

[H.A.S.C. No. 110-133]

HEARING
ON
NATIONAL DEFENSE AUTHORIZATION ACT
FOR FISCAL YEAR 2009
AND
OVERSIGHT OF PREVIOUSLY AUTHORIZED
PROGRAMS
BEFORE THE
COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES
ONE HUNDRED TENTH CONGRESS
SECOND SESSION

FULL COMMITTEE HEARING
ON
**BUDGET REQUEST FROM THE
U.S. PACIFIC COMMAND AND
U.S. FORCES KOREA**

HEARING HELD
MARCH 12, 2008



U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 2010

45-824

HOUSE COMMITTEE ON ARMED SERVICES

ONE HUNDRED TENTH CONGRESS

IKE SKELTON, Missouri, *Chairman*

JOHN SPRATT, South Carolina	DUNCAN HUNTER, California
SOLOMON P. ORTIZ, Texas	JIM SAXTON, New Jersey
GENE TAYLOR, Mississippi	JOHN M. McHUGH, New York
NEIL ABERCROMBIE, Hawaii	TERRY EVERETT, Alabama
SILVESTRE REYES, Texas	ROSCOE G. BARTLETT, Maryland
VIC SNYDER, Arkansas	HOWARD P. "BUCK" McKEON, California
ADAM SMITH, Washington	MAC THORNBERRY, Texas
LORETTA SANCHEZ, California	WALTER B. JONES, North Carolina
MIKE McINTYRE, North Carolina	ROBIN HAYES, North Carolina
ELLEN O. TAUSCHER, California	W. TODD AKIN, Missouri
ROBERT A. BRADY, Pennsylvania	J. RANDY FORBES, Virginia
ROBERT ANDREWS, New Jersey	JEFF MILLER, Florida
SUSAN A. DAVIS, California	JOE WILSON, South Carolina
RICK LARSEN, Washington	FRANK A. LoBIONDO, New Jersey
JIM COOPER, Tennessee	TOM COLE, Oklahoma
JIM MARSHALL, Georgia	ROB BISHOP, Utah
MADELEINE Z. BORDALLO, Guam	MICHAEL TURNER, Ohio
MARK E. UDALL, Colorado	JOHN KLINE, Minnesota
DAN BOREN, Oklahoma	PHIL GINGREY, Georgia
BRAD ELLSWORTH, Indiana	MIKE ROGERS, Alabama
NANCY BOYDA, Kansas	TRENT FRANKS, Arizona
PATRICK J. MURPHY, Pennsylvania	BILL SHUSTER, Pennsylvania
HANK JOHNSON, Georgia	THELMA DRAKE, Virginia
CAROL SHEA-PORTER, New Hampshire	CATHY McMORRIS RODGERS, Washington
JOE COURTNEY, Connecticut	K. MICHAEL CONAWAY, Texas
DAVID LOEBSACK, Iowa	GEOFF DAVIS, Kentucky
KIRSTEN E. GILLIBRAND, New York	DOUG LAMBORN, Colorado
JOE SESTAK, Pennsylvania	ROB WITTMAN, Virginia
GABRIELLE GIFFORDS, Arizona	
NIKI TSONGAS, Massachusetts	
ELIJAH E. CUMMINGS, Maryland	
KENDRICK B. MEEK, Florida	
KATHY CASTOR, Florida	

ERIN C. CONATON, *Staff Director*

JULIE UNMACHT, *Professional Staff Member*

AILEEN ALEXANDER, *Professional Staff Member*

CATERINA DUTTO, *Staff Assistant*

CONTENTS

CHRONOLOGICAL LIST OF HEARINGS

2008

	Page
HEARING:	
Wednesday, March 12, 2008, Fiscal Year 2009 National Defense Authorization Act—Budget Request from the U.S. Pacific Command and U.S. Forces Korea	1
APPENDIX:	
Wednesday, March 12, 2008	37

WEDNESDAY, MARCH 12, 2008

FISCAL YEAR 2009 NATIONAL DEFENSE AUTHORIZATION ACT—BUDGET REQUEST FROM THE U.S. PACIFIC COMMAND AND U.S. FORCES KOREA

STATEMENTS PRESENTED BY MEMBERS OF CONGRESS

Hunter, Hon. Duncan, a Representative from California, Ranking Member, Committee on Armed Services	2
Skelton, Hon. Ike, a Representative from Missouri, Chairman, Committee on Armed Services	1

WITNESSES

Bell, Gen. Burwell B. (B.B.), III, USA, Commander, United Nations Command; Commander, Republic of Korea-United States Combined Forces Command; and Commander, U.S. Forces Korea	7
Keating, Adm. Timothy J., USN, Commander, U.S. Pacific Command	4

APPENDIX

PREPARED STATEMENTS:	
Bell, Gen. Burwell B. (B.B.), III	83
Keating, Adm. Timothy J.	41
DOCUMENTS SUBMITTED FOR THE RECORD:	
[There were no Documents submitted.]	
WITNESS RESPONSES TO QUESTIONS ASKED DURING THE HEARING:	
Mr. Cummings	127
Mr. Forbes	127
Mrs. Gillibrand	127
Mr. Sestak	127
Mr. Skelton	127
QUESTIONS SUBMITTED BY MEMBERS POST HEARING:	
Mr. Reyes	131

FISCAL YEAR 2009 NATIONAL DEFENSE AUTHORIZATION ACT—BUDGET REQUEST FROM THE U.S. PACIFIC COMMAND AND U.S. FORCES KOREA

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Wednesday, March 12, 2008.

The committee met, pursuant to call, at 1:17 p.m., in room 2118, Rayburn House Office Building, Hon. Ike Skelton (chairman of the committee) presiding.

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

The CHAIRMAN. Today the committee will address the posture of the United States Pacific Command, or PACOM, as it is known, and one of its major sub-unified commands, U.S. Forces Korea.

Our witnesses are Admiral Timothy Keating, commander of PACOM, and General B.B. Burwell Bell, commander of the United States forces in Korea.

It is great to see both of you. We appreciate your being with us and your testimony.

Admiral Keating, you were recently quoted as saying the readiness of our forces is affected by combat operations in Afghanistan and Iraq. You went on to add, we are at a higher risk state. And, Admiral, I suspect you were engaging in an understatement when you said that PACOM has only had to adjust its strategic plans a little bit since about 30,000 PACOM troops are deployed to the Central Command.

This is just one signal that we are facing increased strategic risks due to our commitments in Iraq. There are a number of potential flash points in the world that could be called on to deal with, and there are some clear examples in the Asia Pacific region, spanning from the Korean peninsula and the Taiwan Strait of South and Southeast Asia.

I would like to point out that in the last 31 years we have had 12 military engagements involving American forces. And if the future is anything like the past—

It appears that our involvement in Iraq has preoccupied us away from the Asia Pacific changing strategic landscape at a time when we should be proactively engaged on multiple fronts. We must be able to pursue opportunities for security cooperation with allies and partners in the region, ensure that our force posture will allow us to deter or confront any security challenge that might emerge.

This is concerning when China just announced another double-digit increase in its military budget. The recent annual report on

China's military power details China's continuing military modernization, including missile buildup across from Taiwan.

Moreover, there is still much we don't know regarding North Korea's nuclear weapons capabilities. Tensions continue to flare across the East China Sea. Indonesia, the Philippines, continue to struggle against terrorism, and throughout much of Southeast Asia, the threat of terrorism and violence and instability remains extraordinarily high. And while we have been preoccupied in the Middle East, China and others have been expanding their influence in Latin America, Africa, as well as elsewhere around the globe.

So we must maintain our focus on the Asia Pacific region and ensure that we get our level of strategic risk back within acceptable limits. Our own actions may well influence the choices and actions of others. I am encouraged by recent Department of Defense agreements involving the U.S.-China defense hotline, research in Chinese archives on Korean War MIAs and POWs, and U.S.-China dialogue on nuclear policy and strategy.

There has also been success in addressing terrorism in the Philippines, and some policy movement over the last year within the six-party process of denuclearization of the Korean peninsula.

So I hope you will update us on the good work that you and your troops and your personnel are doing in the Asia Pacific area.

As we begin our testimony, I turn to my friend, the ranking member, Duncan Hunter.

I might point out, we will be having a series of votes as we have just finished a series and we undoubtedly will have it. We will do our very, very best to get through this as best we can. So let's proceed.

Mr. Hunter.

STATEMENT OF HON. DUNCAN HUNTER, A REPRESENTATIVE FROM CALIFORNIA, RANKING MEMBER, COMMITTEE ON ARMED SERVICES

Mr. HUNTER. Thank you, Mr. Chairman. And thanks for having this hearing today. Very important hearing.

Today we are going to receive testimony from two gentlemen who have traveled long distances to be with us. And Admiral Keating, we welcome your appearance before the committee for the first time in your current role as commander of the U.S. Pacific Command.

And I would also like to take this opportunity to commend PACOM and the sailors of the USS *Lake Erie*, USS *Decatur* and USS *Russell* for last month's successful intercept of a disabled National Reconnaissance Office (NRO) satellite. Good work.

And General Bell, welcome back as a commander for U.S. Forces Korea.

Gentlemen, your testimony today on the posture of the U.S. military in your respective areas of responsibility and assessment of current and potential security challenges in the Asia Pacific region will help inform the national security policy direction and budgetary decisions this committee will make in the coming months. So we look forward to your testimony.

Today's hearing is important and gives our members an opportunity to pause and consider how new developments and potential

security challenges in the Asia Pacific region could impact the disposition of America's forward deployed forces, our strategic partnerships in the region and how the U.S. invests in its military capabilities.

There are a few developments in your respective areas of responsibility that are important to note. First, the Asia Pacific region continues to see strong economic growth, particularly in China, Japan and India. Second, 2007 marked a period of political transition in the region with Japan, Australia, South Korea and Thailand all electing new leaders. And, lastly, relations among countries in the region and with the U.S. continue to evolve.

Admiral Keating, I am interested in your assessment of these economic and geopolitical changes in Asia and the potential impact on America's defense posture in the region.

And General Bell, I would also appreciate your thoughts regarding any impacts you have observed on the U.S.-South Korea alliance and on the future outlook for U.S. military forces on the peninsula.

There are several key strategic security issues that require the United States to maintain a watchful eye. First, regionally, the rise of China. Fueled by its economic engine, it is now a key driver in defining the geopolitical and security landscape of Asia. Beyond the region, China's double-digit defense spending increases, which are funding a massive military modernization program. We have a continued lack of military transparency regarding China's intentions and capabilities, limited disclosure regarding defense decision-making and unexplained actions, such as the January 2007 anti-satellite (ASAT) test. And all those things continue to concern us.

So I am interested in learning how PACOM takes into account China's expanding military capabilities in its strategic calculus and contingency planning. And specifically, I would like you to address China's anti-access area denial capabilities, very key to American planning.

The continued deployment of advanced cruise missiles, such as the supersonic SS-N-27B Sizzler and China's growing counter-space and cyber-capabilities. These capabilities, if employed, can hamper our operational effectiveness.

Further, the growing size of China's attack submarine fleet is a continuing concern, particularly in light of the fact that only 65 percent of PACOM's presence requirements for attack submarines are being met with a U.S. force of what is today 52 submarines, but which will fall over the long term to only 41 attack submarines.

And, you know, I looked the other day at the production figures. China is outstripping us in production by more than three to one. And if you add the boats that they are acquiring, the kilo purchases from Russia, it looks like it is five or six to one in terms of building their force as opposed to ours.

Regional terrorism, particularly in Southeast Asia, continues to impact PACOM's area of responsibility. Anti-American Islamist terrorist groups with ties to al Qaeda are active in the southern Philippines and have carried out bombings, killings and other destabilizing activities. Additionally, Thailand faces an increasing Muslim insurgency in the south that further complicates the regional security situation.

So I look forward to a discussion on PACOM's ongoing efforts to support our allies in this critical front against terrorism, particularly in terms of counterterrorism assistance and building partner nation capacity.

Also, there is progress toward a denuclearized Korean peninsula and ongoing disablement. However, much work remains. We can't forget that North Korea has a capacity to produce and test nuclear weapons and delivery systems and a track record of proliferating ballistic missiles and missile technology.

Additionally, North Korea retains a significant conventional capability with massed forces near the demilitarized zone (DMZ) and a potential missile arsenal.

So General Bell, I am interested in your assessment of the progress of the six-party talks and also your concerns about threats, particularly missile threats, in your area of responsibility (AOR).

Of course, these evolving developments and challenges to U.S. security are not all inclusive, but they reinforce a need for this committee to be both near- and far-sighted in our deliberations and decision making regarding the Asia Pacific region.

So, gentlemen, thanks for being with us. And please carry our enormous gratitude to all the men and women who wear the uniform under your command. We are very grateful.

And lastly, General Bell, if you could tell us also about the movement of the American forces in Korea. I am particularly interested in how much have we moved out from underneath that artillery fan from the north and what the time schedules are for permanent establishment in the new bases.

Thank you.

Mr. Chairman, thanks for this very timely hearing and I look forward to the testimony.

The CHAIRMAN. Mr. Hunter, thank you very much.

We have about six minutes now from the end of the vote.

Admiral Keating, maybe we can squeeze you before that, then come back for the general.

Admiral Keating.

**STATEMENT OF ADM. TIMOTHY J. KEATING, USN,
COMMANDER, U.S. PACIFIC COMMAND**

Admiral KEATING. Thank you, Chairman.

Congressman Hunter and distinguished members of the committee, two points I would like to make before I begin my remarks, Mr. Chairman.

Number one is to represent the heartfelt appreciation of everyone in the United States Pacific Command to general B.B. Bell and his wife Katie as they will retire this summer. And I would like to make it a matter of record as to how much we appreciate his service for our country over nearly four decades.

Second, I would like to introduce our senior enlisted leader, Mr. Chairman. You have met him before. Chief Master Sergeant Jim Roy, who represents all of the wonderful enlisted men and women who serve our country in the Pacific.

I am grateful for the opportunity to testify today and to represent the 350,000 men and women in uniform in the United States Pacific Command.

Our overall impression of our area of responsibility is one of optimism and one of hope. Our region is stable. As we say as often as we can, writ large, "The guns are silent in the Pacific."

There are areas of tension and of course Burma is an area of turmoil, but overall we find that throughout the region folks are very interested in stability and peace and the economic engine that you mentioned in churning and it is running on all cylinders.

Several points that you mentioned and I would like to emphasize. There have been many elections in our area of responsibility. Amongst in Japan, South Korea—B.B. will talk to that—Australia and Thailand. In each case, I have been able to visit those countries and I am assured that the strategy of the new administrations tends to support that which we would like to see as United States Pacific Command, and to speak larger, that of the United States of America.

I think that there is a very interesting mindset developing amongst the leaders, military and governmental, throughout the region, and that is one of collaboration. We have a broad set of strong bilateral relations that have been longstanding in many cases and are a matter of formal treaty in five cases. But I think that there is a measurable and very beneficial sense of multilateral engagement at the military and diplomatic level that is very helpful.

It gives us an opportunity from the United States Pacific Command to lead from within. We do not have to be the only advocate for many programs or systems or policies. By encouraging multilateralism, countries like Indonesia, Malaysia and the Philippines can combine to enhance maritime security in their region and we can influence that in a more indirect but still very positive and beneficial way. I think it leads to quantifiable decreases in the threat from Islamic extremism and violent extremism.

Congressman Hunter, you mentioned this. In the Philippines, we have 500 special forces of the United States Army who are deployed in support of the armed forces of the Philippines. It is important for me to emphasize, their role is support, not kinetic military activity. We are training the trainers there in the Philippines. And consequently, the armed forces of the Philippines have been able to do a very commendable job of reducing the threat of violent extremism in central and southern Philippines.

Progress, too, in Indonesia. In the area of maritime security, in the area of information sharing and in the areas of counterterrorism, we have been able to influence Indonesia's behavior in a very important way. This is a nation with 210 million moderate Muslims. It is very important that we get our message right in working with them.

Vehicles that we use to pass this message along include humanitarian assistance and disaster relief. We have been able to deploy the United States Hospital Ship *Mercy* two years ago. She is going again this summer. Last year, we took the USS *Peleliu*, a gray hull, amphibious ship, took most of the marines off, replaced them with doctors and dentists and engineers, not all military, a number

of civilian agencies were also represented, and the *Peleliu* saw over 30,000 civilians who were given first-class medical care and dental care and over 1,000 major surgeries were performed.

So these outreach programs of ours are very effective and, we think, further reinforce this multilateral approach to the problem, the challenges that still exist out there.

B.B. will address and is more qualified to address the progress being made in the six-party talks. That said, we are in fairly frequent dialogue with Ambassador Hill and we are optimistic. Very, very cautiously optimistic, but optimistic nonetheless about progress that we can make on the six-party talks to lead to a nuclear-free peninsula and, hopefully, peace on the peninsula.

Challenges remain in our area of responsibility. Political conditions in Burma and Fiji are not optimum. We hope for a return to democratic institutions there soon. I was able to visit Thailand recently and saw firsthand the leaders of that country, political and military, as a result of their freely elected change in leadership there.

You mentioned, both of you, the People's Republic of China. I visited twice. I would be happy to—

The CHAIRMAN. We need to go vote, Admiral. Excuse me for interrupting. We will take up in just a moment.

Mr. HUNTER. Admiral, you didn't quite make it, did you?

Admiral KEATING. Six minutes. Not quite.

I will resume on China when you come back, sir.

[Recess.]

The CHAIRMAN. The meeting will resume.

I might point out that pursuant to the previous announcement, we will begin our questioning in this particular hearing in reverse order. And those that are of lesser seniority I know will take heed.

Admiral, proceed.

Admiral KEATING. A couple of minutes on the People's Republic of China, Mr. Chairman.

I have been able to visit China twice in the year that we have been at Pacific Command. I think I would characterize our relationship as uneven and a cause of some concern, but not worry.

Congressman Hunter mentioned a couple of areas that I will discuss briefly and then I will certainly of course entertain questions.

Anti-access and area denial weapons are a cause of concern. We have expressed our concern to the Chinese. We asked them to explain to us their intentions, and they choose not to. It gets to the difference between transparency and intent. Transparency we don't think is sufficient. It is easy enough to see what they have, the weapons they are fielding, the systems that they are building and the training that they are conducting. When we ask them the reasons why they would want to develop area denial weapons, that seems to us inconsistent with China's stated goal of a peaceful rise and harmonious integration.

We don't get much in the way of a discourse. So the saw isn't cutting both ways. Some of those surface-to-surface and surface-to-air weapons you mentioned, Congressman Hunter, we are watching very carefully. As they field these systems, a number of them are being positioned across the Strait of Taiwan. We expressed our concern to the Chinese. They counter with their concern over our po-

tential arms sales to Taiwan. We try to extract ourselves from the tactical discussion and just tell them we are interested in peace and stability throughout the entire region, including the Strait of Taiwan.

So we advocate continued engagement with the People's Republic of China. We don't think there is anything to be gained by trying to cordon them off or fence them off into a corner. That said, we think there has to be more reciprocity and a better understanding of their intentions before we are going to make the progress that we think is important.

We want to keep it in as much a non-confrontational basis as we can. A small footnote. While I was in China the second time, in each of the meetings in which I was fortunate enough in which to participate, I asked for a phone number of the guy with whom I was speaking. I said, just a simple thing. I see you have a phone on your desk. Maybe you can give me your phone number, and that way I can call and thank you for the hospitality you have demonstrated. And if there should be some area that doesn't make much sense to us at Pacific Command, I could call you and ask for an explanation. I got no phone numbers.

We are still working on it, but that to me is kind of symptomatic of the Chinese reluctance to engage across the spectrum of opportunities that are there, and we are going to continue to push as hard as we can to get them to open up and to be more cooperative and collaborative partners with us and all other countries in the region.

I would close, Mr. Chairman, by emphasizing our four priorities in the Pacific Command. I am happy to address questions should they be of interest to you. That is our warfighting readiness, our forward presence and force posture, the importance we attach to regional engagement, and last but not most important, the quality of life for all of those young men and women who serve our country. For that quality of life support that you give us, we are grateful. We appreciate your support.

I would be happy to take any questions, Mr. Chairman. Thank you.

[The prepared statement of Admiral Keating can be found in the Appendix on page 41.]

The CHAIRMAN. Thank you very much.

General Bell, a special word of thanks for your service. This in all probability will be your last appearance before the committee. You are a superb soldier and a great American. We thank you.

General Bell.

STATEMENT OF GEN. BURWELL B. (B.B.) BELL III, USA, COMMANDER, UNITED NATIONS COMMAND; COMMANDER, REPUBLIC OF KOREA-UNITED STATES COMBINED FORCES COMMAND; AND COMMANDER, U.S. FORCES KOREA

General BELL. Thank you, Mr. Chairman. I appreciate that.

Congressman Hunter, distinguished members of the committee, I appreciate the opportunity to appear before you today.

Your support for our alliance with South Korea in an area of the world which is of vital interest to the United States is indeed greatly appreciated, as is your commitment to our service members who

are over there serving on the Korean peninsula 8,000 miles from here.

Mr. Chairman, for the record, I would like to submit my posture statement.

The CHAIRMAN. Without objection.

General BELL. Thank you, sir.

On February 25, just last month, Lee Myung-bak was inaugurated as the President of the Republic of Korea, elected in a landslide victory. In his inaugural address before international heads of states, diplomats, a bunch of dignitaries, and 45,000 Korean citizens who were gathered outside there with him, he singled out the United States and spoke eloquently about us.

In singling us out, he said, and I would just like to quote quickly, in front of all these heads of states, I might add, and he did not single them out. He singled out the United States, he said, "We will work to develop and further strengthen traditional friendly relations with the United States into a future-oriented partnership. Based on the deep mutual trust that exists between the two peoples, we will also strengthen our strategic alliance with the United States."

Lee Myung-bak spoke of a partnership that he wanted to have with us that would be renewed. He said that the Republic of Korea is entering into an extremely positive era wherein it is my estimation that the South Koreans strongly desire to reinvigorate the alliance that they have with us. In fact, in recent State Department public polling done by a very competent outfit, 75 percent of South Koreans viewed American military presence on the peninsula to be important to their national security and they wanted us to stay there.

In fact, oddly enough, 68 percent of those same people polled, in looking at the mutual defense treaty that we have with the Republic of Korea and postulating a resolution of the North Korean issue, stated that even if the North Korea issue were resolved, they still wanted the United States to stay on the Korean peninsula.

It is my strongest recommendation that the United States recognize that there has been a sea-change in the focus of the Republic of Korea and that we seize the moment and extend a reciprocating welcome hand to one of our most steadfast and long-term allies.

Today the Republic of Korea is a very modern, first-world nation, of course rising from third-world stagnation to an economic powerhouse. It is the 11th largest economy in the world today. South Korea is bidding to become one of the top 10 economies. In fact, that is a policy goal of theirs.

Korea is strategically located on the East Asian mainland at the regional nexus of an economically advancing China, resurgent Russia and an economically powerful Japan. Illustrative of this, Seoul, Korea, the capital of Korea, is 100 miles closer to Beijing than it is to Tokyo. I cannot overstate the strategic importance of a long-term alliance with the Republic of Korea to help ensure continued peace and stability in Northeast Asia, and I think it is of vital interest to us.

Turning to North Korea real quick, today North Korea remains the single most dangerous threat to regional security in East Asia. With the fourth largest military in the world, North Korea con-

tinues to train and ready itself for potential war. North Korea employs a military first policy in their economy while depriving its citizens of basic sustenance.

North Korea focuses proportionately enormous energy on developing weapons of mass destruction and it has worked hard to develop a very sophisticated missile capability. Its past record of proliferation coupled with its recent nuclear weapons and missile development activities are a matter of great concern to all of us.

The six-party talks process is the most viable path to achieve denuclearization in North Korea and I remain very hopeful that the North Koreans will continue to demonstrate good faith in executing the agreement. Until this full denuclearization is achieved, however, progress in lowering the risk to regional and even global peace and stability will be a bit problematic.

