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POSTURE STATEMENT OF
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ACTING COMMANDER IN CHIEF
UNITED STATES SOUTHERN COMMAND
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SENATE ARMED SERVICES COMMITTEE
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Mr. Chairman, Senator Warner, and Members of the Committee, I am honored to appear before you today to present United States Southern Command's current posture, role in the global war on terrorism, and long term strategic objectives. On behalf of the men and women deployed to the Naval Base at Guantanamo Bay, I extend a personal thanks to Senators Nelson, Inhofe, and Sessions for your recent trip to observe the efforts of your armed forces as they ensure maximum security and humane treatment for the detainees. To all Members of the Committee, thank you for your unwavering support to United States Southern Command.

I have served as the Acting Commander in Chief since October 1, 2001 when General Pace assumed the position of Vice Chairman of the Joint Chiefs of Staff. I welcome the opportunity to provide my assessment of this outstanding command to the United States Congress.

During the past twenty-five years, nations of our hemisphere have made substantial progress toward achieving peace through democratically elected governments, economic development, and the subordination of the military to civilian authority. However, nations in Latin America and the Caribbean are currently struggling with economic and political instability, corruption, institutional weakness, high unemployment and crime, while simultaneously facing the challenges of terrorism, drug trafficking, and other illicit transnational activities. We must remain active in assisting these countries to maintain stability, promote prosperity, and enhance regional cooperation in this area of significant strategic importance to the United States while we execute the Global War on Terrorism.

Strategic Importance and Assessment

The Southern Command area of responsibility encompasses one sixth of the world's landmass and includes 32 countries and 14 protectorates throughout Latin America and the Caribbean. The United States has strong economic, strategic, cultural, and security ties to Latin America and the Caribbean, which are of significant importance to our national security.

Today, more than 40 percent of our trade is conducted within the Western Hemisphere, and forty-nine cents out of every dollar spent on imports in the region goes to the purchase of United States goods and services. By 2010, trade within the hemisphere is expected to exceed our trade with Europe and Japan combined.

An area rich in natural resources, 35 percent of United States oil comes from Latin America and the Caribbean, more than all Middle Eastern countries combined. Latin America is critical to the global environment as the Amazon Basin produces 20 percent of the world's freshwater runoff and 25 percent of the world's oxygen. Also, 25 percent of United States pharmaceuticals are derived from sources in this same area.

In addition to strong economic and strategic ties to the region, we have increasingly important cultural ties. United States citizens of Hispanic descent are now the largest and fastest growing minority in our country and constitute the world's fifth largest Spanish-speaking population. These new immigrants from Latin America and the Caribbean maintain strong cultural ties to their families in their countries of origin. If present trends continue, by 2047, one out of every four United States residents will be of Hispanic descent.

Contrary to the common perception, this is not a homogeneous region, united by a common language or culture. Instead, it is a

region of very diverse populations, economies, languages, cultures, histories, and traditions. We must recognize this diversity and foster security cooperation with every country to minimize the increasing possibility of creating security voids that may be filled by other countries, or exploited by transnational threats.

Security Environment

Without a clear or imminent external threat, Latin American and Caribbean nations are essentially at peace with their neighbors. All countries, except for Cuba, have democratically elected governments. However, many of these democratic institutions remain fragile, and economic development in some countries is in danger. The transnational threats of terrorism, drug and arms trafficking, illegal migration, and international organized crime constitute the greatest challenge to security and stability in the region. Governments are feeling the strain of weak economies, rampant corruption, ineffective judicial systems, and growing discontent of the people as democratic and economic reforms fall short of expectations.

Transnational threats in the region are increasingly linked as they share common infrastructure, transit patterns, corrupting means, and illicit mechanisms. As President Bush recently stated, "...it's so important for Americans to know that the traffic in drugs finances the work of terror, sustaining terrorists - that terrorists use drug profits to fund their cells to commit acts of murder."

Terrorism

Southern Command recognized a viable terrorist threat in Latin America long before September 11. If not further exposed and removed, that threat poses a serious potential risk to our own national security

as well as to our hemispheric neighbors. Domestic terrorist organizations threaten security and stability in the region with a demonstrated capability to execute bombings, kidnappings, extortion, and assassinations. Additionally, individuals within the region have been linked to transnational terrorist organizations including Hizballah, HAMAS, Islamyya al Gama'at (IG), the Irish Republican Army (IRA) and the Basque Fatherland and Liberty (ETA). At Southern Command, we have been monitoring terrorist activities for years with such incidents as the bombing of the Israeli Embassy in 1992 and Jewish-Argentine Cultural Center in Argentina in 1994 attributed to Hizballah, the capture of the Japanese Ambassador's residence by the Tupac Amaru Revolutionary Movements (MRTA) in Peru in 1996, and the pattern of narco-terrorism in Colombia.

In recent years, international terrorist groups have turned to some Latin American countries as safe havens for support bases that sustain worldwide operations. As an example, the tri-border area of Argentina, Brazil, and Paraguay serves as a base of support for Islamic Radical Groups, such as Hizballah, HAMAS, and Islamaya al Gama'at. These organizations generate revenue in the tri-border area through illicit activities that include drugs and arms trafficking, counterfeiting, money laundering, forged travel documents, and even software and music piracy. Additionally, these organizations provide safe havens and assistance to other terrorists that transit the region.

