development and fielding of a more effective and affordable missile defense system will have implications for our entire national security strategic posture. According to the Strategic Posture Commission, "(m)issile defenses can play a useful role in supporting the basic objectives of deterrence, broadly defined. Defenses that are effective against regional aggressors are a valuable component of the U.S. strategic posture."[2] Proven missile defenses can enhance protection by dissuading potential adversaries from acquiring them, deterring against their use, and defending against a ballistic missile attack. Proven missile defense assets can contribute to strategic nonproliferation and counterproliferation objectives by undercutting the value of offensive ballistic missiles and dissuading foreign investment in them. Deployed missile defenses can bolster deterrence and give confidence to our allies and friends by reducing opportunities for adversarial intimidation or coercion and creating uncertainty in the minds of the potential adversaries of the effectiveness of an attack on U.S. or allied retaliatory military power. A robust research and development program focused on early intercept can provide a significant "hedge" against advanced threats. If hostilities break out, missile defenses can limit damage

[2] William J. Perry and James R. Schlesinger, America's Strategic Posture: The Final Report of the Congressional Commission on the Strategic Posture of the United States, May 2009, http://media.usip.org/reports/strat—posture—report.pdf, p. xvii.

to U.S. and allied critical infrastructure, population centers, and military capabilities for responsive operations.

The fiscal year 2010 missile defense budget was the result of a comprehensive assessment of available and reasonably achievable capabilities, warfighter requirements, and development risks. It also provides a hedge against future uncertainty. With the $7.8 billion requested, MDA will implement a program strategy to improve the effectiveness and efficiency of developing the BMDS. While we are addressing challenges, our record of 16 of 18 successful intercept attempts over the past 3 years sends a clear message to potential adversaries considering the acquisition of ballistic missiles. But more work is needed to improve our oversight, collaboration with combat commanders and the Services, test planning, and program execution.

Missile defense is expensive, but the cost of mission failure can also be very high—the system must be affordable and effective. Integration of stand-alone missile defense systems into an integrated BMDS helps us achieve cost and operational efficiencies by improving protection with increased defended area and performance without incurring additional force structure costs. The Department is proposing a balanced program to develop, rigorously test, and field an integrated BMDS architecture to counter existing regional threats, maintain our limited ICBM defense, develop new technologies to address future risks, and become more operationally and cost-effective as we prepare to protect against the more uncertain threats of the future.

I greatly appreciate your support as we address issues associated with the BMDS, and I look forward to answering your questions.

Chairman LEVIN. Thank you very much, General O'Reilly.

Thank you all. Let's have an 8-minute first round for questioning.

The administration's budget request continues the production of the 14 remaining groundbased interceptors that are now on contract for use as testing and spare interceptors. The budget request has $180 million for year-4 production of those groundbased interceptors. It is part of a 5-year contract. Now, what the budget request also does is cap the deployment of GBIs, at this time, at 30.

First, let me ask you, General Cartwright, do you support that approach?

General CARTWRIGHT. I do, Mr. Chairman. The key reason is, when we have worked through the process that General O'Reilly just described, with the combatant commanders, their number-one request is the reliability of these missiles and the assured use of these missiles. In the early missiles that we put in the fields, we have learned much in the testing since putting those missiles into the fields. So, these 14 missiles will go in and replace the earliest missiles. That will give us the highest confidence that what we have in the silos is the best that we can have. It also gives us additional test information. That test information, to date, has given us knowledge that has changed the configuration since we put those initial missiles into the silos.

So this allows us to refurbish and bring to the combatant commanders the best missiles that we can bring. In addition, it gives us test assets.

Chairman LEVIN. Okay, thank you.

Now, General O'Reilly, I believe that in your testimony you indicated that that was the proposal of the administration. Do you support that proposal?

General O'REILLY. Yes, sir, I do.

Chairman LEVIN. Now, if Congress mandated the deployment of all 44 GBIs, what would the cost be?

General O'REILLY. Sir, the cost for the interceptor——

Chairman LEVIN. For those additional 14 interceptors in the ground, what would that cost us to do that?

General O'REILLY. Sir, we have 14 on contract, but we would not have in place, then, a test program and a stockpile reliability program for the next several decades, which we have taken into account when we proposed the 30.

Chairman LEVIN. Would there also be an additional cost to actually deploy those 14 interceptors? A dollar cost? In addition to losing the 14 interceptors for test purposes, but would there also be an actual cost to deploy them, financially?

General O'REILLY. Yes, sir. To procure each one of those additional interceptors, is 70 million apiece.

Chairman LEVIN. But, in terms of deploying them, putting them in the ground, is there a cost to that?

General O'REILLY. About 3 million for each installation.

Chairman LEVIN. All right.

Does the budget request foreclose the option to buy more GBIs if they are deemed necessary in the future?

General O'REILLY. No, sir.

General CARTWRIGHT. Mr. Chairman?

Chairman LEVIN. Yes?

General CARTWRIGHT. Not only does it not foreclose it, but one of the directions in the ballistic missile defense review is to understand, one, how many test vehicles we're going to need for the aging process. So, over the life of the missiles, we have not yet bought the interceptors necessary to test the life expectancy, and that's a deliverable out of this ballistic missile review.

Chairman LEVIN. General, let me go back to one of the issues which has been raised, which is the Director of Operational Test and Evaluation's assessment that the flight testing of the deployed GMD system and its GBIs "will not support a high degree of confidence in its limited capabilities." Do you agree with that?

General CARTWRIGHT. I agree with that, and that's part of what we want to understand in the review, is what additional testing is necessary, and then what additional assets are necessary for aging.

Chairman LEVIN. General Cartwright, Admiral Mullen, the Chairman of the Joint Chiefs, has stated that he supports the missile defense program and the 2010 budget request before Congress. You've also reflected your own personal support. Do the Joint Chiefs support this request?

General CARTWRIGHT. They do.

Chairman LEVIN. Do the combatant commanders with missile defense responsibility support the missile defense program, as requested by the administration?

General CARTWRIGHT. They do, and they reaffirmed that in the MDEB process.

Chairman LEVIN. So, they had a role in considering the missile defense program, which was proposed in the budget request?

General CARTWRIGHT. They did, sir, and senior leader decision forums that were convened twice before we made that decision, after the MDEB.

Chairman LEVIN. All right.

General O'Reilly, there's been some concern that the MDA does not have a plan to adequately test and sustain the GMD system.

Can you give us a little more detail on your plan for sustaining the ground-based midcourse system?

Do you believe it's adequate?

General O'REILLY. Sir, we have just completed 6 months' worth of work, as I stated, with the operational test agencies and the director of test and evaluation. We have looked at what is required in order to validate our models and simulations for GMD and our other missile defense systems.

Out of that, we identified 144 tests, 56 flight tests, 35 intercept tests—7 of them are salvo tests—which involve THAAD, Aegis, and GMD. There are 15 GMD tests in that proposal. But, again, sir, the proposal hasn't gone to the MDEB process yet. But, our review indicates that that would be a thorough and comprehensive assessment and validation of our models of the GMD program.

Chairman LEVIN. Thank you.

General O'Reilly, Secretary Lynn made reference to the possibility of cooperation with Russia on missile defense. You've recently been to Azerbaijan. You've toured the Gabala radar, you've been involved in discussions with Russian officials about possibly cooperating on missile defense, including the possibility of Russia sharing early-warning data from the Gabala radar, or—I might say "and/or"—from the new radar at Armavir, in southern Russia. From a technical standpoint, do you believe that such radar data would be useful to have as part of a cooperative effort with Russia? In other words, would that radar data, if it could be incorporated in an overall system, be beneficial to missile defense capability with respect to Iran?

General O'REILLY. Sir, it would be beneficial in regard to collecting data. The location of those radars, in order to observe testing in that region of the world, they're in an excellent position to do that. The data we would gain from that would significantly help our development of our missile defenses.

There are other options to integrate those radars into a missile defense system, but those have only been discussed as ideas, and much further discussion remains.

Chairman LEVIN. General Cartwright, from your perspective, does it make sense to pursue that possibility of cooperation with Russia on missile defense?

General CARTWRIGHT. It does, from a technical intelligence or the understanding of the test program, it does from an operational perspective, and it does, also, from a diplomatic perspective.

Chairman LEVIN. Is one of the reasons, here, that it is generally advantageous to have a radar closer to a potential launch area so you can get an earlier track on a missile and can try for an earlier intercept? General O'Reilly, why don't you start with that one.

General O'REILLY. Sir, the frequencies of those two radars you referred to are different, but, for the Gabala radar, it would give us an excellent opportunity for surveillance, and that was the reason it was built. For the Armavir radar, we would have even greater capability for early tracking.

Chairman LEVIN. Secretary Lynn, I'll close just by saying how much I appreciate your testimony and the administration's efforts in this regard. The Russian response last week was not closing the door, in my perspective, to this possibility, but from our conversa-

tions, a number of us who went there, including Senator Nelson and Senator Collins, who talked to the Russians, the Czechs, and the Poles, we see this as parallel discussions taking place. Obviously, the Russians have some concerns about our proceeding with a third site in Europe. However, we can, it seems to me, very usefully continue discussions with the Russians, with the Czechs, with the Poles, with no preconditions, but just in the hope that someday there might be a possibility of using the information from those two radars, which are in Azerbaijan and Russia, to help a missile defense against Iran. That would make a very strong statement to Iran about the willingness of the world to cooperate against their threat, particularly if Russia, the United States, and NATO are able to work together. The position of the administration on this is, it seems to me, a very positive and important initiative. I hope you continue that initiative. The President, and Secretary of Defense, Secretary of State have all spoken favorably, as have each of you gentlemen again this morning. So, hopefully that will continue apace. We welcome your testimony in that regard.

Senator McCain.

Senator MCCAIN. Thank you, Mr. Chairman.

Secretary Lynn, one of the focus of a lot of attention is the budget proposal to decrease the number of GBIs from 44 to 30. What analysis was done to arrive at that decision? Maybe you could provide something for the record, if you feel necessary.

Mr. LYNN. Well, we'll certainly check and see if there's something we want to provide for the record.

[The information referred to follows:]

[Deleted.]

Mr. LYNN. But, in summary, Senator McCain, the threat we face from Iran and North Korea, at this point, is in the range of a handful of missiles. Thirty interceptors and silos would address that threat; indeed, would more than address that threat. So, the decision was made that we would be—as both General Cartwright and General O'Reilly explained, we would be better off making—ensuring those 30 silos had operationally-ready missiles rather than expanding the number of silos. So, we're buying 44 missiles. We're just planning to put them in 30 silos in order to keep them operationally ready to upgrade the older ones, as General Cartwright indicated, and in order to have test assets to make sure that we understand fully the capability and that we can address any issues that came out of the earlier testing.

Senator MCCAIN. You and the Secretary have stated a willingness to revisit that decision, depending on Iranian and North Korean behavior?

Mr. LYNN. Oh, absolutely. This is an expandable system. Should that threat expand, we would certainly want to consider expanding it. Indeed, the BMDR will be looking further at this as we look forward into the future. But, at the current time and into the immediate future, we think 30 silos and 44 missiles addresses the threat we face.

Senator MCCAIN. General O'Reilly, on June 11, there was a Reuter's story that quoted you stating that Iran and North Korea are working together to develop ballistic missiles, and have made sig-

nificant progress, "It really is an international effort going on out there to develop ballistic missile capability between these countries." That's a pretty alarming statement, or concerning statement, to say the least. What other countries are the North Koreans working with? I think we know they were working with Syria on a facility that the Israelis bombed. Do you know of other countries that they're working with?

General O'REILLY. Sir, I would defer that to a closed session. But, yes, sir, there is an extensive effort going on to sell North Korean products. We also look at each of these countries, sir, and how much are they developing indigenously and how much are they relying on other countries' components for these missiles.

Senator MCCAIN. They are providing technical expertise, as well as actual hardware.

General O'REILLY. Yes, sir.

Senator MCCAIN. On this issue of the joint missile system in Europe, there is some interpretation of the Russian position. There's also other interpretation, where the foreign ministry and, indeed, the president of Russia have made—and prime minister—have made very strong remarks. On June 12, the foreign ministry spokesman said, "We cannot partner in the creation of objects whose goal is to oppose the strategic deterrent forces of the Russian Federation. Only the U.S. rejection of plans to base in Europe, the so-called 'third position of a missile defense shield,' could mark the beginning of a full-fledged dialogue." In other words, the Russians are continuously stating that we have to negate the agreement between Poland and the Czech Republic before there are further negotiations, as far as the Russian radar siting is concerned. Is that your interpretation, Secretary Lynn?

Mr. LYNN. Well, I've certainly read the comments that they made. They have been pushing us, on the site in Europe. Our approach has been that the site in Europe—that our focus is on the Iranian threat. We think there are a number of ways to address that threat. One of the options is to deploy the missiles in Poland and the radar in the Czech Republic, and we're certainly evaluating that option, as well as other possible options.

Senator MCCAIN. Could I interrupt for a second? I thought it was—certainly the Poles and the Czechs believe that it was a commitment we made to an agreement to—and places those defenses in both the Czech Republic and Poland. Do you interpret it that way?

