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NATIONAL SECURITY CHALLENGES AND U.S. MILITARY ACTIVITIES IN THE INDO–PACIFIC

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NATIONAL SECURITY CHALLENGES AND U.S. MILITARY ACTIVITIES IN THE INDO–PACIFIC

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Wednesday, March 27, 2019.

The committee met, pursuant to call, at 10:02 a.m., in room 2118, Rayburn House Office Building, Hon. Adam Smith (chairman of the committee) presiding.

OPENING STATEMENT OF HON. ADAM SMITH, A REPRESENTATIVE FROM WASHINGTON, CHAIRMAN, COMMITTEE ON ARMED SERVICES

The CHAIRMAN. I call the meeting to order.

Before we get started, one housekeeping item in terms of how we do the questioning. As you know, when the gavel drops, if you are here, you are on the list. If you are not here for the gavel, you then go to the back of the list.

But then, the confusing thing is, if you leave, as a number of people are going to do and they are—I should drag this out so you guys can't leave as soon as you want to leave. But I wouldn't do that to our witnesses. At that point, you are on the list, so whenever you come back, you get in line.

But that creates an inconvenient situation in that I—you know, we are thinking somebody is next, then literally 2 minutes before it is their turn, if you come back and you are in line, you get to bump that person. So if you are sitting there thinking you are next, then all of a sudden somebody else gets called on, it is because somebody else came back in those couple of minutes.

And that is in the rule. That is in the committee rule. So if you are here for the drop of the gavel, you are in line, and it is your turn, whenever you come back, assuming you are in line, you get to jump anybody else who was there. Personally, I am not in love with that rule, but then again, I approved it. So we will think about that for the future, but that is the way it works.

I say that also because, once again, we have a classified hearing after this. We are going to try to stop at noon. I will try to get people in who are here, but if somebody comes creeping back in at 11:57, that complicates things.

So we are going to try to stop at noon, try to start the classified hearing immediately thereafter, but it will be sometime between noon and 12:15. I am sure our witnesses were fascinated by that.

Mr. LARSEN. Mr. Chairman.

The CHAIRMAN. Yes.

Mr. LARSEN. On behalf of the members of the T&I [Transportation and Infrastructure] Committee, I have to go to markup and vote. We appreciate you covering for us. Thank you.

The CHAIRMAN. Sure. You will be missed, but we appreciate your giving us a heads-up.

Okay. We have our posture hearing this morning with the U.S. Indo-Pacific Command and U.S. Forces Korea. Our witnesses are the Honorable Randall Schriver, Assistant Secretary of Defense for Indo-Pacific Security Affairs, Department of Defense; Admiral Philip S. Davidson, Commander of the U.S. Indo-Pacific Command; and General Robert Abrams, Commander United Nations Command, Combined Forces, U.S. Forces Korea. Welcome, gentlemen. Appreciate you being here. Appreciate your service and look forward to your testimony.

Obviously, the Pacific region is a critical region. Both President Obama and President Trump have emphasized our need to place greater emphasis on the Indo-Pacific region, and, you know, we look forward to hearing about all of the issues around there. Obviously, China is the largest issue working with them, but also, working with countries around them to make sure that they are playing by the rules and are respecting their neighbors.

I think the number one most important thing is it is crucial to maintain a strong U.S. presence in the Indo-Pacific region. I think our presence brings stability and makes it more likely that it is going to be a peaceful and prosperous place.

Crucial to that, also, is building alliances. Our presence alone doesn't work unless we have friends and allies in the region who want us there, who see us being there as an asset to their interests. I believe we can do that, and I think we have done a good job of it.

I want to particularly emphasize, as you note, this is the first year that is the Indo-Pacific Command change that we made in the authorizing bill last year to reflect the rising importance of India to our role in the region. I think the improvement of our relationship with the nation of India is one of the most positive developments in foreign relations over the last several years. I hope we can build on that and improve upon that.

The most pressing questions we are going to have today is how do we deal with China on a wide range of issues, and militarily, what do we need to do to make sure that we have the equipment we need to adequately deter them from doing things that we don't want them to do? And then, as I said, how are we doing in terms of working with other key players in the region to form alliances to contain that threat?

Then, of course, we have North Korea. Without question, the situation has improved in the last couple of years. I have had numerous people say that tension on the Korean Peninsula is lower than it has been probably since the end of the Korean war—sorry, since the ceasefire that happened in the Korean war, since it has not actually ended at this point. I am curious as to your thoughts of how we build upon that, how we continue to increase the stability, and hopefully eventually get to the point where we have a denuclearized Korean Peninsula.

With that, I will turn it over to the ranking member, Mr. Thornberry, for his opening statement.

STATEMENT OF HON. WILLIAM M. "MAC" THORNBERRY, A REPRESENTATIVE FROM TEXAS, RANKING MEMBER, COMMITTEE ON ARMED SERVICES

Mr. THORNBERRY. Thank you, Mr. Chairman.

And let me add my welcome to our witnesses. We appreciate you all being here today.

I think, in a lot of ways, some of the most important statements were on the first page of the written testimony that Admiral Davidson submitted where he talks about what we have accomplished over the last 70 years, liberating hundreds of millions of people, lifting billions of people out of poverty.

What has helped accomplish that, or what has provided the foundation for that progress is commitment of free nations to work together, which I believe is your engagement, Mr. Chairman, as well as the credibility of the combat power of Indo-Pacific Command and a robust and modern nuclear deterrent.

On the next page, I will read one sentence: U.S. power underpins the post-World War II international system that helps strengthen the essential foundations of a rule-based international order for economic growth and prosperity in the region for everyone.

I think that is absolutely true in the Indo-Pacific. I think it is absolutely true in the rest of the world, too. And what I worry about is that we take some of those things for granted, and could let them deteriorate with consequences that will result in a darker, more dangerous world.

Sometimes I think we need to just remember the basics, and part of the basics is strong U.S. military presence and engagement are the key, not only in this region, but maybe as importantly as anywhere in this region, given what we see coming with China and the other challenges.

So we will go down into a lot of details about what that means for 2020 bill, et cetera, but I just think it is important to remember that combat power, that nuclear deterrent, that engagement have been very successful for 70 years, and we should not take those things for granted.

I yield back.

The CHAIRMAN. Thank you.

Mr. Schriver.

STATEMENT OF HON. RANDALL G. SCHRIVER, ASSISTANT SECRETARY OF DEFENSE FOR INDO–PACIFIC SECURITY AFFAIRS, DEPARTMENT OF DEFENSE

Secretary SCHRIVER. Good morning. And thank you, Mr. Chairman. Thank you, Ranking Member Thornberry, and distinguished members of the committee. I am very pleased to be here this morning to talk about our defense work in the Indo-Pacific, and particularly honored to be sitting with my great colleagues, Admiral Davidson and General Abrams.

Our vision for a free and open Indo-Pacific, we believe, will be made possible—it can only be made possible with a robust military presence and combat credibility. We believe this vision and our as-

pirations are durable if we achieve those aims, because they are founded on important principles that are widely shared and have benefited all the countries of the region and beyond.

These principles include respect for sovereignty, peaceful dispute resolution, free, fair, and reciprocal trade, and adherence to international norms and rules. Though China has benefited as much as any country, perhaps more from this order, China, under the current leadership of Xi Jinping, seeks to undermine this rules-based order and seeks a more favorable environment for its authoritarian governance model.

China, of course, is not alone. We see other challenges. Russia is an authoritarian actor seeking to undermine the rules-based order. We see North Korea and their continuing dangerous behavior. We see backsliding toward illiberal governance in key countries, such as Myanmar and Cambodia, which challenges norms related to human rights, religious freedom, and dignity.

We see the persistent and evolving threats by non-state actors, including terrorism and criminal enterprise. And we see the persistent threat from nontraditional transnational threats, such as those emerging from natural disaster and changes to our climate.

China's ambitions, though, are of pressing concern as the CCP [Chinese Communist Party] seeks a different order. In the security domain, China devotes very significant resources to eroding our advantages and threaten our interests. There is, perhaps, no better example of this than Chinese actions in the South China Sea.

Despite Xi Jinping's pledge made in the Rose Garden of the White House in 2015, China has militarized the South China Sea with the deployment of coastal defense cruise missiles and long-range surface-to-air missiles, and they threaten our interests as a result.

We have a specific response, of course, in the South China Sea. Admiral Davidson and his forces fly, sail, and operate where law allows. We encourage other countries to do the same, either alongside us or unilaterally. But nonetheless, we are concerned with China's drive for a different security architecture in the region.

And this matters, because if the CCP's authoritarian approach becomes ascendant, we could expect several trends that would be unfavorable to us. We could see a weakening of sovereignty and a potential loss of access to global commons. We could see an erosion to our system of alliances and partnerships.

We could see an undermining of ASEAN [Association of Southeast Asian Nations] and its member states. And we could see a diminishment of respect for individual and human rights, and, potentially, even the normalization of the brutal repression underway in places such as Xinjiang and Tibet.

Our policy response at the Department of Defense is through implementation of the National Defense Strategy, which outlines how we will effectively compete with China. This strategy has three major lines of effort. The first is to build a more lethal and resilient joint force, and, of course, this must take into account, as a pacing mechanism, China's and Russia's ambitions, their pace of modernization, and the growth in their capabilities.

The second line of effort is strengthening alliances and partnerships. This is really a core advantage that the United States has.

It not only enables our forward presence, but it also gives us partners who are more capable themselves in defending their own interests, and contributing to upholding regional security. A key example of this is the work we are doing with the help of Congress through the Indo-Pacific Maritime Security Initiative.

Our third line of effort is reforming the Department for greater performance and affordability. And accordingly, this focuses on efforts to promote innovation, protect key technologies, and to harness and protect the national security innovation base to maintain our advantages.

I should note, the National Defense Strategy talks about competition, not conflict, with China. Competition does not preclude cooperating with China where our interests align. And as we compete with China, we will continue to seek a military relationship with China that aims at reducing risk, and continues to push China towards compliance with international norms and standards.

We at the Department of Defense support our interagency approach to China, including efforts to counter China's global influence. And we are very supportive of our State Department and efforts such as the BUILD [Better Utilization of Investments Leading to Development] Act, which was another tremendous example of our work with Congress to give us better tools in this competitive environment.

So to close, we work at the Department of Defense, along with our colleagues in uniform, to implement the National Defense Strategy framework to ensure we are on the trajectory to compete, deter, and win in our priority theater, the Indo-Pacific.

Thank you, and I look forward to your questions.

[The prepared statement of Secretary Schriver can be found in the Appendix on page 49.]

The CHAIRMAN. Thank you.

Admiral Davidson.

STATEMENT OF ADM PHILIP S. DAVIDSON, USN, COMMANDER, U.S. INDO–PACIFIC COMMAND

Admiral DAVIDSON. Good morning, Chairman Smith, Ranking Member Thornberry, and distinguished members of the committee. Thank you for providing Assistant Secretary Schriver, General Abrams, and myself the opportunity to appear before you today to discuss the Indo-Pacific region.

I am also joined by Command Sergeant Major Tony Spadaro of Indo-Pacific Command as well, and I am so glad he is here with us today.

Let me say thank you for the significant support we have received from Congress over the last 2 years. The temporary relief from the Budget Control Act and an on-time fiscal year 2019 budget helped to restore the military readiness and the lethality necessary to safeguard vital U.S. national interests in the Indo-Pacific. But there is, indeed, more work to do.

The Defense Department's proposed fiscal year 2020 budget will help the Department address the challenges described in the National Defense Strategy, and ensure our military remains the most lethal force in the world. And this funding is critical to sustaining the readiness recovery while also increasing joint force lethality as

we return to a great power competition with both China and Russia.

It bears repeating from what Chairman Thornberry read from my written statement earlier. For more than 70 years, the Indo-Pacific has been largely peaceful. This was made possible by the willingness and commitment of free nations to work together for a free and open Indo-Pacific, the credibility of the combat power of U.S. Indo-Pacific Command [INDOPACOM] working with its allies and partners, and, of course, the credibility of our nuclear deterrent as well.

Our Nation's vision for a free and open Indo-Pacific demonstrates our continued commitment to a safe, secure, and prosperous region that benefits all nations, large and small. And it continues to place strong alliances and partnerships as the foundation of our approach to the region.

The vision of a free and open Indo-Pacific includes a whole-of-government approach with economic, governance, and security dimensions, and it resonates with our allies and partners across the region.

Indeed, we are seeing a general convergence around its importance as Japan, Australia, France, New Zealand, and India have all put forth similar concepts or visions, and Indonesia is leading an effort within ASEAN to elaborate one as well.

As the primary military component of the United States efforts to ensure a free and open Indo-Pacific, U.S. INDOPACOM works with the rest of the U.S. Government and a constellation of like-minded allies and partners to advance our shared vision.

Now, there are five key challenges that I believe threaten that vision and our U.S. national interests. First, until the nuclear situation is resolved on the peninsula, North Korea will remain our most immediate threat. The recent summit in Vietnam clearly identified the U.S. and DPRK [Democratic People's Republic of Korea] negotiating positions, narrowed the gap on a number of issues, and made clear that the United States expects final, fully verified denuclearization of the DPRK. The outcome of the summit also reinforces the need for General Abrams and I to maintain the readiness of our joint and combined forces on and off the peninsula.

China, however, represents the greatest long-term strategic threat to the United States and, indeed, the region. Through fear and coercion, Beijing is working to expand its form of communist/socialist ideology in order to bend, break, and replace the existing rules-based international order and prevent a free and open Indo-Pacific.

In its place, Beijing seeks to create a new international order led by China, with Chinese characteristics, an outcome that displaces the stability and peace of the Indo-Pacific that has endured for over 70 years.

China is using a variety of methods, including pernicious lending schemes, like the One Belt One Road, and promising loans or grants to extend their diplomatic and political reach by gaining leverage against the borrowers' sovereignty.

This is happening in the Pacific Islands with their South-South initiative, as well as closer to home here in the United States,

wherein just over a year, 17—17 Latin American countries have signed on to One Belt One Road.

The PRC's [People's Republic of China's] military activities expanded last year with the placement of antiship cruise missiles, surface-to-air missiles, and radar jammers on disputed militarized features in the South China Sea in April of 2018. And today, they continue testing and development of advanced capabilities like fifth-generation aircraft, hypersonics, aircraft carriers, and counterspace technologies.

I am also concerned about the growing malign influence of Russia throughout the region. Moscow regularly plays the role of spoiler, seeking to undermine U.S. interests and oppose—and impose additional costs on the United States and our allies whenever and wherever possible.

Terrorism and other non-state actors also pose threats to our vision of a free and open Indo-Pacific, as they seek to impose their views and radicalize people across the region, as evidenced in 2017 when ISIS [Islamic State of Iraq and Syria] captured the southern Philippine city of Marawi, a city of more than 200,000 people.

Lastly, the Indo-Pacific remains the most disaster-prone region in the world. It contains 75 percent of the Earth's volcanoes. Ninety percent of earthquakes around the globe occur in the Pacific Basin, and many countries across the region lack sufficient capability and capacity to manage natural and manmade disasters.

To address all of the challenges I mentioned, U.S. INDOPACOM is focused on regaining our competitive military advantage to ensure a free and open Indo-Pacific over the short and long term. We must field and sustain a joint force that is postured to win before fighting, and if necessary, ready to fight and win.

U.S. INDOPACOM's ability to prevail in armed conflict is the foundation of the combat credible deterrence and our ability to compete. By fielding and maintaining a joint force ready to fight and win, we reduce the likelihood that any adversary will resort to military aggression, to challenge, or undermine the rules-based international order.

To meet this demand, my top five budget needs are focused on the following: Increasing critical munitions; advancing our high-end warfare capabilities, like long-range precision fires; enhancing and improving our persistent, integrated air and missile defenses; evolving our counter-unmanned aerial systems capabilities; and by continuing to develop the exquisite set of tools uniquely provided by the Strategic Capabilities Office, DARPA [Defense Advanced Research Projects Agency], and our service research labs. These deliberate actions will help ensure a free and open Indo-Pacific and deny those who seek to undermine it in both peace, below the level of conflict, and in war.

I must add that our five Indo-Pacific treaty allies, in Japan, Korea, Australia, the Philippines, and Thailand, they have all been steadfast in their support for a free and open Indo-Pacific.

Let me close by saying our ability to ensure a free and open Indo-Pacific is only possible with your support, so I would, again, like to thank this committee for your continued support to the men and women of U.S. Indo-Pacific Command. Thank you, and I look forward to your questions.

[The prepared statement of Admiral Davidson can be found in the Appendix on page 58.]

The CHAIRMAN. Thank you, Admiral.

General Abrams.

STATEMENT OF GEN ROBERT B. ABRAMS, USA, COMMANDER, UNITED NATIONS COMMAND/COMBINED FORCES COMMAND/ U.S. FORCES KOREA

General ABRAMS. Good morning, Chairman Smith, Ranking Member Thornberry, and distinguished members of the committee.

I have had the privilege to serve in this position as the Commander of United Nations Command, Combined Forces Command, and U.S. Forces Korea for just over 120 days. In that short time I have assessed that the ROK [Republic of Korea]-U.S. military alliance is stronger than ever.

Our combined force is a strategic deterrent postured to respond to potential crisis and provocation, and if called upon, ready to defend the Republic of Korea and our allies in the region.

Today in Korea, we have tremendous opportunities before us, as well as some great challenges. Ongoing diplomatic engagement between South Korea, North Korea, and the United States has led to a significant reduction in tension compared to the recent past marked by missile launches and nuclear tests.

Diplomacy is creating the opportunity for North Korea to choose the path of denuclearization, forge a lasting peace, and to build a better future for its people. And while diplomacy is not without its challenges, it remains the mechanism underpinning the transformation we have witnessed over the past 14 months as we have moved from provocation to detente.

The first steps toward creating a better future for all Koreans have already begun. We have witnessed multiple Presidential summits, inter-Korean dialogue, and international support to sanctions.

The steps agreed to last April at Panmunjom and specified later in the comprehensive military agreement, combined with the aforementioned diplomatic efforts, have all contributed to a marked reduction in tension on the peninsula, and created mechanisms for the development of cooperation and confidence building, essential ingredients to the incremental process of making history on the peninsula.

Still, I remain clear-eyed about the fact that despite a reduction in tensions along the demilitarized zone, and a cessation of strategic provocations, coupled with public statements of intent to denuclearize, little to no verifiable change has occurred in North Korea's military capabilities.

For instance, we are watching the ongoing Korea People's Army winter training cycle, including a slate of full-spectrum exercises, which is progressing along at historic norms, meaning that we have observed no significant change in the size, scope, or timing of their ongoing exercises compared to the same time period over the last 4 years.

Further, North Korea's conventional and asymmetric military capabilities, along with their continued development of advanced conventional munitions and systems, all remains unchecked. These capabilities continue to hold the United States, South Korea, and our

regional allies at risk. As such, I believe it is necessary to maintain a postured and ready force to deter any possible aggressive actions.

Fielding our force in Korea requires a foundation of support and sustainment to meet warfighter needs. Today, that foundation is sound. It serves as the bedrock from which we deter aggression and ensure stability, not only on the Korean Peninsula, but in northeast Asia.

Our posture allows us—allows our diplomats to speak from a position of unquestioned strength as they work to achieve enduring peace and final, full, verified denuclearization of the DPRK.

I also want to thank you for the support we have received from Congress over the last 2 years as we have significantly improved the posture and readiness of our forces on the peninsula from munition stocks to additional ballistic missile defense capabilities, and much more.

I cannot underscore enough the importance of the on-time appropriation in 2019, as it has enabled us, for the first time in many years, to make smarter investments, improve our planning, and provide predictability to our commanders in the field so they can sustain the hard-earned readiness that is essential for being a "fight tonight" force.

With the support of Congress, the recently submitted fiscal year 2020 budget continues the work of improving and sustaining our defense posture. The readiness required to be a credible deterrent is perishable. We must continue to exercise the core competencies necessary to the planning and execution of joint and combined operations under the strain of crisis.

However, we must also strike a balance between the need to train and the requirement to create space for diplomacy to flourish. As such, we have innovated our approach to training and exercises by tuning four dials that modify exercise, design, and conduct: size, scope, volume, and timing. Adjustments to these dials enable us to remain in harmony with diplomatic and political requirements without sacrificing warfighting requirements and warfighting readiness to unacceptable levels.

Our combined forces, Republic of Korea and the United States, recently completed a significant step in our evolution by conducting the first of our combined command post exercises, Dong Maeng 19–1. Earlier this month, we exercised tactical, operational, and strategic competencies to be prepared should the call come to respond to crisis, defend the Republic of Korea, and prevail against any threat.

This training is built upon the relationships, lessons learned, and staff interactions derived from many combined training and exercise events conducted by our components and the Republic of Korea counterparts throughout the year.

The ROK–U.S. alliance remains ironclad. It has been tested multiple times over the last 65 years, and only becomes stronger. Our military partnership continues to deepen and broaden the longstanding relationships that exist at every echelon.

On behalf of the service members, civilians, contractors, and their families on the peninsula, we thank all of you for your unwavering support. And I am extremely proud to be their com-

mander and to work hand in hand with the Republic of Korea to protect our great nations.

Mr. Chairman, I look forward to answering your questions. Thank you.

[The prepared statement of General Abrams can be found in the Appendix on page 99.]

The CHAIRMAN. Thank you very much.

As you mentioned, as I think all of us mentioned, our presence in the region is very important, and that presence takes on many forms, but certainly in Japan and Korea, we have troops forward stationed there. There has been talk about, you know, cost sharing, how much the countries that we have our troop presence in pay.

Now, we, in my view, get an enormous benefit from that presence. But just for the record, are you satisfied right now that our partners in the region are paying their fair share of what the cost should be for our troops being there? Mr. Schriver, if you want to start with that.

Secretary SCHRIVER. I am, and I think the deals that have been struck to date have been mutually beneficial with our allies and ourselves. Of course, we are entering new negotiations shortly with both countries, and I expect the same outcome, that we will get something mutually beneficial.

The CHAIRMAN. And there has been talk about this cost-plus-50 idea. It is just a rumor. No one has confirmed it. But just for the record, I assume you would think that not a good idea, and not a good approach to our negotiations?

Secretary SCHRIVER. I have seen discussion mostly in the media. It is not anything we have been directed to seek, and it is not part of any formal guidance. And, again, I think our presence view on burden sharing is known. We think there should be burden sharing, but we will leave that to the negotiation when the time comes.

The CHAIRMAN. So you—would you directly comment on the idea that cost-plus-50, is that a good idea or a bad idea?

Secretary SCHRIVER. Well, we haven't been directed to do it. I think we will try to seek a good deal for the United States obviously, but I think it won't be based on that formula that I am aware.

The CHAIRMAN. Okay. And just for the record, a number of the members of this committee, bipartisan, have expressed their concern that that approach would drive a wedge between us and our allies, which we don't need to do.

All of you mentioned the importance of our alliances. Mr. Thornberry, I think, articulated it best on the international treaties. Basically, you know, countries with democracies working together to promote that greater freedom in the region reaches the greatest prosperity.

What are the most important steps that we could take to shore up the various international treaties, organizations, in the Indo-Pacific region, and what countries are most important to expand upon those relationships? What can we do to enhance that level of cooperation in that rules-based democratic approach to the region? Go ahead.

Secretary SCHRIVER. Well, thank you.

I think we are not only strengthening traditional alliances and making investments with our traditional allied partners, but we

are expanding the network. And India was mentioned, I think, in the opening comments, as a great example of a partnership that we are investing a lot in. We have had our first two-plus-two. We are making great strides in the defense relationship.

But I would say throughout maritime Southeast Asia, Vietnam, for example, is a country that is concerned about their own sovereignty, concerned about freedom of the seas, and the South China Sea. We have expanded our defense relationship with the support of Congress there. I think there are a number of emerging partners. The Philippines, traditional ally. We are strengthening that relationship.

So I see a lot of opportunity, and with my colleagues here, we are investing across the board when we can because we see a strong demand signal. There is concern about the erosion of these fundamental principles.

Admiral DAVIDSON. Sir, if I could just build on Assistant Secretary Schriver's point. Our values really compete well across the whole of the region, particularly when all that China has to offer is money. Our ability to expand those values, protect them absolutely, but expand them to others, I think, is going to be critically important as we seek new partners, and the whole of a free and open Indo-Pacific concept. It is going to require some work. It is at the heart of my engagements, I know. I know when Assistant Secretary Schriver travels through the region, he is doing that as well.

The CHAIRMAN. So it is your sense that the authoritarian approach of China is really rubbing a lot of countries in the region the wrong way, and pushing them more towards us?

Admiral DAVIDSON. I think everybody recognizes that a country with a closed and authoritarian internal order would be a threat to a free and open international one, yes.

The CHAIRMAN. And then just final question, are there countries in the region that you see as slipping toward—more towards China's influence that we need to work harder to try to pull back?

Admiral DAVIDSON. Well, two of the countries was mentioned by Assistant Secretary Schriver in his opening statement, and that is indeed Myanmar and Cambodia. These are places in which a whole-of-government approach that extends those values is going to be important. We are going to have to find the areas in which we can indeed compete with China there. It is going to be difficult.

The CHAIRMAN. Thank you.

Mr. Thornberry.

Mr. THORNBERRY. Admiral, I want to go back to engagement for just a second. At the initiative of this committee in previous years, we have created an Indo-Pacific Stability Initiative. And the idea was you see that the European Defense Initiative was pretty successful, both in funding needed improvements, but also sending a message that we are here and we are coming with dollars, not just the Chinese, but we are coming, and we are committed to, in that case, of course, NATO [North Atlantic Treaty Organization] alliance.

Now, I understand there are differences in the Pacific, but I am concerned that I don't believe the administration has requested a specific dedicated funding for this initiative, even though it is authorized in law now.

Can you comment about the benefit, if any, that you see to having this sort of Indo-Pacific Stability Initiative [IPSI] to help make it—to help training, to help facilitate military cooperation in various ways, again, somewhat on the idea that we have pursued successfully in Europe.

Admiral DAVIDSON. Yes, sir. I think the ERI [European Reassurance Initiative] model has been very successful for porting resources and sending capabilities to Europe in a place in which there had been some capability and capacity withdrawal in the few years before that.

While there has been no money either appropriated or asked for with the IPSI, the fact of the matter is I put down a pretty assertive issue nomination last year for some capabilities and capacity needed in the theater, and I think in the fiscal year 2020 budget you are seeing a down payment on that this year. Thanks.

Mr. THORNBERRY. Well, I will just comment, Mr. Schriver, one of the requirements in last—in, I believe, last year's bill, was we need a plan from OSD [Office of the Secretary of Defense] about how you would fund various elements of this initiative. We hadn't gotten it yet. So you all work on that because we intend to pursue it.

I just wanted to ask General Abrams briefly, you talked about North Korean military activities that are unchecked. What can you say in this format specifically about their production of missiles and nuclear weapons? Has there been a change? We know they have not tested. But in the production of nuclear weapons and material and missiles, has there been a change?

General ABRAMS. Sir, we—their activity that we have observed is inconsistent with denuclearization, and we will be happy to go into as much detail as you want this afternoon during the closed session.

Mr. THORNBERRY. Okay. Yeah. I just didn't know how far you could go in an open session, but I—that, I think, gives us a direction.

Thank you, Mr. Chairman. I yield back.

The CHAIRMAN. Mr. Courtney.

Mr. COURTNEY. Thank you, Mr. Chairman.

Thank you to the witnesses this morning.

Admiral Davidson, on page 14 of your written testimony, again, you talked about, again, some of the challenges for increasing joint force lethality. The undersea warfare provision, again, you, I think, very clearly stated sort of what is happening in that domain with, as you put it, 160 of the submarines in the Indo-Pacific region belong to China, Russia, and North Korea, and, again, as you go on to describe that is happening at the same time as our fleet size is shrinking.

Again, just to finish that thought, Vice CNO [Chief of Naval Operations] Admiral Merz testified before Seapower yesterday, again, who just sort of walked through, our attack [submarine] fleet size right now is 51. And with the retirements of the *Los Angeles* class, it will be at 42 by 2026.

So given the fact that, again, you don't get all of those—that sub force, right. You get about 60 percent of it with the allocation to the Asia-Pacific—or Indo-Pacific region versus other combatant command areas there.

You know, that trajectory, which Admiral Harris, your predecessor, described repeatedly in his visits to our committee over the years is a big concern. And obviously, it is not getting any better, I don't—I assume, based on your written testimony. Again, I wonder if you could talk about that a little bit.

Admiral DAVIDSON. Sir, the undersea domain, despite the capacity shortfalls, the number of submarines is an area in which we hold an asymmetric advantage over virtually, well, all our adversaries. It is a critical advantage that we need to extend.

The capacity limitations as we go down over the course of the next several years, is, indeed, a threat to the day-to-day operations that I think we need to have in the theater for presence needs and risks our OPLANs [operation plans] to a certain extent as well. I would be happy to talk about more details as we get to this later session.

Mr. COURTNEY. Sure. So Admiral Harris, in open session, actually testified that only about 50 percent of the stated requirements for subs can be met given, again, the fleet size today as opposed to where we are—I mean, that, again, that was open testimony. Is that still pretty much the state of play?

Admiral DAVIDSON. My day-to-day requirement is met by slightly over 50 percent of what I have asked for, yes.

Mr. COURTNEY. Okay. So, you know, this committee actually tried to change that last year in terms of at least getting some uptick in terms of the build rate, which, again, the administration opposed, and it was therefore blocked. The new budget embraces that belatedly.

And, again, just—it would help, I guess, the cause in terms of your choices that you have to make out there if, again, we move forward with a three-sub build rate for this year's budget year, which actually will not be executed until 2023. And I just wonder if you could comment on that?