The Revolutionary Armed Forces of Colombia (FARC), the National Liberation Army of Colombia (ELN) and the United Self Defense Group of Colombia (AUC) are all on the State Department's list of Foreign Terrorist Organizations. The FARC has been implicated in kidnappings and attacks against United States citizens and interests, to include the murder of three U.S. citizens in 1998. Notwithstanding the

Government of Colombia's eleventh hour extension of the FARC's "safe haven" in January, the FARC recently initiated a national terror campaign with more than eighty five attacks since January 20 against the nation's infrastructure, security forces, and cities. These attacks ultimately prompted President Pastrana to suspend the "safe haven", and initiate operations to occupy the area.

The FARC and ELN are also active in carrying out attacks against Colombia's energy infrastructure. Attacks on the Caño Limon-Covenas pipeline cost the Government of Colombia more than \$40 million per month in revenues when the pipeline is not operational. During 2001, the pipeline was offline for more than 266 days.

Other domestic terrorist groups pose similar local threats, elsewhere in the hemisphere, such as the Sendero Luminoso (Shining Path) and Tupac Amaru Revolutionary Movement (MRTA) in Peru and the Jama'at al Muslimeen (JAM) in Trinidad and Tobago.

Illegal Migration

Latin America and the Caribbean are major avenues for worldwide illegal migration. This migration creates economic and social imbalances that strain the effective rule of governments in the region. Illegal migration and human smuggling operations are linked to drugs and arms trafficking, corruption, organized crime, and the possibility for the movement of members of terrorist organizations.

According to the Census Bureau's latest figures, more than eight million illegal immigrants reside in the United States; two million of them are from this hemisphere. The United States Immigration and Naturalization Service estimates more than 300,000 illegal immigrants annually originate in, or transit through Central American countries destined for the United States. Also, many Chinese illegal immigrants

destined for the U.S. transit through Suriname. Human trafficking is highly profitable and provides revenue of more than \$1 billion annually to smuggling organizations within the region. Further, human trafficking provides the means of entry into the U.S. for potentially dangerous individuals.

Arms Trafficking

Although Latin America and the Caribbean spend less than any other region on legal arms purchases, illegal arms sales pose a significant threat to the stability of the region. Of particular concern is the rising trend in which Drug Trafficking Organizations exchange drugs for arms, which are then provided to terrorist organizations such as the FARC, ELN, and AUC in Colombia. Illegal arms originate from throughout the world and transit through the porous borders of many of Colombia's neighbors. Arms traffickers use a variety of land, maritime, and air routes that often mirror drug and human trafficking networks.

Drug Trafficking

Illegal drugs inflict an enormous toll on the people and economy of the United States and our hemispheric neighbors, and appropriately, have often been characterized as a weapon of mass destruction. According to the latest Office of National Drug Control Policy figures, drug abuse killed 19,227 Americans and accounted for \$143.4 billion in expenses and lost revenue (1998 figures). The majority of cocaine and heroin entering the United States is produced in the Andean Ridge.

Drug trafficking persists as a corrosive threat to the democracy, stability, and prosperity of nations within the region, especially in the Andean Ridge, adversely affecting societies and economies as scarce

resources are diverted to rehabilitation, interdiction, and crime prevention efforts. Drug trafficking generates violence, fosters crime, and corrupts public institutions. Increasingly, terrorist organizations support themselves through drug trafficking. This trend is particularly troubling in Colombia where we find clear connections between drug trafficking, guerrillas, and terrorist activities.

Although we have seen some success in reducing production in the source zone and interdicting shipments in the transit zone, supply continues to exceed demand. Partner nations are willing to work with us to develop regional approaches to counter the production and trafficking of illegal drugs; but effective and sustainable counterdrug operations are beyond the capabilities of their thinly stretched security forces. United States counterdrug assistance to security forces helps Colombia and other nations in the region develop more effective counterdrug capabilities; however, drug trafficking organizations have shown considerable flexibility in adjusting their operations in reaction to counterdrug efforts. These small, efficient, and well-financed drug trafficking organizations will rapidly change the place of production, transport routes, points of transshipment, and markets when eradication or interdiction programs achieve success.

Global War on Terrorism

Global Campaign

Since September 11th, our clear priority has been on the planning, coordination, and execution to support the global war on terrorism. Our objectives are to disrupt and destroy global terrorist organizations, eliminate havens for terrorists, prevent terrorist access to weapons of mass destruction, and assist partner nations in

attaining the capability to prevent the resurgence of terrorist groups within the region. Prosecuting this campaign requires an attack on those very same threats that challenge the security and stability of the region. We forged an integrated effort with other United States government agencies and partner nations to defeat terrorists and their supporters; interdict their means including drug trafficking, arms trafficking, money laundering, and financial backing; and eliminate their freedom of movement by arresting and prosecuting their corrupt officials, disrupting trade in false documents, and interdicting illegal migration. We center our efforts on working with our partner nations in information sharing, enhancing skills to combat terrorism through bilateral training, planning assistance, and equipping; and integrating the efforts of the interagency region-wide. Expanding on our pre-existing interagency relationships from counternarcotics, our coordination and cooperation with the interagency has been outstanding and is paramount to prosecuting a successful campaign.