Meanwhile, in working with South Korea to modernize and transform our alliance, we are on the threshold of transferring operational control of South Korean military forces in potential wartime from the U.S. Combined Forces Command headquarters, which I lead, to the South Korean military itself. This will take place in 2012 and this operational control (OPCON) transfer will realize the final step in sovereign self-reliance for the government of South Korea with the United States remaining, I hope, a trusted ally, fully committing to fighting side-by-side should that be necessary in the future.

Ladies and gentlemen, I will conclude my opening remarks by reiterating that Korea is located at the geographical and geopolitical nexus of Northeast Asia. Global economic prosperity, including our own, is immensely dependent on continued peace and economic enterprise with our trading partners in that area of the world.

My strongest recommendation is that the United States approach our alliance with South Korea from a long-term strategic perspective. Next month, President Lee Myung-bak will visit the United States and Washington, DC. We are indeed the first country that he will visit after assuming his presidency. I hope that Congress will embrace this very friendly, pro-U.S. and visionary South Korean leader. He is extending a welcoming hand of friendship to us, and I think that we best be no less forthcoming and seize this opportunity.

In conclusion, again, it is my best judgment that our alliance with U.S. forces stationed in South Korea is of vital importance to us and that it should be a centerpiece of our foreign and our security policy throughout the 21st century and beyond, regardless of any future resolution of the North Korean issue.

Thank you, sir, and I look forward to your questions.

[The prepared statement of General Bell can be found in the Appendix on page 83.]

The CHAIRMAN. Thank you very much.

It may be a little difficult to call on those in the first and later the second row in the correct order, so please bear with me.

Mr. Sestak.

Mr. SESTAK. Thank you, Mr. Chairman.

Admiral, one quick question on China. I was curious if any damage assessment has been done after Mr. Bergersen was arrested for espionage? He was a specialist in the United States Command,

Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) systems. And whether you have been able to see any damage assessment from that, since it was given to China?

Admiral KEATING. I have not seen it, Mr. Congressman. It is underway, but I have seen no results. Nor am I aware, perhaps more to the point, of—

Mr. SESTAK. But one is being conducted?

Admiral KEATING. It is my understanding. It is not being done, as you will understand, by Pacific Command.

Mr. SESTAK. Your testimony really goes into the C4ISR area so much, I was curious. I didn't mean to ask that question, but when I saw your testimony—

General, can I ask you a question, and it goes to you, Admiral, also. I am taken with your report that we can meet—we are ready to execute our operational plan if called upon out there. And with my question, there is not a question we have, in my mind, the best military in the world, ever, today. But can it do what is required? Can it meet the timelines laid out in 5027, knowing that 60 percent of the Army's equipment is in Iraq, knowing that our troops don't come together as a cohesive unit in America until just before they deploy to Iraq, and knowing that there has been no training in armor or any artillery for a couple of years?

I know all about the 600,000. So my question comes, if you are—can they meet the timelines? And it would really take some explanation if they could. And that is just a yes or no. And second, if you still feel comfortable about it, we used to justify our Army, and still do, based upon not just capability but threat scenarios. And the Army, as you well know, General, is well-justified upon two major regional contingencies. If you don't need them for that, the three or four divisions that has always been required, do we need them now, if you are okay?

General BELL. We cannot meet the timelines, as I currently desire them to be met.

Mr. SESTAK. Could I ask a question, then, on that one? What is the risk to our 27,000 troops there, then?

General BELL. I would judge the risk to be moderate due to our ability to meet the timelines. I have done a lot of work on that, Congressman, to come to conclusions.

I would counter myself by reminding myself that the South Korean army is exceptional. Over 500,000—

Mr. SESTAK. Would you accept, then, that we don't need them in the operational plan any longer, those divisions?

General BELL. Not at all.

Mr. SESTAK. Why?

General BELL. What I am saying is that without our force, the war-gaming that I have done means that the war will take longer to prosecute. We will have the same outcome, success, with American forces engaged to the level which I would prefer. We get the job done quicker and more efficiently with less casualties.

Mr. SESTAK. All right.

Admiral, you have been over to China and you mentioned about the phone. And in 2004, we have a hotline now at the White House with China, and in 2004 there was an offer to do one between the

Department of Defense (DOD) and the Ministry of Defense (MOD) over there, and I think they have come forward recently, saying they would like to.

What gives you the confidence, though?—a two-part question. What did you find out about their intentions? Everybody wants to know what is their intentions. And more to the point, what makes you think they will pick up the phone when they really didn't do it for the carrier visit, they really didn't do it for the refueling of the minesweepers, and they didn't do it for the ASAT?

Admiral KEATING. I don't know that they will pick up the phone, Congressman. And their declaration of intent is one of—extracting from them some declaration of intent is one of our primary goals is our primary goals in our dealing with the People's Republic of China.

Mr. SESTAK. Were you able to get anything out there of any intent while you were talking to them?

Admiral KEATING. Not much, but more than I got the first time, Congressman, so in all of two visits, the second was more productive and more candid and slightly more forthcoming.

Mr. SESTAK. One last question. Last year, I asked I think it was Admiral Fallon, sir, our submarines that you put in at Guam, we lose half of the time we could use them out there as a ready force because they have to come to Hawaii or San Diego to do their maintenance, about placing a dry dock there for them. They are ready, instead of just having four, you know how it works much better than I do. I did not know if there had been any thought of that, so that they are there all the time. Because we lose, I understand, as much as 30 to 40 percent of our submarine time out there because of the requirement to come back.

Admiral KEATING. I am unaware of any plan to put a dry dock in Guam, Congressman—

The CHAIRMAN. Thank the gentleman.

Admiral KEATING [continuing]. But I will check. I don't think we do.

[The information referred to can be found in the Appendix beginning on page 127.]

The CHAIRMAN. Have you fully answered his question?

Admiral KEATING. I have, sir.

The CHAIRMAN. Mr. Kline.

Mr. KLINE. Thank you, Mr. Chairman.

Thank you, gentlemen, for being here, for your service.

I enjoyed the opportunity—unfortunate as it is that we have to break and interrupt these hearings for votes and so forth, it does afford some of us an opportunity to chat. I enjoyed very much the chat while the vote was going on.

A couple of questions. Part of that chatting, General Bell, we talked very, very briefly about your proposal to make the tours in Korea for American forces accompanied tours. I served a little bit of time in Korea. My wife served an unaccompanied tour in Korea. My son has served an unaccompanied tour in Korea. So on first blush, it just seems like a mighty fine idea to me.

But clearly there are costs and implications. Could you take my time, or as much of it as you may need, to just talk about your pro-

posal and how you would see that unfolding and its costs and implications?

General BELL. Thank you, Congressman.

I may get galled here, because I could go on for hours, but I will try to be brief.

My son was born on the East-West German border, 12 kilometers from two Soviet divisions, both armed with nuclear weapons, and 98 other Warsaw Pact divisions. And my nation aggressively and proudly invited my family there to join me, and thus he was born there. We had command sponsorship at the height of the Cold War.

I take that experience to Korea in the year 2008 and I look at a modern, first-world country with marvelous infrastructure, one of the greatest economies in the world, and I ask myself—and a North Korea military which is no match for the Soviet military in the Cold War—and I ask myself, why are we contributing to these operational tempo (OPTEMPO) and personnel tempo (PERSTEMPO) rates by continuing to have 90 percent of my force doing 1-year unaccompanied tours only to go back to the States and 4 or 5 months later deploy back to Iraq or Afghanistan, and then turn around and come back to the States after Iraq or Afghanistan. And, sure enough, four or five months later go to Korea, when indeed with that kind of policy we are sending a continued message to our South Korean ally and regional partners in that area of the world of temporary commitment. Because a one-year rotational opportunity speaks to temporary commitment, as though it were a war zone.

And, Congressman, it is not. I mean, I am not lecturing you, sir, but it is not a war zone. It hasn't been for 55 years. This is a modern, first-world country.

As we move south of Seoul, out of harm's way, into sanctuary locations, it seems to me in this modern, first-world country of such strategic importance to the United States that we need to put a stop to this continued PERSTEMPO problem that we are creating. We need to send a message to our allies over there of continued commitment, and we need to attend to the quality of life of our service members by keeping them with their families as long as possible.

So I am a strong proponent of normal family accompanied tours. I want a policy decision soon. And I would like to implement it over a 10-year period. We can't do it overnight. It would add about 17,000 family members to our location over there, which I don't think is a very large number.

So I am very much a proponent of it. I think it is right for America. It is right for our alliance. It sends the right messages. And it is absolutely right for our service members and their families and their young children.

Mr. KLINE. Thank you, General.

I can't imagine there is much resistance from the soldiers, sailors, airmen, marines who have served tours in Korea. And I know that my son's family, for example, would have been happier had that been an accompanied tour instead of an unaccompanied tour, particularly in light, as you pointed out, of the repeated unaccompanied genuine combat tours that have followed.

Can you share with us where there might be resistance to the suggestion that you have gotten?

General BELL. I think first in any great institution there is always just some resistance to change. I think I can overcome that.

Sir, there are some fiscal costs here. I think the good news is—I mean, it is obviously not without cost. The good news is that our Republic of Korea ally gives us a large amount of fiscal support each year in what we call special measures agreement burden-sharing money. This year I received in the bank \$787 million from the Republic of Korea to help defer our stationing costs. They pay for local national employees exclusively. They pay for our logistics and sustainment and maintenance costs. And about one-third of that money goes into military construction, which I choose based on my priorities. I run it through Congress here for oversight, and they pay the bill.

And so in addition to some fiscal costs that will accrue, I believe our ally, South Korea, will help defer some of these costs in a significant way over a 10-year period.

So there are fiscal ramifications. But again, I am not trying to do this in just one year. I want to put it over a long period of time.

Mr. KLINE. Thank you very much.

Thank you, Mr. Chairman.

The CHAIRMAN. Ms. Gillibrand.

Mrs. GILLIBRAND. Thank you, Mr. Chairman.

I wanted to talk a little bit about cyber-security and cyber-warfare and what the DOD's communication infrastructure continues to be doing to address it, and how PACOM intends whether or not to work with the Air Force to tie in their efforts with the new cyber-warfare command.

Admiral KEATING. Yes, ma'am. We do. We intend to. We are in fact engaged with, amongst others, United States Air Force, Strategic Command, Department of Homeland Security. All of these organizations have efforts underway to improve the security on the unclassified side.

There have been attacks, to be sure, or intrusions. Some we think from China, whether they were state-sponsored or not, I don't know. So we are engaged in upgrading the firewalls and the overall system. That is on the unclassified side. We are of course paying very close attention to the classified side as well. So we are engaged with the Air Force and other agencies.

Mrs. GILLIBRAND. And in terms of recruitment, what efforts are you undertaking for that, to increase the number of specialists we have and those who have the expertise to really not only serve throughout the various commands, but also to make our infrastructure in the armed services better?

Admiral KEATING. I will have to take the specific service efforts for the record, if I might. I don't know if—I would assume that the services are, but I don't have anything to do with that.

I can tell you at Pacific Command Headquarters, we are continually training our own and bringing in outside, not just military but civilian advisers to help us upgrade in force and upgrade our security. But I will find out whether the services are conducting a special program. I don't know.

[The information referred to can be found in the Appendix beginning on page 127.]

Mrs. GILLIBRAND. Okay. Could you—different topic. Can you update me on what our current focus is with the Philippines and what we intend to—how we intend to approach that now?

Admiral KEATING. The Philippines is—yes, ma'am. The longest-standing alliance we have in the Pacific is with the Philippines. I have been there twice myself, have visited there many, many times as a younger man.

As I mentioned, we have 500 special operations forces who are currently deployed to support the Philippine armed forces in their efforts against terrorists and undesirable elements in central and southern Philippines. We are making—they, the armed forces of the Philippines, are making significant progress in providing peace and stability throughout the relatively remote areas of their country.

Maritime security and maritime domain awareness have improved significantly in the Philippines because of their singular efforts and their cooperation with Malaysia and Indonesia and Singapore. So I think from our perspective, the outlook is optimistic for the Republic of the Philippines.

Mrs. GILLIBRAND. Are there any future requirements for permanent basing?

Admiral KEATING. No, ma'am.

Mrs. GILLIBRAND. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Conaway, please.

Mr. CONAWAY. Thank you, Mr. Chairman.

Gentlemen, thank you for being here.

A couple of questions. One easy one for General Bell. I will ask them both at the same time, and then you guys filibuster and see which one of you gets the most of the mike time.

General Bell, you mentioned the North Korean army is the fourth largest in the world. Would you put that in context of lethality and what it means?

And Admiral Keating, with respect to DOD's recent analysis of China's modernization and the growth of their military, will you talk to us about the implications those have and where they are going on that?

And then one final one, if you have got time, is China's recent denial of port calls to Hong Kong, one of them in a storm relief circumstance, and what that might mean?

So, those three questions. Thank you.

General BELL. Thank you, Congressman.

North Korea has 1.2 million men under arms, active; 5 to 7 million in their reserves. The whole country is only 22 million people. That includes children and elderly personnel, so you can see most of the military-age citizenry is in the military in one way, shape or form.

The country has a military-first policy economically. All of their economic energy goes into their military first, and whatever else is left goes to the citizenry. Estimates are that one-third of its gross domestic product (GDP) is spent on the military. Ours is about four percent. So you can see the magnitude of that.

They have 13,000 artillery pieces; 250 of them range Seoul, the capital of South Korea. So Seoul is constantly under the threat of artillery bombardment. They have an 80,000-man special operations force, which is only useful to them in offensive warfare. It is the largest special operations force in the world, larger than ours. They come first in their military, they are resourced the best.

Now, this is not an army like the United States, even though it is twice the size of our army. They have legacy equipment. And when I say legacy, sir, I mean Korean War vintage equipment. They have little modern equipment and in terms of stacking up against us or the South Korean military, which is very modern also, it is not an even match. And so I feel very good in that regard.

So their numbers come from strength in numbers and their equipment is well-maintained but very legacy and no match for ours.

Admiral KEATING. Congressman, the People's Liberation Army, Air Force and Navy are considerable in size. They are getting better at what they do. They have a long, long way to go. I submit they will not catch us, to put it in pretty stark language.

That said, some of their programs are of concern to us. Area denial weapons, anti-access weapons, their growing submarine fleet, their expansion into a blue-water capable navy. We are watching all those very carefully. I discussed these developments with my counterparts in China in seeking intention again, and the response I get is we only intend to protect those things that are ours, say the Chinese, which is fair enough.

It could provide challenges for us as demonstrated by their statement to me as they have been—one of their senior admirals said, "We are going to start building aircraft carriers. You guys can have the east part of the Pacific, Hawaii to the States. We will take the west part of the Pacific, from Hawaii to China." I was allowed to say we probably would not accept that bargain.

So we are watching their developments very carefully. We are continuing to work with them at all levels at which we are able to engage to seek better insight into their intentions. It is not clear that they are willing to share much with us, but we are going to continue to work on it.

On the issue of port calls, I visited China shortly after they refused entry of the USS *Kitty Hawk* as a carrier battle group and the two minesweepers a couple of weeks before the *Kitty Hawk* visit. I expressed our concern and our—we were sad, particularly about the ships that were seeking safe harbor because they were low on fuel and in bad weather. You just don't do that, as mariners and as a nation that seeks to be admitted to the League of Nations. There are unwritten rules, and this is one of them. If a ship needs help, you provide that help.

I expressed that concern to them. They accepted my input. Subsequent to our visit, the USS *Blue Ridge*, the 7th Fleet flagship, has been to Hong Kong and we have requests pending for two more carrier battle groups to visit. We are cautiously optimistic.

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

The CHAIRMAN. Thank you.

Mr. Courtney.

Mr. COURTNEY. Thank you, Mr. Chairman.

I just want to follow up on some of the others line of questioning. Talking about the military buildup and shipbuilding, you alluded briefly to the fact that undersea component is substantial. The New York Times had a story a couple of weeks ago where you were quoted, in fact, talking about the fact that the size of their fleet, in terms of numerical size of their fleet, will exceed ours by the end of the decade, which actually is not that far from now.

And I guess, you know, in terms of trying to decipher intentions, I mean, why undersea capability? Why are they building that up? And I guess the other question is, what are your thoughts about the capability and if this is just the numbers?

Admiral KEATING. They have about, around 65 submarines today, Congressman, the People's Republic, People's Liberation Army Navy (PLAN), have about 65 submarines. Half a dozen of them are nuclear-powered. Of those, two of them are ballistic missile-carrying nuclear submarines.

So 4 attack boats, 2 nukes, about 58 or so diesel boats.

They are good and getting better. Again, we spend a modest amount of time and treasure, if you will, in tracking them. We aren't bad at that. There are times when there are Chinese submarines underway and I can't tell you exactly where they are.

But as you and I discussed earlier, we are not devoting every measure we have. We could follow them if we needed to.

There is a capability when questioned that they, again, to which they don't provide much illumination. We will continue to press them for intention. That said, it seems clear to me that their goal is beyond simply protecting that which is theirs. They are very reliant, as you would understand and I am sure know, on sea lines of communication for energy demands that are increasing dramatically in the People's Republic of China. So they will want to go out and protect those sea lines of communication. And again, that is fair enough. But it is hardly anything we will yield exclusive rights to them. We will continue to expect and demand and exercise our right of free passage in international water and we want to make sure they understand that as well.

Mr. COURTNEY. And I guess, you know, citing the litany of sort of unfortunate incidents recently, one of them involved the surfacing of a sub right near the *Kitty Hawk*, and I guess—what is your perspective in terms of how that was handled and how that fits in, again, to this question of trying to figure out intentions?

Admiral KEATING. Yes, sir.

The Song submarine that popped up a couple of miles away from *Kitty Hawk*, it was in international water. They have as much right to be there as do we. At that time, the carrier battle group was not involved in anti-submarine specific operations. They were doing other things. It is a capability that the Navy has. We are reemphasizing the Pacific—our interest in anti-submarine warfare, technology, training and equipment.

The use of active sonar is obviously a contentious issue these days. It is a skill that we emphasize and would seek. We don't want to have that restricted in any way. So the ability to find and fix submarines like the Song, it depends on our having available the full suite of capabilities and using those capabilities and being trained in those capabilities.

Song got close. No denying it. They are allowed to be there. It was a harmless event. The *Kitty Hawk* and all of our carrier battle groups in that part of the world are now taking different measures so as to try and preclude recurrence. But they have as much right to be there as we do.

Mr. COURTNEY. At a hearing just a few days ago, Mr. Hunter was pointing out the fact that a review of the number of mission requests that our submarine fleet is capable in the Pacific to satisfy is certainly far less than 100 percent, and I guess the question is, do you see that trend worsening because of the fact that you have got a new maritime force that is growing? And I guess the question is, do we have a fleet size that is adequate to deal with the change that is going on there?

Admiral KEATING. It is adequate to meet need. I could use more submarines, and ships for that matter. The Navy intends to give us about 60 percent of the fleet, writ large, and it kind of goes back to Congress and the question are we ready—are we positioned and ready and equipped to meet requirements? We are.

Risk increases as the number of potential threat vessels increase, but today I can satisfy the requirements that have been levied upon me by the Secretary of Defense.

Mr. COURTNEY. Okay, Admiral.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Mr. Wilson.

Mr. WILSON. Thank you, Mr. Chairman.

And, Admiral, General, thank you very much for your service.

I am the congressional co-chair of the India Caucus and, Admiral Keating, I am very interested in the developing relationship, the warm relationship and partnership that we have with the Republic of India.

Incredibly, my interest in India developed because my father served during World War II in the 14th Air Force in India and also in China, and he told me how entrepreneurial the people of India are. And it is all coming to fruition in a very positive way.

Can you tell us about the inter-military cooperation and the various training exercises that have occurred?

Admiral KEATING. Yes, sir. Thank you.

Things are good with India and getting better. I was a flag lieutenant to the then Commander-in-Chief of the Pacific, Admiral Crowell, and he visited India. I was fortunate enough to sit behind him in some of those meetings. The reception he got was, I would characterize as chilly.

I went in August. The reception was warm and engaging and accommodating and gracious. The Indian military, all branches, are eager to engage with the United States. They are anxious to have their officers and noncommissioned officers attend our war colleges and service schools. We participated with India in exercise Malabar in the Bay of Bengal. Two U.S. aircraft carriers, the Indian aircraft carrier and ships from Singapore, Japan and Australia. So five nations represented in navy and some air forces.

They were able to communicate on a secure circuit, 24 hours a day, for the duration of the exercise. It was a very sophisticated

and demanding exercise. It wasn't just positioning of ships. Unprecedented in our experience.

So our relations are warm, they are open, they are candid and they are advancing with the Indian military.

Mr. WILSON. Thank you very much.

And indeed, General, I share your positive view of the deepening relationship we have with the Republic of Korea. It is really exciting, and I appreciate your hospitality to have visited there and seen our troops and how inspiring they are.

I am very pleased that Congress Members Ed Royce and Ellen Tauscher have introduced legislation, North Atlantic Treaty Organization (NATO)+3, in regard to military sales.

How do you feel this would effect the relationship between our great ally, Korea, and the United States?

General BELL. Congressman, thank you.

It is a great question, and I would like to answer it straight up.

South Korea has a foreign military sales status with us called major non-NATO ally. That is a step below this thing called NATO+3. Interestingly enough, in this era, in the NATO+3 countries are five former Warsaw Pact countries and three former Soviet states who now enjoy a higher foreign military sales (FMS) status than does our most reliable ally, South Korea, who, I might add, is our largest customer every year, year in and year out.

So it is, from my perspective, bizarre and strange that we would give a higher level of foreign military sales status to anyone other than the Republic of Korea. I believe we should go to NATO+4, and that fourth would be the Republic of Korea.

Now, just briefly, we generally provide them with what they need, and I don't think they have been overly restricted. But it sends the wrong message to our ally that somehow their status in our eyes is below former Warsaw Pact countries. And I just don't think that is right.

Republic of Korea fought with us in Vietnam, sent troops to Desert Storm, Operation Iraqi Freedom (OIF), Operation Enduring Freedom (OEF), and now has 350 soldiers in southern Lebanon, and I don't know that all those other countries have that same battle record.

Thank you, Congressman, I appreciate it.

Mr. WILSON. And thank you so much for citing their—I have actually visited with their troops in Kabul and Baghdad. I had the opportunity to visit a provincial reconstruction team led by our Korean allies. And so I look forward to working with Congresswoman Tauscher and Congressman Royce.

Thank you very much. I yield the balance of my time.

General BELL. Thank you, Congressman.

The CHAIRMAN. Thank you, Mr. Wilson.

Mr. Larsen, I think we can get you before we break for what could possibly be three votes.

Mr. Larsen.

Mr. LARSEN. I think a lot of us would be happy to go to the floor if there were actually three whole votes being taken instead of just one. I will look forward to that.

First question is for Admiral Keating. When we were in Japan in January, we discussed with some of the U.S. Forces Japan folks

about the command and control issues with regard to ballistic missile defense between the U.S. and Japan, and there was some discussion about the progress being made on those discussions with the command and control working group out of PACOM. Can you briefly give us an update on where that command and control (C2) discussion is?

Admiral KEATING. The study is not concluded. It is still underway, as you probably know, Congressman.

That said, there are no obstacles that have come to my attention. As you know, the Japanese launched a surface-to-air missile and hit the intended target in the Pacific missile range facility around Thanksgiving, and that command and control structure was exercised in a very demanding real-world scenario.

So I am satisfied that progress is being made, and I don't see any insurmountable obstacles.

Mr. LARSEN. Look forward to hearing more about that.

On page 11 of your testimony, you said you welcome new resources for persistent surveillance, pages 11 and 12. Can you identify which resources, which assets, would be best for you?

Admiral KEATING. I would rather take that and give it back to you in a classified response, if I could.

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

Mr. LARSEN. I will look forward to that, then, as well.

General Bell, you mentioned the infrastructure investment in normalization. I needed to let you know that when my spouse was in Korea with me, that morning we spent with you, there out with the spouses and probably your best advocates are the spouses of the folks who are stationed there, there were a few of them there. In fact, my spouse had her finger shaking in my face, saying, "When are you going to take care of this problem." Not soon enough for her, I guess.

So you talked about normalization. You talked about the foreign military sales status changes. But there are some other issues that you discussed with us there.