Mr. LYNN. At this point, we have not made a decision to go forward with that. It had certainly been discussed with them, and the President has said, I think, in Prague, that we are committed to defending against the Iranian threat, and one of the alternatives is that Polish-Czech option.

Senator MCCAIN. Well, from my discussions with the Polish foreign minister and others, their interpretation was a lot—our commitment was a lot stronger than that. But, maybe it requires some more discussion with both those countries. I can certainly understand why they would not want to move forward and get the ratification of their government if we have not made the decision ourselves. This kind of a—like the Russian commitment, it's kind of a chicken-or-egg situation.

General O'Reilly, the budget introduces a new intercept concept during the ascent phase of a ballistic missile trajectory. How is that different from other boost and midcourse intercepts?

General O'REILLY. Sir, the idea is not new; it's been around for about 20 years, sir, and it was endorsed in the 2002 Defense Science Board study that also endorsed putting out—or, deploying an early capability, which we did in Alaska. The next part of the study, they also recommended and we took a hard look at developing an architecture which has sensors that track missiles early after launch and very quick fire-control-solution architectures so that we can launch the missiles we have today earlier and achieve intercept capabilities earlier in their flight. That part of our architecture has not been invested in, previously, to the extent which we are in this budget.

Senator MCCAIN. Secretary Lynn, just return to North Korea for a second. Do you think the threat of North Korean continued development, weapons and missile technology, has been accelerating and poses, in a relatively short period of time, a threat to the homeland of the United States?

Mr. LYNN. Certainly, their testing program has accelerated with the Taepodong-2 launches and the nuclear weapons—their nuclear device test. We think it ultimately could, if taken to its conclusion, it could present a threat to the U.S. Homeland, and we think that's a strong reason to maintain the GBI system and to upgrade it in the ways that we discussed earlier.

Senator MCCAIN. Obviously it's very difficult to predict North Korean future behavior.

Mr. LYNN. It is entirely difficult to predict North Korean future behavior.

Senator MCCAIN. But, to be on the safe side, we should be prepared to counter at least bad, if not worst-case, scenarios, as far as North Korea is concerned. You would agree?

Mr. LYNN. Yes, I would.

Senator MCCAIN. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator McCain.

Senator Lieberman.

Senator LIEBERMAN. Thanks, Mr. Chairman. Thanks, to all of you for being here, and, really, congratulations to the MDA for the extraordinary progress you've made in giving us the capability to protect our homeland and our allies from ballistic missile attack, which, not so long ago, a lot of people thought would be technologically impossible to do. So, let's start with that.

Secretary Lynn, I want to say that I was troubled by your answer to Senator McCain on the question of the European-based GMD in Poland and the Czech Republic. It sounded much more tentative than I thought our policy was. In other words, my understanding is that our plans are now to go ahead with the placement of these systems in Poland and the Czech Republic, unless the host countries reject those or we develop an alternative—for instance, with Russia. But, you made it sound like it's just one of a number of alternatives that we're considering, and I was surprised at that. I think it'll actually rattle our allies, Poland, particularly—and in other places in Eastern Europe, like Ukraine, where they're concerned about Russia muscling into their areas.

Mr. LYNN. Well, Senator, we are looking at the alternatives in Europe, including the Polish-Czech option, to defend against an Iranian missile threat. We are exploring the cooperation with the Russians in the ways that General O'Reilly detailed is a potential additive to that kind of architecture. What I was saying is that we haven't made a final decision on how to proceed, there.

Senator LIEBERMAN. Okay. Well, I was surprised at that, because I thought we had made a final decision, unless the decision was changed. I know we're beginning to talk to the Russians. I can certainly see the advantages of a partnership on missile defense with the Russians, if they don't ask too much of a price, in terms of our commitment to our allies in Central and Eastern Europe who used to be part of the Soviet Union, and if we can partner with the Russians in a way that does not compromise the capacity of those systems to protect both Europe and the United States from a missile fired, particularly from Iran.

Follow a line of questions, here, that relate to this.

In February of this year, the Congressional Budget Office (CBO) released a study called "Options for Deploying Missile Defenses in Europe." This was requested by Congresswoman Ellen Tauscher, in her then-capacity as chair of the House Armed Services Strategic Forces Subcommittee, and it examined the cost and potential defensive capability of the European GMD. It also considered alternatives to the Polish-Czech system, including deploying sea-based interceptors around Europe or mobile land-based interceptors in Europe. Consistent with CBO's tradition, the report makes no recommendations, but, as I read it, its findings demonstrate that the GMD deployment in Poland and the Czech Republic promises to be the most effective and affordable option.

I will say that I was particularly struck by the conclusion in the report that going from the proposal, to locate in Poland and the Czech Republic, to the other alternatives, CBO considered significantly reduces the capacity of that missile defense system to protect from a missile attack from Iran against the United States. Now, I understand they don't have the capacity to do that now, but they're certainly working on it. It also, according to CBO, slightly reduces the capacity of the system to protect Europe from an Iranian attack. But you've probably seen it, they have charts in it, including charts that depict how much the various systems will protect the continental United States. One of the charts show, well, the narrative is, "MDA's proposed system"—that is, the current one, the Polish-Czech system—"would provide redundant defense from a third interceptor site for all of the continental United States. None of the alternatives considered by CBO provide as much additional defense of the United States."

Then, I can see from the map that only one-half or less of the U.S. population will be protected by one of the alternatives CBO considered, which is the proposed SM–3 Block 2A deployment.

So, here's my concern as we go forward to talk about this with the Russians, that one factor we have to figure, at least according to this report, is that if the GBI system in Poland, together with the Czech Republic radar, really provides us—not just our European allies, but us—with the best defense against a long-range Ira-

nian ballistic missile attack on our homeland. Do you have a response to that CBO report?

Mr. LYNN. I've actually not seen the CBO report. I'd be happy to get something to you for the record.

[The information referred to follows:]

The Congressional Budget Office (CBO) stated in their conclusions: "None of the alternatives considered by CBO provide as much additional defense of the United States [as Missile Defense Agency's (MDA) proposed European deployment]." We concur with this conclusion, although the results of CBO's analyses of the specific options do not exactly duplicate MDA's results.

One particular difference in the estimated performance of CBO's alternative architectures is of note: in contrast to CBO's conclusion that the Standard Missile (SM)-3 Block IIA could provide some defense of the northeastern and central United States (Page 37) or one half or less of the U.S. population (Page x), MDA concludes that the SM–3 Block IIA, if deployed in Europe, will be unable to provide any defense of the continental United States due to kinematic limitations of the interceptor, based on current performance estimates. Deployment of SM–3 Block IIA at several ship stations in Europe could provide acceptable protection of Europe itself, but additional ship stations off the coasts of North America would be needed in order for the SM–3 Block IIA to provide protection of the United States.

The European deployment options allow for early sensor tracking of Iranian launches and will enhance U.S. defense. Providing the ground-based interceptors with sensor data early allows for greater interceptor flight time and kinematic reach, maximizing redundant defense of the United States.

The trends displayed in the CBO data are generally reasonable and lead to the same conclusion as was reached by MDA and Office of the Secretary of Defense. Since the CBO was limited in their analyses to the use of open source performance data for missile defense system components and Iranian ballistic missile threats, it would have been surprising if their results exactly agreed with MDA's.

Senator LIEBERMAN. Okay.

Mr. LYNN. But we're in that same process now. We're evaluating the current plan, which you described—deploying in Poland, missiles, and a radar in Czech Republic—against potential other alternatives. That's part of the BMDR. So, we expect to have conclusions out of that.

I don't know whether General O'Reilly has seen the report.

General O'REILLY. Yes, sir, I have. The report was correct that, for redundant coverage of the United States, the GBIs provide the greatest redundant coverage of the United States. For coverage of the United States, what we have at Vandenberg and Fort Greely, is best benefited from the—actually, the sensor networks that—all the options we are looking at, and that report looked at. What we need most is early tracking and early sensor data coming out of Iran. That's the biggest assistance to the United States.

Senator LIEBERMAN. I agree with that. Am I right—you tell me—do the GBIs in Alaska and California protect all of the continental United States?

General O'REILLY. Yes, sir.

Senator LIEBERMAN. So that what we would achieve with the GBI system in Poland and the Czech Republic would be a redundancy of protection.

General O'REILLY. Yes, sir.

Senator LIEBERMAN. But, the alternatives really don't give us the same redundant protection for the United States.

General O'REILLY. They don't give us the same redundant protection, sir.

Senator LIEBERMAN. Do the systems in Alaska and California give us the same—I know they protect us from North Korean at-

tack—do they give us the same coverage for the entire United States for a missile attack from Iran?

General O'REILLY. Yes, sir, they do. There is additional contribution, as I said, from having sensors in Europe, early. But, for the kinematic capability, the actual ability of the interceptors, the ones in Fort Greely, AK, do protect all of the United States, sir, against launches, all the launch points out of Iran.

Senator LIEBERMAN. Okay, so, Secretary Lynn, just to close it up, because my time's up—that you're asking the same questions that the CBO did. I presume that one of the factors that will be considered as we decide whether to go forward with the proposed Polish-Czech site system or do something with the Russians, or some alternative, as we've talked about sea-based or land-based, will be not only how well it protects Europe, but how well it protects the continental United States from a long-range missile attack from a country like Iran.

Mr. LYNN. Senator, we certainly want to evaluate any architecture against the threat, both to Europe and any potential threat we might see to the continental United States.

Senator LIEBERMAN. Thank you.

Thank you all.

Chairman LEVIN. Thank you very much, Senator Lieberman.

Senator Thune?

Senator THUNE. Thank you, Mr. Chairman.

Gentlemen, thank you very much for your great service to our country.

General Cartwright, I want to explore a question or two with you. A few weeks ago, in a speech at the Center for Strategic and International Studies, you stated that, "Missile defense, for me, is part of global strike, meaning that an offensive global strike capability goes hand in hand with fielding credible ballistic missile defenses." I'd particularly like to focus on your comments, in that same speech, concerning conventional bombers in the global strike mission. You're quoted as saying, "The reality of the day is, conventional bombers for global strike are probably not creditable. They're too slow, they're too intrusive, they require too many Mother-may-I's to get from point A to point B." You further state, again "The low end of global strike is probably anyplace on the face of the Earth in an hour."

Over the past several months, we've had a number of leaders from the Defense Department testify that the proliferation of ballistic missile technology, not only requires improved ballistic missile defense capabilities, but also requires a shift from short-range systems to long-range systems, such as the next-generation bomber. In fact, Secretary Gates himself has made this claim several times in publications, such as the Foreign Affairs Journal.

In light of your statements on conventional bombers, I'd like to get a little bit more deeply into your views on the subject. Do you believe that a new bomber should be developed?

General CARTWRIGHT. The Nation needs a new bomber; a "next-generation bomber" is kind of the way we have titled it. My comments are more associated with the speed at which a salvo of shorter intermediate-range ballistic missiles can be salvoed, and then, for a bomber today, at the speeds, even if we talk about the

B–1, which is the fastest of our bombers, it's still 19 to 20 hours to close on the other side of the globe. So, that's the challenge, is how quickly these assets, the short- and medium-range missiles, can be launched in salvo.

So, missile defense gives you a credible alternative to changing the calculus of the adversary as to whether they're going to do that in a surprise, number one; and number two, gives you, then, the time to close our conventional forces in a way that's appropriate. But, if you have just the conventional offensive capability, without something to change the calculus, much of the conflict is over before the bomber, in this case, as we're discussing, can close. The same with other general-purpose forces; they either are in the right place at the right time or it's difficult to close in the timelines of a short- or an intermediate-range ballistic missile.

Senator THUNE. I know a lot of the decisions that are being made now, I think probably, regrettably, are being driven by budgetary considerations, but do you believe that prompt global strike capability that you advocate should come at the expense of developing the new bomber?

General CARTWRIGHT. No, there has to be a synergy there. We have to understand—the bomber, in comparison to the prompt global strike, is going to bring scale and persistence. The prompt global strike that we are looking at and have explored is for those niche targets. So, it may be a good response in deterrence in—we're talking in the conventional sense right now—to a short- or an intermediate-range ballistic missile attack, to hold it at risk. But, it's going to be those platforms in the general-purpose force that are going to actually have the credible counterstrike.

Senator THUNE. Okay. I want to come back, because in light of your view that the low end of global strike is probably any place on the face of the Earth in an hour, I wanted to get your opinion on a Defense Science Board report, published in March of this year, entitled "Time Critical Conventional Strike From Strategic Standoff," which concluded that, "On close examination, there appears to be nothing unique or compelling about 1 hour." One of the Board's most significant findings is that the solution for time-critical strike is not necessarily weapon speed; in fact, of the five different scenarios evaluated, none of the scenarios exposed a need for 1-hour global-range delivery.

The Board goes on to say that a "transition to covert loitering strike systems enabled by robust target Intelligence, Surveillane, and Reconnaissance (ISR), identification and tracking, C3, and fire-control capabilities would revolutionize global strike for both the long war and for deterrence of rogue and near-peer nations."