Joint Task Forces 160 and 170 Operations

Although we are executing our campaign plan to combat terrorism throughout the area of responsibility, our most visible efforts are the detainee operations executed by Joint Task Force 160 (JTF-160) and Joint Task Force 170 (JTF-170) at Guantanamo Bay, Cuba. On January 4, 2002, we received the execute order to take custody of designated detainees within the United States Central Command area of responsibility, and to escort and hold the detainees at Guantanamo Bay for further disposition. The commander of JTF-160 and elements of his staff began arriving on January 6 with the first detainees arriving on January 11. Currently, 300 detainees are being held at Guantanamo Bay.

With the requirement to begin housing detainees within 96 hours of the execute order, JTF-160 immediately began to upgrade existing facilities to a total of 320 short-term detention units at a temporary holding facility designated Camp X-Ray. Camp X-Ray also has facilities for interrogation, security forces, administration, and medical care. On February 13, the Secretary of Defense notified Congress of our intent to expend \$20.6 million for the design and construction of an interim, modular, detention facility of 408 units. We expect the construction to begin in March and anticipate completion by mid-April.

JTF-160 is currently manned by a multi-service organization augmented by various interagency representatives. In addition to holding the detainees, the Secretary of Defense directed Southern Command on January 21 to implement a Department of Defense/Interagency interrogation effort. As a result, Southern Command established the Joint Interagency Interrogation Facility (JIIF) on January 22 and immediately began interrogations focused on intelligence collection, force protection, and planned terrorist activities. This interrogation effort also supports law enforcement agencies, and tribunal efforts. On February 16, Southern Command received an execute order and stood up JTF-170 to coordinate U.S. military and government agency interrogation efforts in support of Operation Enduring Freedom.

As a group, the detainees pose an unprecedented security risk to those responsible for guarding them as well as to each other, evidenced by detainee uprisings at Mazir-i-Sharif and at the Pakistani border. As your colleagues have seen first-hand, within necessary security measures, the detainees are treated humanely, consistent with the provisions of the Geneva Convention. All detainees are provided three meals daily that meet Muslim dietary laws, medical care, clothing, shelter, showers, soap and toilet articles, foam sleeping pads and

sheets, towels, prayer mats, and washcloths. They have the opportunity to worship, are provided correspondence materials and have the ability to send mail. The U.S. Navy deployed a fleet hospital with a capacity to care for 20 inpatient detainees. The hospital has a pharmacy and laboratory and is capable of providing intensive care, x-rays, surgery, and postoperative treatment. To date, the medical staff has performed thirty-four surgical procedures for the detainees.

Staff members of the International Committee of the Red Cross (ICRC) have been at Guantanamo Bay since January 18. They will continue to visit the detainees privately and submit comments and suggestions to the Commander of JTF-160. We view continuous ICRC access to the detainees as a necessary and helpful measure. The ICRC is the only International Organization or Non-Governmental Organization authorized to have direct contact with the detainees.

Security Cooperation

Given the increased importance and geographic proximity of the region, our theater security cooperation focuses on activities conducted with friendly nations that advance mutual defense or security arrangements, build capabilities for self-defense, and enable coalition operations while affording our forces greater access, if needed, during crisis response. Southern Command security cooperation seeks to expand United States influence and to reassure our friends while dissuading and deterring potential adversaries. At the same time, Southern Command remains focused on the development of strategic partnerships that will promote security and stability in Latin America and the Caribbean.

The strategic goals we seek to achieve within the area of operations are to develop multilateral regional cooperation that

creates and sustains the positive trends toward democracy, stability, and economic prosperity that marked the past quarter century.

Historically, our engagement focused on democratization through the professionalism of the armed forces, national security, humanitarian assistance and disaster preparedness, peacekeeping, transnational threats and counterdrug operations. Continued engagement in these areas lays the foundation for expanded cooperation in countering terrorism and enhancing regional cooperation.

Southern Command works to foster respect for the rule of law, human rights, civilian control of the military, and support for democratic ideals through a robust legal engagement program. We annually coordinate and direct more than 30 military-to-military legal engagement activities. Specific goals include the creation of a military legal corps, reform of military justice codes and procedures, human rights and law of war education, and the inclusion of military lawyers in the planning and execution of military operations.

Similar initiatives for professionalization of the military and security forces and regional cooperation exists in other disciplines such as medical, public affairs, civil affairs, engineers activities, and information sharing.

The most visible successes in our security cooperation program are engineer and medical projects executed during New Horizons exercise deployments under our Humanitarian and Civic Assistance (HCA) program. These projects routinely include school and clinic construction; water well drilling; and medical, dental, and veterinary outreach to local citizens. In addition to providing substantial training benefit to U.S. forces by deploying, training, and operating in foreign and austere environments, these exercises establish strong relationships with the region's militaries and engender goodwill toward the United

States. Last year, our HCA effort numbered 109 projects in fifteen countries.

