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SENATE ARMED SERVICES COMMITTEE

STATEMENT OF

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COMMANDER

U.S. PACIFIC COMMAND

BEFORE THE SENATE ARMED SERVICES COMMITTEE

ON U.S. PACIFIC COMMAND POSTURE

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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 region.

The Asia-Pacific area remains a region of vital importance to our nation. From a security standpoint, the past year has been a time of general stability and improving security with the notable exception of North Korean nuclear and missile activity.

Economic development in the region continues at a brisk pace, fueled primarily by dynamic growth in China, with positive trends in most nations.

Pacific-based forces have served with distinction in Iraq and Afghanistan and have helped combat terrorists in the Philippines through intelligence and operational fusion assistance to the Armed Forces of the Philippines. Our marvelous men and women have helped stabilize the region through exercises and engagement; they have saved lives and mitigated human suffering through medical and engineering assistance in the wake of natural disasters.

Progress in the USPACOM AOR requires close cooperation with the Department of State and U.S. Embassy country teams. Our important ties with other agencies of the U.S. government - in Washington and in theater - have been keys to stability. Of course, the Congress is essential to our efforts. I appreciate YOUR support of USPACOM initiatives. I assure the Committee

that our activities are conducted in accordance with United States law and policy. 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. Our military-to-military interaction with China has been increasing; we abide by restrictions stipulated in the FY2000 National Defense Authorization Act (NDAA). FY2006 NDAA Section 1206 "train and equip" authority made possible a rapid infusion of \$30 million in Department of Defense funds to improve the maritime security capacity of Indonesia and Sri Lanka. Section 1022 authority broadened permissible uses for counter-drug funding and allowed the Joint Interagency Task Force-West to assist partner nations in building the counterterrorism capability of their law enforcement agencies. We look forward to the continued support of the Congress in these areas.

Direct dialogue and shared experiences with regional civilian and military leaders remain keys to enhancing our relationships in the AOR. Meaningful and frequent engagement with the nations in the Asia-Pacific - characterized by the transparent expression of views and intent - contributed to considerable progress across a broad range of security issues this past year. Our relationships with regional counterparts have ensured cohesion and resolve in addressing strategic events such as missile and nuclear testing by North Korea.

Our alliances with Japan and the Republic of Korea facilitated a strong response to the DPRK nuclear event. After the 9 October nuclear test, Chinese support moderated North Korean behavior and helped to restart the Six-Party Talks. These talks remain a critical framework for addressing North Korean nuclear aspirations. Engagement with the Peoples' Republic of China over the last two years was a positive factor throughout.

The solidarity of the U.S. - Japan alliance is further demonstrated by increased cooperation in ballistic missile defense. We are also moving ahead with implementation of the security improvements agreed to in the Defense Policy Review Initiative. The strategic alliance between the U.S. and Japan has been reaffirmed and many force structure changes are in planning or underway. A key step will be the move of approximately 8,000 Marines and their family members from Okinawa to Guam. The U.S. and Japan will share the development costs of this relocation.

Our strong alliance with the Republic of Korea has enabled us to undertake extensive discussion regarding the future of the alliance and agreement to shift responsibility for defense of the peninsula to ROK forces. U.S. support and engagement, primarily with air and naval capabilities, will remain essential to the ROK defense and to regional stability.

Our military-to-military activities with the PRC have increased and this past year marked the first ever U.S. - PRC tactical activity - a search and rescue exercise in two phases - off the coast of California and in the South China Sea. This progress bodes well for U.S. - China relations and regional stability. Exercises, port visits, and mid-level officer exchanges can over time reduce the potential for misunderstanding and provide the opportunity to positively influence future PLA leaders. At every turn, we use our interaction to demonstrate the professionalism and readiness of U.S. forces, an important element of encouraging responsible behavior by the Chinese government and military.

We continue to push for greater transparency from Chinese officials. Without greater insight into Chinese goals and objectives, I will remain

concerned about continued 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 PRC aggression.

Southeast Asia remains the battleground against terrorism in the Pacific. On the island of Jolo, the Armed Forces of the Philippines (AFP), with assistance from U.S. military advisers and trainers, have kept the terrorists on the run and made progress in creating a stable, secure environment.