I recall that you said that the incoming president, now president of Korea, said he—I think your impression was that he wasn't against continuing forward on the op con transfer. There was some discussion about it in the election. Can you give us a more firm view on the new president's view on op con transfer?

General BELL. Congressman, I can. He and his subordinates, the minister of national defense, the national security adviser, et cetera, have all said in front of their own committees and to me that they, one, support op con transfer, that they are absolutely committed to accomplishing it by 17 April 2012. We have agreed to a timeline and we have signed those timelines.

All they have asked for at this point is a good review process to see how we are doing against those timelines. I am very confident we will meet all the objectives of the timelines. I don't see any obstacles at all.

I am very confident that we will do what is right for this alliance. We will take down the lightning rod for periodic anti-American sentiment, which can be a foreign officer commanding your military in wartime, me, and it will be healthy for our alliance.

And I am very optimistic about it. We are in good shape and this government is supportive.

Mr. LARSEN. So the review is not over whether or not to do the transfer? It is just to have some auditing, that timelines are getting met to move to the transfer?

General BELL. That is correct, Congressman.

Mr. LARSEN. Great. Thanks.

Another issue you discussed, and I don't know if you want to discuss it here, but I will bring it up. Between op con transfer, normalization, foreign military status change, it is starting to get to look like a, you know, how we ought to approach the Republic of Korea (ROK)-U.S. alliance well into the future. A lot of steps.

One thing you mentioned to us was the idea of what you called a strategic pause in the ROK drawdown of U.S. forces. Can you chat a little bit with us about that and what the implications of that might be?

General BELL. Well, we have drawn down our force to approximately 28,500 right now from a high of 37,000 just a couple of years ago. So about 9,000 troops have come off the peninsula in the last four years.

If we complete our drawdown, that would require us to take down another 3,000, leaving us at 25,000. I believe the Republic of Korea is going to ask us, and perhaps when President Lee Myung-bak visits here, if we will have a pause in that to study the future requirements.

If he does ask for that pause, I think it would be prudent for the United States to agree to sit down and discuss the issue and then potentially execute a pause based on those discussions.

And that is really all I know right now. We will have to wait and see what they ask for.

Mr. LARSEN. Sure. Appreciate that very much.

Thank you, General. Thank you, Admiral.

General BELL. Yes, sir.

The CHAIRMAN. Thank you very much.

I think we honestly ought to break, and I understand we have three to five votes. So, gentlemen, have patience.

[Recess.]

Dr. SNYDER [presiding]. We are going to go ahead and get started. I think Chairman Skelton is going to be 10 or 15 minutes before he gets back.

Where are we at?

Mr. FRANKS for five minutes.

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

You know, I always try to express my appreciation to the people from the armed forces that appear before this committee, because we just want to always remind ourselves here that apart from your courage and your commitment and sacrifice, none of us could be here. And the idea of a free republic would just simply be a fantasy in the world. So thank you so very much.

Admiral Keating, I, to just say a word further, I think you personify everything the sailors would like to be when they grow up. I am just grateful for your example and for—

Admiral KEATING. I hope my wife and kids are watching.

Mr. FRANKS. Well, I hope they are, too.

But last year, you signed a letter in support of space radar. And you advocated it, you know, as a combatant commander, that your need for the capabilities that the system would provide, that would include open ocean surveillance and moving target indications from territory that would be denied to aircraft.

And as you probably know—just for the record, space radar is not built in my district. As you may know, space radar program has been effectively cancelled, in a sense, unless it emerges in some other form, in some other area.

And so I guess my question to you is, does the U.S. Pacific Command still require these capabilities? It is a pretty heavy question.

Admiral KEATING. Thank you, Congressman.

In Pacific Command the requirement does exist. That has not diminished in any way. In fact, it is at least as pressing, if not a more pressing requirement, today than it was when I signed the letter.

It goes to Congressman Larsen's question. Intelligence surveillance and reconnaissance are an abiding concern of ours for the entire AOR. There is, of course, a large maritime aspect to that.

So open ocean surveillance and denied area surveillance is a significant requirement of ours, and the platform that satisfies the requirement is of less interest in its specifics than is the overarching requirement. The requirement still exists.

Mr. FRANKS. I understand.

Space radar is a tough one to replace with just one capability, as you know. But thank you, sir.

General Bell, I had the wonderful privilege of coming over to South Korea and visiting you, along with Mr. Akin and Mr. Larsen and Ms. Tauscher, and what an enlightening trip that was. And I want you to know I appreciate you and I think that we are very fortunate to have your service there.

I understand that you have recommended that the U.S. set a cooperative policy to maintain a meaningful troop presence on the Korean peninsula, even if there is a peace treaty signed with North Korea. And I wonder if you could expand on that a little.

General BELL. Thank you, Congressman.

I am of a mind that that region of the world is of vital national interest to the United States. Twenty-five percent of the world's trade today flows through that area, and that is growing.

South Korea itself is our seventh largest trading partner. And of course, right next to us, China, one of our big trading partners, obviously, as is Japan. And of course, that area of the world is an area over history that has been fraught with any number of clashes and wars and confrontations that have destabilized the region and, indeed, the world.

And my sense is that U.S. presence on the Asian mainland, in the Republic of Korea, is a stabilizing influence, and that irrespective of the resolution of the North Korea issue, that it is in our interest, because of our trading partnership and our desire for stability and security in that area of the world, it is in our interest to have a long-term relationship, not unlike we have today in Europe.

So I am advocating that we recast the alliance as something beyond simply a confrontational alliance to prevent aggression

against South Korea by North Korea and recognize that the treaty we signed in 1953 doesn't even mention North Korea. It talks about mutual defense against any aggression in the Pacific region on either partner. And I think the way the treaty is written is exactly right and we ought to cast it in that light. And I think it is in our interest to do that.

Mr. FRANKS. Well, thank you, sir.

You also, in appearing before the Senate Armed Services Committee, you projected a need for South Korean military and private facilities to be protected from the North Korean missile capability and that South Korea should set up a missile shield against potentially incoming intercontinental ballistic missiles or just whatever it might be, and adding that it should be compatible with the U.S. system.

And I wonder if you could expand on that a little bit. It seemed very important to me when we were there.

General BELL. Thank you, Congressman.

North Korea has a wide variety of legacy and modern missiles, and we project that there are about 800 of them operational now. Most of them, theater ballistic missiles. Relatively short-range, but they range the entirety of the Korean peninsula.

I have got Patriot batteries over there right now protecting sensitive U.S. sites, mostly aviation sites, et cetera.

The Republic of Korea does not have a complementary system fielded right now. I think it is in their interest that they do that. They have begun to approach this properly, I think. They are going to purchase German Pat-2 Patriots. That is a start. And they are, of course, fielding Aegis destroyers now, not equipped with theater ballistic missile (TBM) capability, but they do have the radars on-board, which are very important.

And so I think it is in their interest to look more directly at the anti-theater ballistic missile capacity, partner better with us and fully integrate with our capacity, so that they can provide a more protective envelope for their nation. And there is even opportunity to go beyond that into the region.

And so I think it is in their interest, and I am arguing strongly for it.

Dr. SNYDER. Mr. Cummings for five minutes.

Mr. CUMMINGS. Thank you.

Thank you very much, Mr. Chairman.

Admiral Keating, I just have a few questions about China.

DOD's recently-released annual report on China's military power notes that China has recently agreed to begin submitting an annual report to the United Nations on its military expenditures. How significant is this development in terms of increasing China's transparency?

Admiral KEATING. Any indication by the Chinese of their strategy, of their intention, we welcome. I would be surprised if this were a terribly illuminating document they send the United Nations, Congressman.

Nonetheless, any—as I say any disclosure that they make, any document that they sign, would be of benefit.

Mr. CUMMINGS. And so you have little confidence that they will release anything very meaningful? Is that what you are saying?

Admiral KEATING. My personal experience would recommend they would not be very forthcoming, Congressman.

Mr. CUMMINGS. Roughly how many PACOM military personnel speak the Mandarin Chinese language? Do you know?

Admiral KEATING. I don't. I will take that one and get back to you, Congressman. I do not know.

[The information referred to can be found in the Appendix beginning on page 127.]

Mr. CUMMINGS. How important are language skills to U.S.-China security cooperation? How important is that? Do we have programs in place to strengthen those skills?

Admiral KEATING. Yes, sir. We do have programs in place. And it gives us an appreciation, a better appreciation than those who don't speak Mandarin or any of the Chinese languages, for their culture and their way of thinking. And that is proving to be somewhat problematic for us.

Mr. CUMMINGS. And section 1201 of the fiscal year 2000 National Defense Authorization Act restricts inappropriate exposure of the People's Liberation Army (PLA) to certain operational areas and requires annual reports to Congress on all contacts with the PLA. Is the provision still relevant or necessary given the progress on the United States-China military engagement over recent years?

Admiral KEATING. I think it is relevant, Congressman. It does not restrict us. You will notice, if I understand the language right, it doesn't require our permission to engage. It just requires us to notify once the contact has been made. And in any case, we are increasing the engagement opportunities and their participation, albeit limited in exercises. So that language does not restrict us, Congressman.

Mr. CUMMINGS. Finally, on February 29, 2008, the United States and China signed that agreement establishing the defense hotline between the two defense establishments. It is China's only such defense hotline with another country at the defense ministerial level. Installation of equipment is scheduled to begin in a few weeks.

What is the potential of this hotline to enhance communication and avoid miscalculations between the United States and China?

Admiral KEATING. Congressman, I think the installation of the hotline is a significant step. It is not the end-game. It is not where we want to end up with the Chinese Ministry of Defense or the Liberation Army officials, but it is a significant first step.

And as Congressman Sestak mentioned earlier, there is no guarantee the Chinese will answer the phone. And that is a little glib, but our dealings with the Chinese officials have been characterized by that exact event occurring. In the case of the EP-3 that went down, there were hours that went by when we kept trying to get someone to answer the phone. Literally, they did not.

So installation of the hotline, a significant step forward. It is progress, but it is not end-state.

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

Dr. SNYDER. Thank you.

Mr. Wittman, for five minutes.

Mr. WITTMAN. Thank you, Mr. Chairman.

Admiral Keating, thank you for being here today in this hearing. This is my first as a member of this great committee and I am humbled to be part of these proceedings.

Recently I visited Dahlgren Surface Warfare Center in Dahlgren, Virginia. In fact, it was the day after the successful targeting and destruction of our imagery satellite last month.

Can you tell me what your assessment is of China's and Russia's response to this operation? Do you expect that China will continue to demonstrate their own anti-satellite capabilities?

Admiral KEATING. Congressman, the shortest answer is, I am not sure how China and Russia are reacting. China's initial reaction was muted, as was to the best of my understanding Russia's, which is interesting to us.

I think it is indicative of our transparency and our stated intentions from all levels of the federal government. We told the world what we were going to do. We told them about when we were going to do it, about where. And it turns out that we "hit what we were aiming at."

As opposed to the Chinese, who didn't tell anybody they were going to, outside of—and there were many in their own government who didn't know they were going to attempt and they succeeded in hitting one of their weather satellites.

So their response has been muted. I think that is a favorable reaction, if you will. There was not a significant outcry. I have not been to China since our shoot down. I am looking forward to the opportunity to engage with them on that, because we were very critical of their—the lack of transparency that they demonstrated in their shoot down. So I look forward to the conversation.

Mr. WITTMAN. Thank you, Mr. Chairman. I yield the balance of my time.

Dr. SNYDER. Mr. Taylor, for five minutes.

Mr. TAYLOR. Thank you, Mr. Chairman.

Admiral Keating and General, thank you very much for being here.

Admiral Keating, on page 18 of your testimony, I am quoting, "The Army downloaded APS force stock equipment to support the Iraq-bound Army units."

It is my understanding that the typical National Guard and Reserve unit is operating at about 60 percent of their equipment assignments. If you were to have a running start, although unlikely, but a running start conflict with the North Koreans today, what equipment do you have? What is your equipment percentages on the Korean peninsula?

Admiral KEATING. Would you like—B.B. knows more about it than I do, Congressman.

General BELL. I will take the first part of that.

Our Army prepositioned stock (APS) force stock on the Korean mainland, which I control, run by the Army Materiel Command, is in top-notch condition. I have tested it. I have brought Army troops over from the continental United States, drawn a sampling of that equipment, taken it to the range and shot it, interviewed the troops myself at your encouragement, and I was very, very pleased.

So on the peninsula, we are in good shape. Our issue, of course—

Mr. TAYLOR. General, what does good shape translate to percentage wise?

General BELL. We have 100 percent of our combat equipment. We have 96 percent of all the equipment authorized. And it is at 97 percent operational readiness rate.

Mr. TAYLOR. In the entire Pacific Command, given, again, hopefully, a very unlikely scenario, the Chinese move on Taiwan, how would you rate your equipment stocks, Admiral?

Admiral KEATING. The Navy and Air Force equipment stocks are at 100 percent, and with commensurate readiness levels for that equipment. The Marine Corps has used one of their two afloat preposition ships and are replenishing that as we speak. So Air Force and Navy are at 100 percent and Marine Corps is at 50 percent and climbing.

Mr. TAYLOR. If you were in a position to request assets and you were offered either two DD1000s or five DDG51s with enhanced radars, and you were given one or the other package to take for your command, what would you prefer to have?

Admiral KEATING. Five over two.

Mr. TAYLOR. Is there anything in particular about the 51—I am sorry, about the 1000, that is of particular interest to the Pacific Command? Or to take it a step further, in your opinion, should you and I be fortunate enough to have this job for another 10 years, would you rather have the 1000 or a nuclear-powered cruiser? I realize this is not something that is going to happen overnight, but it is something that your successor—

Admiral KEATING. Yes, sir. I would recommend the 1000. I have had the benefit of deploying on nuclear-powered aircraft carriers and have enjoyed the advantages attendant to that nuclear power plant, Congressman. But for a cruiser with the logistic capabilities that are resident in the Navy today, I do not think that nuclear power for a cruiser is as important as the other capabilities that might be resident in the E1000.

Mr. TAYLOR. Can I remind you of your earlier statement, about the need for the fleet to pull into port because it was low on fuel? Would that happen with a nuclear cruiser?

Admiral KEATING. It is less likely to happen with a nuclear cruiser.

Mr. TAYLOR. Would Admiral Houser have sailed into the typhoon off of the Philippines at Christmastime of 1944 if his destroyers were full of fuel?

Admiral KEATING. It would not as likely have happened with nuclear power.

Mr. TAYLOR. Okay.

Thank you very much. Thank both of you for your service. And if there is—and again, I am concerned. There are obviously the known costs of this war. Kids lying up at Walter Reed, Bethesda, kids at Arlington. I am concerned of the unknown costs of this war, as far as equipment being worn out and not replaced. And I would hope that in your leadership capacities, you would make us aware of what needs to get done.

Admiral KEATING. Yes, sir.

Mr. TAYLOR. Thank you very much.

Thank you, Mr. Chairman.

Dr. SNYDER. Thank you.

Mr. Forbes, for five minutes.

Mr. FORBES. Thank you, Mr. Chairman.

Admiral, thank you for being here. And General.

Admiral, I have two questions for you, both of them relating to China. The first one that has been a concern of our committee is, obviously, our flagships are sending our carriers anywhere around the world, and the carrier groups that are there. We are sending one of the most expensive assets we have any time we have a conflict. And we are loading it with thousands of the best men and women we have and some of the most expensive airplanes.

One of the threats to those carriers are the threat-d missiles, particularly the Sizzler. And we know that China has armed their submarines with those missiles now. We also know the Russians are trying to sell them on the world scene, perhaps even to countries like Iran, even though we don't know that for certain.

The question I would have for you related to that particular missile is, are we confident now that we can stop it? We put a \$10 million add in the budget last year to make sure we could develop the defense, and as I understand it we won't have that defense ready until 2014. Is there anything we can do from this committee in terms of either scheduling or funding that could help ratchet that time period up? That is the first question I have.

And the second one relates to the March 22nd referendum that is going to take place in Taiwan. You and I have talked about this before, but, you know, everything we have heard from our Taiwanese contacts, be they political or military or academic, is that they may take some kind of action, depending on how that referendum might come out. Can you just give us your assessment of what that looks like and what that particular action could be if China were to react?

Admiral KEATING. Yes, sir.

On the first question, Congressman, I recently appeared before the Joint Chiefs of Staff to express Pacific Command's concern for our electronic warfare, electronic countermeasures status. It is of concern to us in the Pacific Command, principally because of People's Liberation Army, Navy and Air Force developments.

We talk about area denial weapons and anti-access weapons. Included in that arsenal are the weapons that you are discussing.

The Department chooses where to spend its money, of course. Any and all emphasis we can get from you to improve the status of electronic warfare, research and development would be appreciated. The missile you described in a very sophisticated piece of hardware and we are currently not as capable of defending against that missile as I would like.

On the Taiwan referendum, which is in two weeks, I guess, on the 22nd, the indications we get, Congressman, are the referendum will fail. We hope it does, frankly. If it passes, China will likely take some to significant umbrage at the passage and their response is unpredictable.

We are prepared for various alternatives at the Pacific Command, military options. We have forces that are positioned in anticipation of potential activity. I do not foresee it happening, but the Chinese have made it clear to us that they view this ref-

erendum with some concern. Should it pass, their response is unpredictable and it could potentially include a military option.

Mr. FORBES. One follow-up question to that, back on the Sizzler. The \$10 million that we put in the budget that we did direct toward developing a defense for that, is that adequate in terms of dollars? What is it that is delaying us until 2014? Some of us are a little bit uncomfortable going from now to 2014 not having a defense that we feel comfortable with on that missile.

Is there something we can do in terms of increased funding that would assist that, directed at that defense? Or is there something we can do to help in the scheduling that might ratchet that up from 2014 to a closer time period?

Admiral KEATING. Congressman, let me take that one and get you a specific response. Beyond my—we could use anything we can get as soon as we get it, which is not satisfactory. It happens to be the truth. But let me get you a detailed response as to what activity—what action your committee could take that would be helpful in terms of funding and priorities and timelines.

[The information referred to can be found in the Appendix beginning on page 127.]

Mr. FORBES. Thank you Admiral.

Thank you General.

Mr. Chairman, I yield back.

Dr. SNYDER. Mr. Ortiz for five minutes.

Mr. ORTIZ. Thank you, Mr. Chairman.

Thank you so much for joining us today. Good to see both of you.

Admiral Keating, with the Global War on Terror focused on the Central Command area of responsibility, and I know it is a huge, huge area, but we do have efforts to defeat the war on terrorism. And I know that fortunately this area of responsibility includes the Philippines and Indonesia and other areas now.

How do we do to defeat this huge problem that we have? And are you happy with the tools that you have?

Admiral KEATING. It is our number one challenge, Mr. Congressman, the struggle against violent extremists in the Asia Pacific region.

I am more concerned with that than I am with, let's say, North Korea or the People's Republic of China or any—it is my number one concern, our number one concern.

The progress we are making, I think, is significant. There is, of course, much yet to do. We are undertaking as broad an effort as I think we can. It is not just military only. It is an interagency, interdisciplinary, inter-governmental approach. And we are also emphasizing this to our commercial partners.

A simple example is the Container Security Initiative. The more secure each of these systems is and the more interlocked those systems are, the greater the chance that the terrorists will be unable to prosecute their attacks, the tougher it is for them to move around, and the more demanding it is for their suppliers to get them money and logistical support.

So it is hardly a United States military initiative only, though we are as often as we can taking the lead. Examples include the 500 special forces we have in the Philippines. Examples include the support we are giving to Indonesia and Malaysia and Singapore for

counterterrorism efforts in their country, the support that we are providing countries who aren't quite so prominent on the radar scope, like Vietnam, Laos and Cambodia. In each of those cases, we are providing training, we are providing information and, in some cases, sanitized intelligence, all intended to make it tougher for terrorists to move around, tougher for terrorists to seek sanctuary and to find sanctuary, and tougher for their supporters to get them the supplies that they need.

Mr. ORTIZ. Is your budget adequate to address those issues that you just mentioned?

Admiral KEATING. Congressman, it is.

Mr. ORTIZ. You know, one of the things that I worry about is that if we have to respond to those areas, one of the concerns that I have is sustainability. Are you satisfied with what we have, to be able to sustain those troops in case there is an emergency there, in case a conflict arises? Because I know in that area, you know, fuel has become a very precious commodity, especially at over almost four dollars a gallon.

So do you think you will be able to sustain your troops if the need came to that?

Admiral KEATING. We do, Congressman. We assess and reassess and reassess constantly, on a daily basis, in our headquarters. And I report my evaluation to the Secretary of Defense on a monthly basis. Our assessment today reflects the state of affairs since I have been in command, and that is we are adequately resourced to meet the requirements that are levied upon us.

To be sure, and as we mentioned earlier, we would have to make adjustments to the execution of some of our plans, and we would take a little bit longer in the achievement of success—as we achieve success. On the sustainment piece, we have been able to reinforce the stocks ashore and afloat and, as referenced in Congressman Taylor's question, and we are—for example, we have two carrier battle groups forward-deployed today. We have six B-52s in Guam. There are three B-2s remaining there. We have an SSGN, one of the new Tomahawk-shooting ballistic submarine boats, former ballistic missile boats.

So we are adequately resourced to be able to provide the sustainment that the troops need.

Mr. ORTIZ. My time is about up now, but I want to thank both of you for your service to our country and thank you for the great job that you all do.

Thank you, sir.

Dr. SNYDER. Mr. Akin for five minutes.

Mr. AKIN. Thank you very much.

You are all very patient. I think we have had a few interruptions.

But just to get to the point and maybe give you about the third kick at the cat, General Bell, but we had a fantastic congressional delegation (CODEL) looking at missile defense and also a visit to South Korea. And you made the points there, and you have made them here this afternoon, the geopolitical importance of what is going on.

And it seems to me that what you are saying is, if you could use South Korea the way the basing is set up so that people could take

their wives and kids and all, it solves a number of different problems. What are, first of all, the immediate benefits for doing something like that?

General BELL. Well, the immediate benefits of having our families with us, of course, it makes us a happier military. Nothing makes a service member less happy than being separated from his or her family.

Clearly, with the combat rotations that we have now and the fact that we are a volunteer force, these rotations are very complex for all of our service members. So the immediate benefit would be to slow that process down.

Mr. AKIN. So it helps in the operational tempo thing, which is a problem all across the board for us, right?

General BELL. Operationally, it would help me because if I have a service member there, like in Europe or Japan, for three years instead of one year, not only do I have stability in the ranks, but I have got an experienced service member who doesn't have to re-learn everything once a year after an exercise. So operationally, it is of great import.

So just from a force readiness and a compassion perspective, having your families with you is a very important matter overseas.

I think it also sends a very powerful message of commitment to our allies and to our friends and partners in the region. If we are willing to have our families with us, then we must be committed. And we are committed. By not having our families there and having one-year short rotations, it argues that we are waiting for something to be over and then we will be done with it and leave because of the kind of rotations that we currently have.

So I would like to end that process and establish some kind of permanent approach to our garrisoning over there. And I think we will all win from it. I know we will. There will be a fiscal cost, but it is moderate at worst, and I think with host nation resourcing that it can be mitigated very well over about a 10-year period, and that is what I am advocating. A 10-year transition period, not something next Thursday.

Mr. AKIN. So if you did have a 10-year transition period, as you are talking about, would it be possible then to start increasing the number of families who have wives and kids? In other words, you build some facilities, you could bring some in—

General BELL. Absolutely.

Mr. AKIN [continuing]. And as you build more—and I think you said that the South Koreans have already partnered with us. They have got some real estate that they have got laid out. They are going to help with it. So it is a matter of us just finishing our commitment to that project. Is that correct?

General BELL. Yes, sir. They are aggressively pursuing their end of the bargain already. They have spent about \$2 billion cash. They are committed and the commitment is not against dollars. It is against projects. But it is about \$7 billion to \$8 billion total that they are helping us in our move.

Mr. AKIN. What do we need, just to sort of cut to the chase here, what specific thing should we look for in the budget to see—or do we need to put in the budget—what authorities do you need? First

of all, you need some TRICARE, so you have got some kind of a medical plan over there. Is that correct?