In a region often plagued by natural disasters, our security cooperation program also aims at improving partner nation disaster response capabilities. We use Exercise Fuerzas Aliadas (FA) or Allied Forces Humanitarian to focus on disaster preparedness and military support to civilian authorities when disaster strikes. This makes partner nations less dependent on the United States during times of response, precluding the necessity to deploy our troops and resources. The commendable reaction by the Armed Forces of El Salvador to last year's devastating earthquakes is a testament to the success of this program and justifies maintaining it as a priority. Further, as an example of regional cooperation, the militaries of Nicaragua, Honduras, and Guatemala deployed troops to assist El Salvador, executing in actual crisis response the scenarios played out in our exercise program.

Southern Command executes separate service deployments throughout the area of responsibility. This year, we will have 193 deployments that will include combating terrorism and counterdrug training; small unit exchanges; air combat and tactical airlift; and search and rescue operations. These activities enhance the readiness and proficiency of our forces, build military-to-military relationships, improve host nation capabilities, and provide access for our forces should a need arise.

A significant part of our security cooperation efforts go to exercises and training aimed at enhancing our partner nation's counterdrug capabilities. Our instrument for executing counterdrug operations is Southern Command's Joint Interagency Task Force East (JIATF-E), at Key West, Florida.

JIATF-E is a full time interagency coordinator of maritime and air interdiction operations while exercising tactical control of all detection and monitoring assets in the region. During the past year, JIATF-E achieved continued success with counterdrug operations in the transit zone. Despite a significant reduction in assets after September 11, JIATF-E continues to provide planning and tactical command for more than 30 concentrated counterdrug operations annually. In 2001, JIATF-E supported cocaine seizures increased by more than 50 percent over 2000 levels. This year, JIATF-E is again experiencing record cocaine seizures, particularly in the eastern Pacific. During a two day period in February, 14.5 metric tons of cocaine, worth \$174.4 million in Miami street value, was seized in the eastern Pacific. Additionally, during a recent combined counterdrug operation with Guatemala, 2.4 metric tons of cocaine was seized in the eastern Pacific, and over 200,000 marijuana plants eradicated.

Andean Ridge

No other region is suffering the destabilizing effects of transnational threats more than the Andean Ridge countries. Southern Command's efforts in this region are aimed at counterdrug operations, sustaining democracy, professionalizing militaries (to include legal reform within the Colombian military), and combating transnational threats. We are cooperating with security forces of each Andean Ridge nation to build more effective counternarcotics capabilities.

The violence in Colombia remains a significant threat to the region as the nexus of guerrillas, terrorists, drug-traffickers, and illegal self-defense forces has severely stressed the government's ability to exercise sovereignty and maintain security. We have seen movements by illegal defense forces and insurgents into neighboring

countries including Panama, Ecuador, and Venezuela. In addition, neighboring countries remain transshipment points for arms and drugs entering and exiting Colombia.

From a military perspective, President Pastrana's decision on February 23 to suspend the FARC's "safe haven" and reoccupy the area was the right move. The FARC was using the "safe haven" as an area to support their drug trafficking operations, launch terrorist attacks, and recruit and train their forces. The Colombian military has aggressively initiated operations to occupy the area. We have also received increased requests of support from the Government of Colombia.

We continue to execute the Department of Defense's support to Plan Colombia, President Pastrana's long-term national security plan. Our efforts in Colombia are a fight to save democracy in that country. Additionally, our efforts mitigate destabilizing effects to other countries at risk within the region.

We are beginning to see positive results from our support. We have witnessed a steady improvement in the professionalism and respect for human rights by the Colombian military, accompanied by increased effectiveness in counterdrug operations. Our legal assistance projects in Colombia, which include developing a Judge Advocate General (JAG) school and legal and human rights reform, continue on track. The initial JAG school courses began last month for 60 judge advocates and clerks in temporary facilities. Additionally, we recently held a Human Rights Seminar with 60 Colombian media and international representatives and began bimonthly Human Rights roundtables. Twenty students from the Armed Forces, National Police, Ministry of Defense, and Commanding General's office are currently receiving specialty degrees in International Humanitarian Law. In a short period of time, the Colombian military has emerged as one of the most respected and

trusted organizations in Colombian society. Less than three percent of complaints of human rights abuses last year were attributed to the Colombian Security Forces, down from a high of 60 percent just a few years ago. The Colombian Military have also aggressively stepped up operations against the AUC. This progress reflects a strong and principled leadership and the genuine desire of the Colombian military to honor and promote democratic principles in their country.

The United States trained Counterdrug Brigade (CD Brigade) headquarters and its three battalions are now fully trained and equipped. The CD Brigade, the best trained unit in the Colombian Army, has made impressive gains during drug interdiction operations by destroying coca processing labs, providing security to eradication operations, and seizing chemical precursors and coca leaf. Since operations began in December 2000, 866 drug labs have been destroyed, 119 people detained, and the CD Brigade has provided security to the spraying of 50,000 hectares of coca. There have been no allegations of human rights abuses against the CD Brigade. We appreciate the support of the United States Congress in providing us the necessary resources to effectively train and equip the CD Brigade. Based on the success of the initial CD Brigade, the Administration is supporting Colombia's request to train and equip a second CD Brigade in FY03 for employment elsewhere within the country.