Admiral DAVIDSON. Yes, sir. I mean, it is doing our best to reverse the trend on the weight of force structure of 42 in the 2026 timeframe is a critical need in the Indo-Pacific, yes.

Mr. COURTNEY. Thank you.

I would like to just change the subject for a minute to talk about, recently, the Coast Guard actually was part of a deployment in the Straits of Taiwan. The Coast Guard National Security Cutter *Bertholf* participated in that. And, again, I just wonder if you could talk about that part of a sea service in terms of helping, again, U.S. presence in international waters.

Admiral DAVIDSON. Yes, sir. The *Bertholf* is on deployment in the Western Pacific. It has been for several weeks now and will be for a few months to come as well. They are a very important party—partner with the U.S. Navy on really all things in the region.

In fact, the mission that they were doing not long before the Taiwan Strait transit was helping us to enforce U.N. [United Nations] sanctions against North Korea, and the illegal transfer of oils from—in ship-to-ship transfers there in the East China Sea.

The Coast Guard has key relationships across the region, particularly for a lot of nations that don't have militaries, but they have, perhaps, defense forces at even less and in some instances where there are just law enforcement forces. Because it really helps

with key challenges that some of these nations have, whether it is illegal, unreported, and unregulated fishing, narcotics or human trafficking, maritime domain awareness.

So they are an important contributor across the whole of the region. I have got a good relationship with Linda Fagan, my—the Coast Guard specific area commander and——

Mr. COURTNEY. Again, real quick, we are about to—I just want to thank you for putting the spotlight on that. During the shutdown, there was this view that, you know, again, this was not part of the DOD [Department of Defense] fabric, and obviously what they are doing out there really rebuts that narrative.

The CHAIRMAN. Thank you very much. The gentleman's time is expired. We will go to Mr. Turner.

Mr. TURNER. Thank you, Mr. Chairman.

Admiral, I am going to have to ask you a question concerning China's nuclear forces. And like the two prior questioners, as the chairman said, I am very much aware that we are going to have a classified session, but I am looking for a full nonclassified answer in this session, because as you know, as you give us information, it helps us formulate policy not just by ways in which we know, but by ways in which we can, in unclassified areas, be able to share the information with others as we advocate.

I am going to follow on to the theme that Ranking Member Thornberry had of using our NATO alliance as a question that comes to us in this area. The United States has backed away from the INF [Intermediate-Range Nuclear Forces] Treaty with Russia, which is largely viewed more as a European issue than another theater issue; however, that we know that it also affects the—our relationship with China. And as we look to China's modernization of its nuclear forces, the INF is a relevant concern there.

And we look at your testimony, page 6, China is undertaking hypersonic glide vehicles, electromagnetic railguns. And this is, I think, the most important sentence. You said Beijing is also modernizing and adding new capabilities across its nuclear forces.

So here we have a near-peer adversary that is adding new capabilities across its nuclear forces, so this is not just a sustainment issue just trying to modernize what we have in our inventory that might be requiring updating. This is actually new capabilities that they are doing.

You then go on to say that they have nuclear-powered ballistic missile submarine, which will be armed with JL–3 sea-launched ballistic missiles; a road-mobile, nuclear, and conventional-capable intermediate-range ballistic missile; road-mobile intercontinental ballistic missile; and you go on.

So my question relates to the United States is now leaving the INF, and it poses both an opportunity as we look to our own capabilities, but also an opportunity diplomatically.

So would you please give us some characterization of the threat that China poses, and the intermediate-range missile threat; what operational importance non-INF compliant assets to the United States would represent in this changing environment; and then what would be the benefit of a possible Russia-China-U.S. deal on inter nuclear—on an INF Treaty in that we know that when the

United States entered into this, there were significant assets that were dismantled.

So it is not as if we can just say we can't reach this because people have these assets. These treaties at times have even resulted in lessening conflict by destroying weapons systems. Admiral, could you give us a picture of that?

Admiral DAVIDSON. Thank you for the question, Congressman, a long question.

China—let me put it this way: At the operational level, about 93 percent of China's total inventory, if they were a party to the INF, would be in violation of that treaty. These missiles number in the hundreds—and we can talk more specifically about that later today—and present a serious challenge to not just the United States, but all of our allies', partners' freedom of action in the region.

Our, at the operational level, long-range precision fires are constrained to just air and sea assets right now. With a wider set of capabilities with the United States, you really present a problem to the Chinese, or the Russians, and you improve our freedom of action by presenting a like dilemma to them. So I think that is critically important.

I need to add that Secretary Schriver should talk policy here a little bit.

Secretary SCHRIVER. With respect to any kind of future arrangement, of course, it is not under active consideration because we are not quite out of the treaty yet. But given the significance of China's capability falling in this range, certainly it would make sense to, if we were to go down that path of another agreement, to think about China being included. I can't see it being meaningful without China.

Mr. TURNER. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Mr. Gallego.

Mr. GALLEGO. Thank you, Mr. Chairman.

Admiral Davidson and General Abrams—I apologize—last year I led an effort to ensure that we have a floor on our troops in U.S. Forces Korea. What do you think is the appropriate number of U.S. troops to have on the peninsula to maintain deterrence against Kim Jong-un?

General ABRAMS. Congressman, our current troop levels that we have with both assigned and rotational forces is appropriate, and meets our requirements to provide an adequate and credible deterrent to the DPRK.

Mr. GALLEGO. Admiral.

Admiral DAVIDSON. I fully agree with that.

Mr. GALLEGO. Great. And I think this will be—I think you kind of already answered this next question, whether you can confirm that our force posture in Korea and Japan is designed to provide the best deterrence versus North Korea?

Admiral DAVIDSON. Yes, sir, I think our current force posture does do that. Of course, it takes other forces off the peninsula as well. And as General Abrams mentioned in his opening comments, the committee and the Department have done a lot in the last 2 years to make sure that capability is sound.

Mr. GALLEGO. Thank you, Admiral.

So with that in mind, let's go through some projects that the Pentagon has given us that could be rated to fund the President's border wall. And just please tell me if you think each project is more or less important than a wall on the southern border.

$17.5 million for command-and-control facility at Camp Tango, Korea? Do you want me to just go through the four or do you want to go—I have about three more questions after this.

General ABRAMS. I would appreciate the list, Congressman, and I am ready.

Mr. GALLEGO. Sure. $53 million for a UAV hangar at Kunsan Airbase in Korea; $45.1 million for munition storage facilities in Guam; and $23.8 million for corrosion control hangar for C–130s in Yokota, Japan. Are these more or less important than a border wall?

General ABRAMS. Congressman, I can only speak to the two projects that are in Korea. They are certainly important to the—to U.S. Forces Korea, but it is inappropriate for me to make—[inaudible] some sort of judgment as we have got to take into account all of national security.

I am responsible for providing a credible, properly postured force on the Korean Peninsula, and we would have to defer that to, you know, some—the Acting Secretary of Defense or——

Mr. GALLEGO. I understand. I don't want to put you in a tough spot. But you would agree that at least those facilities that you are familiar with in Korea are very much necessary to force protection and deterrence on the peninsula, correct? Without making a judgment on the wall?

General ABRAMS. Right. I am just pausing just for a second. So, not necessarily for force protection, but principally for command and control and sustainability, yes.

Mr. GALLEGO. Excellent. Thank you, General.

Mr. Schriver, we often hear about the need for munitions, the need for intelligence and surveillance, ISR [intelligence, surveillance, and reconnaissance] platforms, and the need for airlift and sealift to pull forces into the region quickly.

General—I am going to mess up his name. General O'Shaughnessy told us in the Armed Services Committee last month that there is no military threat at the southern border. In light of that, why would the Department use money allocated for a real threat like China, or North Korea, to pay for a wall that doesn't help us with a real threat, versus a real threat?

Secretary SCHRIVER. I think as Secretary Shanahan, Acting Secretary Shanahan said yesterday, we have made arguments based on what we think our defense priorities are. We now have a lawful order from the President to execute, and we are looking how to best do that.

Mr. GALLEGO. Thank you, Mr. Schriver.

I think what I am trying to—and I am sure—you know, again, I don't want to put you in a difficult spot. The one thing I am trying to highlight is that we do have real threats, real threats that are existential threats, you know, to our alliances, to our country, and potentially to the world.

And when we are choosing to use our military funds that are very limited and resources for something that is an imagined threat, I think that is a problem, especially for us on this committee.

Mr. Schriver and Admiral Davidson, I understand that we are more frequently using freedom of navigation patrols to push back on illegal Chinese claims in the Pacific. What else can we do to ensure that China doesn't present us with a fait accompli as we think they are about to do, or they are willing to do, I should say?

Secretary SCHRIVER. I think they have changed some facts on the ground with the militarization of those outposts. Our goal is to make sure that that doesn't become a tool to operationalize an expansive, illegal sovereignty claim.

So the freedom of navigation operations you mentioned are important. We have taken other steps, along with Admiral Davidson's predecessor. We disinvited China from RIMPAC [Rim of the Pacific Exercise] and pointed to their activities in the South China Sea as a reason for that.

We have encouraged other countries to join in presence operations, joint patrols. And our responses in the future may not necessarily be on point. Their activities in the South China Sea could be met with consequence elsewhere, as I think was the case with RIMPAC. So we are intent on making sure that no one country can change international law or the norms.

Mr. GALLEGO. Thank you.

The CHAIRMAN. The gentleman's time is expired.

Mr. Conaway.

Mr. CONAWAY. Thank you, Mr. Chairman.

General, thank you. Following on that line of questions, Xi Jinping's statements, at any point in time, I don't think, can be taken at face value. You mentioned his comments in the Rose Garden in 2015. I can't believe that he didn't already know that they were going to, as you said, militarize those islands.

China has a longer-term horizon than most of us. We go, you know, continuing resolution to continuing resolution or a year-to-year budgeting. Each step of the way, they seem to allow some period of time to—for a new norm to establish itself. The new norm are these features, as Admiral Davidson refers to them. They have now been militarized.

What do we think? What—can you share with us in this arena what you think the Chinese steps might be next in terms of trying to gain control? I think there was a dustup between them and Malaysia on one of their features recently. And are there—can we see ahead what the Chinese might do next that we would need to try to counter and not let that become the new norm?

Admiral DAVIDSON. Sir, in the operational space, one of the things we are starting to see is a higher degree of integration with forces that are not actually on those features. So we are seeing fighter patrols, bomber patrols, the integration of ISR aircraft, intelligence, surveillance, reconnaissance, and ASW [anti-submarine warfare] aircraft actually operating from those bases, and a higher degree of interoperability between some of the base functions and the afloat forces that they have in the area as well.

Mr. CONAWAY. So counters to that would be us continuing to operate in the international waters?

Admiral DAVIDSON. Certainly. Mr. Schriver mentioned earlier the importance of allies and partners operating with us in the region. That stepped up last fall, and I think was a critical factor in—and the international response there and some of the behaviors that we saw out of China in both the battlespace and the diplomatic space back in the fall. Now, I think that is going to be a critical approach going forward as to have our allies and partners operating with us in the region.

Mr. CONAWAY. So without telling us what they are necessarily, are our crews, sailors, airmen, are they aware of what their self-protection steps should be, should something come up suddenly?

Admiral DAVIDSON. Yes, sir, absolutely. So I know Admiral Aquilino has met with his commanding officers a number of times, both in the Western Pacific and on the west coast of the United States. And I have talked directly with General Brown of Pacific Air Forces as well to make sure that everybody understands the authorities that they have and to be sure to ask for the authorities they need going forward.

Mr. CONAWAY. All right. General Abrams, I suspect I know the answer to this, but you mentioned in your testimony that tensions on the peninsula have relaxed or seem reduced dramatically. North Koreans continue to exercise.

Is there any sense among our Korean allies, South Korean allies that they are, you know, less likely to defend themselves? Are they becoming too relaxed or at risk of being unprepared should the North Koreans do something?

General ABRAMS. Congressman, absolutely not. ROK military continues to train intensely at echelon, very capable, very highly trained, committed, dedicated professional force. They have not taken their foot off the gas.

Mr. CONAWAY. All right. Thank you. Yield back.

Mr. LANGEVIN. Mr. Cisneros is recognized for 5 minutes.

Mr. CISNEROS. Thank you, gentlemen, for being here this morning.

Thank you, Mr. Chairman.

I just kind of want to follow up on that question as far as we go with the training. You know in the military, drilling exercises, train, train, train, kind of like our piano teachers told us if we took piano lessons, practice makes perfect. That is what we are striving for.

So if we are canceling or downgrading some of these exercises that we have traditionally done to prepare, you know, our forces there on the Korean Peninsula, how are we making that up? How are we continuing the training? How are we continuing to make sure our prime operation to make sure that we are ready?

General ABRAMS. Congressman, thanks for the opportunity. First, let me clear up some misinformation. I assumed command on the 8th of November. Just since November, as of last week, we have conducted 82 combined ROK–U.S. military field training exercises at appropriate echelons. So, training has continued, combined training has continued.

In terms of large-scale exercises, everyone is well aware that last fall we—or last August, we postponed one of our two annual exercises. The Secretary of Defense, Secretary Mattis, challenged me to be creative and innovative, develop an exercise regime that meets our warfighting readiness requirements while simultaneously creating and preserving space for diplomacy to work.

Worked hand in glove with the ROK chairman in December, crafted this new construct adjusting four dials, size, scope, volume, and timing of these exercises. We briefed them up our respective chains of command, had them approved, and then we have recently executed it.

We met all our training objectives, trained all our mission-essential tasks, validated our command, control communications and ISR plans, and validated the alliance decision-making process. Very rigorous, tough, demanding command post exercise that is driven by simulation.

And I am happy to go into more detail in the classified session as to what made it so rigorous and so forth, but we are a trained and capable force ready to meet our treaty obligations.

Mr. CISNEROS. Are we continuing joint training operations with our naval forces in the region too, and with our Marines and the Air Force as well?

General ABRAMS. Sir, absolutely we are. And the biggest difference is we just don't talk about it publicly.

Mr. CISNEROS. All right. And then just to kind of follow up on that, the President says he is canceling these exercises. We are saving $100 million. That money has already been appropriated for your training and operations. What are we doing with that $100 million that we are saving when he is canceling these operations?

General ABRAMS. Congressman, I can't speak—I know what has been executed, what has been planned for, programmed for for U.S. Forces Korea, and we are executing our appropriated budget as we have planned and programmed.

Mr. CISNEROS. Mr. Schriver, do you have any idea what we are doing with the $100 million that we are saving there by canceling these operations?

Secretary SCHRIVER. We are, at the request of Congress, looking at the cost differential between the previous exercises and our program now. I am not aware that we have a plan for specifically what to do if there is a significant cost differential and how we would use that money.

Mr. CISNEROS. I yield back the remainder of my time.

The CHAIRMAN. Mr. Lamborn.

Mr. LAMBORN. Thank you, Mr. Chairman.

And, General Abrams, I have several questions for you, but thank all three of you for your service to our country in your various capacities.

This committee has worked hard to approve a joint emergent operational need [JEON], to provide enhanced missile defense capability to our forces on the Korean Peninsula. Over the past year, what progress has been made on the specific JEON efforts to enhance missile defense?

General ABRAMS. Congressman, thanks very much for that. And we are grateful for the support from the Congress of the United States on that joint operational needs statement.

Principally, three capabilities. All three remain in development. They are all on time right now. The first and most important capability is slightly ahead of schedule, and we hope to have it fielded here in the next 12 to 16 months.

Mr. LAMBORN. Excellent. Thank you.

And then what is the status of the revised missile guidelines with our South Korean allies? And what is their planned path forward on missile development? And how do we factor that into joint operational planning?

General ABRAMS. Congressman, I think if I have your question right, that is one of the capabilities that is part of our Conditions-Based OPCON [Operational Control] Transition Plan.

In an unclassified setting, their progress continues on track. They have a plan; it has been resourced in their budget. And I am happy to provide some additional information this afternoon in a closed session if you desire.

Mr. LAMBORN. Okay. I will look forward to that. Thank you.

Now, with Admiral Davidson I have a question. In the issue of readiness, if we have a conflict with a peer competitor in the INDOPACOM theater, do we have enough ammunition stocks on hand and prepositioned to fight and win a war? And along with that, how much supply do we have, and what are our risks if we don't have enough on hand, prepositioned?

Admiral DAVIDSON. Sir, I would like to take most of that question down to the closed hearing, if we could.

I will say that in stocks in the theater of critical munition supplies is a challenge and an ongoing challenge and one of my consistent requests of the Department as they pursue their budgets. As well as the ability to resupply out there, that remains a need as well.

And I am happy to get into more details later on.

Mr. LAMBORN. Okay. Thank you. I appreciate the answer, and I look forward to that as well.

And, General Abrams, back to you. We have heard concerning rumors about the level of investment the South Koreans have made in their own provision of armaments, calling into question the viability of our operational plans because they don't have enough precision-guided munitions [PGMs].

Where do they stand with PGMs and small-arms acquisitions to support our joint requirements?

General ABRAMS. Congressman, I would prefer to talk about that in a classified session. Those numbers are classified.

Mr. LAMBORN. Okay. Excellent. I will look forward to that one as well.

Okay, I will try another one that maybe we can address here openly. And this is a more broad question, and I am sure we can take it here in public.

It is a sensitive topic, but trilateral cooperation between the South Koreans and Japan is essential to our common security. So what is your assessment of the level of trilateral cooperation, especially between these two very important security partners?

Admiral DAVIDSON. Well, sir, I think, you know, the most key evidence right now is, at the Enforcement Coordination Cell that the U.S. sponsors in Yokosuka, Japan, we have both Japanese and Korean partners sitting side by side helping to enforce the U.N. sanctions regime against North Korea in the illicit transfer of oil and ship-to-ship transfers there in the East China Sea and Korea Bay.

I think that is an important bellwether to keep in mind, that we are working in a very collaborative, cooperative, and totally transparent manner at sea, in the air, and in the coordination of those forces in a single headquarters.

Mr. LAMBORN. Thank you. I am very encouraged by that. I appreciate your answers.

And, Mr. Chairman, I yield back.

The CHAIRMAN. Thank you.

Mr. Larsen.

Mr. LARSEN. Thank you, Mr. Chairman.

Secretary Schriver, thanks. Good to see you again.

I have a followup on Mr. Cisneros' questions with regard to training on the peninsula. And I was wondering, do we have any demonstrable or tangible action from the DPRK in response to cessation of readiness exercises on the peninsula?

Secretary SCHRIVER. On our core area of interest and concern, the issue of denuclearization, we have not seen any progress to speak of.

Mr. LARSEN. So would it be fair for me to conclude that we gave up something for nothing as a result? If that was my thought, would you say that would be a reasonable conclusion?

Secretary SCHRIVER. I certainly understand the concern. I think what we have tried to do is create an environment for a diplomatic process to unfold. In Hanoi, we were disappointed that the North Koreans weren't prepared to talk about how to fulfill Chairman Kim's pledge. Our door is still open for diplomacy, but to date we have not seen movement on denuclearization.

Mr. LARSEN. Yeah. So the next question is, what should we expect from this diplomacy?

Secretary SCHRIVER. We expect them to fulfill Chairman Kim's pledge made at Singapore, which is to pursue complete denuclearization. And we would like them to start by identifying a common, shared definition of what denuclearization means, and then we can build a roadmap alongside them on how to achieve that.

But, ultimately, it is the full, final, verifiable denuclearization that includes all categories of weapons of mass destruction and missiles and other delivery systems.

Mr. LARSEN. Do we have a timeline under consideration when we will restart full readiness exercises? When will we stop waiting for North Korea?

Secretary SCHRIVER. Congressman, we are looking to the President and the Secretary of State and their judgment on how the diplomacy will go, and they will give us the signal of how to make adjustments in the future if they so determine.

Mr. LARSEN. Is that—thanks for that. Is that the Pentagon's role in this, is to wait for a signal? Are you, in fact, just waiting for—

as opposed to injecting any information into this discussion in the administration?

Secretary SCHRIVER. Well, I think as General Abrams indicated, the objective is to do both, give our diplomats space and maintain readiness through the adjustments that have been made.

If there are risks associated with a prolonged posture like this, we would certainly make those known. And we have made known our interest in all the things we think we need to do to maintain readiness. And I think General Abrams is doing a tremendous job in that regard.

Mr. LARSEN. Okay. Thanks.

I want to follow on—not follow up. I have another set of questions for you on the actual budget. We talked about this a couple weeks ago, the Strategic Support Forces [SSF] that China has created in their reorganization of the PLA [People's Liberation Army].

And I am wondering how the budget proposed to Congress reflects perhaps a response or an attempt to get ahead to the reorganization of the PLA, specific to the SSF development?

Secretary SCHRIVER. I think I would primarily point to increased investments in cyber in that regard, both in terms of the resiliency and protection of our own infrastructure as well as expanding the competitive space. We can talk about that more in the closed session.

But given the mission of the Special Security Force, I think that is the area I would point to.

Mr. LARSEN. Yeah. So I think from my first set of questions, you probably understand—and you understand, General, as well. I wanted to ask the policy guy, because it is really more of a policy set of questions—about my concern that we seem to be giving up something big for not anything, for nothing from DPRK as part of these negotiations. And it is something I think is worth exploring for this committee as well, continue to press on this question, and expect that to happen.

So thank you very much. And I yield back.

The CHAIRMAN. Mr. Wittman.

Mr. WITTMAN. Thank you, Mr. Chairman.

I would like to thank our witnesses for joining us.

Admiral Davidson, I am going to begin with you. Earlier this month, General Scaparrotti spoke about the challenges he faces in the European Command, saying he was really two destroyers short, needed a better presence, both a carrier strike group and amphibious ready group, there to counter Russian aggression in the area.

And I wanted to ask you three yes-or-no questions, and then I want to get you to elaborate.

Would you say that there is a sufficient attack submarine presence in the Indo-Pacific?

Admiral DAVIDSON. They are not meeting my requirement, no.

Mr. WITTMAN. Would you say you have a sufficient carrier strike group presence in the Indo-Pacific?

Admiral DAVIDSON. That is also below what I have requested.

Mr. WITTMAN. Would you say you have a sufficient amphibious ready group presence in the Indo-Pacific?

Admiral DAVIDSON. That is slightly below what I have requested.

Mr. WITTMAN. Okay. The map you gave us I think is very telling. There is lots of blue on here. Your AOR [area of responsibility] has a significant amount of area that requires a naval presence. I know that the Navy is going through a force structure assessment, looking at what the future Navy should be, the types of ships.

Have they consulted with you to look at your needs, to assess the risks that are going to be there in the future? And have they talked to you in the respect of being able to help you reduce your risk to an acceptable level as you manage this AOR in the Indo-Pacific?

Admiral DAVIDSON. Yes, sir. No, the Navy staff is completely aware of existing contingency planning and where we are going in the new global campaign plan construct. And it is informing this force structure assessment that they have ongoing right now.

Mr. WITTMAN. Very good. Thank you.

Assistant Secretary Schriver, yesterday, Secretary Shanahan spoke before this committee, and he was discussing the administration's budgeting. We were talking about those things that were in it but also those things that were not in it. One of the things that is concerning is the reduction overall of the number of aircraft carriers out to 2027, with taking CVN 75 out of the inventory, which actually takes us down to nine aircraft carriers.

And I am curious if you would discuss with us and give us the thought behind the analysis, with the shipbuilding projection, that going down to nine carriers between now and 2027, which is what retiring CVN 75 early would bring—do you think that that, in relation to what Admiral Davidson has just told us, do you think that that puts us at an acceptable level of risk with Navy presence around the world?

Secretary SCHRIVER. Well, those decisions, those tradeoffs go beyond my purview. I do share the——

Mr. WITTMAN. Acceptable or nonacceptable risk?

Secretary SCHRIVER. Yeah, I think I have to defer to the leadership that has to make the global considerations on tradeoff. I am concerned about any shortcomings identified by the warfighters such as Admiral Davidson.

Mr. WITTMAN. Okay. Very good.

Admiral Davidson, in your best professional military judgment, would you say that reducing the number of carriers with taking out CVN 75 in the inventory, do you think that that leaves you and your availability, with having carrier 2.0 presence, do you think that leaves you with an acceptable level of risk?

Admiral DAVIDSON. Sir, as I think about the future and the capability of the aircraft carrier, I don't see—as I constantly revisit our campaign planning and our presence needs, I really don't see the requirement going down.

Mr. WITTMAN. Okay. Very good.

Do you see, too, in the region, as you work with your allies there—we had talked earlier about making sure that we are coalescing resources, jointly operating, doing joint operations. Do you believe that with potentially having fewer carriers available, do you believe that that sends a signal to them as to our commitment in the Indo-Pacific region as far as our naval presence?

Admiral DAVIDSON. Sir, I would say our allies and partners across the region watch everything we do across all of the joint

force, the level of participation we provide in exercises, what our current operations are doing, and they take signals from that, absolutely.

Mr. WITTMAN. Very good.

Thank you, Mr. Chairman. With that, I yield back.

The CHAIRMAN. Thank you.

Mr. Carbajal.

Mr. CARBAJAL. Thank you, Mr. Chair.

And thank you to all the witnesses for being here.

Admiral Davidson, economic, military, and diplomatic efforts should all be coordinated in order to implement an effective and coherent strategy. When one of these elements of power goes rogue, it impacts our overall strategy. What value do economic sanctions provide to our military strategy on the Korean Peninsula?

And, two, can you speak to North Korea's illicit sources of funding and what efforts INDOPACOM is taking to reduce those sources?

Admiral DAVIDSON. Yes, sir. I mean, most importantly, we are supporting the State Department's pressure campaign. The regime's ability to sustain its funding or gain funding from outside really undermines our diplomatic effort, because it fails to bring them to the table.

We work with our law enforcement partners as well as posts across the region on everything that North Korea might be doing across the economic and diplomatic spaces, as you indicate.

We should note that what they are doing comes in the form of outright counterfeiting, comes in the form of cyber theft really across the globe and not in just the region. And we are certainly in coordination with law enforcement and the rest of the government on those issues, but they are actually in the lead there.

Mr. CARBAJAL. How effective are our sanctions right now?

Admiral DAVIDSON. Well, speaking really just to the illicit transfer of oil, their imports of refined oil at sea are about a third less than before the sanctions regime began.

It is very difficult to figure out what impact that sanctions enforcement regime is having, because it is so opaque inside North Korea as to how they actually—what do they keep in strategic reserve, how they distribute it around the peninsula, and how it affects KJU's [Kim Jong-un's] decision making overall.

Mr. CARBAJAL. An area we do not focus enough on are the threats associated with weapons proliferation, specifically in regards to North Korea. Reports show that North Korea has exported conventional arms and ballistic missiles for decades and has proliferated these arms to countries like Syria which pose a serious threat to our international security.

Admiral Davidson, as best as you can in this unclassified setting, can you provide us with better situational awareness on this issue? Two, are there concerns that North Korea is proliferating nuclear materials? And, three, how can we do better to address this concern?

Admiral DAVIDSON. It is well known, I think, across the United States and our allies that North Korea has long been a proliferator of nuclear and ballistic missile capabilities around the globe. That is, I think, part and parcel and, in fact, you know, I should really

say, the basis of why we are going after denuclearizing the peninsula: Because they are not a reliable country on the globe, and it causes instability in areas where we don't want to see.

I think to get to more details on this, sir, I would like to rather take that into a classified setting, if I could.

Mr. CARBAJAL. Thank you.

Mr. Chair, I yield back my time.

The CHAIRMAN. Mrs. Hartzler.

Mrs. HARTZLER. Thank you very much, Mr. Chairman. Thank you, gentlemen.

I wanted to follow up on the line of questioning we have had a lot of discussion about, our relationship with the allies and our importance of that in the Indo-Pacific region.

And, specifically, Admiral Davidson, you talked about how in the fall of last year we really started focusing on that, stepped it up, and I applaud that. I think that is great.

I wanted to just mention that, on March 13, the B–52 bombers, our B–52s, conducted routine training in the South China Sea for the second time this month. And I think that is very, very important for the freedom-of-navigation operations that we have in the region. But it appears that many of our allies in the Pacific are reluctant to conduct the same type of freedom of navigation activities.

So I was wondering your thoughts on that, and can we expect to see our allies and partners support this effort in the future?

Admiral DAVIDSON. If I could, ma'am, the bomber patrols that we use really around the whole of the region and not just in the South China Sea are to maintain our readiness and to understand how others respond in the region. We don't actually use them for freedom of navigation operations.

Mrs. HARTZLER. Okay.

Admiral DAVIDSON. Those are training missions in how they are employed.

To the point about maritime forces doing freedom of navigation operations, though, we have encouraged all nations, really, to step up their operations in the South China Sea. And if they are not capable of taking a policy decision to actually do the very assertive freedom of navigation operations we do—we do them more assertively across the globe and always have in the United States to enforce these international rights.

And if other countries aren't willing to do that, we are perfectly happy to see them operate in the international sea space that is the South China Sea. It demonstrates that it is an international concern to maintain that open, free, and—excuse me—open sea and airspace. And we welcome people to do it unilaterally as well as with us and in other multilateral forums.

Randy, got anything you want to add?

Secretary SCHRIVER. I would agree with all that. And I would just add, given the expansive nature of China's claim, everything inside the Nine-Dash Line, presence operations are valuable in and of themselves, even if it is not a direct 12-nautical-mile challenge of a feature claimed by China or any other party.

So presence, as Admiral Davidson said, is extraordinarily important given the expansive nature of their claim.

Mrs. HARTZLER. Okay. Great.

As far as the partnerships go, we have several compacts set to expire in the coming years, like the Compact of Free Association States, which impacts our relationship with them, you know, economically, diplomatically, and militarily.