I'm interested in your, sort of, opinion of the Defense Science Board's findings with respect to time-critical conventional strike from a strategic standoff, particular regarding its conclusion that there appears to be nothing unique or unusual about 1 hour. Is that a finding that you would agree with?

General CARTWRIGHT. Two qualifiers that I would put on the Defense Science Board. One is the ability to loiter everyplace on the face of the Earth for extended periods of time, has a certain reality and affordability aspect that we have not been able to crack right now. So, in lieu of that, we use our long-range prompt-strike capa-

bilities rather than being everyplace. We also have challenges with basing, and we cannot base everyplace on the face of the Earth.

So, those places with great strategic depth, where we are challenged by the infrastructure to be there, demand systems that can close. The 1 hour has always been an objective. It is essentially the idea that we don't know where the strike is going to occur, so there needs to be a certain amount of that hour that's associated with the ISR to find out where the threat is and to credibly target it. Then, the next part of that hour has to be something associated with the time-of-flight to close a weapon system on it. If it is important enough to do that from long standoff ranges, then the hour gives you a sense of, okay, I can, one, do the ISR to find and fix the target, and, two, do the launch in the flight to get to it. If you have more time, then there are better systems out there, and more affordable systems, to close.

But, we do have challenges, around the globe, with strategic depth and with the ability to close with a lack of infrastructure and basing, and we have to have a way to address those credibly for our deterrent postures.

Senator THUNE. Do you agree with some of the people, a lot of the leaders, like Secretary Gates, who do recognize the need to transition from short-range to long-range systems?

General CARTWRIGHT. I do. I always agree with my boss. [Laughter.]

Senator THUNE. Good policy.

General O'Reilly and General Cartwright, Secretary Gates recommends transitioning from the airborne laser (ABL) program to a research and development (R&D) program and terminating the purchase of a second prototype. I'd like to get your feeling on that, how that change would affect current development plans and testing.

General O'Reilly, I guess I would direct this question to you, but, is the ABL program still on track for a full-scale test in the next few months?

General O'REILLY. Sir, the ABL program is on track for a full-scale test. Again, as I was referring to before, we've just had some first-time engagements of the aircraft's tracking and beam compensation laser, which are critical, of a boosting missile. We did it Saturday and we did it on the previous Saturday. That's the first time that's ever been achieved by a laser in flight.

We are completing some optics work and will be using the high-powered laser. The first lasing from it will occur today, the schedule is early September, with shootdowns later on in the month of September.

Senator THUNE. Secretary Lynn and General Cartwright, if a successful full-scale test is achieved, does that affect the Department's level of support for the program?

General CARTWRIGHT. My sense right now is, one, we need to keep this work going on directed energy. Two, I think that General O'Reilly would tell you that, if he were given the money to build a second ABL, it would look like the current ABL, that we've learned enough, in this first bird, that the design work needs to be restarted to figure out what an appropriate directed-energy platform, airborne, looks like.

So, in lieu of that, building the second one, which is designed now to be a clone of the first one, doesn't make a lot of sense to us. We have to keep this work going on directed energy, though. It offers substantial capacity and capability to the Nation that we don't, today, have.

Senator THUNE. Secretary Lynn, and a follow-on to that, what's your view, in terms of the plan to transition ABL to an R&D program?

Mr. LYNN. We do want to continue the R&D, but, for the reasons General Cartwright just gave, we wouldn't commit to building a second aircraft at this time. We think it would look very different. We think a lot more work needs to be done, including the tests that you referred to, but there are some tests after that, as well. We think we also need to do some work—the operational concept that we have right now isn't really workable. It would involve having large, vulnerable aircraft—in the Iranian case, probably over Iranian territory; in the North Korean case, very close. We don't think that's a workable concept.

The power that we need for this aircraft is probably 10 to 30 times what we've demonstrated so far, and the kinds of—going back to the operational concept, the number of aircraft, given three orbits, would probably be close—you'd need a fleet of 20, 25 aircraft, at a billion, billion and a half an aircraft. It's a very expensive capability, under the current construct. So, we think we need to both continue the technology, to develop that further, and to work on what would come out to be a much more employable operational concept. So, we plan to continue with the program, but not, at this point, with the second aircraft.

Senator THUNE. Okay. Well, I hope you will, because there are a couple of attributes about it—boost phase, independent queuing if somebody were to take out some of our satellite capabilities, that it's a very important, I think, platform, and could be a very useful asset in our missile defense capability. So, I hope that you will continue to pursue it.

Thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Thune.

Senator Bill Nelson.

Senator BILL NELSON. Gentlemen, I've been listening to this testimony about GBI for 9 years, and I want to compliment you. This is the clearest and the most realistically optimistic testimony—and I underscore the word "realistic"—that I've heard. I realize that we've come a long way in our testing, we have a long way to go, but you all have presented it more clearly and concisely, and my compliments to you.

With regard to Senator Lieberman's excellent questions about Eastern Europe, I just want to inject one thing that was omitted in the conversation, which is that the Czechs may well reject having the facilities in their territory. The government has changed, and, although they have an election coming up, the expectations are that the party that will be in power will not approve of the facilities located there. This was clearly the message that Senator Collins and our chairman and I learned while we were there.

The other thing that I would like to underscore about Eastern Europe is that, as the two generals have testified, if we are able to hook in with the Russian radar in Azerbaijan and southern Russia, it gives us all the more early warning for the protection of Europe, as well as early warning on any threat coming out of Iran for the United States. So, I would underscore those points.

General Cartwright, you chair the Joint Requirements Oversight Council (JROC). Is there a validated military requirement for deploying 44 GBIs for the GMD system in Alaska and California?

General CARTWRIGHT. The requirement that exists out there is for the defense against a rogue state of the United States—not just the continental, but all of what we call the defended area, which includes our territories and Alaska and Hawaii. The number has been the subject of analysis, which we have sharpened, based on testing, to protect against that rogue threat.

The question that we are working our way through in the missile defense review is, at what point does this not manifest itself as a rogue threat, but becomes a sophisticated threat? That also, then, goes to the inventory question. Right now, as a rogue threat, the idea is "shoot, look, shoot." So, two GBIs per threat. The idea of 15 simultaneous is probably at that balance point, and that's what we're trying to understand. If we're talking about more than 15 simultaneous shots, has that surpassed what we would call a rogue state? That's what the JROC and the MDEB are looking at in this ballistic missile review.

Senator BILL NELSON. That's a lot of shots.

General CARTWRIGHT. That's a lot of shots.

Senator BILL NELSON. That's 15 times 2.

General CARTWRIGHT. Simultaneous.

Senator BILL NELSON. "Shoot, look, shoot."

General CARTWRIGHT. That's correct, sir.

Senator BILL NELSON. That's a lot of shots. Well, how was the 44 originally established as the number?

General CARTWRIGHT. It was without a credible, what we called, "boost-phase capability" or "terminal capability." So, as we have developed, first, the terminal capability, with THAAD, Patriot, and SM–3, it has taken some of the stress off of the midcourse. The addition of the sea-based X-band radar also took some of the stress off of the midcourse. It allowed us to tell—that was the first capability that we had that told us whether we actually hit the missile or not.

So, prior to that time, which is the way we've been working, we've been working with a four-shot salvo against every threat, because we didn't know if we hit. Now we can tell that, so now we're into what I would call a different environment, which is why we're stepping back and taking a look, based on the test data, as to what's the appropriate number of missiles.

Senator BILL NELSON. So, if that rogue threat becomes a more sophisticated threat, we can always pick up the tempo on trying to strike down at the midcourse phase, as well as the—what you call the "ascent phase."

General CARTWRIGHT. Sure. The Defense Science Board and several other analytic bodies have certainly steered us in the direction that this early intercept and boost phase is where you have your

greatest leverage. To the extent that we can use existing missiles, the cost implications are substantially in our favor, rather than in the opposite direction.

Senator BILL NELSON. Now, for the protection of Europe, the capabilities that we have now with Aegis, with SM–3 on the ground, and their enhancements over the foreseeable future, does that look like it would protect Europe?

General CARTWRIGHT. This is the construct of the early intercept, and we're going to take the next 2 to 3 years to prove out what, in the lab and on test-bench-based systems have demonstrated for us. So, "Can we do this in the real world?" is part of what the MDA will prove out over the next couple of years. If that works, which there's no indication that it won't, then we will be able to provide, at a very reasonable cost, with a very comprehensive coverage, a defense of theater areas, to include the Gulf States, to include Europe, to include the Pacific, a defense that is probably much more affordable, less intrusive than our alternatives have been thus far in the R&D phase. That's why we're looking at it so closely.

Going back to the comments about the third site or the European site, there's no change in requirement. The question is, can we offer alternatives that may be more palatable to the host nation, in particular, as a way forward? Are they going to be credible, and can we field them in a reasonable period of time? That's what we're trying to understand.

Senator BILL NELSON. Simultaneously, what is critical is this early warning.

General CARTWRIGHT. Yes, sir.

Senator BILL NELSON. You've talked about, since it's unclassified now, UAVs.

General CARTWRIGHT. Right.

Senator BILL NELSON. The Secretary talked about this new satellite using infrared technology. Now, are we simultaneously thinking about how we would protect that satellite from what Senator Thune had talked about, antisatellite program or perhaps hardening it for a nuclear explosion?

General CARTWRIGHT. Any good warfighter should know more than one way to skin the cat. So, space gives us a pervasive and persistent global presence. The UAVs give us augmentation, redundancy, and the ability, if space is not available to us, to have an alternate path for that track file.

Senator BILL NELSON. There's been a suggestion that Congress should mandate a certain minimum number of flight tests. General O'Reilly, what do you think? What's the minimum number?

General O'REILLY. Sir, the minimum number is driven by, not only our ability to assemble the hardware and to make the arrangements with a range and conduct the flight test, but it's also paced on our ability to learn from those tests and conduct postflight reconstruction, we call it, with our hardware in the loop, and really apply the lessons learned and how we contribute to our models-and-sims accreditation.

Now, it really depends, sir, on the complexity of the test. A THAAD program today, with its maturity, can sustain a rate, about every 6 months, conducting a test, and we're going through the analysis process with the operational test agencies. More com-

plex tests, like GMD—sir, I would propose around about a 9-month center for the time to thoroughly understand and, due to the complexity, the number of other assets that are involved, and the general scope of these tests. So, it really depends on the maturity of the program at the time and how complex the tests are.

So, I would not be in favor of a mandated schedule of testing. Also, that presumes that we have success in every test. If you have a failure, then you have to take a step back, and that takes more time, to determine exactly what happened.

Senator BILL NELSON. Well, given the earlier testimony of General Cartwright, what about salvo testing?

General O'REILLY. Sir, we do need salvo testing to demonstrate—even though, theoretically, we see there is no interaction between two GBIs, there's a lot of empirical data that you have to collect to validate that. That is why we brought online our second test silo at Vandenberg this year, so that we can have salvo testing.

Senator BILL NELSON. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Nelson.

Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

Mr. Secretary, as you probably have seen, or figured out at this point, I, too, was on the trip that Senator Levin led to Russia, the Czech Republic, and Poland, to discuss missile defense. When we discussed missile defense with the Russians, the Russians stated over and over again that they considered the third site to be directed at them rather than at the Iranians. If we were able to collaborate with the Russians, wouldn't it alleviate that concern? Second, wouldn't it also send a far stronger message to the Iranians than if the United States proceeded with the third site without any Russian involvement?

Mr. LYNN. Senator, I guess I'd have three comments. One, as long as we see an Iranian missile threat developing, we think we need to develop systems to respond to that threat. So, that's point one.

Point two is, as you've indicated, and as General O'Reilly talked about in detail, we think the involvement of Russian assets, particularly Russian radars, would enhance the capability of that kind of European-based system.

Then, third, I would agree with you that a U.S.-Russian collaboration would have an additional benefit of a diplomatic signaling to the Iranians that this is an unacceptable course for them to pursue and that they will face a concerted international front, should they proceed down that path.

Senator COLLINS. General Cartwright, I see you're nodding.

General CARTWRIGHT. Yes. Yes. I mean, I agree, probably the greatest leverage is the partnership and the message that would send. That would be very powerful.

Senator COLLINS. Secretary Lynn, I'm very sensitive to the concern that Senator Lieberman raised. We don't want to break our commitments to our allies. But, when we were in Poland, we found that Polish leaders were far more concerned about the goal of having some sort of U.S. presence on Polish soil than they were being the host for the GBIs. In fact, what they said over and over again that they wanted was a Patriot battery installed in Poland. I un-

derstand that the Poles recently announced that they hoped, or at least expected, to have a Patriot battery deployed on Polish soil by the end of 2009. Could you comment on what role a Patriot battery could play in these complicated negotiations on missile defense?

Mr. LYNN. Well, it's certainly been, as you indicated, part of the Polish desire is to have, not—as part of the architecture, a Patriot battery, and that's under discussion.

Senator COLLINS. General?