All fourteen Plan Colombia UH-60 Blackhawk helicopters have been delivered. Based on the current production delivery schedule, we expect the Huey II helicopters to be in-country by the end of August 2002. We are now training Colombian pilots and maintenance personnel to operationally field the Blackhawk and Huey II helicopters.

Colombia engineer projects continue to progress. The riverine base at El Encanto and the riverine maintenance facility at Nuevo

Antioquia are complete. At Tres Esquinas, the runway extension, A-37 Ramp, and Schweitzer hangar are in progress with completions scheduled this year. The Tres Esquinas riverine facilities are scheduled to be complete in March 2002. The UH-60 facilities in Larandia are under construction with completion expected in December 2002. The airfield runway improvements at Marandua remain unfunded; this airfield will be critical to supporting operations in Eastern Colombia.

In addition to counterdrug assistance, the Administration has proposed to Congress \$98 million to help Colombia to enhance the training and equipping of units to protect the Caño Limon-Covenas oil pipeline, one of the most vulnerable elements of their economic infrastructure. If approved, this training will assist the Colombians to mitigate the debilitating economic and financial effects of constant attacks on critical infrastructure.

We continue to improve our infrastructure at the Forward Operating Location (FOL) in Manta, Ecuador. Last year, operations at the FOL ceased for six months while we made runway improvements. The current construction for living quarters and maintenance facilities will be completed in June 2002. The Manta FOL is critical to our source zone counterdrug operations and provides coverage in the eastern Pacific where we have seen the greatest increase in drug smuggling activity.

We support reinstating the Air Bridge Denial Program in Colombia and Peru as an effective means to interdict the flow of drugs, arms, and contraband. By incorporating the recommendations of the Beers and Busby reports, we can safely resume United States support to air bridge denial operations and reinforce our counterdrug commitment to partner nations.

Ecuador remains the country most vulnerable to any spillover effects from the narcoterrorism in Colombia. As such, we sponsored a senior-level crisis response exercise with United States and Ecuadorian civil and military leaders. Participants worked through a realistic, terrorist-oriented, weapons of mass destruction (WMD) consequence management scenario. The exercise produced a better understanding of how both countries would respond to a terrorist-related crisis, and improved the capability of Ecuador to respond to a consequence management crisis. This fiscal year, three additional seminars are being coordinated in other countries to replicate the success of this event.

In Venezuela, we seek to maintain military-to-military contacts where we can. There are more Venezuelan military students in United States schools than from any other country; this is extremely important since they will be the future leaders of the Venezuelan Armed Forces.

In Peru, the government institutions are slowly recovering from the Fujimori experience. In spite of the prevailing terrorist and drug threats within the country, the military force structure and budget have been significantly reduced. Likewise, Bolivia faces similar challenges, in part stemming from their success in curbing coca cultivation and the resulting dissatisfaction from the cocaleros (coca producers).

We are validating requirements for partner nation militaries to assist the State Department as it begins executing the Andean Ridge Initiative program to address the potential regional production, processing, and spillover resulting from successful Plan Colombia execution. In each case, we are seeking to sustain the military contacts focused on professionalization of the armed forces and the specific challenges and needs within resources available.

Caribbean

Like their neighbors in Latin America, some Caribbean democracies remain fragile, and corruption within governments still exists. The security forces are small and under-resourced. Economies in this region are heavily dependent upon tourism, and the attacks of September 11 had a devastating effect on the tourist industry, which will reduce resources available for the security forces. Our security cooperation in the Caribbean focuses on combating transnational threats and counterdrug operations, disaster preparedness, and humanitarian assistance. Cuba and Haiti remain the two major concerns in the Caribbean. Cuba continues its efforts to exert influence within the region, usually at the expense of the United States. Haiti's economy is in shambles and its government institutions, to include its security forces, still do not function; however, the Haitian Coast Guard shows promise.

Tradewinds, our annual exercise to strengthen the capabilities and cooperation of partner nations, includes most countries of the Caribbean with a focus on disaster response, maritime interdiction operations, and basic military skills. Tradewinds develops increased professionalism of the military forces in the region and greater regional capability to respond to natural disasters, illegal migration and narcotics trafficking. Stronger security force relationships are enhanced as well. From the Tradewinds experience, the Caribbean Island Nations formed the composite battalion task force under CARICOM that participated with the United States in Operation UPHOLD DEMOCRACY in Haiti in 1994-1995.

In a region of scarce resources, New Horizons engineering and medical exercises have significantly benefited the people of the

Caribbean, while enhancing the capabilities of our Armed Forces to deploy and train in foreign environments. During 2001, Southern Command conducted three New Horizons exercises in the Caribbean area -- Bahamas, St. Vincent, and St. Lucia. Fiscal year 2002 will see three more New Horizons exercises in Barbados, Dominica, and Jamaica.