So can you expand on the importance of these agreements and whether we should continue to fund them or should we let them expire?

Secretary SCHRIVER. We look forward to working with Congress in the hopes of continuing to fund them based on the needs. Over time, it is our hope that the requirements will be less, given the state of their economic development. But for the foreseeable future, we think there will be need.

And the compact relationship is mutually beneficial. We do make certain pledges with respect to their defense, but we also gain access, we gain support at international fora, that we have a special relationship with these compact states that we want to extend.

Mrs. HARTZLER. Admiral.

Admiral DAVIDSON. If I could just add, madam, those three compact states are the connective tissue between the United States and the Western Pacific. We fought and bled in those lands during World War II. And the relationship that we have sustained in this compact, I think it is important to maintain that going well into the future.

Mrs. HARTZLER. I want to just mention Japan just a little bit—I had an opportunity to travel there last year—as well as South Korea. And, you know, there has been a period of a heightened tension between South Korea and Japan. I know it goes back a long ways.

So I was just wondering, can you kind of give an update on that relationship and the efforts that the Department is doing to undertake to try to bridge this divide?

Admiral DAVIDSON. I commented a little bit earlier, Congresswoman, about the Enforcement Coordination Cell in Yokosuka, which we are using to enforce U.N. sanctions against North Korea. And Japanese and Korean officers are sitting side by side right in that headquarters with United States officers and, in fact, other officers and enlisted from allies and partners from across the region and, indeed, across the globe. And I think that is a very positive sign, because it is providing the transparency and the collaboration and cooperation of what the sea and air forces are doing in that sanctions regime to each party.

I can tell you, I have talked extensively with both the Chief of Defense from Korea and the Chief of Defense in Japan about at least the military incidents that had occurred earlier this year, and things seem to be calmer right now.

Mrs. HARTZLER. Very good. Thank you.

The CHAIRMAN. Thank you very much.

Mr. Garamendi.

Mr. GARAMENDI. Mr. Chairman, I like the way you enforce the rules. Thank you very much for the courtesy of calling on me and my colleagues. My apologies——

The CHAIRMAN. It gives me purpose here, so I appreciate that. Thank you.

Mr. GARAMENDI. My apologies to my colleagues for jumping in front of them.

Mr. Schriver, we have had a discussion about the influence of China throughout the Pacific, particularly the Pacific Islands. What is the best way for the United States to be present to expand or at least maintain our position?

I noted Admiral Davidson just talked about the history back in World War II and beyond. So if you could elaborate on that, not just with the Pacific Islands but beyond in the entire region. Let's leave India aside for just a moment, but the others.

Thank you.

Secretary SCHRIVER. Well, I think our engagement is very important. With respect to the Pacific Islands, both Admiral Davidson and I have led interagency delegations there within the last 6 months.

But it is really providing an alternative that is whole of government. As was mentioned earlier, some of these countries don't have militaries; they have law enforcement entities. So we bring our Coast Guard in, we bring other agencies in to really create approaches that meet their needs, which are very significant: illegal fishing, criminal activity, et cetera. So we have to fashion approaches that meet their needs and provide an alternative to what China or any other country might provide.

And I would also add that we have like-minded partners that are looking at Oceania. Australia has its step-up program; New Zealand has its reset. We are all looking to do better.

And with respect to broader approaches in the region, I think it is the same. There is blowback from how China is approaching some of these relationships and the debt trap diplomacy, predatory economics, but we have to be there, as well, with alternatives. And I think a demand signal is there, and we are doing our best to meet that demand signal with quality engagement and meaningful engagement that meets their interests and needs.

Mr. GARAMENDI. Admiral Davidson, would you like to add anything to that?

Admiral DAVIDSON. Just one more specific thing. We have undertaken an initiative to look at our defense attachés and where they are positioned, particularly across the Pacific Island chain, and we have actually taken some near-term action to expand that network immediately.

But I completely agree with all of Mr. Schriver's comments.

Mr. GARAMENDI. I would like to drill down, but not in the next 2 minutes, on what specific things we should be doing. And why don't we take another minute or so, and then maybe I have a followup question, but let's get down to specifics. What is it? It is military attachés? Fine. What about the rest of the government, the whole of government?

Mr. Schriver, if you would like to do it.

Or, Admiral, jump in.

Secretary SCHRIVER. Well, as I mentioned, whole of government, bringing in our Coast Guard where there aren't military.

So they have, for example, Shiprider Program agreements with some of the countries that assist them in monitoring their sov-

ereign territorial waters for the purposes of preventing illegal fishing, other criminal activity.

We have National Guard State Partnership Programs in place where there are Pacific Island countries that have militaries. We just expanded that to include Fiji through the State of Nevada.

So there are a number of tools that go beyond just the engagement, the presence of attachés, and we are working to build those out. Our foreign military financing with State Department has been stepped up in the region. Fiji would be an example of that as well, where we are helping with their peacekeeping forces.

Mr. GARAMENDI. Well, I was kind of chumming for you to mention the Peace Corps and the return of the Peace Corps to the Micronesia area, so I will mention it myself. There is a whole host of things.

I just draw my colleagues' attention to the whole of government and the fact that in the President's budget most of the whole of government, with the exception of the military, is significantly reduced. And, therefore, our presence beyond the military is lacking.

I will let it go at that. Thank you very much, Mr. Chairman.

The CHAIRMAN. Thank you.

Mr. Scott.

Mr. SCOTT. Admiral, I want to thank you for mentioning Communist China and their use of One Belt One Road in Latin America, in the Western Hemisphere, in our backyard.

And I think it is interesting that Vietnam asked or allowed us, asked or allowed, whichever way we want to put it, us to park the *Carl Vinson* right there. And I think if you wanted proof that you can't trust Communist China, even their neighbors don't trust Communist China.

And their movement into the Western Hemisphere concerns me. We are not here to talk about that today. But I don't think we, as the United States, have paid enough attention to our backyard and the Western Hemisphere. And I am afraid we are going to wake up one day and have a Chinese base in that Western Hemisphere, and that is something that I don't think we can afford to allow.

So, with that said, Assistant Secretary Schriver, as Communist China continues to grow both physically and virtually around the world, what impacts is this having on the United States ability to strengthen our partnerships in the Indo-Pacific regions? Are we at risk of losing our partnerships because of Communist China and their use of One Belt One Road to buy their way into favor?

Secretary SCHRIVER. Quite frankly, I think we are more often than not the preferred partner.

I think a lot of Chinese engagement has resulted in a backlash, because their intent is not benign. They come in with the goal of entrapping countries, in many instances. When we go in, we want genuine partnership, we want to help countries address their needs. All we really want is countries to be sovereign and have the ability to protect that sovereignty and their independence and freedom for maneuver.

So I think we are the preferred partner, but we have to show up, and we have to be a good, reliable partner to them.

Mr. SCOTT. I agree with you. And the things like trade relations, quite honestly, in many cases, have as much, if not more, to do

with peace than the military strength. And I think it is unfortunate that when the TPP [Trans-Pacific Partnership] was being discussed, it became a political football that got kicked around by both sides, quite honestly. And we need to have the trade relationships in Asia, and we need trade relationships with countries other than China in Asia.

General Abrams, you have stated that you have a persistent need for ISR. I know of no commander who thinks that they have enough ISR. The geographic challenges of the Korean Peninsula, the size of it.

And so, in your first 120 days as commander, your support with ISR to detect attack as early as possible, are you receiving enough support there? And if not, what do you need from Congress as we push forward with the National Defense Authorization Act to do that?

General ABRAMS. Congressman, we are adequately resourced with ISR during armistice conditions as it relates to the current reduction intentions on the peninsula. So I want to be clear, I am not ringing the five-alarm fire bell right now on ISR.

But as we look to the future, as conditions might change, if they change negatively, then our stance and our posture is not adequate to provide us an unblinking eye to give us early warning and indicators.

And I can give you a couple of examples during the closed session of exact capability that we would need, but suffice it to say we are short to be able to do that if things start to turn bad.

Mr. SCOTT. Well, I will tell you, the JSTARS [Joint Surveillance Target Attack Radar System] fly out of Robins Air Force Base. I am glad that we are starting to do the depot maintenance work at Robins Air Force Base. Hopefully, we can get that turnaround time shortened and get more of those planes in the air.

I want to just leave you with a couple things. I mentioned this to the Secretary of the Air Force this morning. Hurricane Michael hit the southeastern United States just under 6 months ago. We have approximately three legislative days left that are not fly-in/fly-out days before we leave for the Easter break, and we are yet to have a disaster bill passed. If that is not passed before we leave for Easter, then it will delay things for weeks, potentially even another month.

I hope that the people at the DOD will help hold our feet to the fire to get that done prior to leaving. And I would mention to you that you are about 6 months from sequester——

The CHAIRMAN. The gentleman's time has expired. If he wants to wrap up that thought, he is more than welcome to.

Mr. SCOTT. I would just caution you that the calendar is ticking, and we need some type of agreement on a caps deal—Mr. Chairman, I think you would agree with me on that——

The CHAIRMAN. Yes.

Mr. SCOTT [continuing]. Sooner rather than later so that we can adopt our National Defense Authorization Act.

The CHAIRMAN. And I would echo that thought. I mean, as you mentioned in the outset, having fiscal year 2019—October 1, you knew how much money you were going to have, you were good to go, and that was the first time in I don't know how long. You know,

to get that again for fiscal year 2020 would be enormously important.

And I think it is the greatest burden in Congress and the White House. We need to find a way to work together and get that deal. I think it is there to be made. Obsessing over the budget caps that were set back in 2011 in a situation where—I mean, Mr. Turner and I had a robust disagreement, exactly what that situation was. But we did agree today that it was all part of the controversy of trying to figure out what to do about the budget, the debt ceiling, and how do we get the deficit and the debt under control.

But to jeopardize the entire discretionary budget over an amount of money that isn't going to have any impact on our long-term debt and deficit is the height of irresponsibility, to my mind. We need to work together and get certainly for DOD but for the entire discretionary budget.

So I appreciate the gentleman making that point. Thank you.

Ms. Houlahan.

Ms. HOULAHAN. Thank you.

And thank you, gentlemen, for coming today and for testifying. I am going to continue asking the question that Representative Larsen and Representative Cisneros were talking about.

I also serve on the Foreign Affairs Committee and the Asia Subcommittee, and I had the opportunity to ask the same kinds of questions of Mr. Victor Cha recently that had to do with the exercises that are conducted overseas that have been suspended in some cases, and I am just trying to triangulate the answer.

You mentioned that you had been asked to be creative about effectively redesigning, reimagining the exercises so that they could be effective. He mentioned that he was concerned that if those reimagined exercises continued in the capacity that they were, which was in some cases not actually in the places they ought to be, that by the springtime he would be anxious that we should be returning to actually exercising in the places that we planned to have those scenarios actually unfold.

And do you have that same kind of concern, where if we continue to sort of exercise off-site, for lack of a better descriptor, which is how he was alluding to it, that we are in some ways less ready than we would have been otherwise?

General ABRAMS. Congresswoman, I did read those comments. And I have the utmost respect for Mr. Cha, but he is not fully read in on how we conducted these exercises.

I would prefer to—I am happy to give the members all the details you want on things that we have done with the exercise designed. But I want to assure you and all the members, this exercise was probably more rigorous, more challenging, and stressed our systems more appropriately than we have in many years past. I would prefer to go into how we were able to do that in a closed session.

But the Department is committed, I know the Secretary of Defense is committed, to us being able to sustain that readiness and continue to train and exercise as we need to to keep it as a "fight tonight" capability.

Ms. HOULAHAN. Thank you. And I will look forward to having that conversation in the next session.

My next question is for Mr. Schriver and Admiral. It has to do a little bit with the bases that are currently in Djibouti. And if you could look kind of at the map of the area that we are talking about today and think about if there are any vulnerable countries that you can think of that will maybe succumb to the lure of China and their money and their resources. Could you identify what countries those are that you would be maybe worried could be coopted into being a Djibouti-type situation?

Secretary SCHRIVER. Before naming specific countries, I think it is important to note that China is opportunistic. Wherever they see the conditions—and, generally, they are weaker, in some cases authoritarian states, vulnerable economies, et cetera, where their predatory economics have attraction.

I think what we have seen is attempts in places like Sri Lanka and the Maldives and Malaysia that were quite robust and ultimately somewhat thwarted by the elections in Maldives. Mr. Yameen lost reelection in Sri Lanka. The Rajapaksas were replaced, at least temporarily. And in Malaysia, we now have Mr. Mahathir in his second turn as leader. And much of that as a result of China's overplaying their hands.

Certainly in the Pacific Islands, we see some vulnerable states that China is approaching. And there has been some press coverage on some of those—for example, Vanuatu, which I have visited, others in the administration have visited to assure them that there are alternatives and shine a light on what happened in some of these other countries so that they don't fall prey to it.

Ms. HOULAHAN. Thank you.

And I have one last question with my one last minute which has to do with that. And I think that people do say that China is more successful in developing economic security and security relationships with countries because it doesn't have the same kind of regulatory requirements and restrictions as we do in terms of human rights and vetting and anticorruption requirements and those sorts of things. And you have mentioned that our values compete well in this area.

And so I wanted to ask you, do you believe that countries choose China over us because of these requirements that we have? Or do you think that we are able to continue to have our values and also be competitive in the environment that we are in right now?

Secretary SCHRIVER. I think, as Admiral Davidson, I think, alluded to earlier, our values are key to our ability to compete, and there is an attraction to it.

I think the countries that are most susceptible oftentimes have weak, authoritarian governments that are willing to engage in activities that are, quite frankly, corrupt. But what we offer, even if it is not in the vast sums that China can come to the table with, is clean, transparent, open approaches that have long-term benefit to the people, not just the leadership.

Ms. HOULAHAN. I appreciate that, and I agree with that. Thanks so much for your time.

I yield back.

The CHAIRMAN. Thank you.

Mr. Brooks.

Mr. BROOKS. Thank you, Mr. Chairman.

Admiral Davidson, intelligence suggests China has made strong progress in the development of hypersonic weapons that pose unique challenges to America's current missile defense systems.

First question: Do you have a judgment about whether China is apt to use hypersonic weapons in a regional or strategic scenario?

Admiral DAVIDSON. Sir, they don't have capability that they would use, I think, in combat immediately, but their initial capability, I think, is in the horizon of just the next few years, yes.

Mr. BROOKS. With respect, then, to China's expected capabilities, are you planning for them to have conventional-tipped warheads, nuclear-tipped warheads, or both?

Admiral DAVIDSON. I think the Nation needs to be prepared for any outcome there. Both.

Mr. BROOKS. And what are our current hypersonic defense capabilities?

Admiral DAVIDSON. Well, as you indicated in the preface to your question, sir, our ability of our integrated air and missile defense systems to handle hypersonics is short of their capability. They have a different, you know, flight profile trajectory that makes it hard for current sensing systems to maintain track on those things, and it makes it hard for our current interception systems to actually make the turn and do the intercepts.

So continued advancement here by the Department—and I think you are going to be pleased with the downpayment in the fiscal year 2020 budget. Continued advancement here in both sensing, which is going to require an airborne or space layer, as well as continued advancement in our ability to intercept these weapons, defeat them, I think you are going to see the beginnings of that in the 2020 budget.

Mr. BROOKS. How long do you anticipate it will be before our defense capabilities are such that we can rely on them?

Admiral DAVIDSON. Sir, I will have to take that for the record. You know, money is a resource here. That is a factor. But so is time. And I think Dr. Griffin and as the services pursue this capability, I think they could give you a more refined answer than I could. But I need to do some coordination with them to get back to you.

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

Mr. BROOKS. Well, that flows into my next question. How much more money do you believe we need in the next fiscal year defense budget in order to adequately accelerate defense capabilities to hypersonic weapons?

Admiral DAVIDSON. Sir, if I could take that question down below. You know, I can begin to address that, but I am going to have to take that for the record as well.

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

Mr. BROOKS. All right. Thank you.

We have moved from defense now to offense.

Assistant Secretary Schriver, the Missile Defense Review opens the aperture for hypersonic glide defense. What investments are necessary to get the Department of Defense developing such a capability for the INDOPACOM area of responsibility?

And then follow up on that with, in your judgment, how long will it be before America has an effective offensive hypersonic capability?

Secretary SCHRIVER. I can only answer at the very general level because——

Mr. BROOKS. I understand.

Secretary SCHRIVER [continuing]. There are parts of the Department that deal with both the offense and the defense equation. But I do think you will see this reflected in the 2020 budget, an increase in resources both on the defense and offense side. I do think time is of the essence, given where China and competitors may be on this.

And, of course, it is not limited to hypersonics but, as was pointed out, all the enabling sensors and other capabilities that China is pursuing as well. Because there are a variety of ways to deal with this capability, and it may not only be shooting down a missile; it may be disabling other aspects of their infrastructure.

But to get into more detail, we would probably need to be another setting, and I would probably have to have the support of colleagues who have more of the technical background.

Mr. BROOKS. Well, to use a football analogy, sometimes the best defense is a good offense. Do you have anything that you wish to add about our development of offensive capabilities, offensive hypersonic capabilities?

Secretary SCHRIVER. Only that I know that it has been identified as a priority and it is being resourced at greater levels in our budget.

Mr. BROOKS. Thank you.

Mr. Chairman, I yield back.

The CHAIRMAN. Ms. Hill.

Ms. HILL. Thank you, Mr. Chairman.

And thank you all for being here and for your service.

Admiral Davidson, North Korea has a variety of sources of illicit funding, and U.S. Indo-Pacific Command supports the enforcement of U.N. Security Resolution sanctions.

I know you spoke to Mr. Carbajal a few minutes ago about sanctions enforcement, but can you speak to how Russia and China are living up to their responsibilities to do the same?

Admiral DAVIDSON. Well, I think in the diplomatic space, both Russia and China continue to try to undermine the sanctions effort by proposing relief to sanctions at the U.N. That is certainly not helpful in what I think should be the world's objective, to get to a denuclearized North Korea.

I also believe that Russia kind of confounds our initiatives across the region by direct diplomatic engagements with other countries to garner the votes that they need to prevent these sanctions.

I can tell you that China, in the maritime space, using terrestrial sensors, using airborne sensors, they are watching how we do the sanctions enforcement regime. They are offering zero assistance. I can't say that they are preventing our ships and aircraft from doing their mission, but they are certainly not monitoring their own territorial seas very well, and they are not adding to the picture at all. And they continue to undermine the effort at the U.N. as well.

Ms. HILL. Thank you.

So I guess along those same lines, you spoke earlier about how Russia plays a spoiler role in the region. Can you talk a little bit more about the specifics around that and what that entails?

Admiral DAVIDSON. One of the things that they tell other nations in the region is that our sea and our desire to maintain an open sea and airspace in the South China Sea, for example, should not be our objective. Yet they use that same sea and airspace themselves and actually use the open seas and airways to, you know, fly threatening bomber profiles to our allies and, in fact, on the United States as well. You know, I think that is a high form of hypocrisy.

They are doing some engagements in the region where they are seeking to either gain access in a commercial fashion or in a science fashion that could lend itself to military capabilities. That has been upsetting. The good news there is that some of these other countries have at least called us and notified us of that.

And they have made it—they have partnered with China in a large exercise last fall that was in Russia.

They just are unhelpful in the whole of the diplomatic informational, military, and economic space.

Ms. HILL. General Abrams or Mr. Schriver, do you have anything to add on that front?

General ABRAMS. Congresswoman, I will tell you that we continue to see positive effects on the sanctions; Admiral Davidson briefed it earlier. But to reiterate what the admiral said, the Chinese can and should do much, much more to meet their obligations in accordance with the U.N. Security Council resolutions.

Ms. HILL. So what do you think this all kind of boils down to? What do you think the general effect is having, and what do we need to do about it, from your end?

Admiral DAVIDSON. Well, China is attempting to undermine the rules-based international order to their own benefit or to the benefit of people or entities or regimes, frankly, that they seek to partner with. It is not helpful.

Ms. HILL. And the same for Russia?

Admiral DAVIDSON. Yes, ma'am.

Ms. HILL. So along those lines, then, the President has made the decision to cancel U.S. participation in Key Resolve and Foal Eagle. What message do you think ending those operational norms with the ROK, while the White House is saying we won't impose further sanctions on North Korea because of his relationship with Kim Jong-un, what do you think that message sends to—what message do you think that sends to our allies and partners in Asia and to Russia and China themselves?

General ABRAMS. Congresswoman, if I could, just to be precise—and this is not semantics—Key Resolve and Foal Eagle were not canceled. We have concluded that exercise regime that was in effect for about 35 years that was probably necessary, designed, optimized based on the situation on the peninsula vis-a-vis bellicose and aggressive and provocative behavior from the DPRK.

We have since transitioned now, in accordance with guidance from Secretary Shanahan and Minister of Defense Jeong from the Republic of Korea and their statement. So we have concluded that previous exercise regime, and they have given us the green light

to develop a new set of exercise regimes so that we can continue to meet and maintain our readiness requirements.

Ms. HILL. Thank you.

The CHAIRMAN. Mr. Gaetz.

Mr. GAETZ. Thank you, Mr. Chairman.

And I believe it was Chairman Smith who said during his opening statement that on the Korean Peninsula, we are at a high-water mark since the cessation of conflict during the Korean war.

I wanted to give General Abrams and Admiral Davidson an opportunity to reflect on how those improving conditions have manifested. What is the evidence that we see, and what do we expect from the trend lines as it relates to the overall status of conflict on the Korean Peninsula?

General ABRAMS. Congressman, if you go back just 2 years to 2017, during the height of missile tests, nuclear weapons tests by the DPRK, I would describe—and I was not the commander then, but I was certainly watching very closely as the U.S. Army's force provider to have forces ready should crisis be required.

I would characterize our posture and our stance as we were in a low crouch. We were increasing our stockages, increasing our force posture. We made the decision to deploy an additional very capable integrated air and missile defense system called THAAD [Terminal High Altitude Area Defense]. And, you know, things were very tense on the peninsula. People were at the low-ready.

Now, compare and contrast that, juxtapose that on a 2019, and there is a palpable air of calm on the peninsula. We are able to sustain and we continue to train and maintain our readiness. But simultaneously, along the Demilitarized Zone, on the West Sea, the East Sea, along the Northern Limit Line, inside the Joint Security Area, that for the first time since 1976 the Joint Security Area is now 100 percent demilitarized. All of that are evidence, I would say, of how I can say confidently that the tension has reduced significantly.

Mr. GAETZ. Admiral Davidson, do you have anything to add to that?

Admiral DAVIDSON. No, sir. But I will add that the readiness of our forces are key in our mind, and we want to make sure that both the tactical forces and the operational-level forces, you know, the headquarters that coordinate between the United States and the Republic of Korea, all that training and readiness is sound.

As General Abrams indicated earlier, we are keeping a close eye on any changes in the capability set, whether it is in conventional forces in North Korea, whether it is in nuclear, the potential for a nuclear test, and missile testing. And we will be ready to respond should those indicators say they are on a different trajectory than what General Abrams just described.

Mr. GAETZ. And, Mr. Schriver, it seems to me that this new era of calm has been ushered in by an unprecedented level of engagement with the administration on the actors, the players, the chairman in North Korea.

Have you drawn any conclusions about the actions that have been taken by the administration and the extent to which they have contributed to the new sense of calm that General Abrams articulated?

Secretary SCHRIVER. Well, I think the unprecedented step of meeting leader-to-leader has made this environment what it is. Ultimately, that——

Mr. GAETZ. And what it is is safer, right?

Secretary SCHRIVER. Tensions are down, and I would describe it as safer in terms of avoidance of an immediate conflict, particularly one that is unintended or unwanted.

We do need North Korea to take advantage of this environment and fulfill Chairman Kim's pledge to denuclearize.

Mr. GAETZ. And shifting gears briefly to hypersonics, Mr. Schriver, are we ahead or behind China in hypersonics now?

Secretary SCHRIVER. I am not sure I am qualified to give you a precise answer on that, other than I am seized with a sense of urgency, as I believe our Department is, that we need to invest on both the defense and the offensive side to make sure that our competitive advantages are maintained.

Mr. GAETZ. And what are the consequences if we don't? If we are demonstrably behind China in hypersonics going forward, how do you think that impacts the balance of power globally?

Secretary SCHRIVER. Increased risk and greater vulnerability for our ability to impact our security interests and our broad interests in the Indo-Pacific.

Mr. GAETZ. Thank you, Mr. Chairman. I yield back.

The CHAIRMAN. Mr. Moulton.

Mr. MOULTON. Thank you, Mr. Chairman.

I would like to start with General Abrams.

General Abrams, thank you very much for coming into my office yesterday. I appreciated the discussion.

And I just want to start by saying that, when your commander, our Commander in Chief, handed you a deck that meant you could not continue your prime exercises in this theater, I learned yesterday that you innovated remarkably and have improved upon the existing, the old exercises to modernize them, to make them more full-spectrum, and to adapt to the current situation. And you deserve a lot of credit for that. I know that is not easy to do in the U.S. military, and I appreciate that very much.

Admiral Davidson, you stated in your testimony that North Korea will remain the most immediate challenge until we achieve the final, fully verifiable denuclearization as committed to by Chairman Kim Jong-un at the summit in June of 2018.

ASD Shriver, so we gave up the exercises. What did we gain from the summit?

Secretary SCHRIVER. I think we gained an opportunity to engage in a way that could be productive if North Korea is prepared to take the difficult steps in the direction of denuclearization.

Mr. MOULTON. That is an opportunity that didn't exist before?

Secretary SCHRIVER. I think leader-to-leader engagement did create an unprecedented opportunity. But North Korea has not taken the steps to fulfill Chairman Kim's pledge, and we are disappointed that they haven't come to the table in a serious manner.

Mr. MOULTON. Are you surprised?

Secretary SCHRIVER. Having worked on this in some form or another for almost 30 years, I think I have seen a lot of different approaches, none of which have been successful. I think this is the

best opportunity that North Korea will ever have. Whether or not they make the strategic choice, that is difficult to say.

Mr. MOULTON. Why would they give up their nuclear weapons, Mr. Schriver?

Secretary SCHRIVER. I think there is a better path and a better future for the country, quite frankly. And I don't think their weapons are making them more secure. I think, you know, it was only a year and a half ago, 2 years ago that we were at a period of very high tensions and possible military action. I don't think these weapons are making them more safe and secure.

Mr. MOULTON. So you talked about this, the fact that tensions are down, you said. My colleague just said there is a new level of calm. Have tensions ever been higher than they were at the beginning of this administration, when North Korea's hot-headed leader was exchanging tweets with ours?

Secretary SCHRIVER. We have had periods of heightened tension. I think 1994, Secretary Perry used to say that is the closest he came to war while he was Secretary of Defense, but——

Mr. MOULTON. Right, while he was Secretary. But has it ever been as dangerous as it was a couple years ago?

I guess my point is that it is one thing to talk about tensions being down, but if you are just solving your own problem, you know, the tensions that you created yourself—and, as a result, we are where we were before in terms of negotiations, in that North Korea hasn't given up anything. We now know from public intelligence reports that they are actually continuing their nuclear weapons development, so they are farther along than they were at any time. Literally, today, they are farther along than they have been at any time in American history.

And all we gained after giving up our exercises is a, quote/unquote, opportunity that nobody is surprised that the chairman hasn't taken. Then I just—where do you think this goes next, and what diplomatic leverage do we have at this point?

Secretary SCHRIVER. Yeah, the choice for North Korea is very clear, and it is a stark one. They can continue to live in isolation; they can continue——

Mr. MOULTON. I understand their choice. What leverage do we have?

Secretary SCHRIVER. Well, the maintenance of sanctions, I think, continues to put pressure on North Korea.

Mr. MOULTON. So you think sanctions are helpful?

Secretary SCHRIVER. I do.

Mr. MOULTON. So, then, why did the President just cancel the latest sanctions?

Secretary SCHRIVER. As I understand it, none of the sanctions have been removed or changed since the tweet, as the White House——

Mr. MOULTON. Since the tweet. So you would disagree with the idea of removing sanctions; that would be unhelpful.

Secretary SCHRIVER. I think it is helpful to maintain pressure. The decisions on future sanctions are beyond my purview.

Mr. MOULTON. So undoing pressure by tweet would not be helpful.

I want to just shift focus for a second to India. You previously mentioned how important our relationship is with India. How does India's recent purchasing of the S–400 and the leasing of Russian nuclear submarines impact our relationship going forward?

Secretary SCHRIVER. The decision to procure S–400s has not gone to contract or been completed. We are very keen to see them make an alternative choice. We are working with them to provide potential alternatives. I think it would be an unfortunate decision if they chose to pursue that.

And, of course, we have the legislation hanging over all of that. The legislation is not designed to be an impediment in the growing strategic partnership we have with India. It is designed to impose cost on Russia and consequence for Russia. So, one way or another, we want to work through it, because India is an important emerging strategic partner for us.

Mr. MOULTON. Thank you very much.

The CHAIRMAN. The gentleman's time has expired.

Oh, before I call on Mr. Banks, we are going to do the classified hearing at 12:15. So we are going to be wrapped here before 12:15 no matter how many people are here, and we are going to go upstairs for the classified at 12:15.

Mr. Banks.

Mr. BANKS. Thank you, Mr. Chairman.

Admiral Davidson, in the past, you have mentioned that INDOPACOM only has a quarter of the intelligence, surveillance, and reconnaissance capabilities required to address the range of threats in the AOR. For fiscal year 2019, the CNO included sonobuoys on the Navy's unfunded priority list [UPL]. And, again, in fiscal year 2020, a portion of the funding request again appears in the UPL.