General CARTWRIGHT. When we did the negotiations with the Poles—and you're exactly right, there is an element of this that is the theater defense or the defense of their territory that is very important to them, and the signal of our commitment to that ideal. The construct that was worked out is that we would, over the first few years, cycle periodically, a number of times during the year, a deployment of PAC–3 capability to the country, that we would also rotate the Aegis ships and SM–3, when the Patriots were not there, and increase the presence to be able to give them, now, some theater coverage. They're more comfortable, as anybody would be, with something that's right there in their backyard that they can touch and see, but we're committed to helping them with this theater construct. It's important to understand that, in the construct of the European site, as it relates to those two countries, there's the element of the theater and the element of our defense of the homeland. Their first priority certainly should be to their country and their theater. Patriot starts to give them a visible capability, which they're looking to invest in, themselves, but they start to get training on it, they start to understand what its capabilities are.

SM–3, for us, gives us a little more standoff. We're not directly on their territory, but we're demonstrating to them the value of the sensors and the value of an integrated regional approach rather than a single-country approach, that it's going to be much more powerful.

Those are the messages that are inside of the discussion about theater versus homeland and the basing constructs. What we're trying to understand now, in the evaluations, is what architecture gives them the most comprehensive approach to both their defense and our defense? How do we approach that in a way that's diplomatically palatable, as well as kinetically functional?

Senator COLLINS. Thank you.

General O'Reilly, the intelligence community has long said that if a rogue state could deploy an ICBM, it could do so with countermeasures. How does canceling the MKV program affect our ability to intercept an incoming warhead threat accompanied by decoys?

General O'REILLY. Ma'am, the MKV program was a research program that was aimed at delivering a capability in the later part of the next decade. As we have spoken earlier today, we believe pursuing or diverting that research towards intercepting earlier also puts pressure on countermeasures. It forces an adversary to either deploy them when they wouldn't want to, very early in flight, where they start to drift away over time—it is difficult to make a lightweight object, especially right after boost, and deploy it so that it appears like a reentry vehicle (RV). Second of all, once you deploy countermeasures, if you maneuver your RV, you either, one, disturb those countermeasures, or, two, you give away which one

is the real RV. So, the early-intercept capability does put pressure, and puts to the advantage of the defense, our ability to detect and determine which is a countermeasure and which is an RV.

Senator COLLINS. Thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Collins.

Senator Begich.

Senator BEGICH. Thank you very much, Mr. Chairman.

Thank you all for being here. You can probably guess where my conversation is going to go, so I want to ask a few questions, if I can, regarding the missile defense system in Alaska, and just some datapoints. What I'm looking at is two pieces of the puzzle, here: the risk factor and the costs, or the real costs. I'm trying to understand those better.

First, understanding that we've spent about $20 billion already on this system to get it to where we are and where—the stages in the completion, or how far out we are, which is not too far, to complete this project. The other is the risk. I was just reviewing a chart that I have—since 1998, the launches from Korea, and where you look at what the timing has been for their launches, 40 percent of them have occurred since we announced the budget preparation in regards to the missile defense system in Alaska; in other words, stopping the missile defense system at the level it is at today. Almost 40 percent of their tests have occurred since that date, which is kind of interesting. Maybe it's coincidence, but it's to me, at least, an additional risk factor.

Let me ask, if I can, just a couple questions on the technical elements. My understanding, there's three fields. There's field 1, 2, and 3. Field 1 is completed, with six silos. Then there is field 3, with 20. Then, the question is field 2, which is under different levels of completion.

When you maintain—and let's say, field 3, you want to replace some of those missiles—as part of the plan is, you want to replace those. You have to shut the whole system down, the whole 20. So, what happens? What's the risk level at that point, when we're down to just six missiles there in Alaska and, I know, four in California? But, what does that do? I know Senator Nelson brought up utilizing the gross number of 30. But, at any given point, there's maintenance going on up there. I mean, I was up there with Secretary Gates recently, and there was maintenance going on. If your plan is to refurbish a sizable amount, 14, based on the replacements, that means some of these are going to be shut down. My understanding was, the way the three systems—or, the system was to work was, you would have these three fields, for that purpose alone, so you'd have redundancy. Could someone give me a brief comment on it? Whoever wants to do that. I'll look to the two generals.

General O'Reilly? Then I have some very specific costing that doesn't add up yet. So, please.

General O'REILLY. Sir, our approach to the missile field that we have taken is to look at the reliability and the certainty of the missile launches, and the surety that the combatant commanders will have; when they need those missiles, they're available. When you take that approach, you look at not only the number of silos, but

also the entire population of GBIs and how you have to rotate them through.

The missile fields are each distinctive. The first one is a very early testbed, and it has the characteristics of a testbed. It has the life of a testbed. Missile field three, the one that has 20, is a harder missile field, and it has redundant systems in it, and it is designed so you can perform the maintenance you refer to without shutting the missile field down. It has backup systems, it has shielding, it has other things associated with it, so that we can, in fact, do that. On top of that, the missiles themselves were designed that they can have the software completely replaced on them while they're sitting in the silo.

So, all of that was taken into account for the lifecycle maintenance of the missile system. So, missile field two can operate—or, missile field three, the one with 20 silos, can continue to operate and sustain itself, because of the way it was designed and built, with those redundancies. The first missile field was not. The missile field we are currently working on also has another generation of capability and so forth, and that's why we are finishing up that work.

But the reason we are at six silos, and actually a seventh one we're considering for a spare, is, again, when you take into account the overall fleet management of the GBIs, and how many do you need in silos, how many do you need outside silos that are being refurbished, as you say, and how many are being used for test purposes—when you put all of that together, you can sustain, for several decades, a 30-missile fleet, much more significantly—efficiently and effectively than you could 44 missiles, given the fact that the original missile field was a test field designed for that purpose.

Senator BEGICH. Let me ask you—and I'm going to follow up on what Senator McCain was asking. I know the 30 number is kind of where you folks are at, but how do you judge the risk level, when you don't know what the risk of North Korea is? I mean, I think, Mr. Secretary, you made the comment that—or maybe it was General Cartwright, I'm not sure which one—but, made the comment that they're not predictable. Yet, we're making a very stringent decision, here, to make a decision that we're going to have this many, that's it, and maybe in the future, depending on the conditions, that might change. But, with North Korea it seems, since we've made this announcement, as I said, 40 percent of their testing has occurred, plus an underground nuclear test. I mean, I don't know, that seems risky to me, but——

Mr. LYNN. I said to Senator McCain, the actions of North Korea have been unpredictable. Their capabilities for ICBM or longer-range missiles are quite well understood. They are well within the bounds of a 30-missile field, and we would be able to expand the field far faster than they could expand their capability. So, in terms of their having some kind of breakout, it is not there. We have the ability to respond—to turn, inside anything they could do. That has nothing to do with their predictability. That has to do with understanding of their capabilities.

Senator BEGICH. Let me ask you about that, the comment you mentioned about how fast you can move forward, in case we didn't

necessarily have all the best information in determining what their capacity is or capabilities are. Help me understand the project, as you have it now, sealing it off at 30. I'm trying to figure this out, but what is the current cost to close it up? What is the cost for the contractor to close them up, as they are still idle up there right now, my understanding is, there is a stop-work order on some of the work. But, we're paying——

General O'REILLY. That is not correct, sir.

Senator BEGICH. Okay.

General O'REILLY. I have not issued a stop-work.

Senator BEGICH. That's fair, then. But when we close it off, is there a contractual fee that we have to pay the contractor to finish out the contract? Is there a cost for where these 14 missiles will be stored? Because, obviously, if you don't build the silos, you don't have them stored. So, where do they go? Is that in your budget proposal that you have in front of us that shows the cost of storage and putting these 14 completed missiles somewhere?

General O'REILLY. Sir——

Senator BEGICH. Have you done, because I haven't seen it, and I know we've requested it, internally, but I want to see that—the matchup, which I have not seen yet, and the close-out costs that the contractor may require, which I believe they probably will.

General O'REILLY. Sir, you're describing it as if it's a contract termination, and it is not. We are giving redirection to the contractor, but we are not terminating. So, termination costs and so forth are not part of our estimation.

Also, this is an fiscal year 2010 budget request, so what I described, the fleet management into the future, is going to follow up in future years as we identify the requirements, today, we do not have the missiles deployed that exceed the 30, and we do have storage capability today, at Fort Greely and at Vandenberg, to handle those 14. Plus, when you take into account the idea is refurbishment, some of 'em will be back in the industry base, going through the upgrades, which they'll need.

Senator BEGICH. My time is up, I have more questions but, I will probably submit those in writing, then, to you.

Thank you.

Chairman LEVIN. Thank you, Senator Begich.

Senator Sessions.

Senator SESSIONS. Thank you, Mr. Chairman.

General Cartwright, you mentioned the Patriot batteries in Poland. I see one report, June 12, that those are not going to be armed. What is that about?

General CARTWRIGHT. We are, in fact, working our way through a challenge of the distribution of Patriot. You know, sir, from our long conversations, that the number of Patriots and the batteries that we have are limited, and therefore, as we deploy them worldwide, matching up the battery with the command and control is a bit of a challenge. So, right now what we had talked to the Poles about was, the first deployment would be a training deployment. What we're trying to understand is, can we put the battery in there, the equipment, with the command and control or without the command and control? Do we put the weapons with it if it doesn't

have the command and control? So we're working our way through trying to put the assets together.

The agreement was made after we made agreements with other nations about exercises in 2010. So, we have competing requirements right now. It is our intent to give them a usable, trainable asset, and then to start moving towards armed capability. But, we have to get that aligned with our exercise programs and commitments with other nations this year.

Senator SESSIONS. Well, we had a contract, did we not, with the Poles and the Czechs? I mean, the United States signed an intention to go forward with these systems. I know the Polish legislature, and the Czech, has not ratified fully, but we did have an agreement to go forward with that system. Is that correct?

General CARTWRIGHT. An agreement to go forward with the training in the first 2 years, and then with deployment in later years, replaced by their procurement.

Senator SESSIONS. Well, if we can't make up our mind about it, it's not likely that the Poles or Czechs are going to be supportive of this system. I think that undermines that whole process, as came about from the President's own comments, and it undermined the commitment of the United States to the program, and therefore, has undermined the Poles' and the Czechs' willingness to participate.

That's where we are, and I think that's an unfortunate event.

General CARTWRIGHT. Senator, I agree with you. We are going to make every effort to make this work, because I see it the same way you do, from a perception standpoint, that we have to put a unit in there that is functional, capable, and can actually be trained on and can defend the area.

Senator SESSIONS. Well, to follow up on Senator Begich's comments, General O'Reilly, this whole budget has taken quite a hit. The budget numbers, as I see it, have a $1.2-billion cut in missile defense, period, which is about 15, maybe more, percent of the missile defense budget, which includes theater, as well as national missile defense. The national missile defense GMD program is taking a $700-million reduction from previous budget plans?

General O'REILLY. Sir, 500.

Senator SESSIONS. That's a third or 40 percent of the total budget?

General O'REILLY. Sir, $328 million of it was planned to come off the work that was going to be accomplished this year anyway between 2009 and 2010. And $160 million is a reduction due to the work up in Alaska on the missile field silos.

Senator SESSIONS. Well, and then we've eliminated the MKV, we eliminated the KEI, and have basically put on hold the ABL. So, those programs are gone, and now we're taking, from 44 to 30, our deployed missile defense system. I think that's what Senator Begich and I are concerned about.

Let me just follow up a little bit on that. The Secretary of Defense told this committee on May 15 that he expected GMD, our national missile defense system, to continue to improve over time. Additionally, in a National Defense University presentation on June 2, you said this, "we're not limiting the production of GBIs, and we'll continue to produce, upgrade, and test GBIs to maintain

a more operationally-ready capability to defeat long-range missile threats to our homeland."

You indicated, and, I think, Secretary Lynn, those threats are increasing from the North Koreans. Yet, MDA budget justification materials and statements by senior MDA officials seem to contradict your statement and Secretary Gates's explanation. So, I just need to get this straight.

On May 7, MDA Executive Director Altwegg told reporters that the GBI production line ends circa 2012–2013, after the 44th missile. MDA's vendor analysis shows most manufacturing lines closing down by fiscal year 2010. The fiscal year 2010 DOD overview, which I suppose you worked on, from your area, for the MDA, clearly states that MDA intends to "curtail additional GMD development."

An MDA chart depicting program changes that you've produced shows that GMD program has been descoped. Eliminated activities include GBI three-stage fleet avionics upgrade and obsolescence program, software testing and fielding. That's in your paperwork. MDA's planned test schedule for 2010 calls for a test of the two-stage GBI intended for European deployment. There is no plan to intercept tests for the three-stage GBI deployed in Alaska.

So, I guess this, to me, suggests a disconnect between the Secretary's intention to improve and upgrade the NMD system over time, and what actually seems to be happening. I'm aware—I think all of us are—that a lot of this is driven by money. You're given some choices, and difficult choices, and you have to make choices based on how much money you've been provided. But, I would just note that our budget is over $500 billion. We've invested, you said, 20 in GMD alone. We're this close to actually deploying a system that I thought we'd all agreed on, 44 missiles plus robust testing.