Interaction between Indonesian Armed Forces (TNI) and the U.S. military has been positive and valuable in the War on Terror and for humanitarian assistance. The peace accord in Aceh accelerated recovery from the 2004 Tsunami by facilitating stability and security. We are addressing maritime security with Indonesian, Malaysian, and Philippine authorities to deny terrorists transit and sanctuary at sea. Maritime security efforts focus in the Sulu and Sulawesi Seas or tri-border sea area between Indonesia, Malaysia, and the Philippines; these efforts foster multilateral cooperation among the littoral states.

The U.S. - India strategic partnership is expanding and military-to-military activities are thriving. Recent congressional approval of the Henry J. Hyde U.S.-India Peaceful Atomic Energy Act reinforced those ties. Our interaction will improve regional security by addressing instability concerns in Bangladesh, Nepal, and Sri Lanka.

One area of great concern is political upheaval in the region. The coups in Thailand and Fiji, while bloodless, were clearly unacceptable. The

prompt return of democratically-elected government is essential if we are to maintain important military-to-military relationships. Historic animosity, poor economies, overpopulation, and weak and dysfunctional governments fuel insurgencies and unrest in areas including the Solomon Islands, East Timor, Sri Lanka, and Bangladesh.

These impressions highlight both the challenge and opportunity in the Asia-Pacific region. We have in place key elements to advance U.S. security interests and enhance regional stability - vibrant 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 remain organized across five focus areas - prosecuting and winning the War on Terror; advancing regional security cooperation and engagement; maturing our joint and combined capabilities and readiness; posturing forces for agile and responsive employment; and ensuring operational plans at all levels are credible.

PROSECUTING AND WINNING THE WAR ON TERROR (WOT)

Engagement with regional partners for support in the War on Terror continues to pay dividends as Australia, Japan, Republic of Korea, Thailand, Singapore, Fiji, Mongolia, Tonga and New Zealand are making or have made significant contributions to the efforts in Iraq and Afghanistan.

Within Asia and throughout the Pacific, in coordination with the Office of the Secretary of Defense, the Department of State, and our U.S. Ambassadors, we work with and through our regional partners to combat extremist violence and transform at-risk environments. We are making progress but must remain active.

Forces from the Special Operations Command Pacific (SOCPAC) play the dominant role in USPACOM WOT operations. The Joint Combined Exchange Training (JCET) program is the principal mechanism used by Special Operations Forces to assist partner nations in building capacity to defeat terrorism and improve our understanding of the complexities of the local environment. SOCPAC troops are the core of **Operation Enduring Freedom - Philippines (OEF-P)**, an operation which supports the Government of the Republic of the Philippines counterterrorism efforts. With U.S. advice and training, Armed Forces of the Philippines (AFP) and civilian authorities have improved their ability to coordinate and sustain counterterrorism operations. U.S. and Philippine forces have also worked together under the new Security Engagement Board framework - the primary mechanism for consultation and planning regarding non-traditional security threats - to complete humanitarian and civil assistance projects and improve living conditions in the southern Philippines. As a result of our combined efforts, support for terrorists has waned markedly.

U.S.-supported operations, civic projects, and Malaysian-mediated peace talks with the separatist Moro Islamic Liberation Front (MILF) continue to erode MILF support to the Abu Sayyaf Group (ASG) and Jemaah Islamiyah (JI). These efforts have reduced ASG mobility within MILF strongholds. With assistance from Australia and Japan, we will continue to build Philippine capabilities and capacity to conduct independent, joint operations against internal and external threats.

The Government of Indonesia is a welcome partner in the War on Terror. Indonesia continues to play an influential role in moderating extremism, as evidenced by its willingness to contribute forces to peacekeeping operations

in Lebanon. At home, President Yudhoyono has demonstrated a commitment to democracy and military reform. Our interaction with the TNI this year reinforced the positive trends we have seen in their professionalism, respect for human rights and civilian control of the military.

We have targeted security assistance and "train and equip" funding to Indonesia towards maritime security in an effort to limit mobility for terrorists in Southeast Asia who take advantage of the relatively unmonitored, uncontrolled seas. The waters between Indonesia, Malaysia, and the Philippines have been a sanctuary for transit and illicit activities which sustain terrorist activity. The Indonesian military efforts to monitor and control criminal maritime traffic in these areas can be enhanced by multilateral cooperation with the Philippines and Malaysia, which we encourage.