In looking at your command's requirements in the current and foreseeable security environment, would you also include assets like sonobuoys as a critical ISR shortfall, especially in light of submarine activity in your AOR?

Admiral DAVIDSON. Yes, sir. Given the ongoing expansion of Chinese submarine operations in the Pacific and the Indo-Pacific, as well as new capability that the Russians will be introducing into the theater over the next couple years with the *Severodvinsk*-class cruise-missile-capable submarine, sensing like sonobuoys is going up in value and need.

Mr. BANKS. Thank you for that.

Shifting gears, yesterday, we had Secretary Shanahan in the same seat that you are in today. I am going to ask you the same question that I asked the Secretary yesterday.

Even if every Congress and President agree on the goal of a 355-ship fleet for decades to come, we will not reach the desired goal for at least, I said, 40 years yesterday, without a firm commitment. The Secretary pushed back and said 18 years. I will give the Secretary 18 years on the low end, and some experts say 40 years on the high end.

In light of that, what do you expect the balance of forces between the U.S. and China to be by the time we achieve a 355-ship fleet? And when do you believe that it is realistic to achieve this goal?

Admiral DAVIDSON. To your first question, Congressman, I think we are going to lose our quantitative edge in about the 2025 timeframe. I think that is going to be a challenge for our equities in the region, absolutely. I can't comment how much faster or slower the need—needs to happen here. There are some shipbuilding limits, the capacity in the United States to actually produce the ships. But I think the Navy's force structure assessment will take that fully into account as they come forward later in the year with it.

Mr. BANKS. Thank you for that.

Mr. Schriver, in your testimony, you said, quote, "There is an active North Korean effort to undermine sanctions and sow political division in their execution. North Korea has turned to the use of illicit ship-to-ship transfers off China's coast to evade caps on importing refined petroleum and the sale of textiles and coal. These restrictions were imposed and periodically strengthened as a result of North Korea's illegal weapons development activity dating back to March 2016," end quote.

With that, what is the logic of the Trump administration considering lessening sanctions on North Korea, and rewarding North Korea if they won't comply with the original sanctions to begin with?

Secretary SCHRIVER. As I said, I am not aware that sanctions have been removed or changed. I think it is very important to keep pressure on—and it is, I think, a defensible statement we wouldn't be where we are today without the pressure that North Korea has felt.

Your point about—well, quoting my statement about China, we will not be successful unless China does more to enforce sanctions themselves, including their activity in their territorial water, period.

Mr. BANKS. Good. On that same note, Admiral, you have talked in the past about naming and shaming those entities that abet sanctions of Asia in North Korea. Have we done that? Have we made any successful efforts to—at all to minimize sanctions evasion?

Admiral DAVIDSON. There have been a number of flag states that the United States has engaged in, as well as other countries to sideline vessels that have been participating in the illicit transfer of oil to North Korea as well as some of the ownership companies and shippers involved.

And I think the key is to disrupting that providing network as we go forward. But there has been engagement at the diplomatic level, to your point, naming and shaming of these individuals, and we have seen robust action from other countries in that regard.

Mr. BANKS. So you have seen progress or we hope to see progress?

Admiral DAVIDSON. Yes, sir, we have seen progress.

Mr. BANKS. You have seen progress.

Admiral DAVIDSON. And it will continue.

Mr. BANKS. Thank you.

With that, I yield back.

The CHAIRMAN. Mr. Golden.

Mr. GOLDEN. Thank you, gentlemen.

I have heard a lot of questions and a lot of the ones that I was going to ask, so I am going to take you in a slightly different direction, if you would. I think Congresswoman Houlahan touched upon this a little bit talking about Persian Gulf ports and China's, you know, presence in that part of the world.

A little bit outside your AOR, but the National Security Strategy, National Defense Strategy does talk about reorienting ourselves from near-peer competition to include China. And I think a lot of people think of this only in military-to-military engagement, but you often talk about the economic aspects of all of this.

And, you know, I was curious, we haven't really talked about Afghanistan. I have been reading some reports about China starting to have a little bit of military-to-military cooperation with Afghan National Government.

We certainly know that their relationship in Pakistan, think about One Belt One Road and the port that they are developing there, and their ability to drive into Afghanistan, get into Central Asia and the Gulf. You know, there is ports in Iran. I think the success of those ports, you know, figures largely in that region and security in Afghanistan.

So it is kind of the back door to your AOR, so I just thought I would give you an opportunity to talk about, as the U.S. talks in negotiations with Taliban, talks about withdrawing, what kind of a footprint do you hope to see in Afghanistan? And what kind of a role—how important it is to your area of responsibility that the U.S. is present and, you know, has a strong relationship with the Afghan Government?

Secretary SCHRIVER. I think it is critical. We are in Afghanistan, first and foremost, to protect the United States and protect Americans. If Ambassador Khalilzad is successful in the efforts to promote reconciliation, it is expected that there would still be some terrorist threat that would remain, and I would hope that—it is our objective that through those negotiations, that we have the latitude to maintain a presence sufficient for that terrorist threat that may remain.

In a post-reconciled environment, we would expect the Afghans themselves to deal with the terrorist threat. They certainly don't want that on their territory, at least the government in Kabul. So it will be conditions-based, and I think that is being reflected in our negotiations.

Admiral DAVIDSON. Sir, if I could just add quickly, I mentioned earlier that I think our U.S. values compete extraordinarily well, and they do in Afghanistan very much so. And when you look at China's, what can only be said, incarceration of more than what is estimated to be right now, I think, 1.5 million people in the Uyghurs in Xinjiang, you know, I think Afghanistan would view heavy Chinese involvement in their country and Chinese interests as a chilling factor.

The CHAIRMAN. Mr. Waltz.

Mr. WALTZ. Thank you, Mr. Chairman.

And I want to—gentlemen, I want to thank you both, particularly your families, for—it is a team effort to serve, and thank you for your years of service.

I want to talk very—go back to India for a moment. I agree, I think it was the ranking member who said it is a seminal—or perhaps the chairman—really one of the seminal alliances, I think, moving forward. What more can we do in our engagement with India, and what more should we be doing? What more would you like to do? And how can this body help?

Admiral DAVIDSON. Sir, the signing of the COMCASA [Communications, Compatibility and Security Agreement] and the two-plus-two meeting that the Secretary of Defense and Secretary of State had last September in India, I think is a breakthrough.

Down at the operational level, we are working on an effort now to really operationalize the COMCASA. It is an agreement to—it is an IT [information technology], essentially, agreement in which underpinning that we can do some information sharing and other things.

There is an opportunity for us to share tactical flyaway kits, and an operational planning system that I think will advance our relationship on a military-to-military level very, very well.

I continue to make the point with them that our interoperability and compatibility going forward is—will be advantaged with the purchase of U.S. systems. That allows us to get to training, doctrine, tactical-level coordination that is really powerful.

So while they very much want to protect their non-aligned policy, the tactical and technical capability we get out of like systems will really advance that relationship down in the military space.

Randy?

Mr. WALTZ. Thank you.

And just—so on top of that, switching to space, how does China's growing capability, anti-SAT [anti-satellite], dazzling, their capabilities that they are essentially putting all over the globe in terms of tracking through One Belt One Road and through their debt diplomacy, how is that affecting you operationally? I leave it open to anyone on the panel.

Admiral DAVIDSON. It is a capability development in the battle space that would have effect on the freedom of action of the entire joint force, not only in the Indo-Pacific Command, but really around the globe.

Mr. WALTZ. Switching to China—I mean, excuse me, switching to Japan, do you believe, Mr. Schriver, it is time—I understand this is an internal Japanese issue. It is a very contentious political issue in terms of article 9. We are taking a hard look at cost sharing, growing Chinese capabilities. U.S. can't do it alone.

We are looking at losing the quantitative edge in terms of our fleet, as the admiral just mentioned, by 2025. Should we—what can we do to talk to the Japanese about taking additional steps, taking that hard step internally and making those changes they need to their constitution to be a more effective military partner?

Secretary SCHRIVER. Well, you rightfully acknowledge it is a sovereign decision of the Government of Japan and the people there. I think the step to re——

Mr. WALTZ. But they have a responsibility as an ally. I mean, this is a 70-year, you know, construct now and the world has changed.

Secretary SCHRIVER. I think the step they took to reinterpret article 9 gave us greater flexibility and latitude, and we are taking advantage of that. Their new national defense program guidelines, when compared with our National Defense Strategy, revealed to us that there is nothing but open space for us to build this alliance out.

I am not aware that the distinction between reinterpreting versus actually changing the Constitution is an impediment right now, but if it were to become one, we would certainly raise that with our Japanese friends.

Mr. WALTZ. Okay. Just in the time I have remaining, Admiral, how does the Latin American angle in terms of their—the 17 nations that you mentioned participating, signing agreements, One Belt One Road, how is that affecting your force laydown or force posture? Is it significant? Where do we—what do we do going forward?

Admiral DAVIDSON. All those countries are actually in SOUTHCOM's [U.S. Southern Command's]——

Mr. WALTZ. Right.

Admiral DAVIDSON [continuing]. Area of responsibility. I actually talked to Admiral Faller just last night to make sure that I understood, and he wanted to understand my concerns as well. I think you are not seeing profound military action in the SOUTHCOM AOR right now. Last year China did run a hospital ship down there with some medical capability, but——

Mr. WALTZ. I would note, just in my time remaining, I do understand they put a satellite tracking system in Argentina on land lease, so it is a road that—it is a trend we are seeing.

Admiral DAVIDSON. And we have seen other, you know, requests across the Indo-Pacific AOR, but the net result of which is the potential for more bases, places for China to operate out of base airplanes, fix ships, that kind of thing.

The CHAIRMAN. The gentleman's time has expired. We will have to continue the discussion upstairs.

Mr. WALTZ. Thank you, Mr. Chairman.

The CHAIRMAN. Mrs. Luria, and when she is done, we are going to reconvene in 2212.

Mrs. LURIA. Well, thank you for being here today.

And, Admiral Davidson, it is especially good to see you again.

I spent 4 years in the Western Pacific on a destroyer, and then as the aide at 7th Fleet, so I am familiar with the area, and what is most striking is the large distances that have to be covered. And I want to focus today especially on our challenges to do with logistics based off of those large distances in the Pacific.

And our current Navy logistics enterprise is based on the ability to deliver fuel, parts, supplies in an uncontested environment. So I appreciate that you also see this as a vulnerability in your comments that you provided in preparation for this hearing.

While China continues to develop weapons such as the DF–26, they have called it the "Guam killer," which gives you an idea of the range and what they could intend to use that for, that threaten our ability to deliver logistics from the six bases we have relied on for more than 50 years. But we really haven't changed our tactics, our procedures with regards to logistics, and practiced those very

recently, such as console ops [operations] with our TAOs [tactical action officers] in theater for about a decade.

So do you see logistics as an Achilles heel in the Pacific theater?

Admiral DAVIDSON. Certainly advancements with our logistics tactics, so to speak, is important going forward. We actually have done some console ops here in the last 5 years. We just concluded the Pacific Blitz exercise as well, which merges essentially what was a tactical exercise and a logistics, both Navy and Marine Corps exercises to exercise that capability.

Clearly, recapitalization of our sealift system is going to be critically important as it is aging out and really has propulsion plants that are, you know, expiring in capability and our ability to maintain them.

Mrs. LURIA. I was going to comment on that as well because we had the opportunity to hear from Admiral Buzby as the Maritime Administrator, as well as from U.S. TRANSCOM [U.S. Transportation Command]. And we focus within the Seapower Subcommittee as well on the age of the, you know, sealift fleet.

And, you know, on any given day, if, say, 50 percent of the sealift fleet were unavailable, what kind of impact would that have? Because when we were briefed, that was basically what was available—unavailable at a snapshot in time. What would that—what impact would that have on your most limiting OPLAN and ability to carry that out within the theater?

Admiral DAVIDSON. It is risk to our troops and all of our people that are forward in the region, if there is any delay in our ability to deliver the logistics in accordance with the OPLANs.

Mrs. LURIA. And going back to the console ops and the availability of tankers within the region, currently in our MSP [Maritime Security Program] program, there are no tankers whatsoever. And do you see that as a need in order to execute your most pressing OPLAN?

Admiral DAVIDSON. Yes, ma'am. The Military Sealift Command is also exploiting commercial opportunities to do some of these things as well.

Mrs. LURIA. And lastly, many of our ships in the theater have only relied on shore infrastructure, such as in Guam and Yokosuka and Sasebo and different areas around the theater. Are you taking any actions to harden that shore infrastructure or provide additional defenses for it to make sure that we can maintain the logistics necessary to carry out our two, you know, principal OPLANs within the area?

Admiral DAVIDSON. Yeah. Certainly there are defensive capabilities in Guam I would like to see improved. You know, we are using a mobile system right there now with THAAD on the ground as well as ship support from the threats that are exigent.

I think in the future, we are going to need a more robust fixed site there so that our mobile sites can then be employed to use—to support our expeditionary logistics and other basing needs around the region.

Mrs. LURIA. And I will wrap up by asking you the same question that I have asked all combatant commanders who have come before us, is on a different note, what percentage of your requested carrier

presence have you received within the theater over the last 2 years?

Admiral DAVIDSON. About 70 percent.

Mrs. LURIA. Well, thank you. And as I am the last to go today, I wanted to thank you all again for taking the time to brief us and help us be more informed on a decision-making process throughout the budget process. Thank you.

The CHAIRMAN. Thank you very much.

And thank you, gentlemen. Appreciate your testimony answering questions. We are adjourned, and we will reconvene in 2212 as soon as we can get up there.

[Whereupon, at 12:15 p.m., the committee proceeded in closed session.]

A P P E N D I X

March 27, 2019

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

MARCH 27, 2019

STATEMENT BY

RANDALL G. SCHRIVER

ASSISTANT SECRETARY OF DEFENSE FOR

INDO-PACIFIC SECURITY AFFAIRS

OFFICE OF THE SECRETARY OF DEFENSE

BEFORE THE 116TH CONGRESS

COMMITTEE ON ARMED SERVICES

U.S. HOUSE OF REPRESENTATIVES

MARCH 27, 2019

Introduction

Chairman Smith, Ranking Member Thornberry, distinguished members of the Committee, thank you for the opportunity to appear before you today to testify on policy matters related to the Department's efforts in the Indo-Pacific region. Pleased to be here today with the Commander of U.S. Indo-Pacific Command, Admiral Philip S. Davidson and the Commander of U.S. Forces Korea, General Robert B. Abrams.

The Indo-Pacific Framework

The U.S. National Security Strategy and National Defense Strategy affirm the Indo-Pacific as our priority theater. As a resident power in the region, the United States recognizes the strategic importance of the Indo-Pacific and our interests in the region are mutually-reinforcing: security enables the conditions for economic growth; burgeoning economies offer opportunities for American businesses; and American prosperity and security leads to a strong economy that protects the American people, supports our way of life, and sustains U.S. power.

For the past 70 years, the Indo-Pacific has been largely peaceful, creating the stability necessary for economic prosperity in the United States and the region. This was made possible by robust and persistent U.S. military presence and credible combat power as well as the region's collective adherence to international rules and standards, which support our vision for a free and open Indo-Pacific.

This vision for a free and open Indo-Pacific flows from common principles that underpin the current international order that has benefitted all countries in the region—principles we have a shared responsibility to uphold. These principles include respect for sovereignty and independence of every nation, no matter its size; peaceful dispute resolution without coercion; free, fair, and reciprocal trade and investment; and, adherence to international rules and norms, including those for freedom of navigation and overflight. Our vision for a free and open Indo-Pacific recognizes the linkages between economics, governance, and security—fundamental to the competitive landscape in the region—that economic security *is* national security.

These principles are the very ones that supported a system that allowed the United States to prosper and, from the ashes of the Second World War, enabled the people of this vibrant and dynamic region to prosper, as well. Perhaps no country has benefitted more from the free and open regional and international system than China, which has witnessed the rise of hundreds of millions from poverty to growing prosperity and security. However, our vision for a free and open Indo-Pacific is not shared by all – specifically, China.

Competition with China

The region increasingly is confronted with a more assertive and confident China that is willing to accept friction in the pursuit of its interests. China's pursuit of an alternative vision for the Indo-Pacific to reorder the region in its favor puts us on a pathway to strategic competition. The reemergence of great power competition—if not carefully managed—poses a challenge to the free and open order in the Indo-Pacific that underpins our continued peace and prosperity.

China is working to transform this order toward one favorable to its authoritarian governance model—one which has grown increasingly harsh and repressive. China is utilizing tools such as the One Belt, One Road to erode the sovereignty of other countries and induce them to behave in accordance with Chinese interests. China continues to challenge the rules-based system of international trade and intellectual property protection in order to erode U.S. technological advantages for commercial and military gain. In the security domain, China's rapid military modernization continues to increase PRC capacity to threaten U.S. interests and those of our allies and partners. China continues to militarize disputed features in the South China Sea and has also delivered coastal defense cruise missiles (CDCM) and long-range surface to air missile to Spratly Islands outposts, a clear sign that its intentions are not benign. This marks the most capable land-based weapon system yet deployed by China in the disputed Spratly Islands.

The NDS emphasizes competition, but this does not mean we seek conflict with China. One of the most far-reaching objectives of the NDS is to set the military relationship between the United States and China on a long-term path of transparency and non-aggression. Pursuit of a constructive, results-oriented relationship between our two countries is an important part of U.S. strategy in the Indo-Pacific region. The recognition that the United States and China are in competition does not preclude us from cooperating when our interests align. As we compete with China, we will continue to maintain military-to-military contacts aimed at reducing risk and pushing for China's compliance with international rules and norms. We are committed to building a military-to-military relationship that builds and reinforces the procedures necessary for preventing and managing crises, and encourage China to engage in behaviors that support peace and stability in the region and that support—rather than undermine—the rules-based international order. However, we will not accept policies or actions that threaten to undermine this order, which has benefited all countries in the region, including China.

The United States and China are not destined to be adversaries and we are prepared to support China's choices to the extent that China promotes long-term peace and prosperity for all in the Indo-Pacific.

Other Threats: North Korea, Transnational Issues

We also continue to face challenges from North Korea and transnational threats.

North Korea remains a military threat to the United States, our allies, partners, the region, and the international system. North Korea's illicit weapons of mass destruction program, developed and tested in violation of numerous United Nations Security Council Resolutions, destabilizes the region and is a direct challenge to the unanimous will of the international community.

This threat, growing for decades in spite of international efforts, prompted the President to approve a strategy of maximum pressure and engagement to impose costs on the Regime; and later to meet with Chairman Kim twice to offer an alternative path for the North Korean people.

At the Singapore Summit in June 2018, the first between a sitting U.S. President and a North Korean leader, Chairman Kim committed to the final, fully verified denuclearization of North Korea. The Joint Statement from the Singapore Summit is what continues to guide our policy.

In support of our overall efforts, the United States decided to suspend certain large-scale exercises. Since then, in cooperation with the Republic of Korea (ROK), we have mutually decided to modify our exercise program to ensure readiness of our combined forces to carry out the essential tasks necessary for the operations of U.S. forces in Korea

As the President has said, we are disappointed that we were not able to reach an agreement in Hanoi – but we remain committed to diplomacy. We left the Summit with a better understanding of each other's position. The United States is clear-eyed about what we have committed to, and North Korea knows what we expect. We are firmly committed to a safe, stable, prosperous Indo-Pacific and look forward to the day when North Korea can rejoin the community of nations. That day will come only when North Korea comes into compliance with its international commitments.

In support of our efforts to achieve denuclearization of North Korea, DoD aims to ensure our diplomats continue to speak from a position of strength. Our alliances in the region remain ironclad, including with the Republic of Korea and Japan. Together we deter North Korean aggression and maintain our ability to protect the Homeland and win decisively should conflict ever occur.

Our alliances with the ROK and Japan are far more than military; however, it is important to acknowledge the ironclad nature of our military relationships. Three commands – the United Nations Command, U.S. Forces Korea, and the Combined Forces Command seamlessly integrate on the Peninsula to ensure the stability and security of the ROK. The United Nations Command remains the guarantor of the Armistice and natural home of international contributions. U.S. Forces Korea consists of 28,500 service members and their families in a visible symbol of our commitment to ROK and regional security. The Combined Forces Command is a truly binational command dedicated to the defense of the ROK.

Japan demonstrates itself to be a true friend of the United States and model ally. Japan is directly threatened by North Korea's illicit weapons programs, and still mourns the loss of its citizens abducted by the North Korean Regime decades ago. Japan has devoted logistics, political, and operational support to our international efforts.

There is an active North Korean effort to undermine sanctions and sow political division in their execution. North Korea has turned to the use of illicit ship-to-ship transfers off China's coast to evade caps on importing refined petroleum and the sale of textiles and coal. These restrictions were imposed and periodically strengthened as a result of North Korea's illegal weapons development activity dating back to March 2016.

As the President noted, China is critical to our efforts and needs to do more to meet its own obligations. China shares a large land border, represents the vast majority of overseas trade, and China is North Korea's only official ally. China supported the unanimous UN Security Council Resolutions after North Korea's 2017 provocative nuclear tests and missile launches, and we are grateful for that support. The President has been straightforward, however, that more is needed. We have asked our Chinese counterparts at all levels to diligently monitor North Korea's attempts at sanctions evasion, prevent illicit activity in their jurisdiction, and reinforce the

international system's conclusion that North Korea must come into compliance with its international commitments and abandon its illicit programs.

We also continue to face a variety of transnational challenges. From terrorism, illicit arms, drug, human and wildlife trafficking, and piracy to dangerous pathogens, weapons proliferation, and natural disasters, there are a host of additional, transnational, challenges throughout the Indo-Pacific of concern to the Department of Defense. Violent extremism continues to be a threat to the Indo-Pacific and there remain multiple terrorist organizations. Illegal unreported, and unregulated fishing (IUU), piracy, and criminal and drug-trafficking further challenge regional peace and prosperity. A region already prone to earthquakes and volcanoes as part of the Pacific ring of fire, the Indo-Pacific suffers regularly from natural disasters, which could be exacerbated by climate change, a source of concern to our partners in the Pacific Islands.

Despite these challenges, the United States is well positioned to address them, in no small part, through the Department of Defense's capabilities and relationships that make us an indispensable partner to the region.

National Defense Strategy

Developed in tandem and nested within the National Security Strategy, the 2018 National Defense Strategy remains the most effective aligning mechanism for the Department toward maintaining our competitive advantage in the Indo-Pacific. Overall, it guides the Department to defend the homeland; remain the preeminent military power in the world; ensure the balances of power in key regions remain in our favor; and advance an international order with allies and partners that is most conducive to our security and prosperity. The NDS is clear that the primary challenge to U.S. security and prosperity is the reemergence of long-term strategic competition with China and Russia and eroding U.S. military advantage vis-à-vis both revisionist rivals. If unaddressed, this will lead to increasingly aggressive behavior. The NDS also recognizes the dangers posed to the United States and our allies from nations such as North Korea.

In light of these challenges, the NDS prioritizes the Department's investments to compete, deter, and win. It directs the Department to sustain American influence through three lines of effort: building a more lethal force; strengthening our alliances and partnerships; and reforming the Department's business practices—the most effective avenues for addressing growing strategic competition with China and Russia.

The first line of effort is building a more lethal force. Noting the scope and pace of our competitors; ambitions and capabilities, the NDS outlines plans to invest in modernizing key U.S. capabilities including nuclear forces; space and cyberspace capabilities; C4ISR; missile defense; capabilities to strike diverse targets inside adversary air and missile defense networks; smaller, dispersed, resilient, and adaptive basing; and autonomous systems.

The second line of effort is strengthening alliances and attracting new partners. A core U.S. advantage is the strength and diversity of our alliances and partnerships, which are critical to our ability to protect the United States and project power around the world. The Department is committed to upholding our commitments while encouraging allies and partners to modernize

their defense capabilities and contribute more to collective security. The Department is also expanding collaborative planning, prioritizing requests for U.S. military equipment sales to deepen interoperability and training for high-end combat missions in alliance, bilateral, and multilateral exercises.

The third line of effort is reforming the Department for greater performance and affordability. The NDS recognizes the challenges presented by rapid technological advancements in dual-use areas, and the way China is blurring the lines between civil and military goals. Accordingly, it discusses efforts to organize Department structures to promote innovation, protect key technologies, and to harness and protect the national security innovation base to maintain the Department's technological advantage. The Department's support to whole-of-government actions also contributes to this response.

These efforts are reflected in the President's Fiscal Year 2020 budget, which reflects the President's vision for prioritizing the security, prosperity, and interests of the American people, and Acting Secretary Shanahan's vision for a future marked with more lethal, results-oriented Department of Defense with the capabilities and capacity to ensure national security and implement our National Defense Strategy (NDS) at the speed of relevance. Our FY2020 budget prioritizes innovation and modernization to strengthen our competitive advantage across all warfighting domains—a major milestone toward a more lethal, agile, and innovative Joint Force.

Strengthening Alliances and Partnerships in the Indo-Pacific

Beyond DoD's efforts to improve readiness and lethality, I want to speak further about our focus on maintaining a free and open Indo-Pacific built on strong alliances and growing partnerships and expanding collaboration and cooperation. As stated by Acting Secretary Shanahan, "starting in the Indo-Pacific, our priority theater, we continue to pursue many belts and many roads by keeping our decades-old alliances strong and fostering growing partnerships." U.S. engagement in the Indo-Pacific is rooted in our long-standing security alliances. They are nothing less than the bedrock on which our strategy rests, and as the NDS emphasizes, our network of allies and partners is a force multiplier for peace.

As such, we have strengthened our alliances with Australia, Japan, the ROK, and the Philippines, while maintaining our long-standing alliance with Thailand. These alliances are indispensable to peace and security in the region and our investments in them will continue to pay dividends far into the future.

We have also taken steps to strengthen partnerships with Singapore, Taiwan, and New Zealand, while operationalizing our Major Defense Partnership with India. Within South Asia, we are pursuing emerging partnerships with Sri Lanka, Nepal, Bangladesh, and the Maldives, and continue to take steps to strengthen security relationships in Southeast Asia including Vietnam, Indonesia, and Malaysia. We are also enhancing our engagement in the Pacific Islands to preserve a free and open Indo-Pacific region, maintain access, and promote our status as a security partner of choice, particularly in the face of increasing Chinese engagement. Finally, we continue to work with key allies such as the United Kingdom, France, and Canada on United Nations Security Council (UNSC) resolution implementation, conducting exercises and capacity

building efforts with other Pacific allies and partners, increasing information sharing, and promoting freedom of navigation.

Shared security in the Indo-Pacific continues to rest on U.S. military presence and a growing stable of alliances and close partnerships that promote interoperability and coordination. The Association of Southeast Asian Nations (ASEAN) is a key component of—and central to—our efforts to promote the values and policies enshrined in the U.S. Indo-Pacific Strategy: freedom of the seas; market economics; good governance; and respect for an order based on clear and transparent rules. Complementing U.S. diplomatic efforts, Our Secretaries of Defense have attended all the ASEAN Defense Ministers Meeting Plus (ADMM-Plus) ministerials since its inception in 2010, and we have matched this participation with active engagement in the ADMM-Plus subordinate mechanisms. In a large and interconnected region, especially one with so many strong, capable, and dedicated players, it is in our collective interest to network and link relationships to produce gains for all.

As the Indo-Pacific changes, the United States is augmenting its bilateral relationships with trilateral and multilateral arrangements, including through exercises, information-sharing arrangements, and multilateral operations like UNSC resolution implementation.

The United States continues to lead multinational exercises in the Pacific, such as the Rim of the Pacific Exercise (RIMPAC), the world's largest international maritime exercise involving 25 nations. Participating nations and forces exercised a wide range of capabilities, ranging from disaster relief and maritime security operations to sea control and complex warfighting. The DoD also holds a number of multilateral exercises with ASEAN member states and other global partners such as Cobra Gold, and the Southeast Asia Cooperation and Training (SEACAT) Exercise. This year, we will co-sponsor with Thailand the first ASEAN-U.S. Maritime exercise in September. With India and Japan, the MALABAR exercise affords an opportunity to increase our ability to operate trilaterally, including through real-time information sharing.

The United States along with multiple allies and partners are enforcing UNSC resolution sanctions against North Korea to restrict its illicit trade in support of its unlawful weapons program. Our alliances in the region remain ironclad, including with the Republic of Korea and Japan. Together we deter North Korean aggression and maintain our ability to protect the Homeland and win decisively should conflict ever occur.

The United States has launched the Indo-Pacific Maritime Security Initiative, which has boosted key partners' maritime domain awareness, and their ability to monitor and patrol territorial waters and EEZ's. Transferring a former U.S. Coast Guard cutter to Vietnam in 2017 and the historic U.S. aircraft carrier visit to Vietnam in 2018 demonstrate our strengthening relationship. We welcome deepening defense cooperation with Indonesia, and Jakarta's leadership on common regional principles and support of regional institutions to increase the collective ability to deter aggression and maintain stability. The U.S.-India relationship is moving toward deeper security cooperation by increasing operational cooperation and availing key maritime security capabilities.

Fundamentally, our alliance and partner networks rest on a bedrock of military strength. The enduring mission of the Department is to provide combat-credible military forces needed to deter war and protect the security of our nation. Should deterrence fail, the Joint Force is prepared to win.

In an era of renewed great power competition, our adversaries, allies, and the American people should know the United States has the will and the flexible, resilient, and lethal forces needed to protect peace in the region and beyond.