General BELL. The first thing I need, Congressman, is a policy decision in the Department of Defense, and I am working with DOD, because there are a lot of ramifications for this. And as of this moment, that policy decision has not been completed. So I am arguing for it, but without the correct policy with regard to stationing, then certainly I am limited in what I can do.

But I can do some things myself, and I have. For example, I can increase command sponsorships for those service members who are currently authorized over there and allow some additional families as far as the facilities that I can procure. So I need more child development centers. I need more DOD school systems. I need more medical facilities, certainly, to do this. And I would put that in place over a period of 10 years.

And I think as we ramped up with our families, about 17,000 additional family members, potentially, I am not sure that many would actually show up, but that many possibly, over a 10-year period, is about 700 or 800 a year, and we can easily absorb that in our maintenance and building programs, in my view. And after 10 years from now, we will have a fully functioning, three-year command sponsorship tour over there.

Mr. AKIN. And that would certainly show a good commitment to the Koreans that have been with us—

General BELL. It would.

Mr. AKIN [continuing]. Ever since Vietnam and every other place. They have been a good ally, as you have mentioned, and it does send a message to the entire region.

I just hope that you know you have got some good support for that from members of the committee here. Certainly Congresswoman Tauscher, who led the CODEL, I think is very much onboard, and a number of others. So we want to try to see that. It seems like a good, logical investment overall.

General BELL. Thank you, Congressman.

Mr. AKIN. And, again, I want to just thank everybody here for your service and your good work and all. So thank you for the afternoon.

Dr. SNYDER. Thank you, Mr. Akin.

I am going to take my five minutes now.

Admiral Keating, during the last vote, several series of votes, I happened to run through the cloakroom over there, and once again there was more cable news discussion of Admiral Fallon's resignation.

You know, I didn't know him well, personally. We always enjoyed the exchanges with him here. And so I have two emotions. One of them is sadness, because I have such great respect for this very small number of people that occupy the niche. I guess, what, five? Are there five of you combatant commanders?

I mean, since the time I got here, I remember having a discussion with Ron Dellums, you know, the big Oakland radical who came out here, Oakland radical self-described.

And after I had been here a few months, you know, I grabbed him after one of these hearings and I said, "These guys, these combatant commanders, who are these guys?" And Ron said, "I go back

home and talk to all my friends and I say these guys are the pinnacle of what America has to offer.” And I still believe that, and I include you in that group.

Admiral KEATING. Thank you.

Dr. SNYDER. So it is with great sadness that I see that Admiral Fallon left.

And the other emotion—and maybe it was completely appropriate for him to leave. I don’t understand. I can’t see through the dark glass. But from this perspective, we get apprehensive about what does this potentially mean when we have a fellow that we did have great respect for, still have great respect for, who we valued his candor, both in private and publicly.

So my question for you is, recognizing it is a delicate question for me to ask you, but what kind of apprehensions or concerns does it create for you as a combatant commander in terms of, as you look at what you are supposed to say either here at this hearing or as the press grab you walking out of this room or the kinds of lengthy interviews that apparently led to the magazine article? Any comment you want to make or not make, I would appreciate.

Admiral KEATING. Yes, sir.

Admiral Fallon is a good friend. I worked for him and with him for decades and, like you, I am sad that he is leaving the service, period.

I feel no apprehension, Congressman, in my current position, as to my ability or my responsibility to express opinions dissenting or supporting for administration policy or departmental policy. I promise you, I come in here without any muzzle, either implicitly or explicitly applied by any of my superiors.

I have had the good fortune of spending some time with the President and at the National Security Council, in the Department of Defense with all manner of officials, and never once has there ever been an intimation of any desire to restrict my ability to express my personal and professional opinion. So I have no apprehension at all, sir.

Dr. SNYDER. I appreciate your comments.

I want to shift and ask a specific question which, coincidentally, is related to Admiral Fallon’s testimony here within the last week.

He testified in response to some questions, first from Congresswoman Sanchez and then I think from Mr. Thornberry, that he felt that right now, today, in addition to the 3,400 or 3,500 Marines that are coming onboard in Afghanistan, that he needed 2,000 additional Marines.

The following day, I think it was the following day, the commandant of the Marine Corps was sitting where General Bell is, and I asked him, “Do you have the ability to provide 2,000 additional Marines?” And he said he did not.

You were quoted not all that long ago in a “Boston Globe” article saying, I will just read your quote as they quoted you, “We have had to adjust our strategic plans a little bit because of the 30-some thousand Marines and soldiers who ordinarily are in our area but are not.” That was your quote, “who are ordinarily in our area but are not.”

My question is, I assume if somebody called you up and said, “We need 2,000 more Marines from your area,” that that would

put—I mean, you have some apprehension about the troops that already are not there, that that would not be a very favorable thing or request for you to hear. Is that accurate?

Admiral KEATING. As far as it goes, Congressman.

I certainly don't mean to be coy, but I have got 2,000 Marines. I have got 280,000 in the Pacific Command bag, if you will. So if we had a crisis, running start or no, and X number of forces were required, I am confident I would either have them in the Pacific Command or be able to get them, depending on the nature of the crisis.

If it were a significant peninsula issue, we would certainly anticipate a running start for it. But if there were a no-notice attack anywhere in the AOR, I have resources at my disposal immediately that I think are sufficient to immediate need. Two thousand Marines, I could get them today in the case of a crisis.

Dr. SNYDER. You know, that is interesting, in case of a crisis, because this—I think sometimes—well, let me put it another way. To have Admiral Fallon, you know—we talk a lot about we want to hear from the guys on the ground, who are close to the ground, and you are the leadership as close to the guys on the ground—and to have him say, “I need 2,000 more.” He said, “I don't need more than that, but it would be very helpful to have 2,000 more troops.”

Now you are sitting here a week later saying you could come up with 2,000 Marines if you had to. You know, I don't want to get anybody in a box here, but it is concerning to hear that—it was different. The phrasing was not, “Well, we could always use more.” It was, “I need 2,000 more troops.”

Maybe we will leave it there for today, Admiral Keating.

Admiral KEATING. Okay.

Dr. SNYDER. General Bell, I wanted to ask on the issue that Mr. Akin was talking about, and others, with regard to going to the families. I think that is a great direction to move. I think you will find a lot of support for that.

I wanted to go a bit the opposite way. I have wondered, too, if given that these were unaccompanied tours, which do put strains on families, that almost all those troops, I think, are active component forces. Is that correct?

General BELL. That is correct.

Dr. SNYDER. I wondered if it wouldn't be—if there wouldn't be some advantage to go the other way, which is if you are going to have unaccompanied tours, maybe the way to handle that would be to use our Reserve component forces in those positions, where a four-month rotation or a five-month rotation or a three-month rotation or a six-month rotation, where they could come over there, be mobilized. They would not be separated so long from their jobs and families as a Reserve component force.

But obviously you are not moving in that direction. Is that potentially a problem? Is an issue of training part of the consideration?

General BELL. Well, Congressman, you know, we do have a lot of Reserve components committed to our op plan and they train with us frequently. We just concluded a major exercise and had hundreds and hundreds of our Reserve component personnel over there, and they are a key part of our operation.

However, the garrisoning of troops overseas, whether it is for a one-year short tour or a three-year permanent tour or four or five months, while we do that, clearly, in Kosovo today, and we certainly did it in Bosnia and those troops responded magnificently—they were under my command when I was the United States Army Europe commander and a NATO commander.

I believe we are beyond that in the Republic of Korea. The Republic of Korea is not in my view a theater that responds well to short-tour combat-focused rotation today, although we have a threat there, I admit that, not unlike we had in the Cold War with the Soviet Union.

But I think it is in a position now, with the quality of the military, the Republic of Korea, the partnering that we do with them, the regional focus that we have, hopefully, and in the future will have, that it lends itself to the kind of stationing like we enjoy in Japan and like we enjoy in Europe.

And so while I love our Reserve component troops big time, and I have great relationships with them and they are operational forces now, as you well know, they are no longer a strategic reserve, I believe we are best served in Korea with active component, normal three-year rotational forces. That is my assessment after looking at it over there.

I would certainly love to have Reserve components rotate over there any time anybody wants to send them to me, because they are terrific soldiers and sailors and airmen and Marines.

Dr. SNYDER. I understand.

Thank you all for your time today. We apologize for the delay with the votes. We have all been through that before.

General BELL, if we don't see you again, best wishes.

General BELL. Thank you, Congressman.

Dr. SNYDER. I am sorry. I didn't realize Mr. Skelton was here. So you are not off the hook yet.

General BELL. Congressman, the chairman never lets us off the hook, whether we are here or not.

The CHAIRMAN. Thank you.

Dr. Snyder, I appreciate you being able to take over and chair the meeting while I had some very, very pressing obligations.

Admiral, you could come up with 2,000 Marines, right?

Admiral KEATING. Correct.

The CHAIRMAN. Could you come up with 2,000 soldiers?

Admiral KEATING. Yes, sir.

The CHAIRMAN. Three? Three thousand?

Admiral KEATING. Yes, sir.

The CHAIRMAN. How high do I get to go?

Admiral KEATING. Well, I have 280,000 folks in uniform in the Pacific, Mr. Chairman. I certainly don't mean to be glib, but if push comes to shove, depending on how bad the situation is, I can get all of them.

Let me clarify that. It is not so much that I have to go get them. I have got them today.

The CHAIRMAN. Can we talk about China for a minute? You have noticed a distinct warmth with the way you have been treated and accepted. Am I correct?

Admiral KEATING. That is correct, sir.

The CHAIRMAN. China recently, I don't know whether it is in theory or whether there is a requirement, but China recently gave a list of its military increases over the year, purchases over the year, to the United Nations. Am I correct?

Admiral KEATING. That is my—yes, sir. I think you are.

The CHAIRMAN. But this has not been the case before.

Admiral KEATING. That is my understanding, yes, sir.

The CHAIRMAN. Can you read anything or very much into that?

Admiral KEATING. I do not think we should read too much into it. We will see what the Chinese give us. But I don't—I do not think that this will be a revolutionary revelation, Mr. Chairman. I don't think it will amount to much. I hope it does, but I don't think it will.

The CHAIRMAN. We have requested something similar, is that correct, from them? To your knowledge?

Admiral KEATING. I don't know that we have asked for anything of a formal manner from the Chinese. The Department may have, of which I am unaware. But I have asked for that sort of information frequently—well, in two visits and in other opportunities to meet with them, Chairman, but I will find out if the Department has asked for an official declaration by the Chinese.

[The information referred to can be found in the Appendix beginning on page 127.]

Admiral KEATING. Now, they issue a white paper. They have done at least two, the People's Liberation Army, they are relatively small documents. That doesn't make them invaluable, but they are not particularly informative or persuasive.

The CHAIRMAN. Looking to the future with China, do you have future plans on meeting with them, discussing with them, as we speak?

Admiral KEATING. Chairman, we do. As an example, we have the Marine Consultative Committee, which just met last week. Our J5 Major General Conant was our representative there, in Shanghai. The meetings were not a waste of time, but there was little in terms of product that was delivered by the Chinese. And it can be something as simple as the agreement to undertake an incident at sea study. They chose to be not very cooperative on the several issues that we proposed.

I intend to get back there after the Olympics, some time in the fall to early winter, for what will be my third visit. We have exchanges at various levels. Our senior enlisted leader, as I mentioned earlier, Jim Roy, will go to China in the, I think, near future.

But to answer your question, Mr. Chairman, yes, sir, we do have engagement opportunities that are scheduled. We will pursue those vigorously at the Pacific Command. Our various component leaders, commanders, and their forces will visit China and engage with Chinese colleagues as frequently as the Chinese will allow us.

The CHAIRMAN. Have you asked to visit with the second artillery group?

Admiral KEATING. I have. And I was—I did not get permission.

The CHAIRMAN. That is interesting, because our congressional delegation did—

Admiral KEATING. Yes, sir.

The CHAIRMAN [continuing]. This past August.

Admiral KEATING. I should go with you.

The CHAIRMAN. Sir?

Admiral KEATING. I should go with you next time, Mr. Chairman.

The CHAIRMAN. You are invited.

Admiral KEATING. Thank you, sir.

The CHAIRMAN. Does anyone else have any questions for the Admiral or the General?

Well, we can't thank you enough for being with us and for your invaluable service.

Admiral, we look forward to seeing you again.

General Bell, Godspeed.

[Whereupon, at 4:02 p.m., the committee was adjourned.]

A P P E N D I X

MARCH 12, 2008

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

MARCH 12, 2008

FOR OFFICIAL USE ONLY
UNTIL RELEASED BY THE
HOUSE ARMED SERVICES COMMITTEE

STATEMENT OF
ADMIRAL TIMOTHY J. KEATING, U.S. NAVY
COMMANDER
U.S. PACIFIC COMMAND
BEFORE THE HOUSE ARMED SERVICES COMMITTEE
ON U.S. PACIFIC COMMAND POSTURE

12 March 08

FOR OFFICIAL USE ONLY
UNTIL RELEASED BY THE
HOUSE ARMED SERVICES COMMITTEE

PAGE LEFT INTENTIONALLY BLANK

INTRODUCTION

Mr. Chairman and Members of the Committee:

On behalf of the men and women of the U.S. Pacific Command (USPACOM), thank you for this opportunity to testify regarding the posture of our command and security in the Asia-Pacific.

The region is secure and stable. This year, I have had the opportunity to visit 21 regional nations – more than one-half the total in our area of responsibility (AOR). I also hosted 23 National Chiefs of Defense in Hawaii this past November. From these first-hand experiences, I gained the sense that my counterparts see a secure and prosperous future for the region, particularly if we choose to approach security issues with a collaborative mindset. I share their optimism and a desire to seek multilateral solutions when possible.

2007 was a year of considerable change in the region. Positive economic trends continued for most of Asia, which has three of the world's top 10 economies (Japan, China, and India). The region played a greater role on the global diplomatic stage. Many Asia-Pacific nations improved, and some expanded, their military capabilities as well. All these trends are impacting how nations interact with each other and the U.S. This dynamism and interplay offer more opportunity than challenge but will require our continued, confident leadership and a commitment of resources commensurate with the importance of this vibrant region to our Nation.

Working in this constantly evolving arena, USPACOM forces conducted meaningful military-to-military engagement with regional partners and realized progress in a number of security areas. We improved multilateral information sharing with partners and held the first-ever conference among Asia-Pacific Intelligence Chiefs; enhanced the capacity of our regional partners to counter transnational crime and terrorism; changed attitudes in populations at risk for terrorist exploitation; advanced U.S. and allied ballistic missile defense capabilities; and, mitigated human suffering in the wake of natural disasters. Our military accomplished all of these things, and significantly, they did so in full cooperation with our embassy country teams, allies, and partners.

Outside our AOR, Pacific-based forces continue to serve with surpassing distinction in Iraq and Afghanistan. Next year, we expect to sustain about 30,000 USPACOM-assigned personnel in the USCENTCOM AOR. Many Asia-Pacific nations have made and are still making significant contributions to our efforts in the Middle East, including Australia, Japan, Republic of Korea, Thailand, Singapore, Fiji, Mongolia, Tonga, and New Zealand. Having visited our people and partners in Iraq, I assure you USPACOM forces on the ground are confident, believe in their mission, and see progress being made. I could not be more proud of them and their families.

Based on my first-hand observations, there are several key assessments that merit upfront consideration. In the main, they convey the progress and challenge of the past year.

We welcomed new, democratically-elected leaders in several allied nations - Australia, Japan, the Republic of Korea, and Thailand. From USPACOM perspective, elections reaffirm the strength of these governments and our alliances. While we build new relationships on a personal level, we retain policy alignment with our allies.

In Northeast Asia, our alliances with Japan and the Republic of Korea remain indispensable to peace and security. Resolute action by both allies kept Six-Party talks on track and the goal of a denuclearized peninsula within the realm of the possible. Military transformation and realignment in Japan and the Republic of Korea continue on planned timelines. The allies also made major contributions to the protection of our people and resources with upgrades to missile defense capabilities.

This year demonstrated that our military-to-military relationship with the People's Liberation Army (PLA) is not to the level we desire. Progress was decidedly uneven. We saw positive outcomes from senior-level visits but also experienced the perplexing cancellation of some routine activities. Nevertheless, improving the interaction between USPACOM and the PLA is critically important – in terms of maintaining stability across the Taiwan Strait and in assuring regional nations. For our part, we will continue to pursue a mature, constructive relationship with Chinese counterparts. We view the effort as the best means to reduce the chance of miscalculation, increase our mutual understanding, and encourage cooperation on areas of common concern.

That said, I remain concerned about Chinese double-digit growth in annual defense spending and investment in systems which threaten Taiwan and our own capabilities. Consistent with U.S. policy and legislation, USPACOM is encouraging Taiwan to improve its self-defense capabilities and thereby deter potential PRC aggression.

Southeast Asia remains the central front against terrorism in the Pacific. The Armed Forces of the Philippines (AFP) sustained its momentum against terrorism in the southern Philippines. Of special note, civic action-type activities by the AFP reinvigorated a healthy relationship with the local populace. This bond between the people and security forces has created a southern Philippines far less susceptible to extremist influences.

USPACOM interaction with the Indonesian Armed Forces (Tentara Nasional Indonesia or TNI) remains positive and encouraging. We see no surer sign of Indonesian commitment to professionalize its military than their request for U.S. assistance to improve TNI Enlisted and Non-Commissioned Officer (NCO) training. Of global significance, Indonesia, in partnership with Singapore and Malaysia, and most recently Thailand, is markedly improving maritime domain awareness and law enforcement capabilities in the strategically vital Strait of Malacca.

U.S. – India military-to-military activities continued on an upward vector this year. From my discussions with Indian leaders, it is clear we share many of the same security concerns in South Asia and the broader Asia-Pacific-Indian Ocean region. We agreed to work toward more mature interaction in the areas of maritime security, counterterrorism, and humanitarian assistance.

Political conditions in Fiji and Burma are unsatisfactory. In the case of Fiji, with a return to a democratically-elected government, USPACOM would welcome a quick renewal of our previously strong military-to-military ties.

These impressions highlight the security landscape of the Asia-Pacific. We have in place key elements to enhance regional stability and advance U.S. security interests – healthy alliances, opportunities for new partnerships, combat ready and agile forces, and committed Soldiers, Sailors, Airmen, and Marines to lead our efforts. As we move forward, our initiatives are organized across four priorities – Warfighting Readiness, Presence and Force Posture, Regional Engagement, and Quality of Life.

Warfighting Readiness

First and foremost, USPACOM is a warfighting command committed to maintaining preeminence across the full spectrum of operations. We are ready to fight and win, and to dominate in any scenario, in all environments, without exception.

War on Terror in the Pacific. We will win the current War on Terror. In coordination with the Office of the Secretary of Defense, the Department of State, and our U.S. Ambassadors, we continue to work with and through our regional partners to combat violent extremism and transform at-risk environments. We are making progress in the War on Terror, particularly in the Philippines.

Through **OPERATION ENDURING FREEDOM – PHILIPPINES (OEF-P)**, USPACOM forces, predominantly from Special Operations Command Pacific (SOCPAC), advised and trained Philippine allies in counterterrorism operations and activities. Our efforts have served to both enhance Philippine ability to conduct sustained direct action against terrorists and to build their civic action capacity to mitigate terrorist support within the community. In 2007, the Armed Forces of the Philippines, with U.S. support, conducted continuous counterterrorism/civic action operations for eight months. In addition to killing or capturing several high-value individuals and their followers, the AFP rebuilt a cooperative market; constructed new schools, clinics, and community centers; and brought solar-powered electricity to multiple locations in the Sulu Province. As a complement to OEF-P, USPACOM has increased levels of Civil Military Operations activity in BALIKATAN, our major annual exercise in the Philippines.

With assistance from our allies, especially Australia, Japan, and South Korea, OEF-P future operations will continue to build AFP capacity while setting conditions for expanded operations in Central Mindanao. We will also continue to encourage multilateral cooperation, in particular among the Philippines, Indonesia, and Malaysia, to disrupt terrorist activities and transit in the shared maritime space of the Celebes and Sulu Seas.

In **Indonesia**, we witnessed no significant increase in terrorist activity. We are encouraged by the success of the Indonesian National Police in countering Jemaah Islamiyah operations, to include the arrest of Abu Dujana.

Our partners in the WOT benefit greatly from continued U.S. military assistance to improve the effectiveness of counterterrorism operations. With continued congressional support, assistance will take the form of Theater Security Cooperation activities, Security Assistance, Defense Security Cooperation Agency-led Philippine Defense Reform, and capacity building authorities.

NDAA Section 1207. The Department of State, led by our embassy country team in the Philippines, seamlessly integrated with USPACOM efforts through the Southeast Asia Tri-border Initiative (SATI). Enabled by section 1207 authority, \$16.9M toward SATI will considerably expand economic development in the region as well as improve responsiveness of regional military and law enforcement forces, a tremendous complement to ongoing regional efforts to combat terrorism and transnational crime.

NDAA Section 1206. With congressional 1206 authority, USPACOM also contributed more than \$64M in FY07 toward increasing maritime security capacity in Malaysia, Indonesia, the Philippines, and Sri Lanka. In FY08, we intend to build upon these initiatives by enhancing capabilities of partner nations to monitor and control areas in and around borders that may be used to transport, shelter, supply, or finance terrorist organizations.

Sections 1207 and 1206 authorities, executed in full cooperation with the Department of State and our regional Ambassadors, are highly effective tools to build regional capacity and

undermine terrorism in Southeast Asia. USPACOM thanks the Congress for supporting these authorities and recommends making them permanent.

Joint Interagency Task Force West (JIATF West) counterdrug operations support War on Terror objectives. Importantly, JIATF West, with a focus on the global drug threat, is able to achieve a high degree of law enforcement cooperation with regional partners, a level of cooperation that would not be possible with a singular counterterrorism agenda. Enhanced law enforcement cooperation has proved beneficial in countering all transnational threats, including terrorism. The command successfully applied NDAA Section 1022 authority to support counterterrorism law enforcement by providing training for bomb blast investigations and evidence collection in Malaysia and the Philippines, respectively. JIATF West was the only entity to apply this provisional authority, and we would welcome continued authority in the future.

The warfighting landscape today also includes significant nontraditional, transnational security threats. Drug trafficking is a key concern in the Asia-Pacific, as a threat to the human condition and as enabler for other security threats. In 2007, JIATF West, in cooperation with our embassies and partners, achieved important successes. Focus remained on areas where crime-terror linkages exist or are likely to emerge: the Philippines, Indonesia, Malaysia, and Thailand. The Interagency Fusion Center program – a key element of our assistance portfolio – played an integral role in a recent high-profile case. Last October, the Indonesian National Police used the Jakarta Interagency Counterdrug Operations Center to support raids and post-seizure analysis on a large crystal methamphetamine laboratory, estimated to be the world's fifth largest, and its

support facilities on the island of Batam, located at the southern entrance to the Strait of Malacca. This capability will prove increasingly beneficial to partner nations as they combat all aspects of transnational crime and terror networks.

JIATF West successes to date highlight the benefits of expanded but targeted congressional authority. As a logical and important next step, USPACOM advocates for NDAA Section 1033 authority, which would allow JIATF West to equip security forces, in key countries of concern – the Philippines and Indonesia.

While USPACOM forces will continue to be called on to execute a full-range of military missions, security and stability in the region depend on our readiness to dissuade, deter, and if necessary, defeat any adversary who chooses to operate on the high end of the spectrum of conflict. We must continue to posture forces forward, backed up by ready and agile forces in the continental U.S. Intelligence, Surveillance, and Reconnaissance (ISR) assets must be sufficient to maintain situational awareness. Our maritime, air, and ground forces must have the capability and capacity to prevail in a warfighting environment in which potential adversaries are rapidly closing the technological gap. Ensuring the survivability of our networks, both military and those commercial networks that support military operations, is becoming increasingly critical in a battlespace sure to place additional emphasis on the domains of space and cyberspace.