Joint Interagency Task Force - West counter-drug programs complement and support the War on Terror. Key initiatives include enhancing Indonesian, Malaysian, and Philippine maritime law enforcement capacity in the Sulu and Celebes Seas through focused Security Assistance and Section 1206 "train and equip" proposals that develop military capacity to combat transnational threats in these areas. We will exercise Section 1022 authority (as authorized in the FY2006 National Defense Authorization Act) by enhancing the counterterrorism capacity of partner nation law enforcement agencies, and we look forward to a continuation of this authority beyond fiscal year 2007. As a next step, we continue to seek Section 1033 authority (FY1998 National Defense Authorization Act) to equip counter-drug forces in the Philippines, Indonesia, Malaysia, and Thailand so that we can integrate our assistance program more effectively with interagency partner efforts.

A key enabler of all of these cooperative trans-regional efforts is effective information sharing. Coordination in intelligence, logistics, planning, and operations is critical to success. We have made progress in this area and continue to build the infrastructure required to share and act upon the information.

Combating Weapons of Mass Destruction (WMD). We are working with allies and partners to build regional capability to combat WMD. President Bush initiated the Proliferation Security Initiative (PSI), which supports national counter-proliferation efforts. Unlike traditional export controls, PSI is a voluntary activity that builds global capacity to disrupt weapons of mass destruction proliferation among states, and between states and terrorist organizations. Nine nations within the AOR (Australia, Japan, Singapore, Philippines, Cambodia, Mongolia, the Marshall Islands, Sri Lanka and Papua New Guinea) have endorsed the statement of interdiction principles. We continue work to expand participation during our regional military-to-military engagements. We joined PSI exercises such as PACIFIC PROTECTOR and DEEP SABRE with Australia, New Zealand, Singapore, Japan, and the United Kingdom and observers from other countries. USPACOM participates in multiple working groups with our allies and partners to build consequence management capability. We established formal work plans with Japan and South Korea in 2006. We will execute these plans in 2007, resulting in real improvement to our Chemical, Biological, Radiological, and Nuclear (CBRN) defense and consequence management capabilities. On the home front, we will expand consequence management training through our participation in Department of Homeland Security-Exercise TOPOFF 4 in October 2007, validating the full range of existing procedures for managing a domestic terrorist WMD event.

ADVANCE REGIONAL SECURITY COOPERATION AND 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 focus areas, and facilitate situations in which future security challenges can be met through strong regional cooperation and capacity.

Japan. The relationship between the U.S. and Japan is a cornerstone of peace and prosperity in the Pacific. Nearly 38,000 U.S. armed forces personnel are permanently stationed in Japan, with another 14,000 forward deployed U.S. Naval personnel. Japan provides over \$4 billion in host nation support, the most generous contribution by any U.S. ally.

The response to brinkmanship by Kim Jong-Il validated the strength and importance of our alliance. Prime Minister Abe's early engagement with China's President Hu Jintao and Republic of Korea's President Roh Moo-hyun is encouraging and offers the potential for better Japanese relationships with those nations. PM Abe has also advocated for significant changes within the Japanese government and military to support both regional and global security efforts. The Government of Japan (GOJ) has provided significant military and

financial support to coalition operations in the WOT. For example, GOJ legislation supports operations in Afghanistan, maritime logistical support in the Indian Ocean, and recently concluded reconstruction efforts in Samawah, Iraq. Japanese Self-Defense Forces maintain a presence in the Middle East by flying C-130s in support of United Nations and coalition missions in Iraq. We appreciate the GOJ support in the WOT.

The alliance also continues with the transformation goals laid out in the three Security Consultative Committee Statements released by the Secretary of Defense, the Secretary of State, and their Japanese counterparts in 2005 and 2006. These agreements established our common strategic objectives; rebalanced the required roles, missions, capabilities and force structure between U.S. and Japanese forces; and set forth our roadmap for realignment. They are on track. Implementing these agreements will enhance alliance capabilities while ensuring a more sustainable U.S. military presence in Japan.