Conclusion

The Department of Defense is working within the NDS framework to ensure we are on a trajectory to compete, deter, and win. The United States is an Indo-Pacific power, by history and tradition; by our present commitments and political, economic, socio-cultural, and security engagements; and by our future aspirations. The Indo-Pacific is our priority theater and our strategy is designed to ensure we have ready and capable forces in the right places across this vast region at the right time, and equally ready and capable allies and partners that are able to cooperate with us, and each other, to ensure peace and stability in the region.

Our vision for the Indo-Pacific is one where all nations, large or small, are confident in their sovereignty, and able to contribute to a regional order that is safe, secure, prosperous, and free. Or, as the President has said, "each its own bright star, a satellite to none."

Thank you for the opportunity to participate in this hearing and for your ongoing support of the Department of Defense.

Randall G. Schriver
Assistant Secretary of Defense for Indo-Pacific Security Affairs

Mr. Randall Schriver is the Assistant Secretary of Defense for Indo-Pacific Security Affairs. Mr. Schriver was appointed as Assistant Secretary of Defense by President Donald Trump on 8 January 2018.

Prior to his confirmation, Mr. Schriver was one of five founding partners of Armitage International LLC, a consulting firm that specializes in international business development and strategies. He was also CEO and President of the Project 2049 Institute, a non-profit research organization dedicated to the study of security trend lines in Asia.

Previously, Mr. Schriver served as Deputy Assistant Secretary of State for East Asian and Pacific Affairs. He was responsible for China, Taiwan, Mongolia, Hong Kong, Australia, New Zealand, and the Pacific Islands. From 2001 to 2003, he served as Chief of Staff and Senior Policy Advisor to the Deputy Secretary of State. From 1994 to 1998, he worked in the Office of the Secretary of Defense, including as the senior official responsible for the day-to-day management of U.S. bilateral relations with the People's Liberation Army and the bilateral security and military relationships with Taiwan.

Prior to his civilian service, he served as an active duty Navy Intelligence Officer from 1989 to 1991, including a deployment in support of Operation Desert Shield/Desert Storm. After active duty, he served in the Navy Reserves for nine years, including as Special Assistant to the Chairman of the Joint Chiefs of Staff and an attaché at U.S. Embassy Beijing and U.S. Embassy Ulaanbaatar.

Mr. Schriver has won numerous military and civilian awards from the U.S. government and was presented while at the State Department with the Order of the Propitious Clouds by the President of Taiwan for service promoting U.S.-Taiwan relations. Mr. Schriver received a Bachelor of Arts degree in history from Williams College and a Master of Arts degree from Harvard University.

STATEMENT OF
ADMIRAL PHILIP S. DAVIDSON, U.S. NAVY
COMMANDER, U.S. INDO-PACIFIC COMMAND
BEFORE THE HOUSE ARMED SERVICES COMMITTEE
ON U.S. INDO-PACIFIC COMMAND POSTURE
27 MARCH 2019

Chairman Smith, Ranking Member Thornberry, and distinguished members of the committee, thank you for the opportunity to appear before you today to discuss the Indo-Pacific region. First, let me say thank you for the significant support we have received from Congress over the last two years. The temporary relief from the Budget Control Act and an on-time FY19 budget helped to restore the military readiness and lethality necessary to safeguard U.S. vital national interests in the Indo-Pacific. With Congress' support, the recently submitted FY2020 Budget continues to enhance our nation's defense posture.

Overview

For more than 70 years the Indo-Pacific has been largely peaceful. This was made possible by three things: the willingness and commitment of free nations to work together for a Free and Open Indo-Pacific; the credibility of the combat power of U.S. Indo-Pacific Command; and a robust and modern U.S. nuclear deterrent. This commitment, and this credibility, have worked to liberate hundreds of millions of people, as well as lift billions out of poverty, all to a level of prosperity previously unseen in human history. It has also ensured that tensions, regardless of how or where they arise, do not escalate into large-scale war.

Our nation's vision for a Free and Open Indo-Pacific, announced in 2017 at the Asia Pacific Economic Council (APEC) summit in Vietnam, demonstrates our commitment to a safe, secure, and prosperous region that benefits all nations, large and small. The concept of a Free and Open Indo-Pacific resonates with our allies and partners across the region and includes economic, governance, and security dimensions. The vast majority of nations across the region share similar values, including the core beliefs that governments should be accountable to their people. We must stand together in support of our shared values and be unambiguous in condemning those who attempt to undermine those values.

USINDOPACOM is the primary military component of our government's efforts to ensure a Free and Open Indo-Pacific. Every day we work with a constellation of like-minded allies and partners and the rest of the U.S. government to advance our shared vision for a Free and Open Indo-Pacific.

When we say Free we mean Free both in terms of security—free from coercion by other nations—and in terms of values and political systems. Free to choose trading partners. Free to exercise sovereignty.

An Open Indo-Pacific means we believe all nations should enjoy unfettered access to the seas and airways upon which all nations' economies depend. Open includes open investment environments, transparent agreements between nations, protection of intellectual property rights, and fair and reciprocal trade—all of which are essential for people, goods, and capital to move across borders for the benefit of all.

While the term "Free and Open Indo-Pacific" is new, the underlying values and principles to which the vision speaks are not. In fact, this is how the United States has approached the region throughout our 240-plus year history. We are now seeing a general convergence around the importance of a free and open Indo-Pacific across the region—as Japan, Australia, France, New Zealand, and India have all put forth similar concepts or visions.

The United States is an enduring Pacific power. Our historical, structural, economic, and institutional ties to the Indo-Pacific are indelible.

U.S. power underpins the post-WWII international system that helps strengthen the essential foundation of a rules-based international order for economic growth and prosperity in the region for everyone. Furthermore, USINDOPACOM's role as a guarantor of security in the region has enabled our economic power and allowed our partners and allies to focus on their economic development, which in turn has increased opportunities for U.S. economic engagement and prevented costly conflict. A peaceful, free, and open Indo-Pacific is especially vital to our economy in the 21st century when you consider the following:

- The United States conducted more than $1.8 trillion in two-way goods trade with Indo-Pacific nations in 2017, and more than $1.3 trillion by the third quarter of 2018.
- In 2017, U.S. foreign direct investment in the region reached $940 billion – more than doubling since 2007.

- The Indo-Pacific is home to half of the 20 fastest growing economies.
- The Indo-Pacific currently contains over a third of global GDP and 60% of the global GDP growth.
- By 2030, 65% of the world's middle class will reside in the Indo-Pacific, representing an unrivaled amount of purchasing power.

As the above statistics portend, this dynamic and economically robust region will continue to play a vital role in our economic future throughout the 21st century.

Five Key Challenges

In my view, five key challenges threaten our vital national interest in ensuring a Free and Open Indo-Pacific. While we have made significant progress over the last year, North Korea will remain the most immediate challenge until we achieve the final, fully verifiable denuclearization as committed to by Chairman Kim Jong Un at the summit in June 2018. China, however, represents the greatest long-term strategic threat to a Free and Open Indo-Pacific and to the United States. Through fear and economic pressure, Beijing is working to expand its form of Communist-Socialist ideology in order to bend, break, and replace the existing rules-based international order. In its place, Beijing seeks to create a new international order led by China and with "Chinese characteristics"—an outcome that displaces the stability and peace of the Indo-Pacific that has endured for over 70 years. Russia is also active throughout the region. Moscow regularly plays the role of a spoiler, seeking to undermine U.S. interests and impose additional costs on the United States and our allies whenever and wherever possible. I am also concerned about the threat posed by non-state actors. Violent Extremist Organizations (VEOs) seek to impose their views and radicalize people across the region, as evidenced by the capture of Marawi City in the southern Philippines in 2017—a city of over 200,000 people—by ISIS extremists. Lastly, natural and manmade disasters are an ever present danger in the region. Let me describe these five key challenges in more detail.

North Korea:

Denuclearization. USINDOPACOM's assessment on North Korean denuclearization is consistent with the Intelligence Community position. That is, we think it is unlikely that North

Korea will give up all of its nuclear weapons or production capabilities, but seeks to negotiate partial denuclearization in exchange for U.S. and international concessions.

Following a rapid series of nuclear and missile tests into 2017, tensions declined; North Korea halted nuclear testing in September 2017 and ICBM testing in November 2017. President Trump's meeting with Chairman Kim in Singapore in June 2018 and Vietnam this past February were significant milestones. While we did not reach an agreement with North Korea, we exchanged detailed positions, narrowed the gap on a number of issues, and made clear that the United States still expects final, fully verified denuclearization.

In early 2018, the two Koreas initiated a season of rapprochement, beginning with the Winter Olympics in February 2018, and continuing through three subsequent Korean summits between President Moon and Chairman Kim and multiple lower-level meetings. More recently, North Korea has undertaken measures in accordance with the Comprehensive Military Agreement it signed with South Korea in September 2018, to include dismantling guard posts within the demilitarized zone and removing land mines near Panmunjom. North Korea also returned remains of U.S. service members from the Korean War, which provided great comfort to mourning families.

I welcome these steps, but we must remain vigilant to the threat North Korea still poses to the United States and the international community. North Korea has demanded "corresponding measures" from the United States in return for these above actions. Kim warned in his 2019 New Year's speech of a potential "new path," which could indicate an eventual return to missile and weapons of mass destruction (WMD) testing if he is not satisfied with the pace of negotiations and potential benefits. Close monitoring of activities at North Korea's test and missile facilities remains a top priority. Our military combat readiness and combined lethality remain the best deterrent and the best leverage against any threat from North Korea.

Sanctions. North Korea is continuing efforts to mitigate the effects of international sanctions and the U.S.-led pressure campaign through diplomatic engagement, counter pressure against the sanctions regime, and direct sanctions evasion. USINDOPACOM will continue to support the

President's pressure campaign by ensuring the military readiness of the combined force and supporting sanctions enforcement as directed by United Nations Security Council Resolutions (UNSCR). UNSCR sanctions resulted in a decline in North Korea's export earnings and cut off key cash flow sources. However, recent calls from Russia and China to change the sanctions against North Korea threaten to undo these positive developments.

Additionally, North Korea has a long history of flouting international sanctions, and Pyongyang regularly attempts to circumvent them. Early in 2018, North Korea exceeded its sanctioned limit on refined petroleum imports through illicit ship-to-ship transfers. USINDOPACOM is working with partners and allies to disrupt illicit ship-to-ship transfers that occur primarily in the East China Sea, often near or in Chinese territorial waters, and in the Yellow Sea. North Korea is also engaged in cross-border smuggling operations and cyber-enabled theft to generate revenue, while simultaneously circumventing United Nations Security Council prohibitions on coal exports.

China:

Military Modernization. Over the last 20 years, Beijing has undertaken a massive effort to grow and modernize the People's Liberation Army (PLA). The PLA is the principal threat to U.S. interests, U.S. citizens, and our allies inside the First Island Chain—a term that refers to the islands that run from northern Japan through Taiwan, the Philippines, and Indonesia—and the PLA is quickly increasing its ability to project power and influence beyond the First Island Chain. Beijing pursues both qualitative and quantitative efforts to transform its military, modernizing its military platforms while simultaneously increasing the number of platforms in service. Newly-fielded systems include:

- Beijing's first aircraft carrier group, centered around its refurbished Soviet-built carrier, reached initial operational capability in mid-2018.
- Beijing's first domestically-built aircraft carrier, has completed four sets of sea trials since May 2018 and will likely join the PLA Navy (PLAN) fleet in 2019.
- The RENHAI-class guided missile cruiser, was launched in 2017; three additional vessels were added to the PLA Navy's inventory in 2018. This class of vessels will be a key component of PLA Navy carrier strike groups.

- The FUYU-class fast combat support ship, developed specifically to support aircraft carrier task group operations, was commissioned less than a year ago.
- The J-20, the PLA's first 5th-generation stealth fighter, entered service in February 2018; plans are underway to research a sixth-generation fighter.
- The Y-20, a domestically-produced heavy-lift aircraft, entered military service in 2016; the Y-20 has a significantly larger payload capacity and range than the PLA's previous heavy and medium-lift aircraft, which advances Beijing's strategic airlift capability.
- The S-400 advanced surface-to-air missile system, received from Russia in April, 2018; the S-400 has a 250-mile range, which could expand the PLA's air coverage over the Taiwan Strait and other high priority facilities.

The PLA maintains a high operations tempo, primarily in and near China, but is quickly expanding its operating areas beyond the region. The PLA's Naval Escort Task Force (NETF)—now in its 31st iteration—follows its anti-piracy missions off the Horn of Africa by conducting naval diplomacy deployments to Europe, Africa, and the South Pacific. From May-July 2018, the 28th NETF completed a three-month naval diplomacy tour conducting port visits and bilateral exercises in Spain, Nigeria, Ghana, Cameroon, Gabon, South Africa, and Indonesia before returning to China. Beijing regularly conducts joint military exercises across its ground, sea, air, and space forces, including amphibious assault training that is designed and specifically timed to intimidate Taiwan. This spring, approximately10,000 PLA Marines traveled more than 1,200 miles as part of a large-scale exercise designed to improve long-range maneuverability. In April, Beijing conducted a live-fire exercise into the Taiwan Strait with coastal artillery, and PLA Air Force (PLAAF) bombers regularly circumnavigate Taiwan.

Beijing continues pursuing next-generation technologies and advanced weapons systems, including hypersonic glide vehicles, directed energy weapons, electromagnetic railguns, counter-space weapons, and unmanned and artificial intelligence-equipped weapons. The PLA has also made significant technological, game-changing developments in its ability to defeat, or drastically reduce, the effectiveness of U.S. sensors and defensive weapons. The PLA has tested hypersonic missiles since 2014, including the WU-14, with speeds approaching Mach 10. In August 2018, Beijing claimed to have successfully tested its first hypersonic aircraft.

Beijing is also modernizing and adding new capabilities across its nuclear forces. China's third generation Type 096 nuclear-powered Ballistic Missile Submarine (SSBN) will be armed with JL-3 sea-launched ballistic missiles and will likely begin construction in the early-2020s. In April, Beijing confirmed the DF-26 entered service—a road-mobile, nuclear, and conventional capable Intermediate-Range Ballistic Missile (IRBM), expanding Beijing's near-precision strike capability as far as the Second Island Chain (a term that refers to the southern part of the Aleutian Islands, the Commonwealth of Northern Mariana Islands, Guam, the Republic of Palau, and northern Papua New Guinea). Beijing continues testing its DF-41 road-mobile Intercontinental Ballistic Missile (ICBM), which carries multiple independently targetable re-entry vehicles and has a range of up to 9,300 miles.

South China Sea. Beijing maintains maritime claims in the South China Sea that are contrary to international law and pose a substantial long-term threat to the rules-based international order. Beijing ignored the 2016 ruling of an Arbitral Tribunal established under Annex VII of the Law of the Sea Convention, which concluded that China's claims to historic rights, or other sovereign rights or jurisdiction, with respect to the maritime areas of the South China Sea encompassed by the "nine-dash line" are contrary to UNCLOS and without legal effect. In April 2018, Beijing continued militarizing outposts by deploying advanced military systems that further enhance the PLA's power projection capabilities, including missiles and electronic jammers. These actions run directly counter to President Xi's 2015 commitment not to militarize these features. On multiple occasions, Beijing has landed military transport aircraft on the Spratly Islands and long-range bombers on the Paracel Islands. Additionally, Chinese Coast Guard vessels now fall under the command of the Central Military Commission and regularly harass and intimidate fishing vessels from our treaty ally, the Philippines, operating near Scarborough Reef, as well as the fishing fleets of other regional nations.

East China Sea. Beijing continues using its military forces to advance its territorial claims in the East China Sea. Beijing maintains a high level of surface combat patrols in the East China Sea. Additionally, Chinese Coast Guard vessels frequently enter the territorial waters of the Senkaku Islands, which the United States recognizes as being under Japan's administrative

control. In 2017, these incursions occurred on an average of once every ten days, and continued in 2018 at about two per month. Additionally, while Beijing mostly implements United Nations Security Council Resolutions against North Korea, in a number of cases, illicit ship to ship transfers continue to occur within Chinese territorial waters.

Economic Pressure. While the United States strives to promote a Free and Open Indo-Pacific, Beijing is leveraging its economic instrument of power in ways that can undermine the autonomy of countries across the region. Beijing offers easy money in the short term, but these funds come with strings attached: unsustainable debt, decreased transparency, restrictions on market economies, and the potential loss of control of natural resources. Beijing's actions in this regard have potential military ramifications as well. Beijing touts its need to safeguard its citizens abroad and defend its expanding global interests in order to justify increased permanent PLA overseas basing and presence. Beijing is also exploiting growing debt burdens to access strategic infrastructure in the region. In December 2017, Sri Lanka handed over control of the newly-built Hambantota seaport to Beijing with a 99-year lease because Sri Lanka could no longer afford its debt payments to China.

Over the last year, we have seen that countries across the region are becoming more aware of the threat Beijing's economic policies pose. Malaysia announced the cancellation of three projects worth $22 billion in August 2018, declaring that it could not afford Beijing's projects, decrying the corrupt practices associated with the projects, and criticizing the loans as a "new version of colonialism." The Maldives' former president described Beijing's investments as a "land grab" under the guise of development. In contrast, the United States' vision for a Free and Open Indo-Pacific strives to preserve the autonomy of independent nations in the Indo-Pacific region. We must continue to support countries that stand up to Beijing's coercive economic policies whenever possible and help those countries offset any economic blowback from Beijing. Our engagement in the Indo-Pacific must truly be a whole-of-government undertaking, in partnership with the private sector and civil society, to counter China's economic coercion.

Arctic and Antarctic. Beijing recognizes the growing strategic significance of the Arctic and Antarctic and has signaled its plans to assert a greater role in these regions. Despite not being an

Arctic nation, Beijing published its first Arctic policy paper in 2018, which defends Beijing's role in the region and outlines Beijing's vision of a "Polar Silk Road" to complement its other economic initiatives. Beijing launched its first domestically built icebreaking research vessel in September 2018, and Beijing plans to launch its second in 2019. Beijing also opened bidding for construction of its first nuclear-powered icebreaker. Beijing wants to boost its polar research and expedition capabilities and recently announced plans to double the frequency of its Arctic expeditions to once a year. Beijing has also expressed increasing interest in Antarctic operations and establishing logistics stations to supply them. This is of increasing concern to our ally Australia, as well as New Zealand, as Beijing seeks positional advantage and control of territory and natural resources in these vital regions.

Fentanyl and Pre-Cursors Chemicals. Another challenge that affects the security environment indirectly is the continuing fentanyl and opioid crisis in the United States. Illicit fentanyl, as well as legal pre-cursor chemicals used in the production of illegal drugs primarily originate from China. Moreover, technological advancements in e-commerce and commercial shipping present a different business model from the traditional methods used by transnational criminal organizations for drug trafficking. These innovations represent a new level of complexity for U.S. law enforcement agencies and policymakers alike. I welcome the PRC's decision to designate and regulate fentanyl as a controlled substance after President Xi's meeting with President Trump in Argentina in December of last year, and we look forward to seeing tangible progress.

Russia:

Military modernization. Moscow continues to modernize its military forces, viewing military power as critical to achieving key strategic objectives and global influence. Nuclear weapons remain an important component of Russia's power projection and deterrence capabilities, and the Russian military conducts regular nuclear-capable Tu-95 Bear bomber long-range aviation flights off the coasts of Japan, Korea, Canada, and Alaska. For the past decade Russian military planning has emphasized the development of modernized platforms and weapons systems, and Moscow is pushing these platforms to the Indo-Pacific region. In recent years, the Eastern Military District has become increasingly important for Russian security interests. Russia has

invested in military infrastructure, improved its command-and-control capabilities, deployed anti-ship missile systems, and modernized its anti-air capabilities in the region. For example, Russian units in the Eastern Military District expect to take delivery of thirty-seven new vessels by 2024, which is a major increase compared to the twenty-eight new units received in the region over the last decade. Moscow recently announced plans to expand its combat forces in the Eastern Military District and to substantially reinforce the Pacific Fleet. Despite the threat of U.S. sanctions through the 2017 Countering America's Adversaries Through Sanctions Act (CAATSA), Russia continues to export weapons to the Indo-Pacific region.

Furthermore, Russia hosted its largest military exercise since 1981, Exercise VOSTOK 2018, simulating land, sea, and air operations in the Eastern Military District and mobilizing forces from across Russia to engage in multiple live-fire missile launches. Of note, Chinese forces participated in Exercise VOSTOK for the first time. While Beijing's military cooperation was largely symbolic, because the forces remained segregated with separate command posts, Vostok 2018 was still a significant first step in forging a closer military partnership.

Japan-Russia Relations. Japan and Russia have a long-standing territorial dispute since the Second World War over the Northern Territories/Kuril Islands, which are strategically important for Russia's access to the Pacific Ocean. Russia has further entrenched itself in this contested territory by reestablishing an airfield on Matua Island, located in what it calls the central Kuril Islands, to accommodate light military transport aircraft and helicopters. Russia has also deployed coastal defense cruise missile systems and SU-35 multirole fighters to the islands and also announced plans to build a naval base. This more assertive approach to its eastern front reflects growing focus in Moscow of the vital importance of the broader Indo-Pacific for Russia's long-term security. Although Prime Minister Abe and President Putin have met on several occasions to negotiate a peace treaty that could, in part, resolve this territorial dispute, they have not reached an agreement. Russia remains concerned that the United States could establish military facilities under Article VI of the Treaty of Mutual Cooperation and Security in the Northern Territories if they are returned to Japan

Violent Extremist Organizations (VEOs):

In the wake of the 2017 siege of the southern Philippine city of Marawi, Philippine security forces have maintained consistent pressure on Islamic State of Iraq and Syria (ISIS) networks in the Philippines, conducting a number of arrests in 2018. Additionally, counterterrorism operations on the Philippine island of Jolo against ISIS-supporting elements of the Abu Sayyaf Group succeeded in disrupting kidnap-for-ransom operations. ISIS claimed credit for multiple small-scale attacks in the Philippines, including a mid-2018 vehicle-borne improvised explosive device attack at a military checkpoint in the southern Philippines. Outside of the Philippines, we saw a number of small-scale attacks in 2018, and I remain concerned about the growth of ISIS in the region. Over 1,000 foreign terrorist fighters have traveled to Iraq and Syria from the Indo-Pacific region, and at least 170 have returned. We expect the number of returnees to increase with the persistent loss of ISIS-held territory. ISIS' Amaq News claimed responsibility for a series of mid-May 2018 bombings against churches and a police headquarters in Surabaya, Indonesia. Other countries across the region remain concerned about the potential for disenfranchised and vulnerable populations to become recruitment targets. Self-radicalized violent extremists who are influenced or inspired by ISIS or other extremists are another cause for concern. The recent attack on a local Catholic parish in Jolo in the Sulu Archipelago is evidence of continued concern.

Natural and Man-made Disasters:

The Indo-Pacific remains the most disaster-prone region in the world. It contains 75% of the earth's volcanoes and 90% of earthquakes occur in the "Ring of Fire" surrounding the Pacific Basin. Since 2008 the Indo-Pacific has lost half a million lives and suffered over $500 million in damages, with over one and a half billion people affected by natural and manmade disasters overall. The UN estimates that economic losses in the region due to disasters could exceed $160 billion annually by 2030. Many countries across the region lack sufficient capability and capacity to manage natural and man-made disasters.

A key element of USINDOPACOM's engagement strategy in the region is building capacity with our allies, partners, and friends to improve their resilience and capability to conduct their own humanitarian assistance and disaster relief (HA/DR).

USINDOPACOM directly supports HA/DR efforts across the region, as well. In July 2018, we sent special operations forces to help the international effort to rescue twelve Thai boys and their coach from a flooded cave. USINDOPACOM also assisted relief efforts in Sulawesi, Indonesia last year with sixty-four personnel and three C-130 aircraft after an earthquake and tsunami hit the country. Another recent example of USINDOPACOM's support ended just last month after the Super Typhoon Yutu hit Tinian and Saipan. USINDOPACOM responded quickly by providing joint forces, equipment, and fresh drinking water, and by building temporary shelters and assisting with clearing debris from roads and homes.

USINDOPACOM's Security Role in the Indo-Pacific

The most important security development in the Indo-Pacific has been the rapid modernization of the PLA. The scope and scale of that modernization has caused USINDOPACOM's relative competitive military advantage to erode in recent years. With the 2018 National Defense Strategy as a guide, USINDOPACOM is focused on regaining our competitive military advantage and ensuring a Free and Open Indo-Pacific over the short- and long-term.

My strategy centers around fielding and sustaining a force capable of combat-credible deterrence that is postured for two distinct security roles: to win before fighting and, if necessary, be ready to fight and win.

Ready to Fight and Win. USINDOPACOM's ability to prevail in armed conflict is the foundation of combat credible deterrence. By fielding and maintaining a joint force ready to fight and win, USINDOPACOM reduces the likelihood that any adversary will resort to military aggression to challenge or undermine the rules-based international order.

Win Before Fighting. Deterrence is necessary to prevent conflict, but deterrence alone cannot ensure a Free and Open Indo-Pacific. Our adversaries are pursuing their objectives in the space between peace and war, using fear and coercive actions across the instruments of national power to revise the rules-based international order and without resorting to armed conflict. Alongside like-minded allies and partners, USINDOPACOM must compete in the "gray zone" between

peace and war. These deliberate actions will ensure a Free and Open Indo-Pacific against those malign actors that seek to accomplish their political objectives short of armed conflict.

USINDOPACOM Focus Areas

Given the challenges in the region, ensuring a Free and Open Indo-Pacific requires that USINDOPACOM remain ready to execute high-end/high-tech wartime missions on short notice. USINDOPACOM must be postured to achieve a more advantageous security environment without the lethal use of military force. The following four focus areas guide the command's efforts toward meeting both of the aforementioned security roles:

- **Focus Area 1. Increase joint force lethality**. We must continue to develop and field capabilities necessary to deter aggression and prevail in armed conflict should deterrence fail.
- **Focus Area 2. Enhance our design and posture**. We will adapt from our historic service-centric focus on Northeast Asia only to a more integrated joint force blueprint that is informed by the changing threat environment and challenges of the 21st century across the entire Indo-Pacific region.
- **Focus Area 3. Exercise, experiment, innovate**. Targeted innovation and experimentation will evolve the joint force while developing asymmetric capability to counter adversary capabilities.
- **Focus Area 4. Strengthen our allies and partners**. Through increased interoperability, information-sharing, and expanded access across the region, we will present a compatible and interoperable coalition to our adversaries in crisis and armed conflict.

Focus Area 1: Increase Joint Force Lethality

Over the last two decades, adversaries have rapidly closed the gap in many of the areas that used to be clear asymmetric advantages for the United States, encroaching upon USINDOPACOM's ability to deter conflict or prevail in armed conflict should deterrence fail. Our adversaries are fielding advanced Anti-Access Area Denial (A2AD) systems, advanced aircraft, ships, space, and cyber capabilities that threaten the U.S. ability to project power and influence into the region. Increasing joint force lethality means developing and fielding systems and capabilities to

preserve our key asymmetric advantages in order to prevent any potential adversary from thinking it can achieve its political or military objectives through armed conflict. Increasing our joint force lethality means joint and combined interoperability, an integrated fires network that enables long-range strike, and advanced missile defense systems capable of detecting, tracking, and engaging advanced air, cruise, ballistic, and hypersonic threats from all azimuths. In short, we must be able to defend our forces and project power so that no adversary can achieve sustained dominance in the Indo-Pacific and threaten our key allies and partners.

Air Superiority. The United States cannot assume that it will have air superiority in the Indo-Pacific. For over fifteen years, the predominant employment of United States armed forces has been in the ongoing fight against terrorism in Syria, Iraq, and Afghanistan where our ability to dominate in the air domain was unchallenged. In contrast, the U.S. faces peer competitors in the Indo-Pacific. Beijing has invested heavily in systems that challenge the United States' ability to achieve air superiority. The U.S. government must continue to pursue multi-domain capabilities to counter anti-air capabilities and we continue to prioritize 5th generation fighter capabilities to the Indo-Pacific.

Undersea Warfare. The United States must maintain its advantage in undersea warfare—an asymmetric advantage that our adversaries are focused on eroding. There are four-hundred foreign submarines in the world, of which roughly 75% reside in the Indo-Pacific region. One-hundred and sixty of these submarines belong to China, Russia, and North Korea. While these three countries increase their capacity, the United States retires attack submarines (SSNs) faster than they are replaced. USINDOPACOM must maintain its asymmetric advantage in undersea warfare capability, which includes not just attack submarines, but also munitions and other anti-submarine warfare systems such as the P-8 Poseidon and ship-borne anti-submarine systems. Potential adversary submarine activity has tripled from 2008 levels, which requires at least a corresponding increase on the part of the United States to maintain superiority.

Intelligence, Surveillance, and Reconnaissance. The Indo-Pacific's dynamic security environment requires persistent and intrusive Intelligence, Surveillance, and Reconnaissance (ISR) to provide indications, warning, and situational awareness across over half the world.

USINDOPACOM supports a re-allocation of DoD ISR assets to better satisfy intelligence needs in line with National Defense Strategy-priorities. USINDOPACOM relies on a mix of Airborne ISR (AISR) assets to provide a dedicated and flexible ISR capability across the entire region.

USINDOPACOM supports efforts to re-capitalize critical AISR capabilities and the continued development of future ISR platforms, such as the MQ-4C Triton, as well as our interoperable Processing, Exploitation, and Dissemination architectures.

Space. Space is a vital strategic domain. U.S. adversaries are militarizing space; USINDOPACOM must have access to resilient and defensible space systems that can operate in a contested environment. USINDOPACOM relies on space-based assets for satellite communications (SATCOM), ISR, missile warning, and Positioning, Navigation, Timing (PNT) capabilities, which support missions across the range of military operations. The command's vast geographic expanse increases the strain on USINDOPACOM's requirements and our reliance on low-density space-based assets that are in high-demand.