USPACOM requires **pervasive and persistent surveillance** to understand adversary plans and intended actions. The size of our theater and scarcity of available assets hampers opportunities to shape the environment. To improve this situation, USPACOM would welcome

new resources – new sensors to increase dwell and access to potential adversary territory and communications and more human intelligence. These capabilities are critical to preventing strategic or tactical surprise.

Implementation of Joint Intelligence Operation Centers (JIOCs) has become key to synchronizing operational requirements with national and service intelligence providers, particularly those requirements that support indications and warnings analysis.

Communications System. USPACOM requires reliable, secure, and interoperable communications systems to provide the foundation for command and control. Robust information networks enable information sharing and collaborative planning across the full spectrum of joint and multinational operations throughout the Asia-Pacific region. We must invest appropriately to preserve critical communication capability and capacity. USPACOM concentrates its effort on sustaining required levels of communication assurance despite existing limitations. However, long-term success depends on collective action by the Department of Defense and the Congress.

Satellite failures as well as funding cuts and delays in follow-on SATCOM systems have reduced availability of Military SATCOM. USPACOM is engaged with the national satellite community to ensure satellite and terminal programs are synchronized and address this availability gap.

The DOD communications infrastructure continues to be vulnerable to cyber exploitation and attack. USPACOM works daily with Joint Task Force-Global Network Operations to defend the Global Information Grid against cyber threats. Critical C2 networks must be proactively defended to ensure confidentiality and integrity of the information. The mitigation of computer network vulnerabilities is a top priority.

Expanding coalition communication networks is essential to support USPACOM missions. USPACOM fully supports the Assistant Secretary of Defense for Networks and Information Integration and the Joint Staff implementation of a Multinational Information Sharing (MNIS) program. The goal of this program is to build and sustain a single network that supports multinational information sharing requirements.

Undersea Superiority. Continued improvement of air, surface, subsurface, C4I systems and acoustic modeling and navigation charts through oceanographic surveys, and cooperative training and operations with partners and allies will enhance our ability to operate effectively in the maritime domain. However, in the face of fast-paced PLA-N modernization and their ever-expanding area of operations, anti-submarine warfare remains a challenge and is the number one priority for U.S. Pacific Fleet. Maintaining an operational advantage also requires rigorous training at sea, before deployment in the AOR. Without the exemption recently granted by the President, the restrictions placed on use of active SONAR in the waters of Southern California would have presented a significant training challenge for our maritime forces preparing for deployment in the Western Pacific.

Continuing to balance the risk between today's fight against terror and the need to maintain the readiness of our forces to dissuade, deter, and if necessary, defeat potential high-end adversaries is perhaps the single greatest military challenge faced by our nation's leaders. USPACOM is achieving an acceptable balance in this regard but we must work at it, constantly mitigating shortfalls by making adjustments with our resources or in coordination with other geographic combatant commanders.

Combating Weapons of Mass Destruction capability in the Asia-Pacific is another warfighting priority. Along with allies and partners, the centerpiece for our activity remains the Proliferation Security Initiative (PSI), which aims to build global capacity to disrupt weapons of mass destruction proliferation among states, and between states and terrorist organizations. Eleven nations within the AOR endorse the PSI (Australia, Japan, Singapore, New Zealand, the Philippines, Brunei, Cambodia, Mongolia, the Marshall Islands, Sri Lanka, Papua New Guinea). We continue work to expand participation during our regional military-to-military engagements.

While a common commitment to counterproliferation is important, we also made gains with the essential next step – exercising counterproliferation capabilities. In October 2007, Pacific Command forces participated in a Japan-hosted PSI exercise that included units from Australia, New Zealand, France, Singapore, and U.K, as well as observers from some 30 additional countries. Japan's exercise demonstrated a full range of counterproliferation actions, from law enforcement and customs actions to maritime interdiction. On the domestic front, Pacific Command participated in the Homeland Security Department's Exercise TOPOFF 4 and tested and refined our full range of existing procedures for managing a domestic terrorist WMD

event. In September 2008, USPACOM will participate in another PSI exercise, the New Zealand-hosted exercise MARU.

Pandemic Influenza (PI). Pandemics can be difficult to predict. Should a PI contingency develop, USPACOM has a robust plan in support of our national strategy for a pandemic influenza (PI) response and is prepared to support lead agencies (Department of Homeland Security, and Department of Health and Human Services, U.S. Department of Agriculture, and Department of State) at a national level. This past year, in addition to an internal, no-notice planning and response exercise, we conducted our most comprehensive PI exercise to date, with participation from all USPACOM Service components and representatives from the State of Hawaii, U.S. interagency, and international humanitarian communities. The exercise, TEMPEST EXPRESS 13, tested strategic and operational level civil-military coordination mechanisms. We also collaborated with the Centers for Disease Control and Prevention to hold “Laboratory and Rapid Response” train-the-trainer workshops with participants from Bangladesh, Cambodia, India, Indonesia, Laos, Thailand, and Vietnam.

FORCE PRESENCE AND POSTURE

U.S. force presence and posture – in Japan, Korea, and across the Asia-Pacific AOR – has long been a guarantor of peace and stability in the Asia-Pacific. We will continue to position our forces in theater to optimize agility and flexibility, ensure rapid response to crises, and provide the force presence that both assures allies and partners and dissuades and deters threats to security. We will remain a force ready and a force present.

The **Defense Policy Review Initiative (DPRI)**, launched by the Secretary of State and Secretary of Defense with their Japanese counterparts in December 2002, serves as the framework to manage U.S.-Japan alliance transformation and posture realignment. Major elements of DPRI include plans to relocate the functions of two U.S. air bases from urbanized to rural areas; relocate over 8,000 Marines from Okinawa to Guam; co-locate U.S. and Japanese command and control capabilities; deploy U.S. missile defense capabilities in Japan, in conjunction with Japan's own deployments; and improve operational coordination between U.S. and Japanese forces. These activities will strengthen capabilities and maintain deterrence in the region while reducing impacts of U.S. presence on local communities in Japan.

Since implementation details were agreed to in May 2006, progress has been made in all priority areas. Most notably this past year, the Japanese Diet approved a comprehensive legislative package that provides financial incentives to local communities and authorizes financing to build housing on Guam for Marines relocating from Okinawa. Additionally, the Government of Japan initiated the environmental assessment so that construction of the Futenma Replacement Facility (FRF) on Okinawa can progress. The completion of this facility is critical to finalizing our force posture changes in Guam by 2014. Currently, we are on schedule to meet construction timelines on this and other major DPRI-related facilities throughout Japan.

USMC Relocation to Guam. The rebasing of 8,000 Marines and their dependents from Okinawa to Guam remains a vital component of USPACOM engagement with the GOJ and a

cornerstone of continued US force projection capability. This action will return desirable land to Japan while enhancing the flexibility of the forward-based Marine presence in the USPACOM AOR. The Joint Guam Program Office, led by the Department of the Navy, is managing all aspects for this relocation effort. Rebasing beddown alternatives have been finalized, and we seek to begin upgrades to the military infrastructure, housing, and training facilities on Guam in 2010. The Japanese have reaffirmed their commitment to bear approximately \$6 billion of the cost for facilities and infrastructure. USPACOM advocates for similar resolve within the Department of Defense and the Congress in shouldering the approximately \$4 billion U.S. share for the Guam posture change. The relocation will be a monumental undertaking requiring maximum involvement from all branches of the military and active participation from numerous federal agencies and territorial governments.

U.S. Forces Korea (USFK) Transformation. On the Korean peninsula, with the full support of the Republic of Korea (ROK) government, we are reducing and consolidating our footprint into two hubs south of the Han River. To increase readiness and boost the quality of life for our Korea-based force, we are considering longer, accompanied tours for our service members.

Over the last year, we have also made strides in formalizing the path to transfer warfighting operational control from U.S. to Republic of Korea responsibility in 2012. With the disestablishment of the U.S.-led Combined Forces Command (CFC), U.S. Forces, Korea (USFK) will become a U.S. joint warfighting headquarters, provisionally-described as U.S. Korea Command (KORCOM), supporting the ROK armed forces during armistice and in war. In order

to succeed, USFK will require significant transformation of the command force structure, logistics architecture, and a robust training and exercise program. We will execute new theater-level exercises, ULCHI FREEDOM GUARDIAN and KEY RESOLVE, to maintain CFC readiness, as well as train, certify, and validate the alliance's new command construct.

Prepositioned Stocks /Preferred Munitions. Due to the time-distance challenges in this theater, USPACOM forces require readily available and properly maintained prepositioned stocks and preferred munitions at the outset of any conflict. During this past spring, the Army downloaded APS-3 afloat equipment sets to support Iraq-bound Army units. This event, in addition to existing shortages in the remaining prepositioned programs, creates a need for close monitoring of the replenishment of equipment and stocks throughout the USPACOM AOR. Also, achieving the appropriate mix and inventory levels of key munitions, particularly GPS-aided and laser-guided weapons, the Guided Multiple Launch Rocket System, Patriot (PAC-3) missiles, Advanced Medium Range Air-to-Air Missile (AMRAAM) version C-7, and the Joint Air-to-Surface Standoff Missile, is imperative.

Missile Defense. To defend U.S. forces, interests, and allies from short and medium range ballistic missiles, USPACOM seeks a forward-deployed, layered, and integrated air and missile defense system that is capable of intercepting threat missiles throughout the entire time of flight. USPACOM has established an initial missile defense capability by forward deploying the Standard Missile 3 (SM-3) aboard U.S. Navy AEGIS ships, integrating a forward-based X-band radar into the Ballistic Missile Defense (BMD) architecture, conducting BMD exercises and training with key partners, and refining the tactics, techniques, and procedures required for

coordination with USNORTHCOM and other Geographic Combatant Commands during the employment of the missile defense system in defense of the U.S. Increased inventories of both PATRIOT PAC-3 and SM-3 interceptors, forward basing of a Terminal High Altitude Area Defense fire unit in Guam, and accelerated development of sea-based terminal and kinetic boost phase interceptor capabilities would effectively build on the initial missile defense capability already deployed in the USPACOM AOR.

As the Government of Japan fields their own national BMD capability with PATRIOT PAC-3 Fire Units and AEGIS SM-3 capable ships, USPACOM will continue to work closely with them to maximize the combined efforts and achieve the most effective capability. As we grow the overall BMD architecture, interoperability will play an even greater role. It is vital to mission success to have communication systems that can not only integrate across the joint spectrum, but also with our partner nations.

Acquisition and Cross-Servicing Agreements (ACSAs) enhance interoperability and readiness, and provide a cost effective mechanism for mutual logistics support between U.S. and allied or partner military forces. ACSAs have been particularly helpful in the conduct of WOT operations. For example, we have made extensive use of the current agreement with the Republic of the Philippines to support the Armed Forces of the Philippines operations against terrorist cells in that country. USPACOM has twelve ACSAs in place. We signed an agreement with Sri Lanka in March 2007 and both the Philippines and Tonga renewed their ACSAs during 2007. Agreements with Fiji and Australia are both up for renewal in 2008. Additionally, we are currently negotiating an agreement with Indonesia and hope interest by Timor-Leste and Brunei

will yield results. We view these agreements as vital in maximizing our interoperability and helping increase the readiness of coalition partners in the Pacific region.

REGIONAL ENGAGEMENT

Our Theater Security Cooperation Plan serves as the primary blueprint to enhance U.S. relationships and military capacities of allies and regional partners. The plan is fully coordinated with our embassy country teams and integrates security assistance, military-to-military exchanges, exercises, cooperative technology development, and outreach programs into a coherent, mutually supportive set of activities for each country, whether ally, partner, or cooperating state.

These security cooperation activities are essential to the success of U.S. national security strategy. For relatively low cost, we have an opportunity to make progress in each of the USPACOM priorities, and facilitate situations in which future security challenges can be met through regional collaboration and capacity.

Japan. The U.S.-Japan alliance is a cornerstone for maintaining a secure and stable Asia-Pacific. Nearly 38,000 U.S. armed forces personnel are stationed in Japan, along with an additional 14,000 forward-deployed personnel. Japan also provides over \$4 billion in host nation support—the most generous of any U.S. ally – and remains steadfast in supporting its share of the costs of alliance transformation.

Transformation of the U.S.-Japanese alliance continues on its positive, steady pace. From the USPACOM perspective, significant changes within the defense organization – a new Joint Staff in 2006 and a ministerial-level defense department in 2007 – strengthen Japan Self-Defense Force ability to defend Japan and demonstrate a desire to enhance cooperation with the U.S. and other regional partners to ensure peace and stability in the region. USPACOM is encouraging more trilateral cooperation between Japan, the Republic of Korea, and the U.S. militaries, particularly in the areas of peacekeeping operations and humanitarian assistance/disaster relief. Increased cooperation in these areas would be beneficial regionally and internationally, much as ongoing Japanese support of the War on Terror continues to be.

Japan continues its full commitment to Ballistic Missile Defense (BMD). During the past year, Japan has fielded its own PAC-3 missiles to defend Tokyo, and has tested SM-3 missiles which will soon be operational in the waters off the coast of Japan, providing additional BMD capability.

Republic of Korea. The U.S.-ROK Alliance remains strong and critically important to stability on the Korean Peninsula. Despite warranted optimism from progress in the Six-Party Talks and Inter-Korea Summit, the alliance remains focused on the most immediate security threat, North Korea. We do not foresee a near-term, overt challenge by North Korea. However, North Korea retains a significant conventional capability with massed forces near the demilitarized zone and a potent missile arsenal. We remain convinced that the strong U.S.-ROK alliance is the key to deterring North Korea.

In recognition of growing military capabilities of our forces, the U.S.-ROK alliance continues to transform to better meet security challenges, both on and off the peninsula. All on-peninsula transformational goals are on track. Regionally, we seek increased partnering with the ROK in counter-proliferation, maritime security, and disaster relief, as well as trilateral military cooperation between the U.S., Republic of Korea, and Japan. This is particularly relevant since our three nations have the financial resources, logistical capability, and planning ability to handle complex contingencies throughout the region. The relevancy of our alliance grows globally as well, demonstrated by ROK contributions to the War on Terror in Iraq and Afghanistan and by the deployment of ROK forces to Lebanon in support of the United Nations Interim Forces in Lebanon (UNIFIL) mission.

Australia is our most steadfast ally, committed to enhancing security, regionally and globally. Australian leadership in the Pacific was noteworthy in 2007. For example, this past year Australia continued to lead the International Stabilization Force in Timor-Leste and the Regional Assistance Mission to the Solomon Islands. The Australia Defence Force also worked with USPACOM on building regional security capacity, particularly in the area of maritime security.

As a sure sign of the enduring nature of our alliance, Australia places major emphasis on advancing interoperability with the U.S. through well coordinated acquisition and training programs. They are a Joint Strike Fighter level three partner and have made great progress in implementing Strategic Level and Operational Level Review recommendations to enhance U.S.-Australia interoperability. Exercise TALISMAN SABRE 2007, our premier high-end combined

warfighting exercise with Australia, was highly successful and validated the U.S.-Australia Joint Combined Training Capability. We are now improving that bilateral capability by increasing the fidelity and numbers of virtual and constructive forces that can be integrated into exercise and training environments. In accordance with the Presidential agreement announced at the last APEC Summit, we are also enhancing cooperation with Australia on Intelligence, Surveillance, and Reconnaissance, and on regional Humanitarian Assistance/Disaster Relief response.

Republic of Philippines. Our partnership with the Republic of the Philippines is central to success in meeting our War on Terror goals in Southeast Asia. With U.S. advice, training, and monetary support, the Armed Forces of the Philippines have had remarkable success against terrorists in the southern Philippines. The Philippine government and its security forces are increasingly assuming a regional leadership role against terrorism and transnational crime. Most noteworthy is the Maritime Security effort in the Tri-border Region (an area shared with Indonesia and Malaysia) to bring security to the Sulu and Celebes Seas and improve economic viability.

Philippine Defense Reform (PDR), an innovative and highly effective approach to building partner capacity, continues to strengthen civilian control over the military, inject transparency into Philippine Department of National Defense processes, and increase the overall professionalism and capability of the armed forces. It is a blueprint by which other nations in the region can model and implement similar efforts.

Thailand. The December 2007 elections and certification of a democratically-elected government has allowed us to move forward – at an appropriate pace – with restoration of our

military relations with Thailand, a major regional ally. For 2008, we place emphasis on completing a fully robust, Thailand-hosted COBRA GOLD, the premier USPACOM multilateral exercise. This annual exercise is a centerpiece for building regional competencies to respond to a wide range of transnational security threats and humanitarian relief contingencies. We appreciate Thailand's important global security contributions in the War on Terror, counter-narcotics efforts, and peacekeeping operations, including an 800-troop contingent to the UN mission in Sudan.

India. Delay with the Civil Nuclear Cooperation Initiative has not adversely affected interaction between USPACOM and Indian military counterparts. Collectively, we see our militaries building a constructive relationship. We foresee great potential for cooperation in areas of counter-terrorism, maritime security, and disaster relief.

During my visit to India in August 2007, the Indian Foreign Secretary, Defence Secretary, and all three Service Chiefs expressed support for our military-to-military cooperation and a desire to increase the quality and complexity of these events in the future. The U.S.-Indian naval exercise, MALABAR 07, which also involved participants from Singapore, Australia, and Japan, is indicative of the kind of progress we seek with our relationship.

Singapore continues to be one of our strongest security partners in Asia and a key coalition partner in the War on Terror. Beyond providing strategic access to ports and airfields for transiting U.S. forces, Singapore cooperates with us on shared maritime security, counterterrorism, and command and control initiatives. In 2007, Singapore broke ground on a

multinational Command and Control Center at Changi Naval Base, which will facilitate information sharing among regional nations and enhance maritime security in the Malacca Strait. Their decisions to purchase U.S. platforms such as F-15 aircraft and Seahawk helicopters strengthen our level of cooperation. Singapore has provided niche capabilities to support operations in Iraq and Afghanistan.

Indonesia. Since the normalization of our military relationship with Indonesia in 2005, we have moved deliberately to upgrade our ties with the Indonesian Armed Forces (TNI). Sitting astride key sea lanes, Indonesia is the largest nation in Southeast Asia and the world's third-largest democracy. We and the Indonesians have a broad range of shared interests, and it is important that our security relationship matures to reflect these shared interests. USPACOM conducted significant military-to-military engagement activity with the TNI in 2007. Two events were particularly noteworthy: a peacekeeping-focused, brigade-level Command Post exercise, GARUDA SHIELD, and the multilateral intra-agency Southeast Asia Disaster Management Conference, which exercised the Indonesian government's ability to respond to disasters at the strategic, operational, and tactical levels. In both evolutions, interaction between the TNI and U.S. military – at all levels – was strongly positive, professional, and marked by a desire to improve peacekeeping and disaster relief skills. Consistent with this view, Indonesia has deployed a second set of troops to support peacekeeping operations (PKO) in Lebanon, recently completed its first PKO course through the U.S. Global Peace Operations Initiative program, and is developing its own PKO center.

In 2008, we anticipate greater Indonesian leadership within our theater security cooperation activities. For example, Indonesia has already agreed to co-host this year's Pacific Armies Management Seminar and the Chiefs of Defense Conference. TNI will also host the fourth maritime trilateral exchange with Malaysia and the Philippines, an effort to improve greater cooperation and security in the Sulu and Sulawesi Seas.

People's Republic of China. Our dealings with the People's Republic of China (PRC) and Taiwan are guided by the Taiwan Relations Act, the three Joint U.S.-PRC communiqués (1972, 1979, 1982), and the one-China policy. We abide by restrictions stipulated in the FY2000 National Defense Authorization Act.

Our military-to-military interaction with the People's Liberation Army (PLA) fell short of expectations this year. We achieved some success with several high-level visits to the PRC, including the Secretary of Defense, Chief of Naval Operations, and two Commander, USPACOM visits. In each case, PLA hosts provided access to platforms and facilities not visited before, and discussions with their senior military leaders were candid and open. However, we saw little change in PRC willingness to conduct port visits, simple exercises at sea, mid-level officer exchanges, or pragmatic interaction like the Military Maritime Consultative Agreement talks – the activities USPACOM views as most useful in reducing the potential for miscalculation and misunderstanding between our forces. The growing PLA military capability remains a concern, and our understanding of PLA intentions is limited.

USPACOM will continue to pursue military-to-military activity with the PLA, with the clear purpose to reduce chances of miscalculation, increase understanding, and create opportunities for cooperation. We seek – in the long term – a mature relationship with the PLA.

Cross-Strait Assessment. Sustaining stability across the Taiwan Strait is a top priority. Vital to preserving this current stability is a credible Taiwan self-defense capability. In accordance with legislation and policy, we make available to Taiwan advice, training, and equipment necessary for a sufficient self-defense capability. Through regular engagement, we have advocated to Taiwan military leaders a variety of defensive measures such as increased joint training, critical infrastructure protection, and capability acquisitions. The Taiwan military has improved its self-defense capabilities considerably.

Consistent with the Taiwan Relations Act, USPACOM will also continue to maintain its own capabilities to defend against any potential military aggression in the region.

Mongolia. Mongolia is an enthusiastic U.S. partner and supports major U.S. security efforts, including the War on Terror and President Bush's Global Peace Operations Initiative. USPACOM remains primarily focused on helping Mongolia transform its military into a rapidly deployable, elite peacekeeping force that is interoperable with U.N. and coalition forces. Our high-tempo interaction in 2007 included strategic dialogue, bilateral and multilateral exercises, security operations exchanges, defense reform, and NCO development. We foresee the Mongolian Armed Forces continuing to participate in international peacekeeping operations and increasingly assisting with Humanitarian Assistance/Disaster Relief efforts.

Russia. USPACOM coordinates all its security cooperation activities with the Russian Far East Military District with USEUCOM, ensuring the efforts of both geographic combatant commands are mutually supportive. Our direct interaction with the Russians this year was positive and helpful, with USPACOM hosting the Far East District Commander's first visit to Hawaii in ten years.

This year we also witnessed a more assertive Russia, particularly in the form of increased and more visible Russian bomber activity in the USPACOM AOR. We do not assess Russian action as a threat, but we prefer to deal with Russia more openly and directly to prevent any misinterpretation. To that end, we encourage Russia to restart the "flight announcement" process. My first trip to Russia is scheduled for summer 2008.

Sri Lanka. We support the Government of Sri Lanka (GSL) efforts to defend themselves against terrorist attacks by the Liberation Tigers of Tamil Eelam (LTTE) but are concerned about GSL withdrawal from the 2002 cease fire, increased levels of violence, and allegations of human rights abuses. USPACOM security cooperation programs focus on institutionalizing respect for human rights, enhancing the Sri Lankan armed forces ability to deter renewed violence, and improving their maritime security capabilities through Section 1206 capacity building authority. We also continuously stress that GSL seek a suitable resolution to the conflict – a solution that meets the needs of the Sinhalese, Tamil, and other communities. Additionally, we are now working with the Sri Lankan military to enhance their nation building and disaster relief capabilities.

Sri Lanka continues to demonstrate support for the War on Terror by providing blanket over-flight and landing rights in support of operations in Iraq and Afghanistan.

Nepal. The uncertainty of the political situation in Nepal caused by delays in the national elections and contentious differences between the ruling party and the Maoists has affected our military-to-military engagement with Nepal. Until the political situation is resolved, USPACOM security cooperation will continue to focus on non-lethal assistance with the emphasis on professional military education, peacekeeping training, and respect for human rights.

People's Republic of Bangladesh. Bangladesh continues to make progress in countering their internal extremist threat. Over the past year, they have brought to justice numerous leaders of various Muslim extremist organizations. Assisting the Bangladesh government to enhance their counterterrorism capabilities is the focus of our bilateral cooperation. USPACOM further seeks to enhance Bangladesh ability to conduct international peacekeeping and to increase capacity to conduct domestic humanitarian assistance and disaster relief missions, which will improve national response in the wake of events like the November 2007 cyclone crisis.

Since the declaration of Emergency Rule in January 2007, USPACOM has remained watchful of the role of the military within the Caretaker Government. We initiated defense sector

reform programs that focused on maintaining a professional military that adheres to human rights and is respectful of civilian control of the military.