Central America

Natural disasters, weak political systems and economies, illegal migration, and illicit trafficking plague the Central American countries. Military forces range from none to capable. Costa Rica and Panama do not have militaries, rather internal security forces; in fact, Panama lacks the capability to control its border with Colombia. Our security cooperation in Central America focuses on peacekeeping operations, disaster response, humanitarian and civic assistance, and counterdrug coordination.

This year we are conducting Peacekeeping Operations-North 2002 in El Salvador, an annual exercise focusing on peacekeeping operations procedures while providing a forum for regional cooperation among participating nations. The Conference of Central American Armies (Nicaragua, El Salvador, Honduras, and Guatemala) indicated a desire to form a composite peacekeeping force for international operations. Guatemala demonstrated its capability as a peace operations partner as part of the United States-led multinational forces in Haiti. Additionally, we conduct New Horizons exercises annually in Central America. During fiscal year 2001, Honduras and Guatemala hosted New Horizons exercises while El Salvador and Nicaragua are currently engaged in New Horizons exercises.

Central America is an important focus of our counterdrug efforts, which include regional counterdrug operations to enhance capabilities

and foster coordination and cooperation within the region. The Forward Operating Location in Comalapa, El Salvador, provides the capability for coverage throughout Central America, the eastern Pacific, and western Caribbean. In addition to its counterdrug mission, Comalapa served as an instrumental logistics center in the aftermath of last year's earthquakes in El Salvador. Comalapa is a valuable operating location and we will continue to pursue infrastructure improvements this year.

Southern Cone

Within the Southern Cone, we focus our attention on interoperability, combating terrorism, peacekeeping operations, regional cooperation, and professionalizing militaries. Our military-to-military contacts within this region are strong, as evidenced by increased defense cooperation as potential coalition partners with the United States worldwide, dialogue, and multilateral training exercises. Although resource limitations remain an impediment, the military modernization within Chile and Brazil continues to progress.

Chile recently committed to purchase ten F-16 fighter aircraft and associated equipment after conducting a thorough, open, and transparent competition. This purchase opens the door for even more cooperation and bilateral training with an eye toward increased interoperability and coalition operations. Chile is also exploring the possibilities of a naval modernization program.

Brazil is actively pursuing a larger advanced fighter aircraft purchase with the F-16 as one of the final competitors. As in the case of Chile, the purchase of the F-16 by Brazil would lead to long-term regional and bilateral cooperation. Brazil's Navy is upgrading its carrier air operations with increased training in the United States on

the A-4 aircraft, directly related to the development of a naval fixed-wing aviation force.

Argentina is in the midst of a serious economic crisis. Throughout this difficult period, the Argentine military has remained loyal to the constitution and has been a voice of restraint and respect for the democratic process.

Before the financial crisis, Argentina petitioned to join the multinational peace force for Afghanistan. Likewise, Uruguay has volunteered to participate in the Multinational Force and Observer Mission in the Sinai as a measure to free United States troops for other missions.

We are pleased with the cooperation we have received from Southern Cone countries in sharing information and tracking suspected terrorist organizations in the tri-border area. We are working with security forces to enhance combating terrorist capabilities. Paraguay has been particularly aggressive in searching out, disrupting, and detaining terrorist suspects and their supporters.

Professional Military Education

One of the cornerstones of our security cooperation strategy is to provide the opportunity for professional military education in the United States for students from the area of responsibility. Our professional military education institutions dedicated to the region provide those opportunities and serve as vital tools in achieving United States strategic objectives in Latin America and the Caribbean.

The National Defense University's Center for Hemispheric Defense Studies (CHDS) at Ft. McNair, Washington D.C. supports the development of civilian specialists from Latin American and the Caribbean in defense and military matters by providing programs in defense policy

planning, resource management, and political and civil-military relations. CHDS significantly enhances the concept of military subordination to civilian authority by training a core of civilian defense specialists who serve in the region's defense ministries and legislatures.

The Interamerican Defense College (IADC) provides senior service level professional military education for senior officers, including officers from the United States.

The Western Hemisphere Institute for Security Cooperation (WHINSEC) at Ft. Benning, Georgia, offers instruction that promotes democratic values, respect for human rights, and regional cooperation. WHINSEC provides an opportunity for regional military and police leaders to receive, in Spanish or English, the same instruction we provide our own Armed Forces. The capstone course at WHINSEC is the year-long resident Command and Staff Course, which includes approximately 40 per cent United States officers from all services. Concepts and values taught at WHINSEC are continually reaffirmed, as our hemisphere's militaries are increasingly supportive of democratic values and the subordination of the military to civilian control.

The Inter-American Air Force Academy (IAAFA) at Lackland AFB, Texas, and Naval Small Craft Instruction and Technical Training School (NAVSCIATTS) at Stennis, Mississippi provide specialized technical and tactical training on aircraft maintenance and small boat operations to the region's militaries. This training enhances the interoperability and increases the life cycle of U.S. equipment used by countries in the region.