Japanese commitment to Ballistic Missile Defense (BMD) is significant. The Japan Defense Agency (JDA) 2004 Defense Budget included funds to initiate research and development of a limited missile defense plan for the Kanto Plain region involving sea-launched SM-3 and ground launched Patriot PAC-3 missiles. The GOJ Cabinet and Diet approved the JDA budget for 2005, which included an additional 106.8 billion yen (\$1B) for BMD. The JDA, recently elevated to the ministerial level and designated as the Ministry of Defense, has shown great interest in cooperative development with the U.S. of a more capable sea-launched missile and production of PAC-3 missiles. The Japanese Defense Ministry and DOD are exploring complementary systems that share information and make both systems more capable.

Republic of Korea (ROK). Despite challenges, the U.S.-ROK alliance is solid and continues to form the foundation for peace and security on the Korean peninsula. Our partnership remains focused on the most immediate security threat to the Korean people - the government of the Democratic Peoples' Republic of Korea (DPRK). The ROK government has expressed a desire to take the lead role in conventional defense. As a result of ROK combat capability enhancements, nine military missions - ranging from weather forecasting to maritime special operations forces interdiction - have been transferred from U.S. to ROK military forces. Continued improvements by the ROK military make possible additional mission transfers in the future. The ROK government has sought the ability to exercise operational control (OPCON) of its own forces in wartime, and we have reached agreement to transition our command relationships in April 2012. This is a natural and reasonable next step in the maturation of the U.S.-ROK relationship and should be supported. Together we will implement a transition process that will assure that ROK forces are ready to assume this increased responsibility.

The DPRK is a proven proliferator of missiles and missile technology as well as a participant in a range of other illicit activities including probable state-run narcotics exporting and counterfeiting of U.S. currency. The Six-Party framework - with coordinated multilateral efforts of the ROK, Japan, Russia, and China - is a constructive approach, regardless of DPRK wrangling in the near-term.

The U.S. and ROK are transforming our alliance to meet evolving security requirements. As ROK force modernization allows Korea to take a greater role in its own defense, U.S. forces stationed in Korea are improving their strategic flexibility, in keeping with our global force transformation. Our partnership is valuable beyond East Asia security issues, demonstrated by

the significant contingent of ROK engineering, medical, aviation, and security forces supporting coalition missions in Iraq and Afghanistan. We hope to increase regional partnering with the ROK in counter-proliferation, maritime security, and disaster relief while seeking to foster increased trilateral military cooperation between the ROK, Japan, and the U.S. We welcome a shift by South Korea toward a more regional view of security and stability.

Australia is our most steadfast ally, a nation working tirelessly to promote stability and good governance in the Pacific. During 2006, Australians led efforts to restore stability to East Timor and the Solomon Islands, and they continue to provide major security and institutional assistance in the region. The Australian Pacific Patrol Boat program provides the primary capacity to protect against criminal activity in the economic exclusion zones of many island nations. Most recently, Australia is leading relief efforts - in coordination with nongovernmental organizations - to help the devastated portions of the Solomon Islands recover from the recent tsunami, under the auspices of the Regional Assistance Mission to the Solomon Islands or RAMSI.

The strong bond between our nations has allowed us to make quick strides in areas of mutual concern. U.S. and Australian military forces are synchronizing efforts to build capacity in combating terrorism and enhancing maritime security in the Philippines, Indonesia, and Malaysia. Additionally, we continue to improve interoperability between the Australian Defence Force and U.S. armed forces. TALSIMAN SABER, a major exercise this spring, will provide proof-of-concept for the Joint Combined Training Capability that promises to take bilateral, network-centered training to a new level, and

ensure our combined forces are prepared for today's modern and dynamic threat environment.

Our partnership with the **Republic of the Philippines (RP)** is central to success in meeting our War on Terror goals in Southeast Asia. We appreciate President Arroyo's affirmation of the Visiting Forces Agreement, allowing for the continued advancement of cooperative efforts to rid the Philippines of terrorist activity. The recently passed Human Security Act enhances Manila's counter-terrorism laws and provides new legal authorities for Philippine security forces in fighting terrorism. Last year, the GRP also established the Security Engagement Board (SEB) as the framework for our bilateral engagement on non-traditional activities such as counterterrorism, counter-drug, humanitarian assistance/disaster relief, and addressing the potential of pandemic disease. This development paved the way for engagement including security assistance, civil-military operations, and other support to Armed Forces of the Philippines (AFP) operations. The Philippine Defense Reform, endorsed by Presidents Bush and Arroyo in 2003, implemented with Foreign Military Financing under the auspices of the Philippine Department of National Defense and the Armed Forces of the Philippines, is well on the way to producing long-term institutional reform.