Malaysia. Defense ties with Malaysia are strong and improving, best exemplified by a five-fold increase in our ship visit program, acceptance of high-level visits, and Malaysia's partnering with us in numerous multilateral venues. In the last eighteen months Malaysia has co-hosted three high-level major multilateral conferences, including the first ever Asia-Pacific Intelligence Chiefs Conference. This strong relationship is important as Malaysia influences the evolution of ASEAN, demonstrates strong leadership in maritime security, and actively participates in the Non-Aligned Movement and the Organization of the Islamic Conference. Malaysia also continues to lead the peace monitoring mission in southern Philippines and has renewed its contribution of peacekeeping troops to Lebanon.

Vietnam. Our military-to-military relationship with Vietnam has made positive strides in recent months, most significantly in the areas of humanitarian assistance and disaster relief. A beneficiary of the USS PELELIU humanitarian mission, Vietnam also contributed directly to the mission success regionally, providing a medical team on board the ship. During my December trip, I encouraged Vietnam to continue to grow its capabilities in the humanitarian assistance and peacekeeping mission areas. USPACOM also agreed to sustain information exchanges that allow the Vietnamese to better prepare for and respond to severe typhoons. This year we continued our support of the Presidential Emergency Program for AIDS Relief, with the DOD contribution exceeding \$5 million. With this incremental progress, we look forward to increased military cooperation with the Vietnamese, both bilaterally and multilaterally.

Cambodia. Our military relationship with the Royal Cambodian Armed Forces (RCAF) continues to progress steadily. They have shown increased willingness to cooperate closely on counterterrorism, peacekeeping, disaster response, and medical and health related activities. After a 2006 assessment of RCAF requirements, the U.S. delivered 49 laptop computers in 2007 and will deliver 30 2.5-ton trucks in Spring 2008, all from excess defense articles. Reinforcing the positive outcome from last year's first ship visit to Cambodia since the Vietnam War, U.S. Pacific Fleet conducted a second visit in 2007 with the USS ESSEX. The sailors were well-received and completed a robust schedule of medical and dental civic action programs with their Cambodian counterparts. Cambodia was also a recipient of peacekeeping training through the Global Peacekeeping Operations Initiative and sent a platoon to Mongolia for the region's premier peacekeeping exercise, KHAAN QUEST. Cambodia is playing a lead role in the region by conducting Exercise TEMPEST EXPRESS 14 to test and refine national, regional, and broader international mechanisms for disaster and emergency response.

Laos. We are slowly building security-related activities with Laos beyond traditional personnel recovery and humanitarian assistance cooperation. The Lao Peoples' Democratic Republic (PDR) leadership is receptive to increased military engagement, as evidenced by their decision to accept the exchange of Defense Attachés. Engagement activities will be focused initially on English language training for mid-level and senior officers, medical training and avian influenza (AI) preparedness, military cooperation on unexploded ordnance detection and removal, and increased Lao participation in regional conferences and activities. USPACOM remains mindful of the poor past performance of the Lao PDR regarding human rights and reinforces international standards of behavior in all engagement activities.

New Zealand shares many U.S. security concerns about terrorism, maritime security, transnational crime, and proliferation of weapons of mass destruction and delivery systems and cooperates closely with us. They are an active and positive force in Pacific Islands security initiatives, including support to stabilization efforts in Timor-Leste and the Solomon Islands. While the 1987 legislative declaration of New Zealand as a nuclear free zone remains an impediment to bilateral military-to-military relations, we support New Zealand Defence Force participation in approved multilateral events that advance our mutual security interests.

New Zealand remains supportive of coalition efforts in the War on Terror and has extended its lead of the Provincial Reconstruction Team in Afghanistan through at least September 2008. New Zealand also continues to provide excellent support to Operation DEEP FREEZE missions supporting U.S. scientific exploration in Antarctica.

Compact Nations. USPACOM enjoys a special relationship with the three Compact Nations - the Federated States of Micronesia, the Republic of the Marshall Islands and the Republic of Palau. We fully support their initiatives to expand capacity and operations to protect their valuable economic exclusion zone resources. The U.S. Army Pacific Joint Task Force for Homeland Defense leads our partnership with these nations to ensure our mutual defense, as set forth in the Compacts of Free Association. We are grateful for the extraordinary support from the citizens of these nations, particularly those who serve with great distinction in the U.S. military and Coast Guard. The Marshall Islands host the Ronald Reagan Ballistic Missile Defense Test Site, integral to the development of our missile defense programs and conduct of space operations.

Timor-Leste. The recent attempted assassinations of President Ramos-Horta and Prime Minister Gusmao highlight the continued political unrest in Timor-Leste. However, there are several reasons to remain optimistic about the future of this fledgling democracy. This past year, Timor-Leste successfully held its first democratic presidential and parliamentary elections. The Timor-Leste civil-military defense establishment is in place, and their Defense Forces operate under the rule of law. With international support, Timor-Leste is again experiencing the relative stability necessary to begin critical institutional development. Regarding USPACOM interaction, our U.S. security assistance program with Timor-Leste is focused on English language training. We have also recently completed a highly successful port visit and look forward to increasing our engagement opportunities with the Timor-Leste Defense Forces this year.

Tonga. With a military of 600 personnel, Tonga remains an extraordinarily committed U.S. partner in the War on Terror and is a regional leader in peacekeeping operations. Royal Tongan Marines returned to Iraq in September 2007 for two six-month rotations with the possibility of providing additional troop rotations in the future. These efforts and their other regional peacekeeping commitments mean that one-third of deployment-eligible Tongan soldiers are engaged in peacekeeping missions, world-wide. USPACOM security cooperation with Tonga supports their efforts to strengthen and refine the peacekeeping capacity of the Tongan Defence Service through our annual Marine-led exercise, Exercise TAFAKULA and our Global Peace Operations Initiative capstone exercise.

Burma. The policies and practices of the Burmese government undermine regional security through violent suppression of peaceful protests (as observed as recently as September 2007), human rights violations, particularly against ethnic minority civilians, and narcotics trafficking. USPACOM fully supports U.S. policy to increase pressure on the military junta to engage in a credible transition to democracy. Our military-to-military engagement with Burma is limited to coordination of the recovery of missing U.S. personnel, the last activity having occurred in 2004.

Security Assistance. One of the most important features of PACOM theater security cooperation is the security assistance effort we execute in partnership with the Department of State and our embassy country teams. Powerful engagement tools for building security partnerships with developing countries include International Military Education and Training (IMET) and Foreign Military Financing (FMF). IMET advances U.S. interests by educating participants in essential principles of a professional military force. IMET is of life-long value to the participants and the respective regional nations. The program also develops personal relationships among nations in the Asia-Pacific. FMF continues to prove its value in equipping and training regional partners to more effectively contribute toward common security goals. FMF is vital to supporting US coalition partners in the War on Terror, such as the Philippines, Indonesia, and Mongolia. USPACOM countries typically receive less than one percent of the annual worldwide allocation of FMF. Because modest investments in security assistance foster a more secure and stable region, increased funding in this area merits consideration.

Enlisted Leader Development. We place a premium on developing the enlisted leaders of partner nations in the Asia-Pacific. To that end, we are assisting selected countries as they work to create a professionally-committed, competent, and empowered enlisted force. Growing these leaders will contribute directly to a partner nation success across the full gamut of security interests, from the War on Terror to maritime security initiatives.

Joint Exercise Program (JEP). USPACOM joint exercises are tangible and productive elements of our theater engagement strategy and joint training program. Our exercises develop and sustain habitual relationships that promote overall operational effectiveness among USPACOM forces and with the armed forces of other nations and civilian organizations. Exercises also are the primary vehicle we use to improve, demonstrate, and certify the readiness of USPACOM forces and our joint command and control headquarters.

To maximize opportunities for training, we continue to leverage the capabilities of live, virtual, and constructive simulations in all of our training and exercises. These simulations bring greater fidelity and realism to our exercises while preventing increased operational and personnel OPTEMPO. Validation of the Joint and Combined Training Capability, JCTC, program with Australia during exercise TALISMAN SABER was a milestone achievement and showed how effective the integration of live, virtual, and constructive environments can be.

The establishment of the Combatant Commander Exercise Engagement account, CE2, this year, is a significant and welcome improvement. The CE2 account allows the Department of Defense to efficiently and effectively support joint training and exercises. It provides flexibility

to focus support when and where it is needed to meet USPACOM and national security requirements. We appreciate Congress' leadership in establishing this account. Your continued support for the Joint Exercise Program plays a critical part in maintaining security and stability in the Pacific.

Global Peace Operations Initiative (GPOI) is a Presidential and G-8 initiative to build competent and professional peacekeepers worldwide. Within the Asia-Pacific region, USPACOM GPOI program continues to leverage existing host nation programs, institutions, policies, and exercises. Our continued emphasis is on encouraging long-term sustainment of qualified peace support operations forces through a train-the-trainer focus, and ensuring standardization and interoperability by taking a regional approach, and by working within the framework of United Nations Guidelines. This program is one of our key components for fostering military-to-military relationships and in meeting security cooperation objectives among nations within the Asia-Pacific region. USPACOM successes include producing over 1,116 tactical peacekeepers, 272 qualified staff officers, and 145 Trainers available for immediate deployment world-wide. In late 2007, the Philippines and Tonga were added as GPOI participating nations.

In 2008, the USPACOM GPOI program will be fully implemented in Bangladesh, Indonesia, Malaysia, Mongolia, Nepal, Sri Lanka, and Tonga. We expect to train 5,000 peacekeepers. USPACOM, in conjunction with Bangladesh, will host the largest multinational peacekeeping capstone exercise conducted in the Asia Pacific region in April 2008 with all the current regional GPOI partner nations.

Other key programs in USPACOM contribute more broadly to security cooperation by addressing transnational concerns. The periodic deployment of humanitarian missions and outreach organizations like the Center of Excellence in Disaster Management and Humanitarian Assistance (COE) and the Asia-Pacific Center for Security Studies (APCSS) provide expertise and establish enduring relationships between nations of the region. Additionally, the Joint POW/MIA Accounting Command, through the conduct of their important mission, serves as a powerful tool in our efforts to improve relationships in the region, particularly in Southeast Asia, but also in China.

USS PELELIU deployed to the Western Pacific for 120 days from June to September 2007 to perform a humanitarian assistance and theater security cooperation mission, reinforcing relationships and goodwill established during USNS MERCY missions in 2005 and 2006. The Pacific Partnership team of regional partners, NGOs, military engineers, doctors, dentists, and veterinarians provided support to the governments of the Philippines, Vietnam, Papua New Guinea, Federated States of Micronesia, Solomon Islands, Peleliu Island, and the Republic of the Marshall Islands. Together they treated 31,684 medical patients, 4,242 dental patients, 2,614 veterinary patients and completed 42 engineering civic-action projects for the betterment of the host nation populace.

This past summer USPACOM also leveraged the Pacific Air Forces International Health Services to conduct **PACIFIC ANGEL**, a C-17 based humanitarian assistance mission, to the island nations of Kiribati, Nauru, and Vanuatu. In less than nine days, this 50 person team of talented dentists, nurses, surgeons, and engineers cared for over 1800 patients and rehabilitated

three clinics. We will continue similar missions this year, using the unique capability of the C-17 to bring assistance to remote, generally inaccessible Asia-Pacific areas.

Center for Excellence in Disaster Management and Humanitarian Assistance (COE), a direct reporting unit to USPACOM, offers a unique tool in our continuing efforts to promote stability and human security in the Asia-Pacific region. COE educational programs in humanitarian response, peacekeeping, stability operations, and public health engage non-traditional partners from the civilian community and help maintain critical key relationships with our civilian disaster relief partners such as the United Nations agencies, non-governmental organizations, and civilian authorities in partner nations. COE activities also build indigenous capacity and promote consensus on strategies to improve our collective security against the emerging threats of climate change, urbanization, and potential pandemics.

Asia-Pacific Center for Security Studies (APCSS) provides regular executive education to key regional security-practitioner leaders. APCSS has broadened its audience beyond traditional defense practitioners to encompass whole-of-government, non-governmental, and international organizations in order to address complex security issues more comprehensively. During FY07, APCSS held security-related workshops in Cambodia, Nepal, Japan, Bangladesh, and Brunei. Feedback from the region indicates that APCSS Alumni are routinely leveraging the knowledge, skills, and relationships gained at APCSS to make progressive change in specific security cooperation areas.

Joint POW/MIA Accounting Command. USPACOM has no more important and honorable mission than achieving the fullest possible accounting of Americans missing from our nation's conflicts. Our Joint POW/MIA Accounting Command (JPAC) successfully accomplished more than fifty missions globally last year. Additionally, JPAC Central Identification Laboratory identified 62 unaccounted individuals from the Vietnam War, Korean War, and World War II. In conducting its mission, JPAC relied upon cooperation from Cambodia, Vietnam, Laos, the Republic of Korea, Japan, the Pacific Islands, and several countries in Europe.

We anticipate similar results in the coming year. JPAC has also received tentative approval to conduct a recovery mission in the People's Republic of China and to engage Government of India officials regarding potential recovery missions in Northeast India. Operations in North Korea remain suspended, but JPAC is prepared to resume operation once conditions in North Korea are again appropriate.

This year, with the support of the Department, USPACOM will complete the design for a new JPAC headquarters at Hickam AFB. In FY10, we will seek congressional authority and military construction funds for this \$105 million project.

QUALITY OF LIFE

We thank the Congress for the extraordinary support you give our people – our most valuable asset. We are grateful for consistent pay raises, improved housing, enhanced medical

and dental services, exemplary education programs, enriching family and deployment support programs, and other new quality of life initiatives for our families.

With regards to education for our children, the number one priority for our families, your support allowed a new high school to open in Guam and construction to begin on the elementary/middle school. In Daegu, Korea an addition to the high school was completed, offering Junior Reserve Officer Training (JROTC) facilities, a music wing, gym and counseling center.

SUMMARY STATEMENT

USPACOM long-term priorities emphasize a region that is stable, secure and at peace. We are engaged extensively throughout the AOR to advance theater security goals. We are committed – along with our allies and partners – to turn the promise of a stable and secure region into reality and convert challenges into opportunities that strengthen regional relationships and cooperation. We are fortunate to have traditional allies and partners, as well as emerging partners, who are willing to help set conditions for security and stability and work together for the common good of the people of the Asia-Pacific. We appreciate the staunch support of the Congress and American people. I am proud and honored to represent the men and women of U.S. Pacific Command. On their behalf, thank you for your support, and thank you for this opportunity to testify on the defense posture in the USPACOM Area of Responsibility.

ADMIRAL TIMOTHY J. KEATING, USN
Commander, U.S. Pacific Command



Admiral Timothy J. Keating is the Commander, U.S. Pacific Command, Camp H.M. Smith, Hawaii.

Admiral Keating, a native of Dayton, Ohio, graduated from the United States Naval Academy in 1971. Following duty aboard USS Mason (DD 852) in the western Pacific, he completed flight training in August 1973. He was ordered to VA-82, deploying twice to the Mediterranean aboard USS Nimitz (CVN 68). In September 1978, he reported to VA-122, NAS Lemoore, Calif., and subsequently served with Commander, Carrier Air Wing Fifteen as Staff Landing Signal Officer, deploying to the western Pacific/Indian Ocean aboard USS Kitty Hawk (CV 63). From May 1982 to July 1984,

as Administrative Officer, Operations Officer and Maintenance Officer with VA-94, he deployed twice to the western Pacific aboard USS Enterprise (CVN 65). His next assignment was Aide and Flag Lieutenant to the Commander in Chief, U.S. Pacific Command.

In May 1987, Admiral Keating assumed command of VFA-87 and deployed with CVW-8 aboard USS Theodore Roosevelt (CVN 71) to the North Atlantic and to the Mediterranean. After his tour with VFA-87, he was assigned to the Naval Military Personnel Command in Washington, D.C., where he served as Head of the Aviation Junior Officer Assignments Branch. He reported as Deputy Commander, Carrier Air Wing Seventeen in January 1991, participating in combat operations in support of Operation Desert Storm from USS Saratoga (CV 60).

Admiral Keating next served as a Chief of Naval Operations Fellow with the Strategic Studies Group in Newport, R.I. Following duty with the Joint Task Force Southwest Asia in Riyadh, Saudi Arabia, he deployed as Deputy Commander, Carrier Air Wing Nine aboard USS Nimitz (CVN 68) to the Arabian Gulf. He assumed command of CVW-9 in July 1993. In November 1994, Admiral Keating reported to NAS Fallon, Nev., as Commander, Naval Strike Warfare Center.

Admiral Keating returned to the Naval Military Personnel Command in September 1995 as Director, Aviation Officer Distribution Division. He served as the Deputy Director for Operations (Current Operations/J33), Operations Directorate, the Joint Staff, Washington, from August 1996 until June 1998. He assumed command of Carrier Group Five home ported in Yokosuka, Japan, in June 1998. In September 2000, Admiral Keating reported to OPNAV in Washington as Deputy Chief of Naval Operations for Plans, Policy and Operations (N3/N5). In February 2002, he assumed command of U.S. Naval Forces Central Command and U.S. Fifth Fleet. From October 13, 2003 to October 21, 2004, Admiral Keating served as the Director, Joint Staff. Admiral Keating assumed command

of North American Aerospace Defense Command and United States Northern Command on November 5, 2004. He assumed command of U.S. Pacific Command March 23, 2007.

His awards include the Defense Distinguished Service Medal with three Oak Leaf Clusters, Distinguished Service Medal with Gold Star, Legion of Merit with three Gold Stars, Defense Meritorious Service Medal, Meritorious Service Medal with Gold Star, three Air Medals, Navy Commendation Medal with two Gold Stars and Combat "V" and various unit and campaign awards. He has over 5,000 flight hours and 1,200 arrested landings.

(Current as of March 23, 2007)

**STATEMENT OF
GENERAL B. B. BELL
COMMANDER, UNITED NATIONS COMMAND;
COMMANDER, REPUBLIC OF KOREA-UNITED STATES COMBINED FORCES COMMAND;
AND COMMANDER, UNITED STATES FORCES KOREA
BEFORE THE
HOUSE ARMED SERVICES COMMITTEE**

12 March 2008



Table of Contents

I.	The United States – Republic of Korea Alliance	8
	The Republic of Korea Today	9
	U.S.-ROK Alliance Partnership	10
	Transition of Wartime Operational Control	11
	ROK Defense Initiatives	12
	Republic of Korea's Support to Global and Regional Security	13
II.	North Korea Challenges Regional and Global Security	14
	North Korean Nuclear and Ballistic Missile Developments.....	14
	North Korean Armed Forces	15
	North Korean Threat Outlook	16
III.	Ensuring Peace and Stability on the Korean Peninsula.....	17
	C4 and ISR	18
	Theater Missile Defense	19
	Theater Logistics, War Reserve Materiel and Strategic Transportation.....	20
	Precision Strike and Preferred Munitions	22
	War Reserve Stocks Allies – Korea	22
IV.	Combined Forces Command.....	23
V.	United Nations Command.....	25
VI.	United States Forces Korea.....	27
	Allied Burden Sharing	28
	Upgrading and Building New Infrastructure.....	30
	Family Housing, Senior Occupant Housing and other Military Construction.....	32
	Normalizing Tours for United States Forces Korea	35
VII.	An Alliance for the Future	38

Mr. Chairman, and distinguished members of the committee, thank you for the opportunity to appear before you today. As the Commander, United Nations Command (UNC); Commander, Republic of Korea–United States Combined Forces Command (CFC); and Commander, United States Forces Korea (USFK), it is a privilege to represent the Servicemembers and their Families who serve in the Republic of Korea (ROK). On behalf of these outstanding Soldiers, Sailors, Airmen and Marines, I thank you for your unwavering support which allows us to promote prosperity and stability in Northeast Asia and ensure security on the Korean peninsula. I appreciate this opportunity to present my updated assessment of the command and our plan for continued transformation and strengthening of the United States–Republic of Korea Alliance.

As you know, our Alliance was forged in blood when our countries fought side-by-side during the Korean War, and was formalized by the signing of our Mutual Defense Treaty in 1953. This treaty has since served both nations well, while continually assuring the Republic of Korea and its citizens that the United States is a committed ally. Our Mutual Defense Treaty with Korea is a model of foresight, strategic thinking, and global understanding. Behind the shield of our alliance, the Republic of Korea has rebuilt from the devastation of war and is now a thoroughly modern nation with a vibrant democracy and a flourishing trade-based economy. South Korea now showcases the 11th largest economy in the world. For the past 55 years, our bilateral military alliance has provided the stability and security that is essential for preserving peace, promoting democracy, and fostering prosperity for the citizens of the Republic of Korea.

The Alliance still serves its original purpose of deterrence against north Korea. However, it is in our best interest to cultivate and expand the Alliance into one that more fully serves our two nations by contributing to a broader strategy for the promotion and enhancement of regional security. Regardless of the outcome of ongoing negotiations with north Korea and the possibility that a future peace treaty might further contribute to regional security, our Alliance with the Republic of Korea along with a meaningful U.S. force presence should be maintained throughout the 21st Century and beyond.

The previous administration of President Roh put a high priority on developing cooperative relations between north and South Korea in an effort to lay the foundations for a peaceful and prosperous peninsula. Inter-Korean dialogue was highlighted by the second north–South Korean Presidential Summit in October 2007. Newly inaugurated President Lee, Myung-bak has articulated a policy of continued engagement and cooperation with north Korea, but has noted that any such engagement should occur in parallel with further progress toward complete denuclearization. The U.S. is supportive of inter-Korean dialogue and there is reason for optimism that bilateral north-South engagement could bolster the Six-Party Talks effort to achieve the complete denuclearization of the Korean Peninsula while advancing the path to peace. However, the strategic rationale for a future U.S. force presence in Korea far transcends the important, yet one-dimensional north Korea issue.

Historically, security interests have been the initial basis for long-term U.S. defense alliances. Security and stability underpin opportunities for peace,

economic growth, and social development. To remain healthy, an alliance can and should change and expand over time. As an example, after the fall of the former Soviet Union many believed that the North Atlantic Treaty Organization (NATO) would become obsolete due to the perception that it existed only to deter Soviet aggression during the Cold War. However, instead of disbanding after the fall of the Iron Curtain, NATO has evolved into a multi-dimensional alliance whose members share the fundamental values of democratic principles, individual freedom, and free market enterprise. Indeed in the post-Cold War era, NATO has blossomed from sixteen to twenty six nations, including Eastern European countries. Further expansion is possible.

Nearly 20 years after the end of the Cold War, we can clearly see that the members of NATO demonstrated exceptional strategic courage and foresight, transforming the alliance into one committed beyond its single dimension of military security in Europe, into an alliance with global impact in support of democracy and increasing prosperity for all its members. In the United States, there was never any thought that we should disband NATO after the fall of the Soviet Union. The United States led the effort to expand NATO, while refocusing and redefining its purpose. Today, the foresight of twenty years ago appears remarkably wise, as the Trans-Atlantic Alliance engages with an increasingly complex European, Central Asian and Global environment.

Similarly, it is time for Washington to reexamine its Defense Treaty with Seoul and look beyond the narrow scope of the DMZ threat, and solidify the Alliance as a pillar of stability and cooperation that will be an example for all the

nations of Northeast Asia and the world. Today, Northeast Asia is changing and its nations are engaging across a broad range of activities. Located on the Asian mainland, Korea is situated at the regional nexus of an emerging China, a resurgent Russia and a prosperous Japan. Indeed, Seoul is geographically closer to Beijing than it is to Tokyo. Keeping in mind this central position of Korea in the region, it is important for America to fully appreciate that Northeast Asia is home to four of our nine largest trading partners. The region accounts for 24 percent of all U.S. trade as well as a \$191 billion U.S. direct investment position in 2006. With nearly a quarter of the world's population (1.5 billion people) and four of the world's 16 largest economies, having a combined 2006 gross domestic product (GDP) of approximately \$16.4 trillion (25 percent of the global GDP), Northeast Asia is crucial to the world's expanding free trade system and is certain to remain an area absolutely critical to U.S. national interests.