So, I guess I'm wondering what's happening, here. Can you tell me about this disconnect between the idea that we will continue development and improve the system in what appears to me to be reality of massive budget reductions and elimination of programs?

General O'REILLY. Sir, yes, I can. First of all, of the $1.2-billion reduction, $566 million—I'm restricted, due to the Authorization and Appropriation Act last year on European defensive capability. Most of that was in the GMD effort. So, that accounts for the largest reduction, is complying with last year's appropriation and authorization restrictions on how I can using funding this year. But, I will note that, in another line, we have $182 million for the upgrades of the avionics and the other common components that you're referring to on the two-stage line. They also apply to the three-stage.

Second of all, the comment on GMD curtailment was a phrase lifted out of a sentence that has to do with the missile field and the silos up in Alaska. So, it is consistent, we are curtailing that missile field and some of the work on that missile-field area. That did not apply, as it's been taken out of that sentence, that we are stopping or curtailing overall GMD upgrades. We are, in fact, completing extensive upgrades, as I said, through the fire control, the training, and all of the other requirements.

You referred to the original two-stage test which was just the booster. We have high confidence in that booster, because we

launch it every time we launch a three-stage. So, we looked at that test, and we looked at the value of the test, and we determined that it would be much more beneficial to the three-stage and the two-stage to put a kill vehicle on it and stress the kill vehicle in a way that it hasn't been before, where you can't do during an intercept test, because you really want to drive it to its performance ends so you have a good understanding.

So, in fact, it may look like there's one two-stage test this year. We have changed that test so that, in fact, we get a significant benefit to the three-stage development also, as well as the two-stage.

Finally, the other developments that are occurring with the GMD system are associated with the sea-based X-band radar, the command and control, our other sensors, our ability to use forward-based radars to cue GMD. That all accounts to an additional $1.3 billion that directly improves the capability of our midcourse defense system that is not in the GMD budget line.

So, it is a significant investment of over $2 billion of improving GMD over fiscal year 2010.

Senator SESSIONS. Well, I don't know. I mean, it seems to me that you've reduced the capability of the system and you've reduced spending quite significantly. The assembly lines are going to be shut down soon. With all due respect, General Cartwright, if we use our launch systems, and we're not able to snap our fingers and have a new assembly line start back up again; it's going to be closed down, and all the subcontractors and suppliers. Seems to me the time to produce the adequate number of missiles is now. Fourteen missiles at two tests a year, it would mean 7 years, and we're talking about a 40-year-or-more, I assume, defensive system. So that's not the kind of testing we use for our submarine-based missiles. It's not the kind of testing we use for our ICBMs. They're much more robust than that.

So the numbers don't add up to me. I think it's just a question of somewhere, somebody has decided to cut missile defense substantially. You're doing the best you can under a difficult circumstance, and I'm concerned about it.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Sessions.

Senator Bayh.

Senator BAYH. Gentlemen, I've been a strong supporter of your efforts, and I want to thank you for them. I intend to continue to be a strong supporter of your efforts.

What would your answer be to Senator Sessions in his final comments? Is this being budget-driven or is this driven by your honest assessment about the move from 44 to 30, it does not materially affect our ability to make these intercepts, and the change in the testing regimen does not materially affect our ability to assess the efficacy of the system? Is this being driven by the budget, or is this being driven by—because I'm going to vote to give you all the money you need to have a system that works. But, of course, the taxpayer shouldn't be asked to pay more than they need to for a system that works. So, what's the answer to his last comment?

Mr. LYNN. Senator, maybe I could start and then ask the two generals to join in.

We undertook a review of the missile defense program, and we developed, frankly, a new approach to it, which is more heavily focused on rogue-state threats and on theater threats. That drove a series of changes. It actually drove about a billion-two in adds and a couple billion in cuts that netted to the number that Senator Sessions mentioned, of about a $1.2-billion reduction. But, those reductions were driven by programs we think that were either too immature, like the MKV; programs that should be in the R&D phase, but not go into production; like the ABL and programs like the kinetic energy interceptor, which is a troubled program from the start.

Senator BAYH. Well, the troubled program, that's different, but the things that are sort of in the process of development, these changes you've made in the near term, don't affect their longer-term potential to—our ability to assess whether they're ultimately going to work or not?

Mr. LYNN. In particular, with the ABL, we do indeed intend to assess whether this has more capability. It's been mentioned at the table. The technology itself is promising. The operational concept that we had for it is not currently the right one. The technology isn't ready for production. We wouldn't go forward with a second version of the current aircraft. So, it's appropriate to step back and to maintain this in R&D to explore exactly that potential, but not to go forward with the planned second aircraft at this time. At the same time, I ought to mention, we added substantial resources to programs that are more focused on that theater and rogue-state threat. We added substantially to the THAAD program, to the Aegis ship program, as well as to the SM–3 program.

Senator BAYH. So, Mr. Secretary, I don't mean to interrupt; there were some other things I wanted to ask, but I thought he raised—long-time observers of Washington might have reason to be somewhat skeptical and say, "well, is this really being driven by the substantive factors, or has there been a decision made, and now they're trying to justify it by doing this sort of thing?"

But, judging by your answer, I guess I'd just ask our two generals if they disagree. What I hear you saying is that this does not affect the efficacy of the system or our ability to assess the efficacy of the system. That's what I understand your comments to mean.

General CARTWRIGHT. That is correct. Nor does it foreclose the opportunity, because we know we have to go back and assess the aging testing program. We know that we may have to build additional interceptors if, in fact, we make a decision to go forward with the European site. The line will stay hot, as will the vendors. The question that we're taking a pause for right now is, How many more missiles are we going to acquire for that test program? What's an appropriate test program? When will the decision be made about the third site?

Senator BAYH. One of the reasons for hearings like this is, not only to inform members of the committee and Congress, but to inform the American people. So, I'd like to ask a series of questions—I hope they're fairly short—about that.

Mr. Secretary, I guess I'll start with you. With the current missile technology the North Koreans have, can they launch a missile that could hit the Hawaiian islands or Alaska?

Mr. LYNN. They've not been completely successful with what they've done, but their systems have the potential to do that, yes.

Senator BAYH. In what timeframe, do you think?

Mr. LYNN. Well, the systems they have now have the potential, if they were to do a successful launch.

Senator BAYH. To the best of our ability to determine these things, with the kind of path that they're on, when do you think they'd be able to reach the west coast of the United States? General Cartwright?

General CARTWRIGHT. We've had three unsuccessful tests, but progressing in their capability. Even if they are successful in the range aspect of getting to the United States, they still have to be able to actually deliver an RV that can reenter the atmosphere and find a target.

Generally, and this is not scientific, but we're dealing in at least, probably, another 3 to 5 years, minimum, that normal nations would take in the progression of testing to get to that state.

Senator BAYH. Minimum of 3 to 5 years. That's the missile technology. What about producing a warhead coupling it to the—that includes that, in your analysis?

General CARTWRIGHT. That is the staging. It does not include how long it takes to build that warhead, but it includes the ability to deliver it.

Senator BAYH. To miniaturize it in a way that would—you think——

General CARTWRIGHT. All of which are going to be significant challenges. But, realistically, here, the——

Senator BAYH. You think they'll be able to do that within 3 to 5 years.

General CARTWRIGHT. The missile technology, not the warhead technology.

Senator BAYH. Well, one without the other isn't all that meaningful—what about both of them together?

General CARTWRIGHT. That would be an opportunity.

Senator BAYH. I'm just a long-time supporter of what you're trying to do and I'm trying to educate the American people about this.

General CARTWRIGHT. I understand. I just don't want to mislead anybody, either because my crystal ball is not going to be any better than anyone else's. But, you're dealing in a 5-year activity to be credible in being able to deliver a weapon and an RV to a target at those kind of ranges.

That assumes a lot of luck on their part in moving forward.

Senator BAYH. There's an unavoidable element of the unknown, either on the——

General CARTWRIGHT. Yes, sir, there really is.

Senator BAYH. We've been surprised by more aggressive developments in the past, and then sometimes things have taken a little bit longer.

General CARTWRIGHT. One thing I'm sure of is that that number is exactly wrong. [Laughter.]

But, it's in the ballpark.

Senator BAYH. Well, in the intelligence world, we've learned, unfortunately, to try and deal with irreducible ambiguity.

General CARTWRIGHT. Yes, sir.

Senator BAYH. General, the collaboration between North Korea and Iran—factoring that in, the Iranians—they currently have missiles that could hit a fair amount of Europe. Is that correct? They can obviously hit Israel. Is that true?

General O'REILLY. Yes, sir, that's true, from what they've demonstrated in their flight testing. They have a range of about 2,000 kilometers, is what they've stated and what they've demonstrated.

Senator BAYH. It's a further-out time horizon for them to have the capability of a missile with a warhead that would reach the United States.

General O'REILLY. Oh, that large of a missile? Yes, sir.

Senator BAYH. Very good.

Israel. I know this is not, perhaps, the subject, here, but obviously if they are reachable today—the Iranians have been working to produce fissile material, they have designs, they decided not to go forward with them, but they may have suspended that decision; they may be going forward as we speak. I think observers of the regime would think they probably will do that, perfecting the weaponization of the product—the device.

The Israelis, do they have an effective missile defense against that threat?

Mr. LYNN. They have some capability with the Arrow system against that threat. They're working towards an upgraded system that they would prefer that to be the Arrow-3, which would be a highly capable system. We're supporting them in that. We think that they should also have, as a backup, the possibility of land-based SM–3, which is a little bit less capable technology, but more mature. In terms of immediate measures, we've moved an X-band radar into Israel to assist with their immediate engagement capability.

Senator BAYH. I've bumped up against my time limit, here, but there was one final question. Maybe you can give me a brief response.

You're briefing the President of the United States. He has to take into his consideration what you're doing, in terms of facing these threats. He asks you, "If there is a rogue launch, what are the percentages that we're going to be able to hit it and bring it down?" What would you tell him?

General CARTWRIGHT. Ninety-percent, plus.

Senator BAYH. Ninety-percent-plus confidence that we could—if there's a rogue launch from North Korea, let's say, we could intercept that target and bring it down?

General CARTWRIGHT. Yes, sir.

Senator BAYH. I assume there are a number of assumptions factored into that, about how many launches there are and that sort of thing, but a single launch would be pretty impressive.

A final thing, Mr. Chairman, if I could be allowed. The Russians, when they say they're threatened by this third site in the Czech Republic, they really believe that's aimed at them, or is that just a pretext designed to leverage us for some other things?

Mr. LYNN. Oh, I don't know that I could divine their true meaning, Senator. They have certainly said it repeatedly, and we are focused on the Iranian threat, and we are trying to persuade them that the systems that we're proposing are focused on the Iranian

threat. We think, as the conversation earlier indicated, that if we collaborated on the Iranian threat, we could have a more capable system, vis-a-vis—that would protect both us and them, and signal the Iranians, and hopefully reassure the Russians. So those would be the goals.

Senator BAYH. They keep raising it, so it's obviously something we have to deal with. But, given the nature of what we're talking about, it just strikes me as bizarre that someone could think that that would have any sort of material impact on the sort of arsenal that the Russians have. So, we either have two sets of people looking at the same facts and reaching dramatically different conclusions or there's something else they have in mind in trying to gain some negotiating advantage on some other things. So, I was just curious in your perspective on that.

So, gentlemen, thank you very much.

Mr. Chairman, thank you.

Chairman LEVIN. Thank you, Senator Bayh.

Let's try a shorter second round, so we can all have a chance; a 4-minute second round, and see if we need a third round.

Relative to that Iranian threat and the potential of having access to the information that Russian radars would give us on an early launch from Iran, the distances that we've determined, roughly, are the following, in terms of the distance from a radar to Iran—an outside radar to Iran. Gabala, we estimate, is about 100 kilometers from the Iranian border. Armavir is about 500 kilometers from Iran.

The proposed radar in the Czech Republic, assuming they approved it, is about 3,000 kilometers from the Iranian border. Assuming those numbers are about right, it would mean that it's about a 2,500-kilometer advantage, in terms of closeness, if we were able to work with the Russians and get that information about any launch from Iran from an Armavir radar in southern Russia.

Let me ask you, General O'Reilly, is that a significant advantage, that 2,500-kilometers closer?

General O'REILLY. Sir, it is. We've always had in our proposal for a defense of Europe, a forward-based radar in the Caucasus region, for that very reason, so that we do have an early observation of a launch that would then cue the radar in the Czech Republic.

Chairman LEVIN. Is that potential also on a ship?

General O'REILLY. Sir, the frequency of the radar on the ship is not as accurate as an X-band radar would be, or a forward-based, or what we've recently seen, even from unattended air vehicles.

Chairman LEVIN. I think you described the advantage before, in terms of an early warning. One of them was in terms of the cue, which we could follow even if there were not decoys. But, then you made reference to the possibility of decoys and as to whether or not an earlier warning also helps, earlier information about a launch, gives us advantage, in terms of the decoy issue.