Thailand is a major regional ally. Section 508 of the Foreign Operations Appropriations Act mandated the suspension of security assistance to Thailand following the September 2006 coup. While we continue to value Thai support for combined training events, access for U.S. forces, and past contributions to operations in Afghanistan and Iraq, we encourage the quick return to a democratically elected government to allow full restoration of our military relations. We appreciate the continued support and cooperation

of the interim Royal Thai Government in combating terrorism in Southeast Asia and for temporary access to its military facilities.

India. The U.S.-India strategic partnership deepened significantly in the last year. With congressional approval of the Henry J. Hyde Atomic Energy Cooperation agreement, we should expect the relationship to become even broader and more helpful in addressing common security issues. Our experience with military-to-military activities mirrors this decidedly positive trend. We foresee great potential for cooperation in areas of concern like Nepal and Bangladesh.

Over the course of the last year, all three Indian Service Chiefs expressed satisfaction with the state of our military-to-military interaction and a desire to increase the scope of these activities in the future. Our two nations conducted a combined Army-Air Force exercise in Hawaii and a naval exercise incorporating elements from the Marine Corps and Army. USPACOM will continue increasingly joint, complex and realistic training exercises with the Indian military. Indian Armed Service Chiefs are also keenly interested in the Foreign Military Sales (FMS) program. In their view, FMS plays a central role in our future military relationship. The ongoing transfer of USS TRENTON was singled out as a welcome addition to Indian Navy capabilities, building Indian confidence in dealing with the U.S. in equipment acquisition matters.

Singapore is 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 visiting U.S. forces, Singapore is extraordinarily supportive and cooperative in moving forward with our shared maritime security, counterterrorism, and regional command and control initiatives.

Singapore breaks ground this year on a Command and Control Center at Changi Naval Base which will facilitate information sharing between Singapore, the United States, and other regional nations.

Indonesia continues to make steady progress with the reform of the Indonesian Armed Forces (TNI), emphasizing human rights, professionalism and leadership training. Through the recently renewed security assistance programs, the U.S. helped institutionalize reforms, particularly with the International Military Education and Training program. Additionally, the U.S. Department of Defense started the Defense Resource Management Study in September 2006 to improve Indonesian programming and funding practices.

President Yudhoyono has sustained his commitment to thwart extremism and improve maritime security; those efforts are bolstered by carefully targeted security assistance and humanitarian initiatives. We have focused the security assistance funding on coastal radars and communication equipment to improve situational awareness of the maritime domain. Our deployment of the USNS MERCY provided medical relief to more than 24,000 patients in four areas of Indonesia. In addition to the medical care and training opportunities for the Indonesian medical personnel, the USNS MERCY deployment demonstrated the importance of the U.S.-Indonesian strategic relationship. Together, these initiatives furthered our common goals in the War on Terror - denying maritime sanctuary to terrorists and improving living conditions for the Indonesian people.

People's Republic of China (PRC). Chinese global engagement continues to mature. Nations in the Pacific, Africa, and South America are benefiting from Chinese economic growth, while the increasing energy needs of China are fueling ties to the Middle East. China has also demonstrated a greater

willingness to play a responsible role in the diplomatic arena, particularly with North Korea. While PRC military modernization efforts do not yet challenge U.S. military capabilities in the AOR, the opaqueness of Chinese defense budgets and intentions, as well as the introduction of new capabilities, are causes for concern.

The purpose of the USPACOM-initiated military-to-military interaction with the Peoples' Liberation Army (PLA), conducted within the framework of our over all policy toward China which is based on the three Joint U.S.-PRC communiqués (1972, 1979, 1982), our one-China policy, and the FY2000 National Defense Authorization Act, is to increase transparency between our respective militaries, break down barriers to understanding, and reduce the potential for miscalculation. This past year we have gained traction and are moving the U.S.-PLA military-to-military relationship forward as an important complement to the other elements of the bilateral U.S.-China relationship.