Within the Northeast Asia region, the Republic of Korea plays a vital role in sustaining U.S. prosperity. With expanding markets, the prospect of a mutually beneficial free trade agreement with the United States, and as one of the most technologically and scientifically advanced countries in the world, the Republic of Korea is a first-class economic power and a major business, banking and commerce center. South Korea is already the world's largest shipbuilder, the 3rd largest steel producer, and the 5th largest car manufacturing nation. As a major U.S. economic partner, South Korea ranks as our seventh largest trading partner and seventh largest export market. South Korea's economic strength will continue to develop under the newly elected ROK president.

While the region generates much of the world's commerce, it is also highly vulnerable to flashpoints which can threaten stability. Notwithstanding progress toward a denuclearized Korean Peninsula borne from the Six-Party Talks process and the ongoing disablement of north Korea's nuclear facilities, we remain concerned about north Korea's proliferation of military equipment and ballistic missiles along with missile-related technologies. Beyond the north Korean threat, the presence of five of the world's six largest militaries and three proven nuclear powers, heightened nationalism, historical animosities, territorial disputes, resource competition, and historical struggles for regional hegemony all come together to pose long-term regional security challenges in this area which is so critical to our economy and other national interests.

In view of U.S. economic and security interests in the ROK and the region, it is my most considered judgment that the U.S. should set a cooperative policy based on shared interests and values with the Republic of Korea to maintain a meaningful American troop presence on the Korean Peninsula throughout the 21st Century and beyond, even subsequent to a peace treaty with north Korea, should that come about. Peace, stability and prosperity in this region of the world have not been attained for the past 55 years by accident or good luck. They are a function of a reliable and credible long-term U.S. presence in Korea, Japan and the Pacific Rim.

Korea-based U.S. forces are the only U.S. forces present on the East Asian mainland. In considering our future engagement, opportunities and influence in East Asia, we should take counsel of history and recall stated

policies for the area following World War II. Many argue that America's perceived policy of retrenchment from the Asian mainland, highlighted by Secretary of State Acheson's "Perimeter" speech to the National Press Club in 1950, set conditions for instability and emboldened north Korean aggression, supported by outside influences. Now is the time for the United States to reaffirm the tenets of our Mutual Defense Treaty Alliance with Korea and set our course for cooperative engagement on the Asian mainland throughout the 21st Century. A stated long-term commitment to our South Korean Ally on the Asian mainland which is independent of a peace treaty with north Korea is the most cost-effective approach to long-term peace and stability in East Asia.

In considering our long-term interests, the United States will be best served by balancing the ongoing on-peninsula transformation of today's Alliance with an additional and fundamental change in our troop stationing policies in the Republic of Korea. I am convinced that we have an historic opportunity to end our outdated and debilitating legacy system of one year family unaccompanied short tour rotations, and replace it with normal three year family accompanied tours of duty. Recall that at the height of the Cold War and with U.S. Army divisions facing numerically superior Russian and Warsaw Pact divisions armed with modern equipment and tactical nuclear weapons, we still welcomed our families to Europe and fully offered three year family accompanied tours to our married Servicemembers. Not only did this policy provide a solid measure of stability and eliminate family separations for our post-Vietnam volunteer military,

it also sent a powerful message to our friends and adversaries alike that America was fully committed to our NATO Alliance for the long-term.

With a force in Korea less than 10% the size of our commitment to the Cold War in Europe, we can easily afford and should, in coordination with our Korean ally, initiate a policy now to begin the implementation of a ten year program to transition to family accompanied tours in Korea. Such a policy will eliminate a significant added source of family separations in a military already extraordinarily stretched by repeated unaccompanied short tour combat rotations to Afghanistan and Iraq. Furthermore, with major burden sharing financial support from our Korean Ally, including anticipated increases, the financial burden to the United States will be comparatively low, particularly given the return on investment in long-term security and stability in the region. Last, a family accompanied policy will bring our stationing practices in line with the same practices we have set for our forces in both Europe and Japan—policies that have enjoyed long-term Congressional support.

With family accompanied Servicemember tour normalization implemented over a ten year transition period and in close coordination with our Korean Ally as provided for in our current bilateral Strategic Flexibility Agreement, the United States will be in a position to consider selected levels of worldwide deployment of our Korean based force, not unlike the way our forces deploy from and return to their bases in Europe and Japan. Deployment from and return to our Korean Main Operating Bases (MOBs) where our families would be located would be a function of any continued threat from north Korea, and U.S. global force

generation requirements. In all decision making related to our alliance with Korea, the U.S. would be obligated to continue to ensure we meet our security responsibilities with the Republic of Korea, without ever sending a message of reduced commitment or weakness to any and all potential adversaries, including north Korea.

I. The United States – Republic of Korea Alliance

While established to deter the north Korean threat, the U.S.-ROK Alliance is maturing from a single purpose military relationship to a broader partnership committed to expanding prosperity and regional stability which should be continued and reinforced. It is in our national interest to do so. The presence of U.S forces and the strength of the Alliance form a cornerstone of continued regional peace and stability, essential for stable global markets, expansion of prosperity through free trade, and promotion of freedom and democracy. The United States and the Republic of Korea have agreed to transition from the U.S.-led Alliance warfighting Combined Forces Command, to an arrangement where U.S. forces are in a doctrinally supporting role to the ROK military. The ROK military will assume responsibility for commanding and controlling the warfighting readiness and operations of their own forces in wartime for the first time since the end of the Korean War. Towards this end, the U.S. military will form an independent U.S. Headquarters to command U.S. forces serving in Korea during wartime, while the Koreans will form a Korean national warfighting headquarters referred to by them provisionally as the ROK Joint Forces Command (JFC). This transition is referred to by many as "OPCON Transfer" and will take place on 17

April 2012. The current U.S. led combined warfighting command, Combined Forces Command, will be disestablished. The transition will convey a strong message to all regional actors of continuing solidarity with our Korean ally, while providing us an opportunity to strengthen our close and cooperative relationship with the Republic of Korea. With OPCON transition, one of the long standing perceived infringements on ROK sovereignty and self determination will be removed along with a lightning rod for political dissent and anti-American sentiment. This move is healthy, long overdue, and in the best interest of both the United States and the Republic of Korea.

The Republic of Korea Today

Over the course of the Alliance's half-century of security cooperation, the Republic of Korea has flourished while becoming a leader in the 21st century global community, and the envy of many nations throughout the world. Within this vibrant democracy, South Korean citizens have achieved an incredible standard of living, a modern transportation infrastructure, and world-class universities and hospitals. As the 11th largest economy in the world, the Republic of Korea is a hub of economic activity within Northeast Asia, and an integral player in the global trading system. It is a true testament to the South Korean people that within a single lifetime they have realized the joy and pride of rebuilding their country from the ashes of war to prosperity and leading-power status.

U.S.-ROK Alliance Partnership

Since the end of the Korean War, each generation has dreamed of achieving a true and lasting peace on the Korean Peninsula. With the north-South Korean Presidential Summit in late 2007 and the on-going Six-Party Talks process, there is reason for hope and optimism. However, optimism must be tempered with caution due to north Korea's unpredictability. The U.S.-ROK Alliance provides diplomatic leaders with a mechanism to develop options for confidence building measures that can assist in the overall effort to denuclearize the Korean Peninsula and promote dialogue between the north and South with the purpose of eventually realizing a peace treaty between the two Koreas. The Alliance fully supports this process. Until peace becomes reality, the U.S.-ROK Alliance must remain vigilant and capable of deterring north Korean aggression.

To ensure future viability, the ROK and the U.S. agreed to embark on the most profound defense transformation on the peninsula since the end of the Korean War. For the past 58 years, the United States has led the warfighting command responsible for the defense of the Republic of Korea. Today, it is both prudent and the Republic of Korea's sovereign right to assume the primary responsibility for the lead role in its defense, given its advanced military and economic capabilities. The transition to a ROK-led national defense will be a success story for both the United States and the Republic of Korea and is the cornerstone to future regional stability.

Transition of Wartime Operational Control

In September 2006, the Presidents of the United States and the Republic of Korea agreed that South Korea should assume the lead for its own defense. In early 2007, the U.S. Secretary of Defense and ROK Minister of National Defense determined that South Korea will assume wartime operational control of its forces on April 17, 2012. U.S. Forces Korea will transform into a new joint warfighting command, provisionally described as Korea Command (KORCOM). KORCOM will be a fully capable and resourced complementary U.S. joint warfighting command in a doctrinally supporting role to the ROK JFC. The United States views this effort as an affirmation of the tremendous success of the Alliance since the end of the Korean War. U.S. and ROK civilian and military leaders have been discussing wartime OPCON transition for nearly two decades as part of the normal progression of the Alliance. Transitioning the Alliance to a new ROK-led military command and control structure in 2012, with U.S. and UN forces in doctrinally supporting roles, will enhance relationships that best serve both nations' interests and are well suited for the long-term. In the future, ROK Army ground forces will leverage quick reacting and readily available U.S. air and naval capabilities to counter initial north Korean provocations or aggression. Though transitioning to a doctrinally supporting military relationship, the Commander of the new KORCOM will still maintain uninterrupted national command over all U.S. forces.

ROK Defense Initiatives

Since assuming peacetime operational control of its armed forces in 1994, the Republic of Korea has made great strides in readiness through upgrading equipment and force training. Since 1998, the ROK Army has fielded 13 modern mechanized brigades including approximately 1000 K-1 tanks, South Korea's main battle tank similar to the U.S. M-1 Abrams. In addition, there are 11 field artillery battalions, two multiple launch rocket system battalions, and an extremely capable special operations force. The ROK Marine Corps is highly trained and in the midst of fielding a modern battle command and control system, and the Navy is emerging as a blue-water force, having commissioned its first amphibious assault ship in 2007, a vessel similar to a U.S. Navy Landing Helicopter Assault ship. In 2007, the ROK Navy also launched its first of three KDX-III class Aegis radar equipped destroyers. Finally, the ROK Air Force is modernizing with the acquisition of F-15K fighters and precision-guided munitions to enhance deep strike and core facility protection capabilities.

Under its ambitious Defense Reform 2020 plan, the ROK military strives to be a more modern and agile fighting force. Its goal is to develop a self-reliant, technology-oriented, qualitative defense force. As a result of its emphasis on technology under this plan, the ROK plans to reduce its total (active and reserve) Army ground forces by approximately 45% over the next 12 years leading up to its target date of 2020. The overall active and reserve forces will be reduced from about 3.7 million to about 2 million. It is my assessment that the ROK military is well on its way to achieving a military force capability that as the ROK

Ministry of National Defense puts it, "sees farther, moves faster, and strikes more precisely." Nonetheless, as the Combined Forces Command Commander responsible to both the Presidents of Korea and the United States for deterrence and for executing a warfight with north Korea, I do believe that planned drawdowns of the ROK Army should be executed commensurate with similar drawdowns by the north Korean Army.

Republic of Korea's Support to Global and Regional Security

The Republic of Korea is a committed U.S. ally and active defender of freedom around the world having previously committed troops to Vietnam, Desert Storm, Somalia, and East Timor. Reflecting its greater political, economic and military capacity, the ROK continues to demonstrate a larger international role with deployments into Iraq, Afghanistan, and most recently, a peacekeeping battalion to Lebanon supporting United Nations operations. In December 2007, the Republic of Korea's National Assembly approved a fourth, one-year extension of its commitments in Iraq through 2008, although their force has been reduced by approximately 600 soldiers. In Afghanistan, the ROK's support included medical and engineer construction units and other military assistance worth millions of dollars. Though the ROK Government recently redeployed the majority of its troops from Afghanistan and will replace them with a small civilian-led medical team, I am confident that this redeployment will not lessen either the South Korean commitment to the U.S.-ROK Alliance, or its commitment to peace and stability around the world.

II. North Korea Challenges Regional and Global Security

North Korea remains the primary threat to security in Northeast Asia. Notwithstanding progress in the ongoing Six-Party Talks and the ongoing disablement of its Yongbyon nuclear reactor facility, north Korea's historical opposition to meaningful reform and its long-term pattern of provocative behavior and proliferation present significant challenges to achieving lasting regional and global stability. In addition to North Korea's nuclear threat, its missile program, coupled with its aging but still lethal and forward positioned conventional force, continues to present significant challenges.

North Korean Nuclear and Ballistic Missile Developments

Progress in the Six-Party Talks notwithstanding, north Korea continues to use its nuclear program and suspected stockpile as both a deterrent and leverage in negotiations, as highlighted by the recent failure to meet the 31 December 2007 nuclear declaration deadline as agreed in the Six-Party Talks process. Currently, the intelligence community assesses that north Korea extracted plutonium at its Yongbyon nuclear facility and possesses weapons-grade plutonium sufficient for several nuclear devices.

North Korea is also believed to have pursued a Highly Enriched Uranium (HEU) development program that if fully developed could provide an alternative method of nuclear weapons development independent of north Korea's plutonium production facility at Yongbyon. Regardless of the fact that the Yongbyon reactor was shut down in July 2007 with physical disablement beginning in November, the nuclear threat will remain until full implementation of

north Korea's commitment under the September 2005 Joint Statement to abandon all nuclear weapons and existing nuclear programs.

North Korea views its ballistic missile program as a source of international power and prestige, a strategic deterrent, and a source of hard currency derived from exports. As a leading supplier of missile-related technologies with known export programs to Syria, Iran and other nations of concern, north Korea continues to build missiles of increasing range, lethality and accuracy, bolstering its current stockpile of 800 missiles for its defense and external sales. With its recent intercontinental missile test conducted in July 2006, and preparations underway to field a new intermediate range missile capable of striking Okinawa, Guam and Alaska, north Korea's missile development and export program present a threat which can not be ignored.

North Korean Armed Forces

Despite chronic economic hardship, North Korea retains the fourth largest armed force in the world with 1.2 million active duty and 5 million reserves, devoting up to one third of its available resources to sustain its conventional and asymmetric military capabilities. Though aging and unsophisticated by U.S. standards, its military arsenal, which includes 1,700 aircraft, 800 naval vessels, and over 13,000 artillery systems, still constitutes a substantial threat. Seventy percent of north Korea's ground forces are located within 90 miles of the Demilitarized Zone, with up to 250 long range artillery systems capable of striking the Greater Seoul Metropolitan Area, a thriving urban area of over 20 million inhabitants. While I do not assess that its military is capable of sustained

offensive maneuver that could successfully defeat the combined military power of the Republic of Korea and United States, north Korea still has the capacity to inflict major destruction and significant military and civilian casualties in South Korea, with little to no warning.

Supplementing its conventional forces, north Korea also maintains the world's largest special operations force (SOF), with over 80,000 in its ranks. Tough, well trained, and profoundly loyal, these forces are capable of conducting strategic reconnaissance and asymmetric attacks against a range of critical civilian and military targets. Among the best resourced in its military, north Korean special operations forces provide an asymmetric enabler to north Korea in crisis, provocation, or war. Given the dense South Korean civilian population which is heavily dependent on sophisticated infrastructure, fuels, utilities, and transportation, north Korean SOF poses a major threat to the Alliance's ability to effectively protect and defend South Korea.

North Korean Threat Outlook

North Korea will remain a major destabilizing force in our efforts to maintain security in Northeast Asia and globally until we have achieved the complete implementation of the September 2005 Joint Statement of Principles. With little tolerance for economic reform, and an infrastructure, agricultural and industrial sector incapable of meeting the needs of its populace, north Korea's long-term approach to maintaining its "military first" policy will remain a major challenge for the north. My assessment is that while aware of the depths of its economic crisis and the dangers of its significant dependence on foreign aid to

meet basic sustenance requirements, north Korea will continue to resist fundamental change, focusing its international engagement, strategic dialogue and military readiness to ensure its long-term survival.

III. Ensuring Peace and Stability on the Korean Peninsula

As Commander of Combined Forces Command, United Nations Command, and United States Forces Korea, force readiness is my first priority. Readiness can only be maintained by training and executing all key tasks and responsibilities to standard in conditions approximating those expected to be encountered in wartime. We must ensure that our training facilities and training opportunities fully support the transformation of our U.S. military forces stationed in Korea. Since my last testimony to Congress in April 2007, measurable progress has been made in improving training range and airspace availability for our ground and air forces in Korea, but we must still make additional progress with our Korean ally to put ourselves in a position to achieve the highest levels of readiness. USFK still requires increased access to modern and instrumented air to ground bombing ranges in the ROK, with the requisite training schedule required to maintain readiness levels. The ROK military is working hard in coordination with civilian ministries to provide the required training ranges and airspace, and we appreciate their efforts. We look forward to continued progress in this area throughout the remaining FY 2008 and into FY 2009.

Continued Congressional support for force capability enhancements is also critical to readiness. USFK has continued to make meaningful progress in several key focus areas for modernization: joint command, control,

communications, and computers (C4); intelligence, surveillance and reconnaissance (ISR); theater missile defense (TMD); pre-positioned equipment and logistics; and counter-fire and precision munitions. I ask for your support and help to ensure our necessary upgrades and our transformational requirements are met evenly and predictably.

C4 and ISR

Modernization of C4 and ISR capabilities is a top command priority, and crucial to transforming the U.S.-ROK Alliance. As we prepare to transition command of Korean forces in wartime to the ROK military in 2012, combined intelligence interoperability will be paramount to establishing a seamless command and control capability, to maintain Alliance access to U.S. capabilities, and to leverage the increasing capabilities of the ROK intelligence community. Major C4 and ISR initiatives which are important include the integration of ROK intelligence systems through Project Morning Calm, the expansion of our combined intelligence networks, the establishment of an Intelligence Fusion Center, and support for U.S. National Multi-Intelligence Support Elements at the ROK defense intelligence centers.

Congressional support is essential to sustain and improve C4 and ISR during this critical period of Alliance transformation. Validated U.S. requirements for Global Hawk, Predator, the Joint Surveillance and Target Attack Radar System, along with improved signals and human intelligence capabilities continue to exist. Support for our intelligence requirements ensures that we

close the most critical gaps, support diligent ongoing daily operations, and improve the overall long-term intelligence posture in the region.

Theater Missile Defense

North Korea's missile tests in 2006 highlighted the importance of an active theater missile defense system for South Korea. The Republic of Korea must field its own TMD system, capable of full integration with the U.S. system, in the near term. It recently approved the purchase of eight Configuration-2 German Patriot fire units. When fielded in 2008 and 2009, these firing units will possess a U.S. PAC-2 equivalent theater ballistic missile defensive capability. The regional missile threat from north Korea requires the Republic of Korea to develop its own missile defense to protect its critical civilian and military command capabilities, critical infrastructure and population centers. As of now, these Korean military and civilian facilities are highly vulnerable to north Korean missile attacks.

PAC-3 Patriot Missile System upgrades and improved munitions have significantly enhanced our posture to protect critical United States facilities in Korea. There remains, however, a significant shortage of PAC-3 missiles currently positioned on the Peninsula to counter north Korea's missile inventory. Continued production of PAC-3 missiles in the near-term, followed by continued development of the Theater High Altitude Air Defense, Airborne Laser, and Aegis Ballistic Missile Defense will provide the layered missile defense capability we require for the future. Your continued support remains essential to these and other Service component programs that protect our forces on the peninsula, and sustain our ability to reinforce South Korea in the event of a crisis.

Theater Logistics, War Reserve Materiel and Strategic Transportation

An integral aspect of USFK transformation is developing the necessary logistics structures and resources to enhance our ability to respond to contingencies. The proximity of the north Korean threat coupled with the long distances from U.S. sustainment bases in the Pacific and continental United States requires a robust and responsive logistics capability. The capability enhancements currently planned will significantly improve our core logistics functions through pre-positioned equipment upgrades, responsive strategic transportation, and modern logistics tracking systems.

Army Pre-positioned Stocks (APS)-4, which includes critical equipment, weapon systems, preferred munitions, repair parts, and essential supplies, is vital for rapid combat power projection to the Korean theater. Critical combat systems are currently at 100% fill and the Heavy Brigade Combat Team (HBCT) equipment set is 97% Fully Mission Capable. During the Reception, Staging, Onward Movement, and Integration (RSOI) exercise in 2007, Task Force Blackhorse, from the 11th Armored Cavalry Regiment at Fort Irwin, California, drew selected APS-4 HBCT combat vehicles and conducted a road march that culminated in a live-fire exercise. The task force certified the equipment as fully mission capable, remarking that the combat systems—Abrams tanks, Bradley infantry fighting vehicles, and Paladin self-propelled howitzers—were the best that they had seen.

Clearly, the Army Materiel Command (AMC) is making great strides in maintaining the pre-positioned stocks in Korea. However, sustainment shortages

still exist and can only be overcome through the commitment of additional funding while increasing the priority of fill for Army pre-positioned stocks. For example, we have less than 5 percent of our full authorization of up-armored HMMWVs or trucks in our Army operational and pre-positioned fleets. This is a significant shortfall and is a major risk.

Responsive strategic transportation platforms, such as cargo aircraft and maritime prepositioning ships, remain essential to our ability to rapidly reinforce the Korean theater and sustain U.S. forces in the event of crisis. Our critical strategic airlift capability was recently tested in February 2008 during the FOAL EAGLE exercise. U.S. Air Force C-17 aircraft transported a combat-ready platoon of Army Stryker vehicles from Alaska to the Korean Peninsula, where the unit conducted gunnery and maneuver live-fire exercises. During the same exercise, a battalion from the 7th Marine Regiment conducted a Maritime Prepositioning Force (MPF) offload of combat equipment at Chinhae, followed by a combined live fire exercise with the 2nd ROK Marine Division. These types of strategic deployments will continue to be a part of future FOAL EAGLE exercises, and exemplify the command's requirement for expeditionary capability and responsive strategic lift.

Equally important is the ability to maintain in-transit visibility of supplies and equipment with a modernized joint logistics C4 and information system. Past experience has shown that relatively small investments in asset tracking systems and theater distribution yield significant efficiencies and improve overall effectiveness of our logistics systems. Your continued support for modern pre-

positioned equipment, responsive transit requirements, and logistics tracking systems will ensure that U.S. forces have the right equipment and supplies at the right time.

Precision Strike and Preferred Munitions

Precision strike engagement capabilities are critical requirements for our contingency plans that allow us to change the dynamics of a conflict and rapidly achieve campaign objectives. Increasing the forward stocks of preferred munitions is also vital to operational success in the Korean theater. Our priority ordnance requirements include: the Guided Multiple Launch Rocket System with extended range capability; a ground-launched, extended range, all weather capability to defeat hardened and deeply buried targets (HDBTs); precision guided munitions; and air-to-ground and air-to-air missiles. Your continued support to these programs provides the overmatching capabilities to deter aggression.

War Reserve Stocks Allies – Korea

Legislation signed in December 2005 permits the U.S. to offer, for sale or concession, surplus ammunition and military equipment to the ROK. Negotiations for the War Reserve Stocks Allies-Korea (WRSA-K) program began in 2007. By successfully transferring these stocks to the ROK, the U.S. will avoid up to \$1.2 billion in transportation and demilitarization costs, reduce its storage footprint, and increase ROK readiness.

IV. Combined Forces Command

The Republic of Korea and the United States established the Combined Forces Command (CFC) on November 7, 1978, and it has proven to be the most advanced, capable, bilateral warfighting command in our nation's history. Led by a U.S. four star Commander, CFC has effectively deterred aggression and provided a peaceful and stable setting for the citizens of the Republic of Korea and the region for nearly 30 years.

With the end of the Cold War and significant downturn in external conventional military support to the north Koreans, coupled with continued major enhancements to the ROK military, the Republic of Korea and United States have frequently discussed and negotiated changes to the Alliance's military command and control mechanisms. In fact since the Korean War and until 1994, a U.S. four star Commander operationally controlled the ROK military in peacetime, as well as in potential wartime. On conclusion of negotiations in 1994, peacetime operational control (OPCON) of the Republic of Korea military was transferred from the U.S. led Combined Forces Command, to the Republic of Korea Joint Chiefs of Staff (ROK JCS). Since 1994, the Republic of Korea and the United States have discussed and negotiated the next logical step in Alliance command arrangements, the full transfer of wartime operational control of ROK military forces from the U.S. led Combined Forces Command to a new ROK Joint Forces Command (JFC). Final negotiations to set a date for this transition were agreed to in 2007, with a ROK military OPCON transition from CFC to the ROK JFC date set for 17 April 2012.