As Beijing's and Moscow's military modernization continues, they are pursuing broad and robust counter-space capabilities. While not as advanced, North Korea remains a threat through its employment of SATCOM and PNT jammers. The threat to the electromagnetic spectrum continues as our adversaries develop means to deny our space-enabled capabilities. As Space Command (SPACECOM) transitions responsibilities from United States Strategic Command (STRATCOM) into the future Space Force, USINDOPACOM looks forward to continued collaboration in this critical domain as we work to further integrate space-based capabilities into our daily operations and contingency planning.

Cyber. USINDOPACOM is heavily reliant on cyber capabilities and faces increasing threats in the cyber domain from both state and non-state actors, such as Beijing, Moscow, Pyongyang, and criminal actors. The United States must ensure it has a robust and capable cyber force with all required equipment and a common network operational structure necessary to ensure command and control. Moreover, USINDOPACOM requires an agile and defensible mission command network infrastructure to ensure adequate command and control, and enable interoperability with

our allies and partners to fully leverage our combined capacities. Furthermore, the DoD must prevent and, if necessary, respond to cyber-attacks against non-military critical infrastructure in both homeland defense and in support of civil authorities.

The U.S. military's offensive cyber capabilities provide additional tools to leverage as part of multi-domain operations to compete and win, but these tools must become more responsive to the operational requirements of the combatant commands. The growth in these offensive capabilities is not limited to equipment – we need talent and innovation. The development and retention of personnel with subject-matter expertise is a critical component for our nation's success.

My staff coordinates extensively with USCYBERCOM to integrate effective offensive, defensive, and network operations into my multi-domain plans and operations. Our staffs collaborate daily on current operations through our respective operations centers, at least weekly on future operations planning, and at least quarterly on future capability requirements.

Multi-Domain and Distributed Operations. As adversary military forces grow in both quantity and quality, USINDOPACOM must integrate operations in all domains to be successful in the 21st century. The Multi-Domain and Distributed Operations concepts of the services incorporate the capabilities of the physical domains and place greater emphasis on space, cyberspace, and other contested areas including the electromagnetic spectrum, the information environment, and the cognitive dimension of warfare. Multi-Domain and Distributed Operations allow U.S. forces to outmaneuver adversaries physically and cognitively, advancing the 20th century concept of combined arms into the 21st century's requirement to operate across all domains, at all times.

I fully support all services and functional commands efforts to operationalize Multi-Domain and Distributed Operations concepts. In 2018, USINDOPACOM successfully demonstrated Multi-Domain and Distributed Operations capabilities in major exercises while also integrating new technologies and approaches across the joint force. In the years ahead, USINDOPACOM will

progress from experimentation to validation of concepts, culminating in an overall increase in the lethality of the joint force.

Advanced Munitions. Developing and fielding advanced munitions is a critical component to increasing joint force lethality. The following are some of the more pressing munitions upgrades based on the challenges we face in the region:

- Improvements to Missile Defense – Patriot Missile Segment Enhanced (MSE), Terminal High Altitude Area Defense (THAAD) upgrades, and other capabilities to defend against maneuvering and hypersonic missiles.
- Innovations in heavy weight torpedo technology provide force-multiplying effects that currently do not exist, including long range in-port or at-sea attack and shallow water covert mine laying.
- The immediate resourcing and integration of ATACMS system and/or the Kongsberg Naval Strike Missile with HIMARS/MLRS to support Army and United States Marine Corps (USMC) units conducting Multi-Domain Operations and sea control missions.
- Continued investments in Hard Target Munitions (HTM). There is a significant increase in the number of hard and deeply buried targets in the theater requiring HTM.
- Hypersonic long-range strike (H-LRS) – these emerging weapons dramatically improve probability of engaging time sensitive targets and have increased survivability and thus higher probability of success.
- Effective counters to the expanding asymmetric unmanned aerial system (UAS) threat including potential for multiple swarms of small UAS.

Focus Area 2: Enhance Design and Posture

To effectively defend U.S. interests, USINDOPACOM must update its existing design and posture to compete with our adversaries across the entire Indo-Pacific. At present, USINDOPACOM forces west of the International Date Line are focused in Northeast Asia – an historical legacy of the Second World War and Korean War. We must update our design and posture to preserve strength in this key region, but also ensure that the United States is ready to compete and win before fighting across all of the Indo-Pacific. By recalibrating theater posture

to balance capabilities across South Asia, Southeast Asia, and Oceania, USINDOPACOM will be able to respond to aggression more effectively throughout the Indo-Pacific.

Similarly, the USINDOPACOM Joint Logistics Enterprise must be capable of supporting joint warfighting requirements across the entire theater in a more dynamic and distributed posture. Posture and pre-positioning are essential to overcome the region's tyranny of distance. Ship sailing times are upwards of ten days from the U.S. west coast, and it takes significant lead-time to reposition strategic airlift and tanker support to enable major force flow.

The speed of war has changed, and the nature of these changes makes the global security environment even more unpredictable. It's dangerous and unforgiving. Time and decision space have collapsed, so our approach to warfare must adapt to keep pace; with the speed and multiple avenues that our adversaries are able to pursue. We require a force posture that enables the United States to undertake a spectrum of missions. These missions include: capacity building for partners that face internal and external vulnerabilities, cooperation on transnational threats, and joint and combined training. Our enhancements to interoperability make for more effective coalitions in crisis.

USINDOPACOM will "regain the advantage" by positioning theater infrastructure that supports:

- Expeditionary capability that is agile and resilient.
- Dynamic basing for our maritime and air forces.
- Special operations forces capable of irregular and unconventional warfare.
- Anti-submarine warfare capabilities unmatched by any adversary.
- Land forces equipped with weapons systems that hold an adversary's air, sea, and land forces at risk.
- Cyber and space teams integrated into Multi-Domain and Distributed Operations.
- Unique intelligence, surveillance, and reconnaissance capabilities.

Global Force Management (GFM) and Posture. The Indo-Pacific is a theater that requires short response timelines across a vast region. Regional threats require U.S. forces to maintain a high level of readiness to respond rapidly to crises. USINDOPACOM's readiness is evaluated

against its ability to execute operational and contingency plans. The plans place a premium on ready and immediately responsive forces that can exercise, train, and operate with our partner nations' militaries. Forward-stationed forces west of the International Date Line decrease response times, bolster the confidence of allies and partners, and reduce the chance of miscalculation by potential adversaries. Contingency response times require that I have the essential conventional and strategic forces assigned to USINDOPACOM.

In line with the National Defense Strategy, USINDOPACOM prioritizes stationing and deployment of 5th generation aircraft in the Indo-Pacific. Additionally, the United States has deployed some of our newest and most advanced aviation platforms to the region, such as the P-8 Poseidon, RQ-4 Global Hawk, MV-22 Osprey, EA-18G Growler, E-2D Hawkeye, and C-130J Super Hercules.

In addition to forward stationed forces, the ability of the United States to surge, rotate, and globally maneuver ready forces is an asymmetric advantage that must be maintained. The high operational demands, delayed maintenance, training pipeline shortfalls, and shortage of ready surge forces limit USINDOPACOM's responsiveness to emergent contingencies and greatly increases risk. The challenges grow each year as our forces continue to deploy at unprecedented rates while the DoD grapples with fiscal uncertainty.

Integrated Air and Missile Defense. USINDOPACOM faces unique Integrated Air and Missile Defense (IAMD) challenges in the Indo-Pacific to protect our forces and allies. Hawaii, Guam, and our Pacific Territories are part of our homeland and must be defended. Hawaii is currently protected from North Korean Intercontinental Ballistic Missiles (ICBMs) by the Ground-Based Midcourse Defense System. This system includes Ground-Based Interceptors in Alaska and California; ground, sea, and space-based sensors; and redundant command, control, and communications systems.

For the defense of Hawaii, the planned Homeland Defense Radar Hawaii (HDRH) will improve U.S. capabilities. A Notice of Intent to Prepare an Environmental Impact Statement was released in June 2018, and the radar is projected to be operational by late 2023. The HDRH will

provide an enhanced ballistic missile sensing and discrimination capability in the Indo-Pacific, and it increases the capability of the Ground-Based Midcourse Defense System to defend Hawaii.

Meanwhile, our adversaries continue to improve their capabilities in ways that challenge the United States' strategic, operational, and tactical freedom of movement and maneuver. Beijing and Moscow continue to develop and field advanced counter-intervention technologies, which include highly maneuverable reentry vehicle and warheads (hypersonic weapons). Beijing and Russia possess cruise missiles and small-unmanned aerial systems (sUAS) that fly different trajectories, making them hard to detect, acquire, track, and intercept due to unpredictable low-flight profiles and sophisticated countermeasures. North Korea retains its nuclear and ICBM capabilities.

USINDOPACOM's IAMD priority is to establish a persistent, credible, and sustainable ballistic missile defense by forward deploying the latest missile defense technologies to the Indo-Pacific. Through forward and persistent presence, these active missile defense capabilities would help mitigate the risk to missile threats faced in the region and to the homeland. USINDOPACOM addresses this IAMD priority in the following ways:

- USINDOPACOM works with the DoD, Missile Defense Agency, the services, academic institutions, and industry to deploy capabilities that counter the advanced missile threats in the region.
- USINDOPACOM maintains an active Terminal High Altitude Area Defense (THAAD) battery on Guam to protect U.S. citizens and strategic military capabilities from North Korean intermediate-range ballistic missiles (KN-17 and MUSUDAN).
- USINDOPACOM employs additional radars across the theater supporting homeland and regional missile defense, as well as continued testing of the Ballistic Missile Defense System (BMDS).
- In 2017, USINDOPACOM and USFK, with support from the MDA and the DoD, deployed a THAAD battery to the Korean Peninsula that is fully operational. The MDA and the services deliver improved BMDS capability to the Korean Peninsula, including

integration of existing Ballistic Missile Defense (BMD) assets to improve engagement options and coverage area.

- The U.S. Navy completed its forward deployment of the USS MILIUS from San Diego, CA to Yokosuka, Japan in Spring 2018. This port shift provides the U.S. Seventh Fleet improved capability to support the U.S.-Japan Alliance.
- USINDOPACOM continues working with Japan, South Korea, and Australia toward creating a fully-integrated BMD architecture that addresses the increasing cruise missile threat.
- USINDOPACOM supports MDA and the services to develop and test emerging missile and counter-small UAS defense capabilities through modeling and simulation, as well as live-fire testing conducted at the Pacific Missile Range Facility, the Ronald Reagan Test Center at Kwajalein Island, Point Mugu, and other testing ranges located in the continental United States and Alaska.

I support all efforts that improve the capability and capacity of ballistic missile, cruise missile, and UAS defense technologies to further enhance homeland defense capabilities and protect key regional locations. The development of a credible and effective defense against advanced and future missile and UAS threats remains vital to our operational plans and critical to the continued defense of the United States.

Logistics and Supply. Driven by budgetary pressure, our logistics system has become a more efficient business process, and a less effective warfighting function over the last 20 years. Efficiency has come at the cost of increased vulnerability and decreased redundancy. While this arrangement is sufficient for peacetime operations, it is insufficient for combat. Congress' Indo-Pacific Stability Initiative could significantly help reverse the current trend toward a less resilient Joint Logistics Enterprise in the Pacific.

As adversary capabilities improve, joint operations will increasingly rely on distributed supply chains in order to fight and win against a peer adversary. The joint logistics enterprise must be postured with the right capability and capacity at the right locations in order to effectively support multi-domain and distributed operations. This means developing infrastructure at both

enduring and contingency operating locations; identifying and sourcing transportation, distribution, and maintenance requirements; and developing the processes to enable logistics decisions at the speed of war. USINDOPACOM is critically dependent on tactical airlift and sea lift capacity, which expands options for force design and maneuver. Increased tactical airlift and sealift capacity further increase survivability as it becomes more difficult for an adversary to counter a highly maneuverable joint force. These tactical lift assets play just as important a role as strategic lift assets in ensuring our ability to create a resilient and agile logistics network. Significant and sustained investment in munitions is needed to reduce risk to current and future strategic readiness. Services must fund and continue investment in munitions research and development, while setting relatively steady requirements to maintain a healthy production capability for current and new munitions. I appreciate Congress' action to enhance munitions funding in FY2018 and FY2019, but shortfalls remain. USINDOPACOM's top priorities for increased procurement are Long Range Anti-Ship Missiles, SM-6, MK-48 torpedoes, AIM-9X, BGM-109 Block IV (Maritime Strike Tomahawk), and AIM-120D. The Services must also upgrade storage facilities and reassess prepositioning based on the new security environment.

Fuel supply agility and resilience are central to our success in being competitive, responsive, and lethal. The changing threat environment, energy security risks, and adversarial geopolitical and economic influences are driving longer supply lines, necessitating a flexible resupply chain and more resilient, agile, and interoperable petroleum distribution capabilities. Continued investment in next generation petroleum distribution systems is required to mitigate sustainment risk in austere, contested, and denied environments. Access and positioning of fuel remains a key pillar of our logistics posture and is vital to USINDOPACOM's ability to ensure operational freedom of maneuver throughout the theater.

Focus Area 3: Exercise, Experimentation, and Innovation

Our exercise, experimentation and innovation program is key to maintaining readiness while also developing and integrating new capabilities and concepts. This program also highlights our capabilities and capacity to deter competitors while simultaneously reassuring allies, partners, and friends.

Pacific Multi-Domain Training and Experimentation Capability (PMTEC) Initiative. USINDOPACOM's Joint Exercise Program has traditionally monitored the operational and warfighting readiness of assigned theater and partner nation forces for crises, contingency operations, and HA/DR. Exercises have advanced key objectives including strengtbening regional alliances and partnerships, while deepening interoperability through combined training. The current Joint Exercise Program has been useful for enhancing the readiness of USINDOPACOM's assigned forward deployed forces; I am now looking to move to the next level of integration.

Scarce resources have reinforced the need to integrate all major test and training ranges in the Pacific region through a Pacific Multi-Domain Training and Experimentation Capability (PMTEC) initiative. This USINDOPACOM initiative combines the existing Air Force Joint Pacific Alaska Range Complex (JPARC), the Navy's Pacific Missile Range Facility (PMRF) and the Army's Pohakuloa Training Area (PTA) in Hawaii, the Delamere Air Weapons Range in Northern Australia, and the Marine Corps' future Commonwealth of Northern Mariana Islands (CNMI) Joint Military Training (CJMT) range into a fully networked and integrated training constellation that supports joint, combined, multi-domain training. PMTEC will also ensure USINDOPACOM has the ability to prioritize training, readiness, and experimentation to achieve a more integrated and lethal joint force that can both deter and when necessary, fight and win. As the next layer of integration, PMTEC will also link test-ranges (e.g., the Ronald Reagan Test Site at Kwajalein) to enable experimentation with developing technologies to create new, more effective, joint operating concepts that will ensure future warfighting success.

The PMTEC initiative also integrates cyber and space capabilities to enable joint and combined experimentation and testing that is truly multi-domain. Currently, many of these ranges restrict operations to just air and land capabilities or just air, land, and maritime capabilities. As a result, our forces often have to simulate or provide exercise injects that replicate space and cyber effects. We are working to fully incorporate space and cyber into our exercises.

Experimentation and Innovation. USINDOPACOM relies on innovation and experimentation, underpinned by strong partnerships, to address our capability gaps in the region. This includes

testing and integrating new technologies, developing new capabilities, and exploring new concepts of operation and employment. USINDOPACOM makes extensive use of OSD's Joint Capability Technology Demonstration, Coalition Warfare Program, and other rapid prototyping programs to focus cutting edge technology-based capabilities and innovation to enhance our readiness.

Innovation is crucial to increasing logistics agility and resilience. USINDOPACOM will continue utilizing the Joint Capability Technology Demonstration program to identify technological solutions to our critical logistics capability gaps. To facilitate greater resilience, USINDOPACOM will protect and harden our critical logistics infrastructure, information systems, and enablers. For example, USINDOPACOM is developing the capability to rapidly repair damage to critical seaports and airfields.

As part of our innovation and experimentation efforts, USINDOPACOM maintains robust engagement with a variety of partners to identify, promote, and incorporate research and development to address key capability gaps. USINDOPACOM has worked with some of the best DoD industry partners on advancing man and machine teaming, artificial intelligence, machine-learning, hypersonic technology, autonomy, command and control, and block chain technology. USINDOPACOM benefits from engineers, operations analysts, and theater-experienced operators from Federally Funded Research and Development Center (FFRDC) and University Affiliated Research Center (UARC) partners. These partners perform robust military utility assessments of emerging technology in the context of theater plans. The ability to harness the knowledge and experience of the individuals from these organizations is vital to advancing key capabilities for targeting, cyberspace operations, undersea warfare, electronic warfare, and ISR.

Focus Area 4: Strengthen Allies and Partners:

The United States' network of allies and partners is our principal advantage against any adversary. USINDOPACOM depends upon the collective capabilities of our allies and partners to address the challenges to a Free and Open Indo-Pacific. The most obvious point—one made abundantly clear in the National Security Strategy—is that whatever we do, we must do it with

our allies and partners. The keys to our bilateral and multilateral relationships are communication, information-sharing, and interoperability.

Agile Communications. Agile communications are crucial—not only for our readiness, but for our relationships in the region. USINDOPACOM works with allies and partners in order to enhance our interoperability throughout the Indo-Pacific region. Currently, USINDOPACOM is not fully postured with the latest technology to operate in cyberspace with dynamic multiple-partner combinations in all phases of military operations. Furthermore, our nation is still developing the communication capacity and sharable encryption capability necessary to support most modern warfighting platforms and weapon systems with our allies and partners. Although USINDOPACOM does not have formal agreements for exchanging information with many of the nations or organizations within the region, there is continued progress. The recently concluded Communications, Compatibility, and Security Agreement (COMCASA) with India is a step in the right direction. COMCASA is a bilateral agreement that allows the Indian military to procure U.S. cryptological equipment to enable secure voice and data exchange for enhanced interoperability. There will be similar efforts undertaken with others in the Indo-Pacific. As we continue to improve our agility in coalition information-sharing environments, our future capabilities will allow ally and partner forces alongside of our forces to adequately respond to natural disasters and contingencies. We will have agile, secure, dynamic information technology capabilities to support the full spectrum of military operations with our partners and allies in order to enhance interoperability.

Security Cooperation and Capacity Building. Security cooperation and capacity-building engagements in the region help build ally and partner capabilities, information-sharing, and interoperability. Addressing maritime security and maritime domain awareness challenges remains a key priority for nations across the region. The 2019 National Defense Authorization Act extended the FY16 NDAA Section 1263 "Southeast Asia Maritime Security Initiative (MSI)" for another five years (FY21 through FY25), and expanded MSI to encompass portions of South Asia. The MSI authority, along with other DoD authorities such as the Title 10 Section 333 Global Train and Equip, and Department of State authorities such as Foreign Military Financing (FMF) and International Military Education and Training (IMET), in addition to the

new Asia Reassurance Initiative Act, represent weighty tools available for building partner readiness, reducing capability gaps, and building capacity. The Department of State's one-time reprogramming of $290.5 million of FMF to the Indo-Pacific in 2018 is a clear effort to assist our region, for which USINDOPACOM is grateful.

Addressing the Indo-Pacific Together:
Enhancing Partnerships with our Allies and Partners

The Indo-Pacific is one of the largest and most diverse regions on earth. These differences are our strength, and the thousands of miles of ocean and sky between us do not divide us, they are the connective elements that bind us together. As I look at the depth and breadth of the Indo-Pacific, I see opportunities in each of the regions to advance our shared values in ensuring a Free and Open Indo-Pacific. Throughout the Indo-Pacific, the most effective way to address the challenges I have described is through collective action of multiple nations.

The security landscape mirrors the diversity of the Indo-Pacific. In Northeast Asia, the security environment where our strong alliances with Japan and South Korea dominate, I am focused on the immediate threat presented by North Korea and the long-term threat posed by Beijing's and Moscow's aggressive policies. In Southeast Asia, I am focused on working with our allies, Thailand and the Philippines, and our strong partners, Singapore and Vietnam, to strengthen ASEAN, expand multilateralism, and improve their combined capacity to stand up to the malign influence of state and non-state actors, especially in the South China Sea. In South Asia, I am focused on expanding cooperation with the world's largest democracy, India, and working with all South Asia countries to increase air and maritime domain awareness across the Indian Ocean. Finally, in Oceania, I am encouraged by the opportunities to partner with our strong allies, Australia and France, and strong friend, New Zealand, to improve information sharing and maritime cooperation as the Pacific Island Countries address the challenges associated with Illegal, Unreported, and Unregulated (IUU) fishing, natural disasters, narcotics trafficking, and economic coercion from Beijing.

Northeast Asia. The command's goal is to stabilize Northeast Asia and leverage our strong alliances with Japan and South Korea to improve stability across the broader Indo-Pacific. In order to achieve this, USINDOPACOM needs a security environment that is secure from coercion from Pyongyang, Beijing, and Moscow. As the region becomes more stable, we will encourage Japan and South Korea to take a greater role in the alliances related to their own security and contribute to security in the broader Indo-Pacific region.

Japan. The U.S.-Japan alliance is the cornerstone of our efforts to ensure a Free and Open Indo-Pacific. The Government of Japan released its own Free and Open Indo-Pacific Strategy in 2017, and Japan is looking to become more involved across the broader Indo-Pacific region. Additionally, Japan is a key supporter of UNSCR enforcement operations and hosts the Enforcement Coordination Cell (ECC) in Yokosuka, Japan. Tokyo intends to procure high-tech U.S. platforms that will increase interoperability, including F-35A, E-2D Hawkeye, Global Hawk UAS, MV-22, and Advanced Electronic Guides Interceptor System (AEGIS) Ashore. Furthermore, Japan's 2018 National Defense Program Guidelines (NDPG) call for strengthening the U.S.-Japan alliance, and expanding their international security cooperation with like-minded partners in the region. They also prioritize advancements in Japan's space, cyberspace, and electro-magnetic capabilities.

USINDOPACOM and Japan's Self Defense Force have transformed the way military alliances plan and campaign together. Our approaches for a Free and Open Indo-Pacific are synchronized in our national policies and defense strategies, and communication mechanisms exist at every level of our governments to ensure we are synchronized on key issues. The U.S.-Japan alliance is committed to supporting countries that respect and adhere to the rule-of-law, and our alliance seeks to enable opportunities for economic prosperity throughout the region.

South Korea. The U.S.-South Korea alliance remains ironclad, and we are both committed to the final, fully verified denuclearization of North Korea. South Korea is also a key supporter of UNSCR Enforcement activities against North Korea. USINDOPACOM works closely with Seoul in obtaining capabilities required under the Conditions-based Operational Control Transition Plan (COTP) – the ongoing plan to transfer Combined Forces Command (CFC) to

South Korean leadership. Seoul has future procurement plans for the P-8, advanced munitions, upgrades to PAC-3 missiles, and F-16 fighters. All these assets will increase interoperability with the United States.

Taiwan. In accordance with our One China Policy, based on the Taiwan Relations Act and three U.S.-China Joint Communiques, the United States and Taipei maintain a substantive and robust unofficial relationship with Taiwan based on the Taiwan Relations Act (TRA). Taiwan's values reflect our own—it features an open economy with a free and democratic society that respects human rights and the rule of law. The United States opposes any unilateral change to the status quo in the Taiwan Strait. The United States continues to support the peaceful resolution of cross-Strait issues in a manner, scope, and pace acceptable to the people on both sides. USINDOPACOM's engagement focuses on improving joint interoperability within Taiwan's military, improving Taiwan training and readiness, and supporting Taiwan's military and professional development.

Beijing is pushing across the globe to diplomatically isolate and economically constrain Taiwan. Taiwan has only seventeen diplomatic partners left after losing El Salvador, Burkina Faso, and the Dominican Republic as diplomatic partners in 2018. Beijing continues to press the international community and private businesses to remove or modify any references to Taiwan on websites and publications and is attempting to deny Taiwan's participation in international fora.

As evidenced in President Xi Jinping's New Year's speech, China is focused on achieving reunification as a part of the PRC's national plan of rejuvenation by "reserving the option of taking all necessary measures and not renouncing the use of force." We continue to be concerned with China's military buildup across the Strait, Beijing's opaqueness about its military capability and capacity, and its unwillingness to preclude the use of force to resolve the cross-strait issue. The United States has a deep and abiding interest in peace and stability in the Taiwan Strait and welcomes steps by both sides to reduce tensions and improve cross-Strait relations. President Xi's solution of a one country, two systems approach to reunification does not reflect the wishes of both sides. We hope that there will be continued high-level

communications and interactions going forward through which both sides can continue their constructive dialogue on the basis of dignity and respect. Although President Tsai and her party, the Democratic Progressive Party (DPP), have committed to "avoid confrontation and prevent surprises" with China, the cross-Strait situation is of increasing concern given the harsh rhetoric from Beijing toward the leadership in Taipei.

Taiwan recently passed its 2019 defense budget, which will fund foreign and indigenous acquisition programs as well as near-term training and readiness. Consistent with the TRA, USINDOPACOM engages with the Taiwan military to enable Taiwan to maintain a sufficient self-defense capability that is credible, resilient, and cost-effective.

Mongolia. Mongolia is a strong partner and contributor to the United States' regional and global policy objectives. Mongolia supports missions in Afghanistan and United Nations Peace Keeping Operations, making Mongolia a model for emerging democratic countries that want to be more active globally. Ulaanbaatar's "Third Neighbor Policy" intends to balance Russian and Chinese influence by developing relationships with the United States and other like-minded countries. USINDOPACOM and Mongolia have had inaugural land forces talks, developed a five-year security cooperation plan, and laid the groundwork for Airman-to-Airman Talks. The United States is helping Mongolia improve their special operations forces, peacekeeping operations, and Air Forces.

Southeast Asia. USINDOPACOM's objective in Southeast Asia is to strengthen the sub-region's ability to deny adversaries' attempts to dominate or disrupt the gateway between the Pacific and Indian Oceans, while enabling the region to promote their sovereign interests, resist economic pressure from others, and preserve conditions for continued economic growth. USINDOPACOM is setting conditions in the security environment that support this goal, which ensures that all nations can freely access shared domains. Adversary militaries will be unable to dominate the global commons that enable trade and the global economy. The command's efforts will improve the region's awareness and capability to enforce their borders, territorial waters, and exclusive economic zones. USINDOPACOM will advocate for multilateral venues like the Association of Southeast Asian Nations (ASEAN) to advance collaboration, settle disputes

equitably, and strengthen resolve against the malign influence of state and non-state actors. We are very grateful to Congress for its continued support for the $425 million Maritime Security Initiative for Southeast Asia which enables Thailand, Philippines, Vietnam, Malaysia, and India to increase their capability and capacity in continued maritime domain awareness over the next five years.

ASEAN. The United States and ASEAN share the common principles of a rules-based international order, respect for international law, and the peaceful resolution of disputes. The ten ASEAN member states, under the chairmanship of Singapore in 2018 and Thailand in 2019, continue to seek ways to improve multilateral security engagements and advance stability in the Indo-Pacific. USINDOPACOM is committed to strengthening regional institutions such as ASEAN, the ASEAN Defense Ministers' Meeting-Plus, and the ASEAN Regional Forum. USINDOPACOM participates in ASEAN exercises, key leader engagements, and multilateral cooperation on a number of shared transnational challenges, and will host an ASEAN-U.S. Maritime Exercise in 2019. USINDOPACOM co-chairs the ASEAN Defense Ministers' Meeting-Plus Experts' Working Group on Humanitarian Assistance and Disaster Relief with Malaysia through the end of 2019. USINDOPACOM's engagements with ASEAN, and with the respective ASEAN member states, build and strengthen relationships, and convey the United States' steadfast commitment to the region.

Cambodia. USINDOPACOM reduced the number of engagements with Cambodia. During these limited engagements the command reaffirms the importance of strengthening democratic institutions and maintaining an independent foreign policy. The United States and other countries in the region are concerned about the possible construction by a Chinese state-owned enterprise of a facility in Cambodia. USINDOPACOM appreciates the statements by the Prime Minister noting that foreign military facilities are prohibited under their constitution. However, the command remains concerned about the possible militarization of Cambodia's coast including the prepositioning of military equipment, the stationing of military units on long term rotations, and the construction of dual use facilities.

Indonesia. This year, the United States and Indonesia celebrate our 70th anniversary of bilateral relations, which provides an opportunity to highlight our growing strategic relationship. USINDOPACOM is committed to a strategic partnership with Indonesia. Indonesia's strategic location, its status as the third largest democracy, fourth most populous country, and its expanding economy all underscore its essential role in the regional security architecture. Indonesia is the largest recipient of U.S. training and education programs in the region. We continue to support the Indonesian military's focus on external threats and national defense, particularly maritime domain awareness and maritime security.

Laos. After decades of stagnation in the U.S.-Lao relationship following the Vietnam War, we have seen some significant advancements over the last two years. In 2016, the United States and the Lao People's Democratic Republic signed a Comprehensive Partnership that resulted in a surge of bilateral military engagements. The command's engagement goals are to partner and assist Laos in becoming a stable, prosperous, and independent member of ASEAN that is willing and able to promote its sovereign interests and respect international law. These engagements focus around unexploded ordnance (UXO) clearance, POW/MIA recovery, and military medicine. Laos actively supports the Defense Personnel Accounting Agency (DPAA) in the search for 290 missing U.S. service members with an aim to honorably conclude war legacy issues (UXO and POW/MIA recovery missions) by 2030. USINDOPACOM is expanding engagements with the Lao military.