Did I hear you right? If so, could you just go into that a little bit more?

General O'REILLY. Yes, sir. The proposal for an early intercept capability would require the ability to see and track very early in the launch. The concept there is to force someone, if they're going

to use countermeasures, to deploy them as early as possible, because that is to the advantage of us. They tend to drift away, they have other problems with them over time. Ideally, you'd want to deploy them very close to an area of their flight where they would think they're about to get intercepted. So this has a significant advantage.

So, having sensors forward does give us the ability to help us prosecute an early intercept.

Chairman LEVIN. Now, in terms of the Alaskan site for our intercepts, would having information from those forward radars, if we could work out something with Russia—could they be linked to an Alaskan intercept? Could that information——

General O'REILLY. Sir, theoretically, yes, they could, sir. They would enhance the ability of those missiles in Alaska.

Chairman LEVIN. Would that also be true in California?

General O'REILLY. Yes, sir.

Chairman LEVIN. I know that Senator Begich was being distracted at that moment, but I think this is an important area, where we may be able to find some real common ground. On the question of the possibility that if we worked out something with Russia and their information, that that could be, theoretically, linked to the launchers at Fort Greely, and it could make them, what were your words?

General O'REILLY. They're more effective, sir.

Chairman LEVIN. More effective. That that would add to the effectiveness of those launchers, if we are able to work out something with the Russians. But, technologically, that information, I gather, could be transmitted in a matter maybe even a few seconds if not minutes.

General O'REILLY. Yes.

Chairman LEVIN. My time's up, thank you.

Senator Sessions.

Senator SESSIONS. Thank you.

Well, I guess my concern about the missile defense system and the ideas that we're dealing with is that the study that the BMDR—I guess it's going on now and won't be completed until the end of the year. I'm not aware that any specific study has been done to alter our plans to go from 44 to 30. I don't think there has been one, and so, that's a troubling thing to me. We'll just have to see how that plays out, but I am concerned about it, Mr. Secretary.

Mr. Secretary, Secretary Gates testified that we should not reduce our weapon stockpile—or, made the statement in October 2008, "We should not reduce the number of weapons in our stockpile without either resorting to testing," which we're not planning to do, "or pursuing a modernization program." The Perry-Schlesinger Commission said that, as a part of our—it should be a part of our agenda to modernize our nuclear weapons. As part of any reduction of nuclear weapons that might occur. Now, that's the bipartisan commission that's given us a lot of our research and thought into these issues, a really impressive group of thoughtful people on that commission.

So, I guess my question to you is—I don't see anything in the budget to modernize our nuclear weapon system or any request from the administration to do so, yet we will be—I guess you will

be asking Congress if the Strategic Arms Reduction Treaty (START) talks with the Russians go forward, to approve reductions. So how can we agree to do that if we don't have a plan to modernize?

Mr. LYNN. We are reviewing, in the Nuclear Posture Review, the kinds of requirements that Secretary Gates mentioned. What changes do we need to make to the nuclear infrastructure? What additional developments do we need to ensure nuclear surety, to ensure that we have reliability of our stockpile? The Nuclear Posture Review is inextricably linked with those START follow-on talks. We are evaluating what our needs are as we go forward. That will be part of the next year's budget.

Senator SESSIONS. So, would you expect that by the time anyone asks for ratification, that we would see a good plan to modernize the stockpile?

Mr. LYNN. We'll be evaluating what plans we have concurrently, as part of the analysis supporting the negotiations, and we'll be able to talk to that, at that time.

Senator SESSIONS. Well, I just would say to you, I don't think that you'll have a lot of support over here—or, I think there will be a good bit of opposition to any kind of START change if we don't have this proposal done that both the Secretary and the Commission itself has stated. I would urge you to get serious about that and come up with a plan that we think can work.

Also, I would just observe that it's not necessary that the START talks be completed this year. That can be extended easily for 5 more years. I'm a little concerned that the administration seemed so determined to have an early agreement with the Russians. I hope we aren't making unwise agreements with the Russians, policy changes in our defense structure, to gain favor with them in order to try to smooth out a rapid START agreement, which is a limitation of our nuclear weapons.

So, I don't have any reason to believe that we are facing any immediate threat from the Russians' nuclear weapons; and whether they have 2200 or 1800, not much difference, really. What is a threat to this country is the nuclear weapon system being built in North Korea and in Iran, and we need a defense against that, and we need policies against that, and we need to take some action, sanctions and other things, to try to bring that to a head, to an end—because there is a danger of proliferation. Mr. Secretary, if the North Koreans or Iranians develop nuclear weapons, a whole host of nations are going to feel obligated to develop their own nuclear weapons, and we could have a proliferation surge of far beyond anything we would want to happen.

So, I think those are big issues. Whether we have—what the exact number is between the United States and Russia is not the most critical issue facing our country, at this time. Would you comment on that briefly?

Mr. LYNN. Sure. Let me say several things. One, in terms of the START talks, we do see an opportunity to potentially gain an agreement with the Russians before the treaty expires, at the end of this year. But, let me assure you that we are not going to agree to anything that we don't think is in our national security interest.

So, that will be the ultimate bottom line on any agreement that we were able to reach, or potentially not reach.

With regard to your statements on Iran and North Korea, I agree with you, they, indeed, present a very real threat, and a growing threat. That, I think, was underlying some of our discussion on the missile defense area. We're actually trying to shift more of the programs in that direction. So that's what's behind the changes—much of what's behind the changes that you've seen in the missile defense budget.

I'd go further, I think, along the lines that you said. The threat isn't just that the North Koreans and the Iranians might possess these; there is a—the second- and third-order threats. The second-order threat is that they might transfer either the weapons themselves or the technology behind them. They've both shown predilections to do that, particularly the North Koreans. So, that's a very real threat. Even if they do nothing with them, their having them and the ability to proliferate is, indeed, a very unsettling and dangerous prospect.

Then, third, I agree, the signal it sends for the proliferation regime for North Korea and Iran to proceed on this path is something that needs to be countered. We're looking at the Nonproliferation Treaty and other larger mechanisms. Indeed, the most immediate past, the U.N. Security Council resolution, vis-a-vis the most recent North Korean actions, are trying to start to demonstrate the unity of the international community against those actions.

Senator SESSIONS. Thank you.

Chairman LEVIN. Thank you very much, Senator Sessions.

Senator Begich.

Senator BEGICH. Thank you very much, Mr. Chairman.

Thank you for that comment regarding Russia and the potential there of some middle ground.

Just some questions here. Again, I can only say this as a new member here, I've been here for 6 months now. But your comments earlier that the Fort Greely program has direct impact, obviously, with North Korea, but also has limited, to certain extents, if Iran has missile capability to the United States, what our system up there in Alaska can do, even though it's limited, recognizing—but, it has some impact to it.

General O'REILLY. Sir, it is not limited.

We do have very good coverage of—against Iran from North Korea—or, from Alaska.

Senator BEGICH. I don't want to say I said that on purpose, but I appreciate you saying that now. [Laughter.]

Because you have just done what exactly my point is, and that is, Fort Greely is not just about North Korea; it's about North Korea and Iran. We have to keep that in perspective as we all sit here and discuss Alaska. Someone who lives there, now, I can tell you, when I go back home and people see news accounts about North Korea shooting off more missiles, they also get very concerned about Iran shooting off a lot of missiles, and so you just did exactly what I was hoping. Thank you very much for that. It wasn't a trick question, but I appreciate it.

The issue of almost $20-billion investment that we've made in the system up there, and we're at $160-million issue in front of us, which, in the larger sense—and I've had to adjust my thinking, here, coming to Washington, DC, coming from being a mayor of a city; when you talked $160 million, that was real big money; $20 billion is real big money. But, when you look at a system of $20 billion investment, with only $160 million more to finish out, that we've made decisions—or, you've made decisions on this missile defense system when—my understanding from the testimony, the BMDR hasn't been completed yet, but you've made decisions So, the review will be completed. My assumption is, these budget decisions all across the board on missile defense will be backed into that, or part of the, answer already. I mean, the answer's already been given, partially, even though the review isn't done. This is how I'm processing all this.

Now, saying all that, we have a $160 million issue in front of us. We will have—and I think you even said, General, that it may be seven completed silos, not just four more. I thought I heard something. I wasn't real clear on that.

General O'REILLY. There are seven delivered up there, at this time——

Senator BEGICH. So, it's possible those will be—that gets you to 33. I'm trying to do my math——

General O'REILLY. No, sir. Well, yes, sir. But——

Senator BEGICH. I mean, then it gives you 33 silos.

General O'REILLY. This discussion is more, sir, not just about individual silos.

Senator BEGICH. I understand that.

General O'REILLY. When you look at the impact of life cycle for the next 20 years would be several billion dollars, not $160 million. I believe the readiness would be lower. I believe we have higher readiness and higher surety, when you select a specific missile to launch, that it will launch in the way we anticipate it to with the program we're putting forward in this budget, just the first year, because it's a 1-year budget.

Senator BEGICH. Can you do this? Again, because of time, there's only 4 minutes here.

Chairman LEVIN. You can take additional time, Senator Begich. It's fine. We're good on time.

Senator BEGICH. Okay. This is what I want to get, is the side-by-side. I'm looking at a 2010, because I don't have a 5-year budget in front of me, I don't have the QDR, I don't have the BMDR. What I'm dealing with is what I have in front of me today, and that's what I have to work with. So what I want to compare it to is, what's the cost to cap it? What's the cost to store? What's the cost to demobilize? What's the cost to remobilize? What's the timeframe on that?—understanding that Alaska's not your year-round construction season, even though missile defense has done a very good job, because they've timed it right, that they can do concrete work and so forth in the summer and then have the fieldwork and additional work as the winter goes forward, even though it's 30, 40 below. I want to see that comparison. I guess that, to me, helps me understand how you make, on a $20-billion system installation, a $160-million reduction which—and I understand your long-term

playout, but I don't have those tools in front of me, because those aren't completed. In other words, your review of the Ballistic Missile Defense System is in process, but you've made decisions that will determine what that review will say.

So, I'm trying to figure this—you—and, again, take it from someone who's only been here 6 months—your careers span many, many years, but that's why I have to look at this. I need a side-by-side, now or in the very near future, obviously. But, again, to the earlier point, the system is not just about North Korea; it's a broader system. We've had some great discussions, you and I have. The one other piece is, today I've noted that you made a comment that testing on this would be possibly every 9 months; that's different than what we've talked about and, I know, Senator Murkowski and I have talked about. My understanding was, it was twice a year, every 6-months capacity, to launch, analyze, readjust, launch. Is it now 9 months? Is that driven by budget or is it driven because that really is the capability of the system?

General O'REILLY. Sir, the 9 months was driven as a result of the study we've just completed, for the last 6 months, and looking at our—one is, as we move forward with each one of our GMD tests, they get much more complicated, and the goals and the objectives get much more aggressive. When we look at our analytical capability, the complexity of all the contributing systems that are involved, and the size of the test, it is much more reasonable to us that a 9-month center is executable than doing it every 6 months, just because of the sheer magnitude. As a good benchmark, mature systems that are much smaller, working autonomously, they launch, typically, every 6 months. So, 9 months is still being aggressive, in our mind.

Senator BEGICH. Thank you.

I'll just end on this question, and I think it was to Senator Bayh's comment on the system reliability, missile defense reliability. I'm not saying, necessarily, GMD, but missile defense was 90 percent. If you had a question from the President, you would all say 90 percent reliability to hit something. Now, I'm assuming—and why I'm asking this—that's the whole system, including the GMD—and the reason I ask this, the debate, years back—not as much today anymore—is its reliability. It seems that testing has proven to help it advance, and future testing will obviously get even more. But, 90 percent is not bad. Is that—am I reading this right? The GMD is part of that percent that you and—I think, General Cartwright, you had——

General CARTWRIGHT. Right. It's a combination of the sensors that we've fielded since the early days, the command and control, the weapon system improvements because of the test programs, and the fact that we now have terminal—and soon intend to have something that will look at the early-launch phases.

So, absent the early launch, with what we have today, I'd be very comfortable saying 90 percent.

Senator BEGICH. Very good.

Thank you very much. Again, if you could provide, at least to me, kind of that side-by-side cost, that would be very helpful. Again, I'm dealing with a 2010, recognizing there's a 5-year schedule, too.

General O'REILLY. Yes, sir.

Chairman LEVIN. If you could provide that for the record, that would be helpful.

[The information referred to follows:]

On 22 June 2009, the Missile Defense Agency completed a Life Cycle Cost estimate comparing the costs between a 30 versus a 44 ground-based interceptor (GBI) deployment. Using specified ground rules and assumptions to estimate the development and production of GBIs, supporting ground systems hardware and software, test and evaluation activities, systems engineering and program management, operations and support, and associated joint program office activities, we compared the total costs for each fielding scenario.

The 30 GBI scenario spans from fiscal year 2010 to fiscal year 2032. The 44 GBI scenario spans from fiscal year 2010 to fiscal year 2037. Both scenarios have the same O&S duration of 20 years following the delivery of the last production GBI, hence the longer total time-span for the 44 GBI scenario.