To achieve realignment of responsibilities in the transition of wartime OPCON in 2012, the ROK and U.S. militaries completed a transition road map—the Strategic Transition Plan (STP)—signed in 2007, identifying requirements and milestones for the next five years. Prior to the ROK assuming wartime operational control of its own forces in 2012, U.S. and ROK planners will develop new terms of reference, crisis action standard operating procedures, wartime command and control procedures, and operational plans through formal alliance consultative processes, such as the bi-monthly Security Policy Initiative and the annual Security Consultative and Military Committee Meetings.

This is all made possible by the enormously successful economic and military development of the Republic of Korea. Celebrating the 11th largest economy in the world, the ROK is a solid democratic nation, with a world-class, highly competent and professional military dedicated to the preservation of its republic and clearly poised, with U.S. continued support, to assume responsibility for wartime operational command of its forces.

Through the OPCON transition path to April 2012 and as part of the STP, the Alliance has initiated two major simulation-driven exercises each year. ULCHI FREEDOM GUARDIAN will focus on training and certifying the 2012 and beyond future command structure, and KEY RESOLVE / FOAL EAGLE (KR/FE) will ensure CFC readiness until 2012, while visibly demonstrating the strength of the Alliance. We just completed our first KR/FE Exercise under this new paradigm, and I am extremely confident that CFC remains highly capable of

detering aggression, and should deterrence fail, defeating a north Korean attack quickly and decisively.

Lessons learned from each exercise will help to eliminate shortfalls in combined capabilities in order to maintain a strong and credible deterrent during the transition period. The culmination of the Strategic Transition Plan will be marked with a certification exercise in March 2012, followed shortly thereafter by the disestablishment of CFC and the simultaneous establishment of separate and complementary U.S. and South Korean national military commands, with the U.S. in a doctrinally supporting role to the ROK warfighting Joint Forces Command. Our intent is to achieve initial operational capability for the doctrinally supporting KORCOM and its Service components, followed by full operational capability prior to the final certification exercise in March 2012.

V. United Nations Command

As the longest standing peace enforcement coalition in the history of the United Nations, the United Nations Command represents the international community's enduring commitment to the security and stability of the Korean Peninsula. With fifteen current member nations and the ROK, the United Nations Command provides a unified and prompt international response mechanism to preserve the security of the ROK if there is a north Korean attack. Furthermore, the UNC actively supervises compliance with the terms of the 1953 Korean Armistice Agreement fulfilling the members' mutual pledge to "fully and faithfully carry out the terms" of the Armistice. With responsibility south of the Military Demarcation Line for the maintenance of the Armistice Agreement, the UNC

meets with the Korean People's Army (KPA) representatives, inspects South Korean units positioned along the DMZ, and conducts investigations into alleged Armistice violations to prevent minor incidents from escalating into destabilizing crises.

As we progress towards the transition of wartime OPCON in 2012, the UNC will continue to be a vital component of our deterrent and warfighting capabilities in the Republic of Korea. The ROK and the U.S. are addressing current disconnects in UNC authorities and responsibilities, which will become untenable with the transition of wartime OPCON to the ROK JFC in 2012. In the current arrangement, the UNC Commander, the U.S. Forces Korea four-star general, is ultimately responsible for Armistice maintenance, crisis management and resolving Armistice violations, even though he has no peacetime authority to posture or position ROK military forces in response to provocations or violations along the Demilitarized Zone. Today, these responsibility - authority mismatches are mitigated through the U.S. Commander's dual-hat as CFC commander. Once the transition of wartime OPCON is complete, the U.S. commander, and thus the UNC commander, will no longer have any chain of command access or direct authority over ROK forces—the very forces that are arrayed along the DMZ—in peacetime, crisis escalation, or war.

In accordance with the Strategic Transition Plan, both countries are jointly studying future arrangements for Armistice maintenance responsibilities, as well as the enduring role and authorities of the UNC. It is our goal to transfer or delegate appropriate armistice authorities and responsibilities to the Republic of

Korea, while ensuring that the United Nations Command remains a critical component in deterring aggression and supporting combat operations should conflict erupt on the peninsula. Through the United Nations Command we must also maintain the United Nations–Japan Status of Forces Agreement, which provides throughput access to critical Japanese air and naval bases for U.S. and UN forces during crisis.

VI. United States Forces Korea

Under the Yongsan Relocation Plan (YRP), signed by the U.S. and ROK in 2004, U.S. joint force elements operating in the Yongsan Garrison in Seoul will relocate to our MOB at Garrison Humphreys, near Pyongtaek, approximately 40 miles southwest of Seoul. The relocation of the Second Infantry Division is also part of a separate U.S.–ROK realignment plan, the Land Partnership Plan, which, when complete, will enable United States Army forces to assume a more efficient and less intrusive footprint within two sanctuary main operating base locations south of Seoul. It will remove our forces from the traditional military operational avenues between Seoul and the DMZ, thus putting U.S. forces in ground force and artillery sanctuary locations well south of the nation's capital. Relocation will also significantly improve the quality of life of our Servicemembers, while returning valuable land to the citizens of the Republic of Korea.

For four of the past five years, the relocation of U.S. forces has frequently been contentious between the ROK and U.S. governments. The central issue has been the application of the bilaterally negotiated Status of Forces Agreement (SOFA) procedures to return vacated U.S. base camps to the Republic of Korea.

However over the past year, the ROK Minister of National Defense has led an inspired effort which has largely resolved the disagreements and friction. We are confident that the new government will continue to negotiate in good faith with the United States regarding this most important issue.

In 2007, we returned an additional five installations and expect to return two installations and seven other SOFA granted facilities in 2008. To date, we have closed 37 installations encompassing over 17,208 acres with a tax assessed value of over \$500 million and returned 35 installations to the Republic of Korea. Along with these camps and in accordance with our SOFA, we have transferred free of cost to the Republic of Korea the full range of buildings, capital assets, and improvements found on these camps, many built with U.S. appropriated military construction funds. It remains our goal to close a total of 63 facilities and areas—two thirds of all land granted under the SOFA, totaling more than 38,000 acres. Given the recently established cooperative effort as noted above, we are hopeful that this process will proceed smoothly to the mutual benefit of both nations in accordance with the U.S.-ROK SOFA.

In exchange for the return of the majority of our dispersed camps, the Republic of Korea, per our agreements, has purchased 2,800 acres of land required to expand Garrison Humphreys and the Air Force's Osan Air Base.

Allied Burden Sharing

At the end of 2006, the Republic of Korea and the United States concluded talks on a new Special Measures Agreement (SMA) regarding ROK cost sharing support for USFK in 2007-2008. The resulting ROK SMA burden

sharing contribution represented approximately 41% of U.S. Non-Personnel Stationing Costs (NPSC) over this two year period—725.5 Billion Won (\$770M) for 2007 and a Consumer Price Index (CPI) adjusted increase in 2008 to 741.5 Billion Won (\$787M). This is an improvement from the 2006 SMA contribution of 680.4 Billion Won (\$722M) representing 38% of NPSC.

Defense burden sharing is advantageous to both Alliance partners. For the United States, the Republic of Korea's willingness to equitably share appropriate defense costs is a clear indicator that United States forces in Korea are welcome and wanted. Host nation funded construction satisfies critical infrastructure requirements that would otherwise be borne by U.S. taxpayers. In the past year ROK SMA contributions funded the construction of an \$8.5M Vehicle Maintenance Facility at Camp Mujuk and an \$8.3M upgrade of 22 Hardened Aircraft Shelters at Osan Air Base. We also authorized the design and construction of a \$36.6M U.S. Army Air Defense Artillery Brigade headquarters facility at Osan Air Base, and began construction of a \$41.8M barracks complex for enlisted personnel at Kunsan Air Base. We are in the process of approving the construction of a \$35M humidity controlled warehouse to support Army Pre-positioned Stocks at U.S. Army Garrison Carroll and a \$39.4M joint senior Non-Commissioned Officer dormitory at Osan Air Base.

For the Republic of Korea, nearly all ROK SMA burden sharing funds are expended directly into the Korean economy by paying the salaries of Korean local national employees, Korean contractors and service agents, and Korean construction firms. In 2007 the Republic of Korea contributed 295.4 Billion Won

(\$314M) toward Korean local national employee wages, funding the majority of the cost of this absolutely necessary workforce on U.S. bases. Republic of Korea SMA contributions also offset 132.5 Billion Won (\$141M) of U.S. logistics requirements last year, through contracts with Korean companies in critical warfighting functions such as equipment repair, maintenance, and munitions storage.

In principle, both sides agree to the goal of reaching an equitable level of commitment to allied cost sharing. The U.S. Department of Defense believes that to achieve equitability, the ROK should share approximately 50% of NPSC. While this year's contribution did not meet DoD's goal, the ROK and the U.S. will continue to negotiate and coordinate in pursuit of reaching a more equitable sharing level of USFK stationing costs.

Upgrading and Building New Infrastructure

Currently I assess our facilities overall in Korea to be the most dilapidated in the U.S. military, outside of active combat or peace enforcement zones. This regrettable situation is not in keeping with our stated commitment to the young men and women who selflessly serve our nation. In Korea we need to commit to recapitalizing our facilities and infrastructure. As a reliable and trusted ally, we are committed to helping defend one of the most prosperous and advanced countries in the world, yet the facilities that we subject our Servicemembers and their families to in Korea resemble something only a couple of years out of a combat zone.

Year after year our Servicemembers and their families are subjected to sub-standard and often decrepit facilities and housing here in Korea, 8000 miles from home. The war in Korea ended nearly fifty five years ago and it is time to put our personnel into facilities and infrastructure they rightfully deserve as American citizens, military volunteers and patriots. "Out of sight – out of mind" is not an acceptable facilities and infrastructure strategy for our priceless young men and women, and their families. As a nation, we simply cannot turn a blind eye to this decades long lack of capitalization and maintenance.

Our facilities and infrastructure are old, particularly Army facilities where over one-third of the buildings in the command are between 25 and 50 years old and another one-third are classified as temporary structures. In 2007, our estimates are that the Eighth United States Army was under funded by 26 percent (\$28 million) in sustainment and 78 percent (\$307 million) in restoration and modernization requirements. The Seventh Air Force was under funded by 40 percent (\$20 million) in sustainment and 93 percent (\$244 million) in restoration and modernization requirements. As a result of long-term annual shortfalls, many buildings have substantial deferred maintenance, contributing to continual deterioration. Without the investment to sustain, restore, and modernize our facilities, our Servicemembers and their families will continue to be perpetually relegated to live and work in run-down, dilapidated, patched-up facilities. Your commitment to our SRM Program requirements, supplemented by host nation financial burden sharing contributions, will allow us to begin to

effectively pursue an infrastructure renewal program to enhance our readiness and upgrade the quality of life for our personnel and their families.

In looking to the future, our realignment to two sanctuary Main Operating Bases in the ROK provides us with a unique opportunity to change the paradigm and begin to meet the needs of our Servicemembers and families, allowing us to focus on improving living and working conditions. To this end, sustained access to several different funding programs will be essential, including United States military construction, host nation-funded SMA construction, and commercial build-to-lease programs. Using these different funding streams, we have recently constructed several modern unaccompanied housing quarters and barracks for our Servicemembers. However, as time passes, the goal to achieve "to standard" facilities and infrastructure becomes more illusive. It is long since time to act.

***Family Housing, Senior Occupant Housing and other Military
Construction***

As part of the Yongsan Relocation Plan (YRP) signed by the U.S. and the ROK in 2004 to move the U.S. joint force footprint from Seoul to the new MOB at Garrison Humphreys south of Seoul, the Republic of Korea agreed to provide at their expense the majority of the required buildings and infrastructure at a cost of billions of dollars. The ROK is aggressively pursuing their agreed to requirements, already spending nearly two billion dollars in pursuit of project goals. For our part, the United States agreed to provide the majority of required family housing and unaccompanied senior leader quarters for our force, at a cost

we estimate to be between one and two billion dollars. Although the number of family housing units required under the YRP is substantially less than what will be required for a future normalized stationing environment, should that be approved, meeting YRP family housing requirements provides a solid foundation for a normalized tour path over the next ten to fifteen years.

To date, we have been unable to gain Congressional support to fund our family housing commitments to meet our obligations under the 2004 YRP. The result of this situation is that the United States is telegraphing to our long time Korean Ally that we are not prepared to execute our commitments in the Yongsan Relocation Plan. My assessment is that failure to execute our obligations under this plan will result in a crisis in the Alliance, and signal a clear lack of commitment to our national interests and to our ROK Ally in this most important area of the world. This will send a chilling message to the regional players, including Japan, China and Russia.

In the past year, I have emphasized the need for a solution to meet our family housing requirements under the YRP during Congressional hearings, numerous office calls with members, and continuing correspondence in order to empower the Army to provide the necessary family housing and unaccompanied senior quarters at MOB Garrison Humphreys. After consultation and debate and in spite of our many, many pleas, we have not achieved consensus. Right now we are dead in the water.

For FY09, the Army is requesting \$145 million in military construction funds. A portion of the requested funds—\$20 million—will be used to construct a

much needed vehicle maintenance complex at MOB Garrison Humphreys. The majority of the funds—\$125 million—is requested to build the first 216 joint force family housing units at MOB Garrison Humphreys. While this is a necessary start, and your support for these family housing apartment towers is needed and greatly appreciated, our future stationing at MOB Garrison Humphreys requires more than 2100 additional housing units. We would appreciate your support when the funding for these necessary units is requested.

Without the support and funding to procure military housing, we will remain in Seoul, which is within range of north Korean artillery, while essentially refusing to relocate from land in Seoul which we have promised to return to our Korean Ally. We have absolutely no business continuing to garrison troops in our Ally's capital city, and it is in both our interests to execute the Yongsan Relocation Plan on time and on schedule. Until we have appropriate housing constructed that meets DoD standards for our Servicemembers just as we do in Europe and Japan, we cannot meet U.S. obligations agreed to under the YRP. Determining an immediate solution to our family housing requirements ensures the success of our historic endeavor with the ROK to both transform the current U.S.-ROK Alliance command structure, and relocate the footprint of U.S. forces to sanctuary locations in accordance with national and strategic policy level guidance. As the commander in the field, it is my most considered judgment that it is imperative that Congress support the President's Budget request, thus authorizing the initiation of requests for proposals and construction for the initial housing units. In this way, we can begin the process of taking care of our

Servicemembers and their families in a way that all Americans will endorse, while meeting our agreements with the Republic of Korea.

Normalizing Tours for United States Forces Korea

With the momentum of our relocation into two sanctuary Main Operating Bases south of Seoul and the transition of wartime OPCON to the ROK in 2012, the U.S. is uniquely positioned to execute a tour length policy change in Korea. Much like our agreements with our European and Japanese Allies, and at the invitation of our Korean Ally, it is my assessment that we should normalize U.S. Servicemember tour lengths in Korea to fully authorize three year family accompanied tours.

In 55 years, the Republic of Korea has transformed from a war ravaged country to one of the most modern, progressive, and democratic countries in the world. It is an economic powerhouse with modern world class medical centers and universities. Unfortunately, in a modern and vibrant Republic of Korea, the U.S. still rotates Servicemembers on one year unaccompanied assignments as though this remained an active combat zone. It is not. Indeed, during the Cold War and in the face of the Soviet and Warsaw Pact war machine, our Servicemembers were encouraged to bring their families with them to Europe. This created a stable military and sent a strong message of U.S. commitment and reliability to our European Allies. We resourced and practiced Non-Combatant Evacuation procedures to ensure that in the event of crisis we could redeploy our family members to the United States. Today, our force in Korea is less than 10% the size of our Cold War force in Europe.

With long-term operations in Iraq and Afghanistan, we are needlessly contributing to family separations for the U.S. military with our current rotational practices here in Korea, while continuing to send a message to our Northeast Asian partners and allies that we either expect imminent conflict, or that we are not fully committed and can withdraw our forces on a moment's notice. Conflict is not imminent and with our force in sanctuary locations south of Seoul, our immediate no-notice vulnerability will be dramatically less than that faced by our force in the Cold War in Europe—again, a force where we welcomed family members. We should make a long-term commitment to South Korea and the other members of the Northeast Asia community by signaling that the United States has important national interests in the area and, at the invitation of the Republic of Korea, is committing to a policy of three year family accompanied tours in Korea, exactly as we have in Japan and across Europe. We could implement this policy with an infrastructure expansion plan over ten to fifteen years, with the costs being subjected to burden sharing negotiations between the Republic of Korea and the United States.

The benefits of normalizing tours are many and include improved continuity, stability, readiness and retention of regional, institutional, and cultural knowledge. Also, the end-state will result in reduced entitlement costs and an overall savings as we decrease the number of permanent change of station (PCS) moves and lower the need for entitlements resulting from family separations.

Currently, in addition to receiving a Cost of Living Allowance that ensures equitable pay for our Servicemembers who serve in Korea, the Army, Air Force, and the Navy offer their Servicemembers Assignment Incentive Pay (AIP), a program that authorizes a monthly cash incentive for Servicemembers who are willing to extend their tours in Korea. AIP has saved the Department of Defense millions upon millions of dollars in reduced PCS costs. So far, since the AIP program began in 2004, the Army and the Air Force have had over 19,000 Soldiers and Airmen volunteer for AIP. While AIP has been a major success, for our family unaccompanied Servicemembers—over 80% of our authorized force in Korea—accepting AIP means longer separations from family back in the States. Rather than providing incentives to unaccompanied personnel to stay longer in Korea, it is my assessment that we should focus on enabling Servicemembers to bring their families to Korea and establish a more family oriented environment. With three year tour normalization, we could end the Assignment Incentive Pay program.

I have submitted a formal proposal to the Department of Defense recommending an endorsement to move to a normal three year accompanied tour policy in Korea, along with the opening of negotiations with the Republic of Korea regarding their assessment, and hopefully their support. It is under consideration. Endorsement of this proposal will provide our Servicemembers a better quality of life, strengthen the U.S.-ROK Alliance, and send a powerful message to the nations of the area of America's long-term commitment to stability and security in Northeast Asia.

VII. An Alliance for the Future

The U.S.-ROK Alliance is one of the greatest bilateral success stories in modern history with many chapters ahead. In 1950, the United Nations Command was created to defend the Republic of Korea when it was attacked by north Korea. In 1957, establishment of U.S. Forces Korea provided the command structure necessary to support the Alliance. In 1978, the Alliance underwent a major evolutionary change when we created the Combined Forces Command to provide a unified ROK and U.S. command structure. The Alliance evolved once again in 1994 when peacetime OPCON of ROK forces was transferred to the ROK Joint Chiefs of Staff. With the transition of wartime OPCON to the ROK Joint Force Command in 2012, the United States and the Republic of Korea will enter a new era of cooperation, an era marked by a first-world Republic of Korea with military capabilities to match its stature. In a broader context, the Alliance will be key to maintaining and advancing U.S. national interests in this strategically vital region of the world. This is a natural evolution—one whose time has come both militarily and politically. We look forward to continuing this vital partnership—one that promotes freedom, democracy, and global free trade in Northeast Asia—throughout the 21st century and beyond.

I am extremely proud of the Soldiers, Sailors, Airmen, Marines, and Civilians serving in the Republic of Korea who selflessly support the Alliance, and because of their presence, ensure regional stability. Your continued support for our Servicemembers and the U.S.-ROK Alliance is greatly appreciated. I know

you will agree that our young men and women in uniform deserve the very best working, living, and training environment, and we should do everything feasible to provide it. Thank you.

General Burwell B. Bell
Commander UNC/CFC/USFK



General Bell was born in Oak Ridge, Tennessee on 9 April 1947 and was commissioned as a Distinguished Military Graduate in June 1969 upon graduation from the University of Tennessee at Chattanooga. His military education includes the Armor Officer Basic and Advanced Courses, Command and General Staff College, and the National War College. He received a Master of Science in Systems Management from the University of Southern California.

General Bell's command positions include the 2nd Squadron, 9th Cavalry, 24th Infantry Division (Mech) at Ft. Stewart, Georgia; and the 24th ID's 2nd Vanguard Brigade, also at Ft. Stewart. He served as an Assistant Division Commander, 1st Infantry Division (Mech) Bamberg, Germany and commanded the Army's Armor Center and Ft. Knox, Ft. Knox, Kentucky. General Bell commanded the Army's III Corps, headquartered at Fort Hood, Texas; and most recently commanded the United States Army, Europe and 7th Army; and NATO's Allied Land Component Command, Heidelberg, Germany.

General Bell's staff positions include service as an ROTC Instructor at Texas Tech University; Force Plans Analyst for the Army DCSOPS; and Joint Staff Officer responsible for the Unified Command Plan in the J5, Joint Chiefs of Staff. Additionally, he was a tank battalion S3 in Korea and the Chief of Staff of 3rd Infantry Division in Wuerzburg, Germany. He also served as Chief of Staff of V Corps, and as DCSOPS and subsequently Chief of Staff, United States Army, Europe and 7th Army.

In 1994 General Bell served as a Senior Military Fellow at the Council on Foreign Relations in New York City, and has since been selected as a serving member on the Council. General Bell deployed as USCINCCENT's Executive Officer in Desert Shield and Desert Storm; and later served as Chief of Staff, USAREUR Forward Headquarters, Tazsar, Hungary during Operation Joint Endeavor in the Balkans.

His awards include the Defense Distinguished Service Medal, the Distinguished Service Medal, Defense Superior Service Medal, Legion of Merit with 4 Oak Leaf Clusters, Bronze Star Medal, Meritorious Service Medal with 1 Oak Leaf Cluster, and the Army Commendation Medal with 2 Oak Leaf Clusters. General Bell has also been awarded the NATO Meritorious Service Medal, the Polish Army Medal (Gold Award), and the Spanish Great Cross on Distinguished Military Service.

General Bell is married to the former Kathleen Fields of Chattanooga Tennessee. They have one son, Buck, who lives in Tampa Florida with his wife, Jennifer.

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

MARCH 12, 2008

RESPONSE TO QUESTION SUBMITTED BY MR. SKELTON

Admiral KEATING. DOD and USPACOM have not asked the Chinese military to present a budget report to the United Nations. However, both DOD and USPACOM have consistently encouraged China to increase the transparency of its defense budget, to include process, scope of funding, and intent. [See page 34.]

RESPONSE TO QUESTION SUBMITTED BY MR. FORBES

Admiral KEATING. The Navy has two fully-funded programs of record to deal with this specific threat, with Initial Operational Capability (IOC) between 2011 and 2014. USPACOM supports these programs and timelines. We have not requested accelerated IOC.

Should increased funding become available, the Navy would be best able to determine if an earlier IOC is possible. [See page 27.]

RESPONSE TO QUESTION SUBMITTED BY MRS. GILLIBRAND

Admiral KEATING. USPACOM influences cyberspace specialist recruitments only indirectly. USPACOM defines the skill sets required for cyberspace operations to U.S. Strategic Command. The Services have the lead for recruiting. [See page 14.]

RESPONSE TO QUESTION SUBMITTED BY MR. SESTAK

Admiral KEATING. There are no plans to build dry dock capability in Guam for submarine maintenance. [See page 11.]

RESPONSE TO QUESTION SUBMITTED BY MR. CUMMINGS

Admiral KEATING. Within the USPACOM area of responsibility, 156 assigned personnel speak Mandarin Chinese, at various levels of proficiency. [See page 23.]

QUESTIONS SUBMITTED BY MEMBERS POST HEARING

MARCH 12, 2008

QUESTIONS SUBMITTED BY MR. REYES

Mr. REYES. The Terminal High Altitude Area Defense (THAAD) systems will provide the capability to counter the threat from short-, medium-, and intermediate-range ballistic missiles. The first THAAD fire unit is scheduled to enter service in 2009.

What level of importance does PACOM attach to the timely deployment of THAAD into its theater?

To what extent will THAAD and other BMD systems (e.g., PAC-3, SM-3) enable PACOM to successfully execute its warplanes?

Is it true that PACOM would like to forward-deploy one of the four planned THAAD fire units to Guam?

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