For some of these courses and other military schooling, the International Military Education and Training (IMET) Program are critical. We appreciate the continued support of this valuable

program. However, in order to reach the future military leaders for Guatemala, we need to remove the prohibitions on junior and field grade officer's attendance of the same professional military training as their U.S. counterparts such as command and staff college and advanced courses.

These schools produce graduates who make positive contributions to their countries through distinguished military and public service. In many cases, the interpersonal relationships forged during a common educational experience serve as valuable tools for security cooperation while promoting regional stability

Requirements

Command, Control, Communications, and Computers (C4)

We are enhancing our C4 for fixed and mobile operations throughout the region. Because most of the countries in this theater are still maturing their C4 infrastructure, satellite communications are vitally important to our deployed forces, especially in times of crises. However, current satellite communications provide limited bandwidth. We continue to expand the Cooperating Nations Information Exchange System (CNIES) and the Counter-narcotics Command and Management System (CNCMS). These programs have proven instrumental in the prosecution of our counterdrug mission and have helped optimize the available satellite bandwidth. Since existing military systems alone have not proven sufficient in meeting the demand, we are partnering with the Defense Information Systems Agency and the Department of State's Diplomatic Telecommunications Service Program Office to explore commercial alternatives such as fiber optic communication links. This effort shows promise for improving C4 effectiveness throughout our area of responsibility.

Intelligence, Surveillance and Reconnaissance (ISR)

Our global war on terrorism continues to reinforce the critical role that a comprehensive ISR posture plays in any operational environment, whether home-based or abroad. Secretary Rumsfeld noted in the 2001 Quadrennial Defense Review that: "We cannot and will not know precisely where and when America's interests will be threatened..." His observation is particularly applicable to the Southern Command area of responsibility, where threats take many forms and are often ambiguous. These threats present a range of intelligence challenges - from tracking terrorist groups and drug trafficking organizations of the Andean Ridge to monitoring international criminal and terrorist activities throughout Latin America and the Caribbean. To mitigate these threats, we depend heavily upon multi-disciplined intelligence collection and sophisticated all-source analysis backed by secure, interoperable systems. However, even with Department of Defense and the Joint Staff's assistance in this area, our current ISR capabilities fall short of meeting our requirements, particularly where we need to be proactive rather than reactive in crucial mission areas such as combating terrorism, force protection, counterdrug support, and anticipating crisis.

Essential to these efforts is sound intelligence and sufficiently financed intelligence operations. With this in mind, we fully support National Security Agency's (NSA) ongoing transformation efforts. It is essential that NSA remain a relevant provider of signals intelligence and information assurance products and services. Competing realities of existing and expanding mission requirements and budgetary constraints, will force NSA to reach difficult decisions about

resources, which could further impact intelligence collection for Latin America and the Caribbean.

The limited availability of national sensors, airborne reconnaissance platforms, and tactical military intelligence - meets only a small percentage of our priority intelligence requirements and is inadequate for maintaining a comprehensive intelligence operating picture. United States Southern Command's mixture of new and old technology systems presents unique challenges that have and will continually test our resourcefulness until we acquire more organic and reliable capabilities as noted in our Joint Monthly Readiness Review and Integrated Priority List.

The National Security Agency's responsibilities related to protecting the nation and supporting the global war against terrorism fall among the highest priorities for budget decisions if signals intelligence and information assurance initiatives are to continue to preserve our Nation's security and support the unique intelligence needs for our area of responsibility.

The restrictions placed on the use of certain collection assets exacerbate the constraints inherent to the limited availability of intelligence resources in our area of responsibility. Today, many of the intelligence assets allocated to Southern Command are funded from counterdrug appropriations. Therefore, the employment of these scarce assets is further restricted to supporting only counterdrug operations or force protection.

Our ability to execute effective operations - especially those associated with the global war on terrorism - is further hampered by restrictions on sharing data with our partner nations. We need to streamline sharing procedures that are currently used for time sensitive intelligence information. Like other unified commands, we

are developing information-sharing networks that will allow us to combat asymmetric and other specific threats in our region more effectively. The South American Net, the Caribbean Information Sharing Network, and the Cooperating Nations Information Exchange System are all prime examples of initiatives that enable us to share certain types of information expeditiously; but we must do more.

We also continue to experience shortages of intelligence personnel, qualified human intelligence collectors, linguists, and signal intelligence experts. A fully resourced Regional Security Operating Center at Medina, Texas is essential to supporting operations within the area of responsibility. Our ISR capabilities must provide predictive and actionable intelligence to preclude strategic, operational, and tactical surprise. Even with potential for improvements in the near future, the reality is, we need additional and advanced ISR support today.

Anti-Terrorism and Force Protection

The security of our forces in-theater is our first priority. Southern Command continues to commit resources to address its force protection requirements and provide the best protection measures to our forces. We have intensified ongoing efforts to identify potential threats through the use of Joint Service Integrated Vulnerability Assessments throughout the region, most notably at the forward operating locations, Guantanamo Bay, and the Southern Command headquarters. Additionally, we use force protection response groups to determine if our operating locations are under surveillance and to identify critical vulnerabilities to attack scenarios. The Colombian forward operating sites have been assessed to properly address force protection for our military personnel.