Malaysia. Malaysia remains a critical partner of increasing importance in the region ever since the United States elevated the relationship to a Comprehensive Partnership in 2014. USINDOPACOM is exploring expanded collaboration in the areas of maritime security, counterterrorism, information-sharing, and defense institutional reform. Malaysian Armed Forces have demonstrated the professionalism, capacity, and resolve to contribute to regional security, and we continue to evolve our defense relationship on mutual areas of interest.

Philippines. The Philippines is a treaty ally and a partner in preserving a Free and Open Indo-Pacific and our military-to-military relationship has never been stronger. USINDOPACOM has increased the number and scope of exercises in recent years, to include the resumption of live-

fire exercises. Terrorism continues to pose a security challenge in the Philippines, and USINDOPACOM is committed to helping the Philippines ensure that the southern Philippines does not become a safe-haven for terrorists that would threaten the entire region. I am also focused on helping to develop the territorial defense capability of the Armed Forces Philippines (AFP) and look forward to re-engaging with the Philippines National Police Maritime Group to continue improving their ability to protect their sovereign interests.

Singapore. Singapore remains a steadfast security cooperation partner in Southeast Asia with a strong commitment to promoting a Free and Open Indo-Pacific. Though not a formal ally, Singapore provides valuable access to the strategically-located entrance of the Malacca Straits and South China Sea. Singapore supports a strong U.S. presence in the region as well as a deep and broad defense relationship between our two countries. Singapore supports our objectives on North Korea, and in 2018, Singapore hosted the historic U.S.-North Korea summit between President Trump and Chairman Kim Jong Un. Singapore also hosted the transit and rotational deployment of more than 1,500 U.S. military aircraft and vessels (2015-2018), making the United States the heaviest foreign user of Singapore's facilities at Sembawang Port, Paya Lebar Air Base, and Changi Naval Base. Singapore maintains training facilities at Luke Air Force Base (AFB), Arizona (F-16); Mountain Home AFB, Idaho (F-15SG); Marana, Arizona (Apache AH-64D); and Fort Sill, Oklahoma (High Mobility Artillery Rocket System (HIMARS). Moreover, USINDOPACOM and Singapore steadily increased interoperability through increasingly complex exercises, and we continue to strengthen cooperation in counterterrorism and maritime security. Singapore annually sends 1000 students to training and education courses in the United States, representing the largest training presence in the United States from any foreign military.

Thailand. Last year marked 200 years of friendly U.S.-Thai relations, and Thailand remains a key ally and security partner. In 2019, I am focused on advancing our alliance and restoring elements of our military-to-military relationship following the restoration of a democratic government after elections in March. Thai facilities provide vital training opportunities for USINDOPACOM personnel, and logistical nodes that are essential to operate throughout the

Indo-Pacific region. Thailand assumed the chairmanship of ASEAN in 2019 and continues to play a vital leadership role in the Indo-Pacific region.

Vietnam. Vietnam has emerged as a key partner in promoting a secure and rules-based international order in the Indo-Pacific region. USINDOPACOM's defense partnership with the Vietnamese military is among the strongest aspects of our growing bilateral relationship. As a symbol of closer ties between the United States and Vietnam, the aircraft carrier USS CARL VINSON made a port call in March 2018 to Vietnam, the first of its kind since the end of the war in 1975. Vietnam shares many of the United States' principles on issues such as international rule of law and freedom of navigation, and Vietnam is one of the loudest voices on South China Sea disputes. USINDOPACOM's and the Vietnamese military's military-to-military engagements prioritize enhancing Vietnam's maritime capacity, which will be bolstered by Vietnam's acquisition of Scan Eagle UAVs, T-6 trainer aircraft, and a second U.S. Coast Guard cutter. I look forward to Vietnam assuming the ASEAN Chairmanship in 2020 and increasing its leadership across the region.

Burma (Myanmar). Ongoing human rights abuses, including growing restrictions on freedom of expression, including for members of the press, and atrocities [including ethnic cleansing], and instability in some ethnic minority areas comprise threats to Burma's democratic transition. Due to credible information of serious human rights violations and abuses, especially in relation to Rohingya, as well as restrictions that remain in place based on decades of military rule, U.S.-Burma security cooperation is minimal. The U.S.-Burma security relationship is limited to lower-level engagements at select regional security events and conferences, and participation in multilateral exercises focused on HA/DR. Burma military personnel are not attending academic exchanges, including at the region's DoD academic institute, despite the importance of engaging the next generation of officers.

South Asia. USINDOPACOM's goal in South Asia is to create and seize opportunities to broaden critical partnerships to ensure shared domains remain open to all. In conjunction with India's contributions to regional security, these actions will prevent adversaries from establishing an effective military presence in the Indian Ocean that threaten the security of vital commerce

and continued economic growth and development. As a result, the regional states will be able to reduce internal conflicts, respond to regional security challenges, and resist adversaries' military and economic coercion.

India. The U.S.-India strategic partnership continues to advance at an historic pace as we continue to increase our interoperability and information-sharing capabilities. The inaugural 2+2 Ministerial and signing of the COMCASA in 2018 were pivotal moments in our relationship. USINDOPACOM expects this trajectory to continue and that 2019 will be a significant year in bilateral relations. The United States and India are natural partners on a range of political, economic, and security issues. With a mutual desire for global stability, support for the rules-based international order, and a Free-and-Open Indo-Pacific region, the United States and India have an increased agreement on interests, including maritime security and maritime domain awareness, counter-piracy, counterterrorism, humanitarian assistance, and coordinated responses to natural disasters and transnational threats. Over the past year, the United States and Indian militaries participated in five major exercises, executed more than fifty other military exchanges, and further operationalized the 2016 Logistics Exchange Memorandum of Agreement (LEMOA). The LEMOA enables the U.S. Navy to replenish supplies from Indian navy logistics platforms. USINDOPACOM is working with the Indian military to operationalize the COMCASA, which will boost interoperability between our militaries. Defense sales are at an all-time high, with India operating U.S. sourced platforms such as P-8s, C-130Js, C-17s, AH-64s, CH-47s, and M777 howitzers. Additionally, India recently agreed to a $2.1-billion purchase of MH-60R multi-role sea-based helicopters and is considering a number of additional U.S. systems for purchase. USINDOPACOM fully supports the purchase of U.S. systems, F-16 and F/A-18E aircraft, a reorder of 12-15 P-8Is, and a potential purchase of Sea Guardian UASs.

Bangladesh. Bangladesh is an important security partner with strong potential to enhance regional stability and advance U.S. interests in South Asia on counter-terrorism, Muslim outreach, countering violent extremism, supporting humanitarian assistance and disaster relief, and supporting United Nations Peacekeeping Operations (UNPKO). The humanitarian crisis caused by the presence of more than 700,000 Rohingya refugees from Burma (Myanmar) in Bangladesh has strained the Government of Bangladesh. Bangladesh's December 30 elections

point to concerning trend of consolidation of power by the ruling Awami League and raise fears that PM Hasina is aiming to achieve a de facto one-party state. Military-to-military engagement with Bangladesh fits into a broader strategy and commitment to uphold an international, rules-based order in the vital Indo-Pacific region and contributes to building a regional security framework.

Sri Lanka. Sri Lanka remains a significant strategic opportunity in the Indian Ocean, and our military-to-military relationship continues to strengthen. However, political turmoil and ethnic tension between the Tamil and Sinhalese populations remain drivers of instability and potential obstacles to continued growth in our partnership. Moreover, Sri Lanka has handed over the deep water port of Hambantota to China on a 99-year lease due to its mounting debts to China, which has caused international concern. Despite the political upheaval, it is in our interests to continue military collaboration and cooperation with Sri Lankan Forces. USINDOPACOM cooperation with the Sri Lankan Military centers on building capacity in maritime security and maritime domain awareness, humanitarian assistance and disaster relief as well as humanitarian de-mining, medical assistance, and peacekeeping operations. Increasing navy-to-navy engagement with Sri Lanka will be a USINDOPACOM focus in 2019. The Sri Lankan Navy is a well-trained and professional force with the potential to contribute to multi-lateral maritime interoperability in the Indian Ocean. The recent transfer of an excess U.S. Coast Guard cutter to Sri Lanka in August 2018, along with additional platforms from Japan and India, provide the Sri Lankan Navy greater capabilities to contribute to regional maritime domain awareness initiatives. Going forward, it is necessary to sustain engagement with Sri Lanka, particularly the navy, and construct a multi-lateral approach to capacity building with like-minded partners to rapidly enhance the Sri Lankan Navy's capabilities.

Oceania. USINDOPACOM is deepening engagement with the Pacific Island Countries (PICs) of Oceania to preserve a Free and Open Indo-Pacific region, and we are committed to strengthening the region's future security and prosperity with our partners and allies. In close coordination with Australia, Japan, France, and New Zealand, USINDOPACOM is working to strengthen the resilience of the PICs by tackling common challenges: drug trafficking; Illegal,

Unreported, Unregulated (IUU) fishing; the existential threat of rising ocean levels; natural disasters; and the heavy debt burdens that threaten their sovereign interests.

Australia. Our alliance with Australia underpins our relations across Oceania, and Canberra plays a leading role in regional security and capacity-building efforts for a Free and Open Indo-Pacific. Australia is increasing its diplomatic presence, military and economic assistance, and infrastructure investments in Fiji, Papua New Guinea, and the other PICs to enhance security in the region. Australia is a key supporter of UNSCR enforcement operations against North Korea as well. The U.S. Marine Corps completed its sixth successful Marine Rotational Force-Darwin deployment, and we expect to reach the full authorized strength of 2,500 Marines later this year. These deployments maintain significant combat power west of the International Date Line with an ally. Moreover, Australia is procuring high-tech U.S. platforms, such as the F-35, that will increase interoperability.

Compact of Free Association (COFA) States. The Republic of Palau, Federated States of Micronesia (FSM), and the Republic of the Marshall Islands (RMI), collectively referred to as the "Compact" states, are threatened by external pressures including the pernicious use of Beijing's economic leverage. The Republic of Palau, FSM, and RMI entered into a Compact of Free Association (COFA) with the United States more than 25 years ago, allowing the United States to foreclose access or use of those countries by third-country militaries. Under the COFAs, the Compact States receive economic assistance, including grants, access to various U.S. federal programs, and for many citizens of the Compact States, visa-free travel to the United States. U.S. contributions to the trust funds established by the COFA are scheduled to end after 2023. Moreover, these island nations are under increasing pressure from Beijing's economic strategy. Additionally, the changing climate represents an existential threat to these nations as they urgently seek to mitigate damage from higher tides and rising sea levels, shifting patterns of fishing populations essential to economic livelihood, and greater intensity of natural disasters such as tropical storms and droughts. The continued support that the COFA has engendered also benefits the United States. We provide support to these countries and they support the United States. The patriotic citizens of these nations join the U.S. armed forces in larger numbers per capita than most U.S. states, and I value their service. The Compact states

rely on continued support from the United States to mitigate these threats and the United States would like to continue to benefit from the good will of these Pacific Island Countries to further our strategic interests in Indo-Pacific region.

Fiji. USINDOPACOM's relationship with the Republic of Fiji is thriving and robust, and we were pleased to see a credible election process there in 2018. Australia's decision to invest in the Black Rock International Peacekeeping Center was welcomed, and will ensure that Fiji continues to play an important role in peacekeeping missions around the world. USINDOPACOM is postured to provide engineering support for improvements and new construction to the Ground Forces Training Center and to assist Australian engineers with the Black Rock International Peacekeeping Center. In 2018, Fiji signed a U.S. ship-rider agreement, opening up new opportunities for maritime security cooperation between our two countries. Additionally, the establishment of Fiji as a partner in the National Guard's State Partnership Program opens up another door for our two militaries to train and work together. The $5 million plus-up in foreign military sales (FMS) allows USINDOPACOM to deepen our military relationship with the Fijian military.

France. France, a NATO ally with significant territory in the Indo-Pacific, is increasing its operational activities in the region and is a key contributor to the multilateral efforts. The United States, Japan, Australia, New Zealand, and France coordinate operational support and capacity-building with the PICs. The primary operational engagement provides support to the Forum Fisheries Agency to address IUU fishing. France is also becoming increasingly active across the broader Indo-Pacific region, and I welcome both French support to UNSCR sanction enforcement activities against North Korea, and increased French activity in the South China Sea.

New Zealand. New Zealand remains a steadfast and key partner who, in 2018, increased investment, foreign assistance, and infrastructure support to the South Pacific. USINDOPACOM greatly appreciates this commitment of additional resources to the PICs. For the last six years, the United States and New Zealand, through bilateral defense dialogues, have increased interoperability collaboration headlined in 2018 by New Zealand's purchase of P-8

Poseidon maritime patrol aircraft to replace aging P-3 Orion aircraft. Additionally, New Zealand has provided key support to UNSCR sanctions enforcement against North Korea.

Papua New Guinea (PNG). USINDOPACOM's engagement with PNG improves regional posture and demonstrates the U.S. commitment to the region. With security support from Australia and the United States, PNG hosted the Asia Pacific Economic Cooperation (APEC) summit in 2018. During APEC, Vice President Pence announced that Australia and the United States would partner with Papua New Guinea to develop the Lombrum Naval Base on Manus Island in the northern part of PNG. USINDOPACOM looks forward to assisting Australia and PNG in developing options for this base.

Additional Allies

Canada. Like the United States, Canada is a member of NATO and a Pacific nation. Canadian policy in the Indo-Pacific focuses on cooperation and building partnerships as they increase operational activities in the region. By focusing on consistent engagement with all willing parties, Canada hopes to deepen its relationship with Australia, New Zealand, and the United States. Canada wants to provide a continued presence in the Pacific to enhance regional stability, specifically citing tensions on the Korean Peninsula in their National Defence Policy. Ottawa provides support to ongoing North Korea UNSCR sanctions enforcement as well.

United Kingdom (UK). The UK, another NATO ally, remains one of the strongest defenders of a Free and Open Indo-Pacific, and sees prosperity and security in the Indo-Pacific as an essential driver of global economic growth. The UK recently established three new diplomatic posts in the Pacific and increased foreign aid to the Pacific by 6% in 2018. The recently concluded cooperative deployment with the HMS Argyll and USS McCampbell in the South China Sea highlights the value of multinational operations and, more importantly, the international message to those who seek to infringe on the ability to fly, sail, and operate wherever international law allows.

Conclusion

In the 21st century, U.S. security and prosperity will increasingly depend upon a peaceful and stable Indo-Pacific region—one that features respect for states' sovereignty, freedom of the seas and skies, and adherence to international norms, rules, and behavior. In short, it is in our vital national interests to ensure a Free and Open Indo-Pacific over the short- and long-term. As the Commander of USINDOPACOM, my focus is first and foremost on preserving and advancing the security and stability of the region, over the short- and long-term.

I will ensure the 375,000 men and women of USINDOPACOM remain ready to fight and win, if necessary, while also focusing on competing and winning below the level of armed conflict. It is in this so-called "gray zone" between peace and war where many of our adversaries currently operate, and we must be equally prepared to compete with our adversaries before and after the initiation of hostilities. To do this, we need a comprehensive approach across multiple U.S. governmental departments, and partnerships with civil society and the private sector, to engage in areas that transcend traditional military core competencies. Our armed services must be manned, trained, and equipped to overcome the full spectrum of challenges presented by state and non-state actors. With the continued support of Congress, and together with our allies and partners, I believe we will be successful at this important mission.

Admiral Philip S. Davidson
Commander, U.S. Indo-Pacific Command

Adm. Phil Davidson is a native of St. Louis, Missouri. He is a 1982 graduate of the U.S. Naval Academy and a distinguished graduate of the U.S. Naval War College with a Master of Arts in National Security and Strategic Studies, and a Bachelor of Science in Physics. Davidson is the 25th commander of U.S. Pacific Command, America's oldest and largest military combatant command located in Hawaii.

As a surface warfare officer, he has deployed across the globe in frigates, destroyers, cruisers and aircraft carriers. In his most recent assignment, he served as commander, U.S. Fleet Forces Command/Naval Forces U.S. Northern Command. Davidson also served as commander, U.S. 6th Fleet and commander, Naval Striking and Support Forces, North Atlantic Treaty Organization (NATO), while simultaneously serving as deputy commander, U.S. Naval Forces Europe and U.S. Naval Forces Africa.

His sea service assignments include command of Carrier Strike Group 8/Eisenhower Carrier Strike Group, USS Gettysburg (CG 64) and USS Taylor (FFG 50).

Ashore, Davidson served in fleet, interagency and joint tours as a flag officer; director, Maritime Operations, U.S. Fleet Forces Command; senior military advisor to the Special Representative for Afghanistan and Pakistan (SRAP) at the State Department; and deputy director for Strategy and Policy in the Joint Staff/J-5.

Earlier in Davidson's career he served in policy, strategy and operations billets on multiple tours with the U.S. Pacific Fleet staff, Navy staff and the Joint staff, and as the Navy's military aide to the vice president of the United States.

His decorations include the Distinguished Service Medal, Navy and Marine Corps Commendation Medal with Combat "V," a Superior Honor Award from the U.S. Department of State, and other personal, service, unit and campaign awards.

STATEMENT OF
GENERAL ROBERT B. ABRAMS
COMMANDER, UNITED NATIONS COMMAND;
COMMANDER, UNITED STATES-REPUBLIC OF KOREA COMBINED FORCES COMMAND;
AND COMMANDER, UNITED STATES FORCES KOREA

BEFORE THE
HOUSE ARMED SERVICES COMMITTEE

27 MARCH 2019

INTRODUCTION

Chairman Smith, Ranking Member Thornberry, and distinguished Members of the Committee, thank you for the opportunity to report on the posture and readiness of our forces in the Republic of Korea (ROK). Thank you as well to the Congress, and in particular this committee's leadership, for delivering the FY19 National Defense Authorization Act and related Appropriations on time. Predictable, stable resourcing, more than any other factor, allows us to sustain the military readiness we have rebuilt over the last few years. In 2018, the Services, under the leadership of Chairman Dunford and former Secretary Mattis, made significant strides to improve the overall readiness posture of Unites States Forces Korea (USFK) and our ability to "fight tonight." We are grateful for their continued support.

I have had the distinct honor to command the United Nations Command (UNC), the Combined Forces Command (CFC), and USFK for just over 120 days. During that short time, I have prioritized firsthand visits and a personal review of the posture, readiness, and character of the warriors and organizations of these three commands. My assessment is that the ROK-US military Alliance is stronger than ever, and that our combined force stands as a strategic deterrent, postured to respond to potential crisis or provocation and, if called upon, ready to "fight tonight" in the defense of the Republic of Korea. The alliance between South Korean and American forces is ironclad – forged in blood, shaped over 65 years of combined military operations and training, and hardened by the crucible of war. Shared sacrifice and mutually agreed principles underpin our Alliance and ensure it endures the winds of change.

This posture statement, along with my testimony before the Committee in open and closed session, is my first opportunity to provide you my personal assessment and measurement of progress within our four enduring priorities:

sustain and strengthen the Alliance, maintain the armistice, transform the Alliance, and sustain the force. To that end, this statement provides a summary of the changes in our operating environment, an assessment of our posture and readiness, an overview of our exercise planning and conduct, a discussion of how we take care of our warriors and their families, and a review of our current resourcing priorities. The continued support of this Committee for the incredible men and women of UNC/CFC/USFK is appreciated. We are a better postured force because of your unwavering commitment to military readiness on the Korean peninsula.

OPERATING ENVIRONMENT

Ongoing diplomatic engagement and summitry among the leaders of the ROK, US and the Democratic People's Republic of Korea (DPRK) in 2018 led to a palpable reduction in tension when compared to the recent years of missile launches and nuclear tests. The inter-Korean Comprehensive Military Agreement (CMA) has produced a number of nascent confidence-building measures: demilitarization of the Joint Security Area (JSA), demining small areas of the Demilitarized Zone (DMZ) in preparation for ROK-DPRK joint remains recovery operations this spring, mutually-verified removal of select guard posts along the DMZ, and increased interaction between UNC forces and Korean People's Army (KPA) forces operating within the JSA. All of these measures support improved military-to-military communications among the ROK, DPRK, and UNC, and some have sparked limited cooperation. These steps, regardless of size or scope, are positive indicators of the impact sustained diplomatic efforts have begun to bring about. Current modifications in atmospherics, however, do not represent a substantive change in North Korea's military posture or readiness. The North Korean military remains formidable and dangerous, with no discernable

differences in the assessed force structure, readiness, or lethality my predecessor reported in 2018.

While Kim Jong-un's (KJU) 2019 New Year's speech called for South Korea to halt joint military exercises with the United States, the KPA's Winter Training Cycle this year commenced as it has for the past five years – with a force of over one million engaged in individual and unit-level training throughout the country. Notably, the size, scope, and timing of training events are consistent with recent years. The only observable change has been a reduction in the attention and bellicosity the regime layers onto its military activities. Since the end of 2017, Pyongyang has reduced its hostile rhetoric and halted media coverage of KJU attending capstone events such as large-scale, live-fire training or special operations raids on mock-up Alliance targets. It is, however, too soon to conclude that a lower profile is indicative of lesser risk.

The hard work of diplomacy continues to reduce tensions and create the environment necessary for North Korea to choose the path of denuclearization, forge a lasting peace, and create a brighter future for its people. The recent Hanoi Summit keeps us on this path through a frank exchange of detailed positions and narrowing of the gaps toward possible agreements. Diplomacy is challenging, but remains the mechanism underpinning the transformation we have witnessed over the past 14 months as we've moved from provocation to détente. Still, I am clear-eyed about the fact that little to no verifiable change has occurred in North Korea's conventional and asymmetric capabilities that continue to hold the United States, South Korea, and our regional allies at risk. For these reasons, the security situation continues to demand an appropriately postured and ready force.

Amid shifting atmospherics, 2018 was also a seminal period for all three commands as initiatives for setting the force matured, dramatically changing the geography of three headquarters. The USFK and UNC Headquarters relocated to

Camp Humphreys, joining Eighth Army and 2nd Infantry Division in new state-of-the-art facilities on the largest US Army facility outside of continental United States. The headquarters for CFC remains in Seoul at Yongsan and the combined ROK-US staff is redefining normal operations based upon this change in geography. While distance will not erode the strength of the Alliance, it has forced, and will continue to require, deeper thought about how to sustain operational readiness across the components and at each echelon. For any Member of Congress who has not been to Korea in the past 24 months, we have reset the force significantly and consolidated tremendous capability in Pyeongtaek – the conditions for the development and sustainment of combat readiness have changed.

THE ARMISTICE AGREEMENT AND UNITED NATIONS COMMAND

The significantly changing environment along the DMZ, and within the JSA specifically, is proving the inherent utility, adaptability, and importance of the UNC. Over the past 14 months, we have evolved as the CMA and inter-Korean dialogue birthed several of the confidence-building measures summarized above. CMA-related activities are important to the development of the confidence and trust necessary to diplomatic progress and are proving to be value-added reinforcements to the tools which have helped ensure the security of Korean peninsula for the last 65 years – the 1953 Armistice Agreement and the command that fulfills it. UNC was formed to organize and operationalize the international community's defense of South Korea during the war and has, since 1978 when South Korea assumed armistice operational control, endured as the body explicitly tasked with "ensur[ing] a complete cessation of hostilities and of all acts of armed force in Korea until a final peace settlement is achieved." The events of 2018 highlight UNC's critical role as the home for international commitments on the

Korean peninsula while simultaneously driving the command toward a marked increase in activity, exposure, and international engagement.

While enforcing the Armistice Agreement, securing the JSA as a place for diplomacy, and acting as a principal partner with ROK and KPA in the trilateral military talks, the UNC Military Armistice Commission (UNCMAC) approved 13,066 border crossings in 2018 (compared with five in 2017), passed 152 official messages (56 in 2017), and participated in several staff-level and General Officer-level negotiations. UNC staff met the dramatic increase in requirements while simultaneously continuing the work of evolving the command by increasing UN Sending State staff and senior officers and simultaneously executing the move from the legacy facilities at Yongsan to a new facility on Camp Humphreys. Today, UNCMAC is a vital participant in the ongoing negotiations and it provides international legitimacy and validation to all of the ongoing confidence building measures. UNCMAC has adapted to new conditions and remains the vital tool envisioned in the 1953 agreement. UNC as a command, enabled during armistice by the UNCMAC, the Neutral Nations Supervisory Commission, and UNC-Rear in Japan, also remains prepared to be the critical link between the international community and the other two commands during periods of crisis or contingency as the home for Sending State force contributions.

POSTURING AND SUSTAINING A READY FORCE

Fielding a ready force requires establishing a foundation of support and sustainment capable of meeting the warfighters' needs in the dynamic and uncertain environment of the 21st century. On the Korean peninsula, we operate at the distant edge of our military's global logistics chain. Our position requires tight integration with our South Korean ally, meticulous planning, and organized efforts to forward-position adequate capabilities and the materiel essential to power

projection and contingency response. Today, that foundation is sound and serves as the bedrock from which we deter aggression and are prepared to defeat, if necessary, any adversary. Moreover, our posture supports this period of détente and negotiation by permitting our diplomats to speak from a position of unquestioned strength and capability.

Sustaining a combat-ready force requires focused investments, and South Korea is an exemplary ally in that regard. President Moon's administration is committed to resourcing the Republic of Korea's defense and has increased annual spending by bringing total outlays to 2.7% of GDP. Further, the Moon Administration has pledged to raise ROK defense spending to 2.9% of its GDP by 2022. South Korea's 2019 Defense Budget increased 8.2% from the previous year and it apportions funds to programs necessary to advance the Conditions-Based OPCON Transition Plan and the Defense Reform 2.0 initiative. The ROK has invested more in its defense over the past 15 years than it had in the previous 50, increasing foreign military procurements from the United States such as the KF-16 and PATRIOT battery upgrades, AH-64E Apaches, the F-15K, RQ-4 Global Hawk variants, and the F-35A Joint Strike Fighter. This level of investment funding traditionally exceeds the commitment of other allies and regional partners. In 2018 alone, the ROK signed $2.160 billion in Foreign Military Sales cases (including a purchase of P-8A aircraft) in support of our shared security commitments as allies.

Since 1991, a key element of sustaining the force has been the Special Measures Agreement (SMA), whereby the South Korean government shares the cost of sustaining the USFK force posture. The SMA assures essential readiness-related personnel and activities, such as the contributions of 9,000 Korean National employees serving in crucial roles of public safety, health care, emergency response, and quality-of-life delivery operations. As of this writing, the United States and the Republic of Korea have reached an agreement on the 10th SMA, and

we anticipate ratification by the ROK National Assembly soon. USFK appreciates the considerable support our ROK ally provides, including the SMA contributions which defray a portion of the cost of maintaining US forces in Korea.

Similarly, South Korea's continued investment in military construction and modernization helps ensure our forces are postured, prepared, and properly set for the future. The Land Partnership Plan (LPP) and the associated Yongsan Relocation Plan (YRP) are two bilateral agreements that provide the foundation for streamlining USFK's footprint while returning facilities and valuable land to the South Korean government for future development. USFK and UNC took a major step forward in 2018 by relocating both commands from US Army Garrison Yongsan, a legacy cantonment in the heart of Seoul, to Camp Humphreys, a large, modern base, which serves as the fulcrum for the enduring US presence in Korea. In total, USFK has returned 49 sites to the ROK since 2003 while simultaneously moving the majority of our forces and families away from the DMZ and closer to centralized support hubs located near major air and sea ports.

With the support of this Committee, the Secretary of Defense, and INDOPACOM, in 2018, USFK improved its posture by forward-locating onto the peninsula certain capabilities, improving others, and increasing the capacity of the most crucial warfighting functions. Significant gains in posture during 2018 include essential munitions, ballistic missile defense systems, and pre-positioned wartime stocks. Our efforts, with assistance from the Services, have reduced stocks of forward-positioned, outdated munitions by over 214,000 tons. We are on track to complete the required retrograde by December 2019. The Department continues to apply the $784M appropriated since 2017 towards resolving our joint emergent operational need statement related to improving the posture, sustainment, and integration of our missile defense systems. The recent draw, operational testing, and turn-in of 14 M1A2 tanks from our prepositioned stocks was the first in a

series of exercises validating the concept and improving our preparedness to rapidly execute similar activities during contingency conditions. Additionally, rotational forces augment the 28,500 member baseline, bringing with them high-end systems and leaving with invaluable experience in the theater operating environment and combined interoperability.

The aggregate result of seven decades of committed partnership under our Mutual Defense Treaty is our ironclad Alliance and capable forward presence, the elements directly responsible for creating and sustaining an environment conducive to both deterrence and diplomacy. As we sustain readiness for any potential provocation or conflict, we support those working toward enduring peace and denuclearization.

EXERCISING THE FORCE FOR JOINT AND COMBINED COMPETENCY

Last year we commemorated the 40th Anniversary of the establishment of the CFC, which has played a central role in deterring war on the Korean peninsula and defending the ROK since November 7, 1978. During 2018, the CFC made significant advances to ensure the long term relevance of our combined warfighting capability. The Alliance Guiding Principles, a framework to ensure a unified, ready defense posture following OPCON transition, was bilaterally developed and endorsed by our two governments. Progress in operational concept refinement, military plans, and strategic documents has further enhanced our combined defense capabilities. Advances across CFC, the heart of the ROK-US Alliance, serve as evidence of the ironclad nature of the ROK-US Alliance and reinforce my view that our combined force relationship is stronger than ever.

Planning is regarded as an indispensable element of military readiness, and in 2018 the Joint Staff and INDOPACOM worked diligently with USFK to assess

and refine plans for potential contingency operations on the Korean Peninsula. A bottom-up review of force requirements, unit-level readiness, and global mission impact has been accomplished. In accordance with the National Defense Strategy, we stand prepared to rapidly receive and integrate the personnel and materiel necessary to buttress the forward-deployed force in Korea during periods of crisis or conflict.