The life cycle cost difference is summarized as follows:

44 Operational GBI Option Life Cycle Cost exceeds the 30 Operational GBI Option by $7.6 billion (then-year dollars). The major cost drivers for differences between the estimates are as indicated below (other elements contributed to the cost differential but are not major cost drivers):

GBI manufacturing: $1.3 billion (difference driven by higher missile production quantities).

Maintenance: $3.1 billion (difference driven by more missiles to maintain).

- Intermediate maintenance: $0.4 billion
- Depot maintenance: $0.9 billion
- GBI Overhaul: $1.8 billion

Sustaining Support: $2.4 billion (difference driven by more missiles to maintain).

Chairman LEVIN. Also, General, you made a statement about lifecycle costs—I think, comparing—deploying 44 to 30, and using a figure, I believe, of a difference of billions, I think was your comment, in terms of lifecycle cost. If you could, for the record, explain or expand on how you arrived at that difference between the two deployments.

General CARTWRIGHT. Yes, sir.

Chairman LEVIN. What is the difference between the Office of Test and Evaluation's statement that I quoted before about—that the flight testing of deployed GMD systems and its GBIs "will not support a high degree of confidence in its limited capabilities," which you, I believe, said you agreed with the OT&E assessment. Is that consistent with your 90-percent figure?

General CARTWRIGHT. Right. Obviously, in my mind, it is. What they're referring to, or at least the way I interpret it in talking to them, is, the body of test data that has been produced to date gets them to a point where they are comfortable with the missile itself, but not comfortable across the entire range of the missiles' capacity. In other words, the entire envelope. Okay?

Pat, I'll let you jump in.

The rest of the test program will then expand that envelope out. The threat that we face today does not expand to that entire envelope. So the question here is—the rest of the testing has to be done. These are salvo issues, these are high-energy issues that, today, probably are not necessary for the threat that we're facing over the next 2 to 5 years, but, if this system stays around, as it should, for the next 20, we need to have the full envelope.

Then, I'll turn that over to General O'Reilly.

General O'REILLY. Yes, sir. Again, we just completed a 6-month review with the operational test agencies, and we identified 101 actual critical parameters with data that needs to be collected across the entire Ballistic Missile Defense System in a comprehensive test program, which will take 5 to 6 years to complete. At that time, as General Cartwright just said, we will have covered all of the different scenarios, and measured the performance of the system against the predicted performance of our models and simulations in all of the different areas that the missile defense system could see over the next several decades.

Chairman LEVIN. Is this the entire missile defense system, or is this just the National Missile Defense System?

General O'REILLY. Sir, it's the entire missile—it's Aegis, THAAD, our sensors, command and control, and the GMD system.

Chairman LEVIN. Gotcha.

Any other questions before we excuse our witnesses? [No response.]

Thank you. It's been a very informative hearing and we very much appreciate your being here. What you can give us for the record, we obviously would appreciate if you would get it to us this week.

Thank you very much.

We stand adjourned.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR CARL LEVIN

GROUND-BASED MIDCOURSE DEFENSE FORCE STRUCTURE

1. Senator LEVIN. General Cartwright and General O'Reilly, the budget request would cap Ground-Based Midcourse Defense (GMD) deployment at 30 Ground-Based Interceptors (GBIs), and continue production of the 14 remaining GBIs now on contract for testing and as spare interceptors. Please explain what analysis led to this decision and whether the Joint Chiefs and the combatant commanders participated in this process?

General CARTWRIGHT and General O'REILLY. [Deleted.]

COST TO DEPLOY GROUND-BASED INTERCEPTORS

2. Senator LEVIN. General O'Reilly, please provide a Life Cycle Cost Estimate to deploy an additional 14 operational GBIs, beyond the 30 GBIs planned for operational deployment. Please provide the cost for such additional deployment over the period of the Future Years Defense Program.

General O'REILLY. GMD life cycle cost estimates for the production and development of an additional 14 operational GBIs and an additional 2 operational spares are approximately $1.3 billion ($1.2 billion captured through the fiscal years 2010–2015 Fiscal Year Development Program). However, total life cycle cost estimates to support the additional GBIs through the outyears would add an additional $6.3 billion for a total program cost of $7.6 billion. These additional costs account for associated ground systems hardware/software, operations and support, and maintenance activities 20 years beyond last GBI delivery.

PLAN FOR SILOS AT FORT GREELY

3. Senator LEVIN. General O'Reilly, the Department has indicated it intends to decommission the six GBI silos in Missile Field 1 at Fort Greely, AK, and to construct seven silos in Missile Field 2 to replace the older silos in Missile Field 1. Please explain why the Department wants to use new silos in Missile Field 2, rather than relying on Missile Field 1.

General O'REILLY. The Missile Defense Agency (MDA) is increasing the reliability and readiness of the operational GMD system. MDA's purpose to use new silos in Missile Field 2 is to maintain the highest level of missile silo reliability with 26

GBIs at Fort Greely, AK. There are 2 missile fields (missile fields 1 and 3 with 6 and 20 Silos, respectively), and one 14 silo missile field (missile field 2) under construction at Fort Greely, AK (FGA). We will complete the construction of missile field 2 at 7 silos and decommission the original 6 silo missile field 1, due to the fact it was intended as a test bed only, is not shielded (unhardened), and has reliability concerns. Missile field 2 is shielded and corrects the following reliability concerns with missile field 1, such as: leaks in the hot water system piping, black mold contamination in the utilidor; demineralized hot water system regulation problems; fine dust silt intrusion into Mechanical Electrical Building; and other issues. One silo in missile field 2 at FGA will be an operational spare. With 4 silos at Vandenberg Air Force Base (VAFB), 30 highly ready GBIs in hardened silos will provide the United States necessary ballistic missile defense (BMD) capability.

4. Senator LEVIN. General O'Reilly, what is the expected or planned cost and schedule for making the conversion from Missile Field 1 to Missile Field 2?

General O'REILLY. The MDA is developing a low-risk execution plan to deliver the Fort Greely, AK (FGA) Missile Field 2 with a seven silo capability in fiscal year 2011. Once completed, the agency will transfer GBIs from the "Test Bed" Missile Field 1 to Missile Field 2. Missile Field 1 will then be decommissioned. Estimated cost to complete FGA Missile Field 2 with seven silos in 2011 is $81 million.

[In millions of dollars]

	Fiscal Year	
	2010	2011
MF–2 Silos 1–7	73	8

AVOIDING INCREASED THREAT FROM RUSSIA OR CHINA

5. Senator LEVIN. Secretary Lynn and General Cartwright, the Congressional Commission on the Strategic Posture of the United States, with William Perry as Chairman and James Schlesinger as Vice Chairman, stated in its recent report that: "Defenses against longer-range missiles should be based on their demonstrated effectiveness and the projected threat from North Korea and Iran. Defenses against these limited threats should be designed to avoid giving Russia or China a reason to increase their strategic threat to the United States or its allies." Do you agree with this view, and do you believe it is consistent with the administration's approach to missile defense?

Secretary LYNN and General CARTWRIGHT. The President has made clear that we will move forward with missile defenses that are affordable, proven, and responsive to the threat. This means a renewed emphasis on robust testing. It is imperative that we demonstrate the maturity, reliability, and effectiveness of our missile defense systems. We also need measures to ensure and demonstrate that missile defense testing is conducted under operationally realistic conditions.

The administration is reviewing its BMD policy and strategy as part of a congressionally mandated review. Consideration of the current and projected ballistic missile threat will be a key part of this review and will shape policy and strategy going forward. BMD test objectives, requirements, and standards will also be reviewed. Preliminary results will be available later this year. The final report will be delivered in January 2010.

ALTERNATIVE OPTIONS FOR MISSILE DEFENSE IN EUROPE

6. Senator LEVIN. General Cartwright and General O'Reilly, the previous administration proposed deploying a missile defense system in Poland and the Czech Republic to defend against a potential future Iranian missile threat to Europe. The Obama administration is currently reviewing that proposal, and neither the Czech Republic nor Poland has ratified any agreements for that proposed deployment. Do you believe there are other missile defense options available that could defend Europe against potential future Iranian missiles, and do those options include Standard Missile-3 (SM–3) interceptors based either on ships or on land, and using sensors other than the proposed radar in the Czech Republic?

General CARTWRIGHT and General O'REILLY. Yes, there are alternative options for the defense of Europe, and these options are being examined as part of the BMD Review. Land-based and sea-based SM–3s are among the assets being considered for inclusion, along with the European Midcourse Radar and European Interceptor Site

already in consideration and other missile and radar systems. The geographic location of selected assets is a key consideration, and is part of the review process.

MISSILE DEFENSE ACQUISITION

7. Senator LEVIN. Secretary Lynn, at your confirmation hearing, you said you believed BMD programs should be considered within the normal defense acquisition process. How is the Department implementing that view?

Secretary LYNN. As elements of the Ballistic Missile Defense System (BMDS) mature, the Department has implemented a tailored approach to the acquisition process used elsewhere in the Department.

The Under Secretary of Defense for Acquisition, Technology and Logistics (USD(AT&L)) has exercised full authority and responsibility for comprehensive and effective oversight of the MDA and its programs. The focus of that oversight is the Missile Defense Executive Board (MDEB). The USD(AT&L) has chosen to: use the MDEB forum to provide strategic policies, program priorities, and investment options; exercise oversight; and increase involvement of the Military Departments in missile defense planning and programming.

The MDEB provides for broad involvement of senior stakeholders across the Department, and their collective guidance takes into consideration both the traditional acquisition process and the tailored approach directed for use in BMDS program execution. This approach fosters rapid delivery of capability where none existed previously and facilitates development of joint capabilities that cross Military Department lines. Continued participation of all members will ensure the Department's relevance and influence on BMDS planning, programming and execution.

8. Senator LEVIN. General O'Reilly, when we met previously, you mentioned that you were implementing a number of acquisition reforms at the MDA. What acquisition reform steps have you taken, and how do they compare to the newly enacted Weapon System Acquisition Reform Act of 2009?

General O'REILLY. The MDA had begun implementing acquisition reforms even before the Weapons Systems Acquisition Reform Act of 2009 was enacted in May 2009. The following table summarizes sections from the act and corresponding Agency activity.

Weapons System Acquisition Reform Act of 2009 - Themes (Act section numbers in parenthesis)	Agency Actions
1. COCOM voice in requirements and cost/schedule/performance trades (sections 105, 201).	1. MDA has several activities that incorporate the combatant commanders' requirements for example, Strategic Command (STRATCOM)-led BMDS development prioritization process with COCOMs and Service inputs. The existing Warfighter Involvement Process (that includes involvement from all COCOMs) is an effective method for conducting dialog between user and developer communities for the BMDS. The Missile Defense Executive Board (MDEB) and BMDS Life Cycle Management Process provide effective programmatic structures and processes for requirements and trade space to be evaluated.
2. Competition (prototyping and life cycle) (202, 203).	2. Competition is inherent in MDA's acquisition roadmap as we have placed emphasis on competitive contracting through lifecycle of MDA contracts across BMDS elements (e.g. GMD Operations and Sustainment, Space Tracking and Surveillance System and Targets). In addition, we have emphasized innovation through competitive prototyping, second source for technology and open architecture. Potential MDA decisions to not conduct competitive prototyping will require waivers from the Milestone Decision Authority.
3. Technology maturity, integration risk (104)	3. The Director of Defense Research and Engineering is represented on MDEB Committees and technology readiness assessments are in use.

Weapons System Acquisition Reform Act of 2009 - Themes (Act section numbers in parenthesis)	Agency Actions
4. Cost and Schedule Control, program performance assessments (101, 102, 103, 204, 205, 206, 302, 304).	4. Additional Office of the Secretary of Defense oversight (beyond MDEB) and new reporting requirements are anticipated (cost assessment and program evaluation, systems engineering and test plans, problem root cause analyses, certifications or waivers, program terminations). Specific examples include that MDA engaged with the Cost Analysis Improvement Group on the Terminal High Altitude Air Defense (THAAD) independent cost estimate development, European Component cost estimations and the BMDS Block 2.0 and 3.0 cost estimation. MDA also uses the Common Cost Model (CCM) with the Services and Industry in addition to the use of a MDA independent cost estimate. Examples of this include a completed Memorandum of Agreement (MOA) with the Army for the GMD, TPY–2 Radar and THAAD. MDA is currently developing similar MOAs with the Air Force and the Navy. In addition, approximately half of the MDA programs have established Industry and MDA CCMs while the remaining programs have this effort in progress.
5. Other (organizational conflict of interest, excellence awards).	5. MDA is aggressively managing organizational conflict of interest issues. Continuing successful excellence awards programs.

MISSILE DEFENSE EXECUTIVE BOARD

9. Senator LEVIN. General Cartwright and General O'Reilly, you are both members of the Missile Defense Executive Board (MDEB). What role does the MDEB have in making recommendations or decisions on missile defense, and how has the function of the MDEB changed over the last year?