The global war on terrorism has heightened our awareness of threats and provided a new sense of urgency to our force protection efforts. We continue to make progress in securing our headquarters, bases, and FOLs. Where we are unable to mitigate threats through physical or structural enhancements, we address the risk with procedural modifications for our personnel.

Foreign Military Financing

Foreign Military Financing (FMF) is an important element of the U.S. national security strategy that fosters and supports cooperative security arrangements. Although military expenditures in the region are the lowest in the world, Latin American and Caribbean militaries do have legitimate defense sustainment and modernization requirements. As we incorporate the assistance of partner nations in fighting terrorism and other transnational threats, FMF is the primary source of equipment and training for resource strapped countries. Additionally, much of the military equipment and capability throughout the region requires modernization.

Against these requirements, Latin America and the Caribbean received less than 0.1 percent of the annual worldwide FMF program, which although an increase over last year, was just \$8.7 million. This allocation is not sufficient to cover the sustainment of the aircraft and other equipment previously provided to our regional partners. It also limits our ability to influence the direction and scope of regional military modernization and enlist the full cooperation of partner nations. Further, it limits the capabilities of the militaries within the region to assume a more active role in security cooperation against transnational threats, disaster response, and peacekeeping. We

continue to work with the Department of State in support of the FMF program.

Maturation of Headquarters

In 1999, Southern Command and its components completed an unprecedented transformation. We satisfied treaty requirements and withdrew from Panama, relocating our headquarters operations and component commands. Through this endeavor we remained focused on properly supporting the Command's strategic requirements.

In 1997, Southern Command's headquarters relocated to Miami, an international city with strong political, economic, and cultural ties to the region. This location complements our mission requirements, providing Southern Command direct access to United States government officials and foreign political and military leaders transiting to and from the area of responsibility. Access to members of the local academic community, as well as the tremendous coordination opportunities with regional offices of other federal agencies and the international diplomatic community with the large number of consulates, further enhances our efficiency and effectiveness. Operationally, from the perspective of executing the mission, Miami is the best location for the Southern Command headquarters.

The current lease for the main headquarters' building expires February 2008 and does not include provisions for extension. We are working with the Deputy Under Secretary of Defense for Installations and Environment and the Army to develop a plan to mature our headquarters in an efficient and effective manner. Our planning tenets focus on support of our mission, operational effectiveness, and prudent use of taxpayer resources. Imbedded in the planning are force protection requirements and the ability to adequately support military

personnel and their families. These plans will include reasonable flexibility for future requirements. Including these plans for headquarters maturation in the fiscal year 2004 budget is necessary to ensure time for implementation.

Way Ahead

Southern Command will continue to execute operations and activities to enhance the region's militaries, advance democracy, promote regional security, support hemispheric cooperation, foster economic opportunities, promote peace, sustain freedom, and encourage prosperity. Further, we will prioritize these activities in areas that offer the greatest leverage for protecting and advancing United States regional and global interests. Our primary vehicle for accomplishing these goals remains the professionalization of the region's militaries through military-to-military contacts. Southern Command will continue to conduct disaster relief, humanitarian assistance, crisis response, and counterdrug activities. Also, we are adapting our plans to assure our allies, dissuade foreign military competition, deter potential adversaries, and if this fails, defeat our adversaries, whether terrorists or nations.

Conclusion

In summary, Mr. Chairman, the Latin American and Caribbean countries are of growing strategic importance to the United States.

The economic, cultural and security ties within our own hemisphere are critical to safeguarding the security of the United States and its citizens. During the last twenty-five years, the region has been a success story for the United States National Security Strategy as the countries within our area of responsibility have made a clear transition toward democracy and subordination of military forces to civilian authority. This is due in large part to a carefully planned and robust engagement program of professional military education, training, and exercises that emphasize respect for democratic values, regional cooperation, human rights, and the role of the Armed Forces in a democratic society.

Our vision for the hemisphere continues to be a community of democratic, stable and prosperous nations dedicated to countering terrorism, illicit drug activities, and other transnational threats. Our goal is to ensure these nations are served by professional, modernized, interoperable security forces that embrace democratic principles, demonstrate respect for human rights, are subordinate to civil authority, and capable of multilateral responses to challenges.

Today, however, we also recognize the insidious nature of hostile activities that threaten the stability, security, and economic development of many of these nations. We clearly recognize the existence of a terrorist threat within our hemisphere as profits from illicit drug trafficking fuel terrorist activity that can ultimately have national security implications for the United States. United States Southern Command will continue to seek every opportunity to resource, plan, and combat terrorism within the region to ensure for our national security and win this war.

We are confident that continued support from you and your colleagues on the Committee and in Congress will provide the resources

to ensure that the hard-earned gains of the last twenty-five years are not reversed, and to enhance regional partner nation capabilities that build and maintain support for the global war on terrorism. Thank you again for providing me the opportunity to discuss the superb work performed by the soldiers, sailors, airmen, Marines, coastguardsmen, and civilian personnel of Southern Command in Latin America and the Caribbean.