Combat readiness is perishable. This fact is especially true of forces in Korea due to the high-turnover among our service members, American and Korean alike, across the spectrum of missions and roles. The benchmark for readiness is demonstrating the competencies necessary to plan and execute joint and combined operations under the strain of crisis or wartime conditions. Tactical training sharpens the baseline skills essential to success on the modern battlefield for our Soldiers, Sailors, Airmen, and Marines. Exercises provide the venue to coordinate and synchronize operational-level headquarters like CFC (the warfighting command on the peninsula) and the combined service Components across time and space in a dynamic environment – a critical operational competency during times of crisis. This is true for militaries the world over, all of whom strive to exercise under conditions anticipated in potential conflict. To succeed in war, we must train hard in peace. To succeed in Korea, we must train the CFC in the essential tasks necessary to credibly deter aggression and readily deliver victory if challenged.

However, we must continuously strike a balance between the clear need to train and exercise military capability and the requirement to create space for and support strategic diplomacy. To help achieve this equilibrium, we are innovating and evolving our approach by tuning 4 dials that adjust exercise design and conduct – size, scope, volume, and timing. Adjustments to these dials allows exercise design to remain in tune with diplomatic and political requirements without sacrificing the training of essential tasks. Additionally, such fine tuning

allows for the mitigation of impacts inherent to rapidly switching from our traditional large-scale exercise program to one of more targeted events.

USFK and CFC work closely with our South Korean partners and INDOPACOM to routinely conduct training, both joint and combined, which test the preparedness and resiliency of our foundation, refine operational concepts, and sustain high levels of proficiency for mission essential tasks. Recently, we completed a significant step in our evolution by conducting the first of our combined command post exercises (CPX) planned and executed in accordance with the fine tuning previously discussed. This CPX, DONG MAENG (DM) 19.1 (Dong Maeng translates to "Alliance"), exercised the tactical, operational, and strategic competencies related to military operations on the Korean peninsula. Additionally, DM builds upon the relationships, lessons learned, and staff interactions derived from the many small-scale training and exercise events conducted by our components throughout the year – our air, ground, naval, and marine forces train habitually with their ROK counterparts on the fundamentals of warfighting. We continue to aggressively pursue innovative approaches to joint and combined training and are committed to demonstrating that creating space for diplomacy need not impede military readiness.

TAKING CARE OF OUR WARRIORS AND THEIR FAMILIES

Service members, civilians, and families are our most precious resource, and I am committed to providing the best possible quality of life for them as they serve their nation while stationed in South Korea. Among my priorities of effort are sexual assault prevention and response, command sponsorship, high quality medical care, and providing safe, quality housing options which meet or exceed requirements.

United States Forces Korea is committed to strict compliance with all Secretary of Defense and Service Chief Requirements and is working toward the goal of eliminating sexual assault by fostering a culture of dignity and respect across the Command. Our approach is prevention-focused with an uncompromising adherence to commander involvement and victim assistance guided by five critical focus areas: prevention, victim assistance, investigation, accountability, and assessment.

My personal philosophy is ensuring personnel understand they are responsible for fostering a climate where sexist behavior, harassment, and assault are not tolerated. Additionally, victims' reports are to be treated with the utmost seriousness and bystanders are expected to intervene – offensive or criminal conduct is neither tolerated nor condoned.

I continually assess the wellbeing of the 7,600 Department of Defense dependents living in Korea. The Command Sponsorship Program enables 24-36 months accompanied tours for service members. These tour lengths are far superior to 12-month unaccompanied tours and benefit our service members, our families, and the commands. Serving in Korea accompanied by one's family improves quality of life and morale while simultaneously increasing continuity and heightened levels of theater-specific competency. I fully support our Command Sponsorship Program and assess South Korea to be among the safest locations for service members and their families to serve abroad.

Among the most important quality of life issues in South Korea is access to high quality medical care for service members and their families. TRICARE beneficiaries in South Korea have access to the entire spectrum of healthcare services through Department of Defense hospitals and clinics plus a TRICARE network of 30 first-class host nation hospitals. In addition, the construction, validation and certification of the new, state-of-the-art Brian Allgood Army

Community Hospital at Camp Humphreys, once delayed by as much as 8-months, has now been placed on track for completion by November 2019. Before year's end, we will deliver a new facility for our families, one that meets or exceeds all US medical requirements and standards.

Lastly, we are committed to ensuring all government provisioned or funded housing meets or exceeds the standards and expectations of our service members and their families for safe, high-quality residences. We are addressing this specific issue during town halls at every camp, post, and installation on the peninsula, implementing aggressive work plans to address existing problems and developing a sustainment campaign in order to assure service members of our commitment to their quality of life and provide them the forum and empowerment to speak up when something is not right.

RESOURCING READINESS

I wish to thank the Committee for their continued commitment to the readiness of UNC/CFC/USFK and for supporting the development and fielding of capabilities critical to sustaining our edge and mitigating asymmetric threats. To further harden our posture and improve our readiness to act, my prioritized areas of concentration for future investment are: the network, situational awareness, lethality, and interoperability.

The dynamic nature of conflict, particularly in a combined setting, applies unique stress on the networks upon which command and control, communication, computers, and intelligence rely. Our networks must remain impervious to cyber intrusion or effect; the DPRK demonstrates increasing cyber capacity that must be matched and thwarted. Intelligence, surveillance, and reconnaissance (ISR) assets along with sensors capable of detecting a broad array of threats and activities provide the situational awareness that informs decision-making during both

armistice conditions and crisis. We require persistent ISR that overcomes the inherent challenges of geography and allows for reliable operational indications and warning that prevents strategic miscalculation. Increasingly lethal capabilities, from the tactical to operational, are required for unquestioned power projection in a region with rapidly advancing competitors and adversaries. Our superiority in the air remains vitally important; our ability to rapidly counter aggression and defend South Korea relies upon dominant air power. Lastly, interoperability remains essential if we are to derive the benefits of joint and combined warfighting.

We are making progress in each of these areas by working in close coordination with the Department of Defense, INDOPACOM, our South Korean ally, UN Sending States, the interagency, industry, and academic partners. I look forward to answering your questions concerning these initiatives and providing you with all relevant information required to inform this Committee's work.

CONCLUSION

I remain confident that our four enduring priorities are correct in the short term: sustain and strengthen the Alliance, maintain the armistice, transform the Alliance, and sustain the force. The central themes of my 120-day personal assessment will underpin my continued review of readiness in an ever-changing strategic environment and will help us remain focused on these priorities.

The men and women, military and civilian alike, who serve within the UNC, CFC, and USFK have the tools required for success. They are highly motivated, capably armed, and well supported by their parent service, the Department of Defense, and this Committee. The force is sufficiently postured to deter aggression and defeat any adversary, if necessary. We continue to train at echelon to maintain the readiness required to translate a strong military posture into decisive victory on short notice.

Our Alliance with the Republic of Korea remains ironclad and stands as a testament to our shared history of service and sacrifice. The combined strength of that alliance is formidable as our warriors embody our slogan – *Katchi Kapshida (We go together)*! As Soldiers, Sailors, Airmen, and Marines of both nations make the daily sacrifices inherent to uniformed service, we strive to ensure we provide for them and their families. A well postured, ready, and nurtured force strikes fear in the heart of those who would challenge it.

We are in a historic period on the Korean Peninsula. While the near-term future is unclear, the significance of this moment cannot be overstated. In the midst of dynamic change, UNC/CFC/USFK stands as a steadfast, stabilizing presence in the region. This has been the case for over 65 years and will continue into the decades ahead. I am proud to lead the men and women who carry on the noble work of generations past. I am confident that our actions – our readiness – directly contributes to the defense of the United States and the security of South Korea, while providing the credible military strength from which our distinguished diplomats can negotiate and advance lasting peace for the Korean peninsula and the region.

General ROBERT B. ABRAMS
Commander, United Nations Command/Combined Forces Command/
United States Forces Korea
Since: 2018

An Armored Cavalryman, General Abrams earned his commission from the United States Military Academy in 1982. Following the Armor officer basic course, he spent his formative years in a Division Cavalry Squadron with a mission on the East-West German border. He has commanded at every level from Company through Division, and led units in combat operations in Saudi Arabia, Kuwait, Iraq and Afghanistan. General Abrams has extensive combined arms and joint experience. Duty with warfighting units include: 3rd Armored Division; 1st Cavalry Division (three tours); 3rd Infantry Division; and the 3rd Armored Cavalry Regiment. He also commanded the Army's National Training Center at Fort Irwin, California. His joint experience includes serving as a strategic war planner for the Chairman, Joint Chiefs of Staff and as the Director of the Joint Center of Excellence for Improvised Explosive Device Defeat. General Abrams also served as the Senior Military Assistant to the 24th Secretary of Defense.

He most recently served as the 22nd Commander of United States Army Forces Command, at Fort Bragg, North Carolina, from Aug 2015 until October 2018. As Commander of the United States Army's largest organization, he commanded 229,000 active duty Soldiers, and provided training and readiness oversight of U.S. Army National Guard and U.S. Army Reserve units. In total, the Forces Command team included 776,000 Soldiers and 96,000 Civilians.

General Abrams holds a Bachelor of Science from the United States Military Academy, a Master of Science from Central Michigan University, a Master of Strategic Studies from the United States Army War College, and has attended a wide variety of military schools.

Happily married, he and his wife are proud parents of two children and grandparents to two grandchildren. His canine companion is "Ace," a retired military bomb dog. General Abrams is a functional fitness enthusiast who also enjoys golf, follows college basketball closely, and gets March Madness annually. He remains an ever-optimistic fan of the Washington Redskins and the Army football team.

QUESTIONS SUBMITTED BY MEMBERS POST HEARING

MARCH 27, 2019

QUESTIONS SUBMITTED BY MR. THORNBERRY

Mr. THORNBERRY. Please explain the significance of the implications to trade flows, commercial activity, and the financial information that flows on cables under the South China Sea if China were to control and limit the freedom of open seas and access there. What would be the military and security implications for the Indo-Pacific Command and for the region at large?

Admiral DAVIDSON. Undersea cables are absolutely critical to global economic and security interests. They carry an estimated 95–99% of data worldwide, which supports global commerce, banking, telecommunications, and more. Twelve major cable systems in the South China Sea connect Southeast Asia with Northeast Asia, and Asia to the Middle East, Europe, and the United States. All of these cables run through the portion of the South China Sea claimed by China, and many are near China's military outposts on the Spratly Islands. Many also have terrestrial cable landing points in China. Any disruption to the cables, even for just a few hours, would cause a massive disturbance to worldwide data flows, with the effects most pronounced between Asia's financial and business centers and their counterparts in Europe and the U.S. Any outage could also impact U.S. and allied battle space awareness, communications, and coordination, as the military uses some of these same carrier systems. While we have backup systems available, the impacts to efficient and timely decision making would likely be severe.

QUESTIONS SUBMITTED BY MR. LANGEVIN

Mr. LANGEVIN. The INDOPACOM region remains one of the most natural disaster-prone areas in the world, and I am concerned that our bases and installations in the region may not be appropriately postured for the threat posed by climate change. How do you believe climate change has impacted this region as well as your foreign humanitarian assistance operations?

Secretary SCHRIVER. The effects of a changing climate are a national security issue with potential impacts to Department of Defense missions, operational plans, and installations. Specifically, the Department has identified the negative consequences of climate change as a prevalent transnational challenge in the Indo-Pacific.

The region is already prone to earthquakes and volcanoes as part of the Pacific Ring of Fire, and suffers regularly from natural disasters including monsoons, hurricanes, and floods to earthquakes and volcanic activity. The Department works to ensure installations and infrastructure are resilient to a wide range of challenges, including climate and those other environmental considerations. DOD considers resilience in the installation planning and basing processes to include impacts on built and natural infrastructure. This includes consideration of environmental vulnerabilities in installation master planning, management of natural resources, design and construction standards, utility systems/service, and emergency management operations. Our military installations have extreme weather plans and Commanders are encouraged to work with local communities to address shared issues regarding environmental impacts.

United States Indo-Pacific Command (USINDOPACOM) focuses their training on readiness to respond to and be resilient to natural disasters, as well as sustainable resource management toward critical resources scarcity. This command has also established Pacific Augmentation Teams around its Area of Responsibility to identify quickly immediate needs that can be met with military assets.

Mr. LANGEVIN. How are you ensuring that countering violent extremism activities in your AOR do not perpetuate and aggravate the underlying conditions that so often lead to extremism?

Admiral DAVIDSON. As we work to advise and assist our Indo-Pacific partners and build their capacity to counter violent extremism, we also emphasize the importance of understanding and addressing conditions that lead to instability and extremism. Effective partnering with the interagency and prioritizing of security relationships at the local level play critical roles in the development of comprehensive counter vio-

lent extremism activities that also address the conditions that fostered violent extremism in the first place.

Mr. LANGEVIN. How are you working with the interagency on programs that address the underlying conditions of terrorism?

Admiral DAVIDSON. USINDOPACOM is addressing the underlying conditions of terrorism in the Indo-Pacific region with a comprehensive approach utilizing the unique capabilities, relationships, and expertise from across the entire interagency in a united effort. Since the launch of the USINDOPACOM Multi-National Engagement Program in 2012, USINDOPACOM has implemented dozens of interagency programs that leverage military, law enforcement, and other interagency subject matter experts along with our partner nations' agency equivalents. One recent example of these training and information exchange programs' impact is the Indonesia, Philippines, and Malaysia agreement on patrolling shared maritime borders, named the Trilateral Cooperation Agreement (TCA), signed in 2016. The TCA provides a vessel to deploy a combined force of sea marshals to deter and combat terrorist organizations such as Abu Sayyaf and the Islamic State. Additionally, we worked with interagency partners and their host-nation counterparts in India, Brunei, and the Philippines to increase their understanding of terrorism indicators. We accomplished this through workshops focused on information sharing and multinational cooperation required to interdict terrorist planning and recruiting cycles. These programs, and many others like them, demonstrate USINDOPACOM's whole-of-government commitment to working with our allies and partners to counter violent extremism and address the underlying conditions that lead to terrorism.

Mr. LANGEVIN. How is the U.S. military's relationship with the Philippine Security Forces complicated by the recent decision of the Philippine Government to withdraw from the International Criminal Court amid serious human rights abuses allegedly conducted primarily by the National Police?

Admiral DAVIDSON. The U.S. military follows stringent vetting requirements required by the Leahy Law, which restricts funding for any unit or individual credibly implicated in gross violations of human rights. When working with Philippine Security Forces (to include the Philippine National Police), U.S. Indo-Pacific Command follows all legal requirements and ensures units are cleared through Department of State review. The Government of the Philippines decision to withdraw from the International Criminal Court in March 2019 will not impact the Leahy vetting procedures.

Mr. LANGEVIN. The INDOPACOM region remains one of the most natural disaster-prone areas in the world, and I am concerned that our bases and installations in the region may not be appropriately postured for the threat posed by climate change. How do you believe climate change has impacted this region as well as your foreign humanitarian assistance operations?

Admiral DAVIDSON. The Department plans for many variables to account for potential impacts on our defense missions, installations and operations, including the effects of a changing climate and other factors. Climate change has raised concerns about potential impacts to military installations on Guam, Kwajalein Atoll in the Republic of Marshall Islands, and Kaneohe Bay in Hawaii. Working with the National Oceanic and Atmospheric Administration, DOD expects to complete a study in the next two years that will help us better understand how to analyze the vulnerabilities of military installations to the effects of a changing climate. Extreme weather events occur frequently in the Indo-Pacific compared to other regions of the world. The impact generally depends on the frequency, timing, and severity of the event. Any resulting widespread human suffering, food and water shortages, and extensive power outages could serve as precipitating events for regional instability, if not properly managed. Historically, DOD has supported about 10% of USG disaster responses led by USAID each year. Factors of whether USAID requests DOD unique capability and support include disaster type and extent, civil capacity in the host nation, and the international response. Through its humanitarian assistance program, DOD assists building partner nation civil capacity for disaster preparedness and public health. Countries in INDOPACOM area continue to improve capacity for domestic and regional disaster response.

Mr. LANGEVIN. Last year I was happy to see INDOPACOM begin close coordination with the Global Engagement Center by embedding a GEC officer at your command to help counter state and non-state propaganda. Can you tell us how this embedded officer has helped your command and give us and update on how Web Operations and other Inform and Influence activities benefited from GEC collaboration?

Admiral DAVIDSON. Our Global Engagement Center (GEC) embedded officer has played a vital role in enabling a whole of government approach to counter malign influence and propaganda in the Indo-Pacific. This officer facilitated significant command contributions to the GEC's flagship communications campaign to counter state

propaganda, enabled rapid response coordination between the command and GEC headquarters, and helped establish a new team responsible for more effective employment of command strategic communication tools in the pursuit of national security objectives. With regard to Web Operations, this officer is creating a pilot DOD-State Web Operations coordination process that will improve U.S. government efforts to counter state propaganda and disinformation. I view this as a critical first step to leveraging these important tools in the Indo-Pacific.

Mr. LANGEVIN. The INDOPACOM region remains one of the most natural disaster-prone areas in the world, and I am concerned that our bases and installations in the region may not be appropriately postured for the threat posed by climate change. How do you believe climate change has impacted this region as well as your foreign humanitarian assistance operations?

General ABRAMS. Extreme weather events and the shifting of tidal patterns and coastlines are impacting communities throughout the Indo-Pacific region. The region is home to over half of the world's population, and most of these people reside on, or very near the coastlines. When an extreme weather event occurs, this geographic vulnerability makes the situation more dire. On the Korean Peninsula, several challenges face our armed forces. Increased rainfall and flooding place low-lying areas at risk, while rising sea levels endanger populations and infrastructure along the extensive shorelines. Additionally, regional drought has potentiated fire hazards in heavily forested mountainous regions. For example, a national emergency was declared in early April in response to a wildfire in South Korea's northeast Gangwon province. The fire spread rapidly to become one of the nation's largest forest fires in modern history. The ROK government requested and received the assistance of USFK forces due to unique U.S. capabilities. And finally, increased airborne dust and pollution carried from China and Mongolia creates unique respiratory problems across the peninsula. As a result, USFK has implemented Command Policy Letter #10, allowing for the elective use of filtering masks while in uniform to further protect service members during elevated particulate air pollution levels. Extreme weather events such as tropical storms, typhoons, thawing of permafrost, tsunamis, and drought affect millions of people in the Indo-Pacific region annually and cause billions of dollars in damages. The impacts of these events can be catastrophic, to include the destruction of buildings, critical infrastructure, crops, and livestock. While we cannot prevent natural disasters, our preparedness can build resiliency and capacity to help reduce the costs, damages, and loss-of-life that these events inflict. When these events occur, the U.S. military has surged relief to those affected, and USFK stands ready to support USINDOPACOM in the event humanitarian assistance, disaster response, and civic assistance becomes necessary.

QUESTIONS SUBMITTED BY MR. ROGERS

Mr. ROGERS. What is your assessment on what China's no first use policy is today and what it might be in the future given the build-up of their ballistic missiles?

Secretary SCHRIVER. China has long maintained a no first use policy, though ambiguity remains over the conditions under which China's NFU policy would no longer apply. China's future intent may shift as it fields larger, more-capable nuclear forces as part of its nuclear modernization program. Some PLA officers have written publicly of the need to spell out conditions under which China might need to use nuclear weapons first—for example, if an enemy's conventional attack threatened the survival of China's nuclear force or the regime itself. However, there is no indication that national leaders are willing to attach these caveats at present.

Mr. ROGERS. What are our partners and allies position on no first use in the context of a declaratory policy? Specifically the ROK and Japan's positions?

Secretary SCHRIVER. U.S. extended deterrence is an integral part of our alliance commitments to the Republic of Korea (ROK) and Japan, and both allies appreciate the ironclad U.S. security guarantee. Both the ROK and Japan were consulted extensively during deliberations leading to the 2018 Nuclear Posture Review. Each understands that the United States would only employ nuclear weapons in extreme circumstances to defend the vital interests of the United States and its allies and partners. In our view, adoption of a no-first-use policy would be deeply concerning to many of our allies and partners by suggesting the United States would not use the full means at its disposal to deter and respond to devastating, non-nuclear strategic attacks against them.

Mr. ROGERS. What is your assessment on what China's no first use policy is today and what it might be in the future given the build-up of their ballistic missiles?

Admiral DAVIDSON. China continues to assert a "no first use" policy for its nuclear forces, maintaining that China will only use nuclear weapons in response to a nu-

clear strike against it. However, as identified in the 2018 Nuclear Posture Review, China's lack of transparency regarding the scope and scale of its nuclear modernization program raises questions regarding its future intent. Ongoing modernization efforts across its nuclear force include developing sea-based weapons, improving road-mobile and silo-based weapons, and testing hypersonic glide vehicles. China has also announced its intent to form a nuclear triad by developing a nuclear-capable, next-generation bomber.

Mr. ROGERS. What are our partners and allies position on no first use in the context of a declaratory policy? Specifically the ROK and Japan's positions?

General ABRAMS. The United States maintains Mutual Defense Treaties with both the Republic of Korea and Japan. USFK, in coordination with USFJ and USINDOPACOM, remains committed to deterring, defending, and if necessary, defeating any adversary that threatens those alliances. USFK also maintains open communication with the U.S. Department of State to coordinate policy matters impacting military activities and instruments of national power. Our strategic forces serve several purposes. They are designed and sustained to deter unconventional attacks or conventional attacks, assure allies and partners, achieve U.S. objectives if deterrence fails, and serve as insurance in an unpredictable future. Given the contemporary threat paradigm in Northeast Asia, some level of strategic ambiguity can be beneficial to maintaining security. Our triad remains in a constant state of readiness to provide political leaders with options and continuous strategic deterrence. The Republic of Korea and Japan, along with our NATO partners, have long stood by our decision against a No First Use declaration. Should this policy change, I am confident that our allies in Asia would continue to support our alliances and the principles upon which they were formed. If called upon, USFK stands ready to provide its best military advice concerning the security situation in Northeast Asia, and all military options available to senior political leaders.

QUESTIONS SUBMITTED BY MR. GARAMENDI

Mr. GARAMENDI. Secretary Schriver, what were the costs to the Department in fiscal years 2017 and 2018 for joint U.S.-Republic of Korea military exercises? And what are the projected costs to the Department in fiscal year 2019 for the rescoped U.S.-Republic of Korea military exercise program? For each fiscal year, please include a listing of each exercise with its associated cost. For each exercise, please include a description of the elements of each exercise, the direct costs to USFK, and a description of additional costs incurred by each service component.

Secretary SCHRIVER. The President has consistently stated that he expects prosperous allies and partners to contribute more to their own defense and for supporting U.S. forces abroad. The recent U.S.-Republic of Korea (ROK) Special Measures Agreement includes a roughly 8 percent increase in contributions and allows GEN Abrams to use such funds for exercise support. Although it is difficult to gather data to associate elements of each exercise with direct costs, in 2019, exercise DONG MAENG cost US$12.9 million and is expected to cost US$19 million in 2020. In contrast, KEY RESOLVE/FOAL EAGLE, the previous iteration of DONG MAENG, cost US$22 and US$25 million, in 2017 and 2018, respectively.

QUESTIONS SUBMITTED BY MS. STEFANIK

Ms. STEFANIK. We've talked a lot about cyberwarfare, we have seen the establishment of U.S. Cyber Command, and maturing our cyber forces across the Department. And while most of our cyber forces are fully capable on paper, they are not fully ready in practice. All DOD missions and systems remain at-risk from adversarial cyber operations. The Department continues to discover mission-critical vulnerabilities in acquisition programs, and uncover massive data breaches of cleared defense contractors.

When you think about cyber, what concerns you most with respect to the threat being posed by China? Please address our own limitations, but also any concerns from an adversarial standpoint as well. What are we doing to deter cyber activities below the threshold of war? Do you have the forces and authorities you need as a combatant commander?

Secretary SCHRIVER. China views cyber as a critical domain that enables information superiority and an effective means of countering a stronger foe. We're concerned that the PLA's writings emphasize the benefits of information operations and cyberwarfare in recent conflicts and have advocated targeting an adversary's logistics networks as well as their command and control in early stages of a conflict. China may also combine its cyber and kinetic attacks to act as a force multiplier.

We are also concerned by continued China-based cyber intrusions that seek to extract sensitive information from our defense industrial base sectors, which threatens to erode our military advantages.

Ms. STEFANIK. We've talked a lot about cyberwarfare, we have seen the establishment of U.S. Cyber Command, and maturing our cyber forces across the Department. And while most of our cyber forces are fully capable on paper, they are not fully ready in practice. All DOD missions and systems remain at-risk from adversarial cyber operations. The Department continues to discover mission-critical vulnerabilities in acquisition programs, and uncover massive data breaches of cleared defense contractors.

When you think about cyber, what concerns you most with respect to the threat being posed by China? Please address our own limitations, but also any concerns from an adversarial standpoint as well. What are we doing to deter cyber activities below the threshold of war? Do you have the forces and authorities you need as a combatant commander?

Admiral DAVIDSON. China possesses significant cyberspace capabilities that go well beyond the basic intelligence collection against U.S. diplomatic, economic, and defense industrial base sectors. People's Liberation Army writings advocate targeting an adversary's C2 and logistics networks to affect its ability to operate during early stages of a conflict. I remain concerned that China will continue to use its cyberspace capabilities for intelligence and cyberattack purposes, serving as a force multiplier for its other activities short of armed conflict, and constrain adversary actions by holding vital networks at risk. Additionally, I have concerns about the U.S. government's ability to recruit and retain the skilled cyberspace work force necessary to counter these threats. Below the threshold of armed conflict, China continuously operates in and through cyberspace to achieve strategic advantage. USINDOPACOM collaborates and shares information with a broad array of partners in order to build situational awareness and enable a proactive posture to defeat malicious cyber activity at the source. Additionally, USINDOPACOM supports a whole of government approach to impose costs in response to malicious cyber activity. With respect to cyber forces, I believe the effective support relationships between USINDOPACOM, USCYBERCOM, and the services deliver sufficient capacity to address requirements in the Indo-Pacific. Regarding authorities, USINDOPACOM continues to work with USCYBERCOM through the process to delegate cyberspace authorities from the President to the Secretary of Defense, which will enable time-relevant operations. Additionally, USINDOPACOM works to maintain a competitive advantage in cyberspace through effective partnerships with the interagency, international partners, the defense industrial base, and private sector critical infrastructure. I believe I have the necessary authorities to continue building on these endeavors to improve our posture in cyberspace.

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General ABRAMS. There is compelling documentation from the U.S. security industry and other sources related to China's intent to use their advanced capabilities to acquire proprietary information through cyberspace operations. The theft of intellectual property not only reduces the competitive advantage of American companies but also undermines and erodes our technological advantages. This problem is compounded by the broad attack surface of thousands of networks distributed across the defense industry and U.S. government, all operating under different policies and with varying degrees of information security. China's policy goals, along with current geo-political and trade tensions, favor the assessment that cyber espionage will remain a core component of Chinese competition. These malicious cyber activities, taking place below the threshold of war, are countered with an active defense policy. Defense professionals respond to unauthorized activity or alerts/threat information against DOD networks, and leverage intelligence, counterintelligence (CI), law enforcement (LE), and other military capabilities as required. Internal defensive measures include mission assurance actions to dynamically reestablish, re-secure, reroute, reconstitute, or isolate degraded or compromised local networks to ensure suf-

ficient cyberspace access for U.S. and alliance forces. CYBERCOM is an active and partner in providing robust forces, such as direct support via the Joint Cyber Center and as part of the Cyberspace Operations–Integrated Planning Element (CO–IPE). CYBERCOM is fully integrated into USFK and the USCYBERCOM CDR is on record as having all the required authorities to carry out their mission in support of USFK and INDOPACOM.

Ms. STEFANIK. General Abrams, can you tell us more about the recent U.S.-South Korea "Dong Maeng" exercise? Did the exercise meet the intent for strategic, operational, and tactical operations previously practiced in Key Resolve and Foal Eagle? And to what extent does "Dong Maeng" engage in multiple-domain operations to include space and cyber? Lastly, what is the significance of discontinuing massive exercises, like Ulchi-Freedom Guardian, Key Resolve and Foal Eagle based on good faith with North Korea? How does that impact our overall readiness in the region?

General ABRAMS. The suspension of large-scale exercises coincident with senior-leader engagements in 2018 was a prudent action in support of diplomacy. Following those suspensions, we have worked to modify our exercise design and execution to maintain readiness through combined training and exercises while preserving space for ongoing diplomacy. To achieve this balance, we have adjusted four dials—size, scope, volume, and timing—resulting in the 2 March 2019 Alliance decision to conclude legacy exercises in favor of maintaining our Fight Tonight posture through the regular conduct of Field Training Exercises (FTX), paired with newly-designed, operational and theater-level Command Post Exercises (CPX). What is unchanged is the readiness and posture of our forces to act as a strategic deterrent postured to respond to potential crisis or provocation, and if called upon, ready to defend the Republic of Korea and our allies in the region. Our spring CPX, DONG MAENG 19–1 (DM 19–1) took advantage of changes to these four dials in order to balance readiness while preserving space for diplomacy. CFC/USFK effectively used DM 19–1 to train 14 of 14 warfighting Mission Essential Tasks, displaying our Alliance strength and commitment. These events, including the DM 19–1 CPX, also include multi-domain and gray zone scenarios. To safeguard CFC/USFK military readiness, we will continue to pursue our robust FTX schedule.

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