General CARTWRIGHT and General O'REILLY. The Missile Defense Executive Board (MDEB) was established by the Deputy Secretary of Defense in March 2007 with a mandate to recommend and oversee implementation of strategic policies and plans, program priorities, and investment options to protect our Nation and our allies from missile attack. The Board serves as a senior deliberative body to review and make recommendations and decisions regarding the implementation of strategic policies and plans to the Under Secretary of Defense for Acquisition, Technology and Logistics (USD(AT&L)). Additionally, USD(AT&L)'s position as Chair of the Board includes the authority to make recommendations directly to the Deputy Secretary, as necessary. The USD(AT&L) has chosen to use the MDEB forum to exercise oversight and involve the Military Departments in the missile defense planning and programming process. The MDEB provides a forum for the key stakeholders—including MDA, the military departments, the Office of the Secretary of Defense (OSD), the Joint Staff, and the combatant commands (COCOMs)—to work in support of the Department's decision making process by improving information flow among the participants.

The most significant change this past year has been formalizing the BMDS Life Cycle Management Process (LCMP). On September 25, 2008, Deputy Secretary England signed the BMDS LCMP guidance which was developed by the MDEB and includes the MDA, OSD, COCOMs, Joint Staff, and the military departments in an annual program plan and budget preparation process to develop Deputy Secretary approved BMDS budget submittals. The BMDS LCMP provides an opportunity for OSD, military departments, and COCOMs to identify capabilities and operation and support requirements and influence the BMDS annual budget formulation and program plan to ensure adequate resources are available for development, fielding and sustainment. The BMDS LCMP also established business rules clarifying the responsibilities of the OSD, MDA, Joint Staff, COCOMs, and the Military Departments in the management of the BMDS during its life cycle.

DEPUTIES ADVISORY WORKING GROUP

10. Senator LEVIN. Secretary Lynn, you chair the Deputies Advisory Working Group (DAWG), a senior advisory body within the Department. Has the DAWG considered any missile defense issues since you took office? If so, what issues has it considered?

Secretary LYNN. Since I took office, the Deputies Advisory Working Group (DAWG) has held four meetings to discuss missile defense-related issues, all associated with the Department's ongoing Ballistic Missile Defense Review (BMDR). The initial BMDR-related DAWG meeting discussed the scope, organizational approach

and methodology for the review. Follow-on meetings included topics such as European missile defense and alternative defense options, preliminary findings to BMDR questions, and U.S. policy for European BMD and associated political ramifications.

The BMDR is an administration-directed review and will satisfy Public Law 110–417, Duncan Hunter National Defense Authorization Act for Fiscal Year 2009, Section 234, Review of Ballistic Missile Defense Policy and Strategy of the United States.

QUESTIONS SUBMITTED BY SENATOR JOHN MCCAIN

MILITARY CONSTRUCTION ACTIVITIES FOR MISSILE DEFENSE IN EUROPE

11. Senator MCCAIN. Secretary Lynn, the National Defense Authorization Act for Fiscal Year 2009 authorized $176.1 million for construction of a radar site in the Czech Republic and $661.4 million for an interceptor site in Poland. Both requirements were authorized to affirm our commitment to build a European missile defense site at a time when both host nations were deliberating on their support for our initiative. In addition to the authorization for construction, Congress provided funds in 2009 for design and construction—$108.6 million for the radar site and $42.6 million for the interceptor site—as the first increments to a multi-year construction program. Are all the funds provided in 2009 still needed by the Department to carry out design and construction activities in Poland and the Czech Republic? If not, how much is required to keep the design and construction effort on schedule?

Secretary LYNN. The Military Construction (MILCON) and Research, Development, Test, and Evaluation (RDT&E) funding appropriated in fiscal year 2009 for the European Sites in Poland and Czech Republic is still required by the Department to develop the European missile defense capability. The National Defense Authorization Act (NDAA) for fiscal year 2009 requires ratification of the Ballistic Missile Defense Agreement (BMDA) and Status of Forces Agreement Supplemental Agreement (SSA) by the Czech Republic prior to the obligation or expenditure of funds for European Midcourse Radar Site development, and ratification of respective BMDA and SSA by the Czech Republic and Poland prior to the obligation or expenditure of funds for the European Interceptor Site development.

The NDAA for fiscal year 2008 also directed the MDA to transition to multiple life cycle appropriations and prohibited the use of RDT&E for MILCON activities for fiscal year 2009 and beyond. MDA will comply with these requirements, and continues to plan and design the facilities to provide the European Capability based upon the existing congressional authorization.

The fiscal year 2009 funding was appropriated in MILCON for construction activities (not design) $108.6 million for the radar site and $42.6 million for the interceptor site. In accordance with the NDAA for fiscal year 2009 and due to delays in ratification of the necessary agreements by the European host nations, MDA will not obligate any of the fiscal year 2009 MILCON funding in fiscal year 2009, but the funding is still required by the Department to carry out the program. The Department is currently considering a plan to initiate a reprogramming action to use a portion of the fiscal year 2009 MILCON ($90 million request for reprogramming to fiscal year 2009 MILCON Planning & Design) for MDA's BMDS MILCON Planning & Design requirements for the European Capability in fiscal year 2010 and beyond to maintain the schedule. The residual fiscal year 2009 MILCON funding, since MILCON funds are available for obligation for 5 years, will be retained to preserve the administration's options as content and schedule for construction of a European capability are refined for 2011 and beyond.

The administration is reviewing its BMD policies and strategies as part of a congressionally mandated review. We are also reviewing plans for U.S. BMD installations in Poland and the Czech Republic in the context of an evolving threat environment. Preliminary results will be available later this year. The final report will be delivered in January 2010.

12. Senator MCCAIN. Secretary Lynn, in your opinion, how would an action by Congress to rescind the funds provided in 2009 affect each host nation's perception of our Nation's commitment to this program?

Secretary LYNN. Officials from both the Czech Republic and Poland have expressed their urgent requirement that the United States consult with them before any decisions are announced regarding U.S. missile defense plans in Europe. We have assured both potential host nations that the issue is under careful review, that no decisions have been made, and that we will consult closely with their govern-

ments during the review, when preliminary findings are available, and before decisions are announced. An action by Congress to rescind the funds provided in 2009 for military construction of the planned missile defense sites would likely have serious political-military and diplomatic implications. Such an action could potentially damage allies' and friends' perception of the United States as a reliable ally that is willing and able to fulfill its security commitments worldwide.

GROUND-BASED MIDCOURSE DEFENSE

13. Senator McCAIN. Secretary Lynn and General O'Reilly, what are the force structure requirements for GMD?

Secretary LYNN and General O'REILLY. We are still reviewing the force structure requirements at this time and thus unable to provide an answer.

14. Senator McCAIN. Secretary Lynn and General O'Reilly, has U.S. Northern Command provided any formal assessments on the number of GBIs necessary to protect the Homeland?

Secretary LYNN and General O'REILLY. No, however based on our experience with the GMD system, we believe that the 30 emplaced GBIs currently budgeted for provide a sufficient number of systems to successfully defend the homeland against the missile threat posed by rogue nations. We will work closely with MDA to re-address the need for additional interceptors and improved capabilities as we continue to assess the evolving ballistic missile threat to our Homeland in the future.

QUESTIONS SUBMITTED BY SENATOR DAVID VITTER

STANDARD MISSILE-3

15. Senator VITTER. General O'Reilly, I am pleased that the proposed missile defense program for fiscal year 2010 increases resources for the sea-based missile defense system and may seek to improve the capabilities of the SM–3 interceptor to give it an ascent-phase intercept capability. I am hoping that we can assist you in accelerating progress on these sea-based defenses. In my view, a critical element in improving the capabilities of the sea-based system is for the MDA and the Navy to work together to achieve as seamless a solution as possible for providing missile defense capable cruisers and destroyers with off-board sensor data to support missile defense operations. What steps do you foresee MDA taking to provide these ships the fullest possible access to such off-board sensor data, specifically in the area of battle management, command and control, and communications?

General O'REILLY. MDA, through our Aegis BMD and Command, Control Battle Management and Communications (C2BMC) directorates, is taking several near-term and longer-term steps to leverage the capabilities that off-board sensors can provide. The steps cover the Radio Frequency (RF) and Infrared (IR) sensors available. Key to our current success has been the teaming MDA has established with existing Navy Program Offices leveraging their programs of record. We intend to continue this teaming in the future as well as with other joint program offices where applicable.

The use of tactical data links and their associated low latency and bandwidth requirements continues to be the data format of choice while utilizing the Navy's installed satellite communications infrastructure. This investment made by MDA to leverage the Navy's communications infrastructure is providing us the ability to connect Aegis BMD ships globally and forward that information within the BMDS networks to other Missile Defense elements seamlessly. Specifically this communications investment has ensured land-based and sea-based X-band radars and THAAD have the ability to cue Aegis BMD ships and vice versa to support regional and strategic missions. Working with the Navy C4I program offices, we intend to expand the tactical data link capabilities that support these RF sensors and possibly IR sensors, utilizing the AEHF satellite constellation and the associated Navy Multiband Terminal (NMT) that will be installed aboard Aegis BMD ships. The bandwidth increases provided by AEHF and NMT will support the enhanced information exchanges we are implementing to support defense against a larger variety of missile threats.

Also being explored is the use of the Mobile User Objective System (MUOS) constellation when it becomes available. MDA is establishing relationships with the Joint Tactical Radio System (JTRS) Joint Program Office to understand and utilize the JTRS Airborne, Maritime and Fixed (JTRS AMF) terminals planned for Aegis BMD ships. MDA is looking to JTRS and MUOS to support tactical data link paths

currently on UHF satellites and take advantage of the higher bandwidth capacities and robustness of the MUOS constellation.

MDA will continue to leverage Defense Support Program and Space Based Infrared Systems satellite constellations via the Joint Tactical Terminal system installed on Aegis BMD ships. In the near-term Aegis BMD ships will have the ability to receive missile warning and cueing information via the Integrated Broadcast System (IBS) as well as transmit radar information to other IBS equipped elements within and external to the BMDS.

As additional space based and atmospheric remote sensor systems become available, MDA is exploring utilizing several communications technologies to provide Aegis BMD ships with timely, engagement quality information. Information provided from airborne sensors could be provided via Line-of-Sight Link-16 data networks that Aegis BMD can already support or, potentially, by higher data rate links discussed above. Space based sensors engagement information may be provided via either direct downlink to the ships, or from existing ground downlink and processing stations that can then use the communications paths already established to support tactical data links, to send engagement information to Aegis BMD ships.

16. Senator VITTER. General O'Reilly, further, the key requirement for providing future versions of the SM–3 with an ascent-phase intercept capability is to increase the velocity of the interceptor, eventually to 6 to 7 kilometers per second. I believe this can be done by outfitting these future missiles with smaller and lighter kill vehicles. One source of kill vehicle technology is the Advanced Technology Kill Vehicle (ATKV) program from earlier in the missile defense program. What are your thoughts on applying ATKV technology to the SM–3 development program to increase the velocity of the missile?

General O'REILLY. The ATKV concept of the 1990s pointed the way to many of the technology investments we have made in the Agency over the past 15 years, including multiband seekers, high performance propellants and advanced guidance computers and software. Since the 1990s, we have been very successful in applying the technologies from the ATKV to our advanced kill vehicles such as the SM–3 kinetic warhead. Our investments in the next generation of kill vehicle technology will improve our SM–3 interceptors for the future, enabling faster and more capable missiles.

MODERNIZATION

17. Senator VITTER. Secretary Lynn, Secretary Gates has stated that there is a need to continually improve the missile defense system, but the budget for MDA has no plans for modernization. Recent—and constant—news from North Korea and Iran reinforce the need for America's continued investment and support of an adequate missile defense system. In fact, on May 15, Secretary Gates stated: "As North Korea becomes more sophisticated in their capabilities, we need to be more sophisticated in our defense. So the capabilities of those GBIs are going to have to improve over time." Does the Department have plans to modernize the GMD system? If so, why does the MDA budget not have a funding request to carry this out?

Secretary LYNN. GMD program plans include funding for key element goals in advancing the GMD system to stay well ahead of the threat capabilities of rogue nations. Specifically, verifying capability and improving confidence in the fielded system, continued ground/flight testing and fielding of 30 operational GBIs. Additionally, GMD plans to incorporate improvements in BMDS capability and system robustness through development and integration, as well as expansion via increased Engagement Sequence Groups and enhancements to operational readiness. Thirty fully operational and reliable GBIs provide a low technical and operational risk to counter the rogue nation threat, such as North Korea, for the foreseeable future. Within current program plans, focused effort will be placed on the 30 GBIs to make these interceptors more operationally ready to meet the warfighter's needs through operational inventory refresh, interceptor refurbishment, and stockpile reliability initiatives.

The GMD planned program for fiscal year 2010 has a balanced program for sustainment of the current operational capability while continuing development for future capability. Also, GM has a phased development plan for fiscal year 2011–2016+ for development of increased capability through an integrated BMDS architecture and fielding of the European capability.

[Whereupon, at 11:48 a.m., the committee adjourned.]

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