With each successive trip to China, we have seen improved access to leadership and facilities. Most noteworthy has been the increasing interaction among junior and mid-grade officers who in the coming years will become senior PLA leaders. Through this direct contact, we gain experience interacting with one another and build relationships for the long term. We have also made practical advancements with our activities. Talks held last year under the Military Maritime Consultative Agreement (MMCA) yielded a substantial agreement to improve the safety of our Sailors and Airmen. The agreement called for a bilateral search and rescue exercise (SAREX) with elements of free play, internationally accepted protocols, and fixed wing aircraft. These terms allowed the U.S. to practice search and rescue with the PLA in the same manner we carry out such operations with other partners.

The need for the PLA to adopt internationally accepted protocols will increase as PLA Navy expands its activities in the Western Pacific.

Progress in the military-to-military venue has been positive. I anticipate the relationship will improve in the areas of transparency and reciprocity. As we see PLA commitment to these principles, I will work with the Office of the Secretary of Defense and Congress to reassess the relationship and, if warranted, propose changes to the FY2000 NDAA restrictions.

The PRC-Taiwan relationship is an issue that we monitor closely. Consistent with legislation and policy, our interactions focus on efforts to preserve cross-strait stability. We continue to encourage Taiwan to improve its own defenses and create a credible deterrent to any attack. We have advocated inexpensive hardening practices as well as the acquisition of a combination of defensive weapons and systems. USPACOM will continue to make available to Taiwan advice, training and support for Congressionally-approved equipment to defend against the potential military aggression by the PRC.

Mongolia, a country with a GDP of approximately 2.4 billion dollars and a population of 2.8 million, continues to make a substantial contribution as a U.S. partner in the War on Terror. Mongolian forces have maintained a continuous presence as a coalition member in Iraq and Afghanistan, with seven company-sized rotations to Iraq and six mobile training team detachments to Afghanistan. These efforts and their other UN and NATO commitments mean that almost one-third (or about 400) of deployment-eligible Mongolian soldiers are engaged in peacekeeping missions, world-wide.

USPACOM security cooperation with Mongolia supports their efforts to adjust the structure and skills of the military to better match a peacekeeping focus. The Mongolian Defense Reform and the Global Peace Operations Initiative (GPOI) are being leveraged to maximize the effect of both programs and will result in the transformation of the MAF into an International Peacekeeping Force. Mongolia was selected as one of two countries in the theater (Bangladesh the other) to be sites for regional peacekeeping training centers. Mongolia has agreed to host the second annual GPOI capstone event at the Five Hills Regional Training Center in August 2007 as part of Exercise KHAAN QUEST '07.

Russia. In support of the USEUCOM responsibility for Russia, we have taken steps to improve operational protocols between U.S. and Russian forces. We invited the Russians to participate in PACREACH, our multinational submarine rescue exercise. We have broken new ground toward access in the Far East by initiating a C-17 squadron relationship with a Russian strategic lift unit in the Far East and through preparation for PACIFIC EAGLE, a U.S.-Russia naval exercise building common operating procedures for humanitarian assistance, disaster relief and search and rescue responses. We hope to host the newly appointed Russian Far East Military District Commander at U.S. Pacific Command in Hawaii and the Russian Pacific fleet commander at U.S. Seventh Fleet and U.S. Pacific Fleet headquarters in Japan and Hawaii, respectively. In addition to interoperability, one of our major goals is to increase lower-level exchanges and exercise interaction between USPACOM and Russian forces.

Sri Lanka. The ongoing civil war between the Liberation Tigers of Tamil Eelam (LTTE) and the Government of Sri Lanka (GSL) is a continuing source of regional instability and loss of life. U.S. focus remains on

facilitating a negotiated settlement that meets the needs of the Sinhalese, Tamil and other communities. The USPACOM security cooperation programs with Sri Lanka Armed Forces support their ability to deter renewed violence, improve maritime security capabilities, and institutionalize respect for human rights. Sri Lanka has been approved for \$10.88M in FY06 1206 "train and equip" funds. These funds will assist in the Sri Lanka Armed Forces' ability to identify and interdict illegal international arms shipments.

Nepal. Political upheaval has curbed military engagement with USPACOM. The end of the 10-year insurgency and the recent inclusion of former Maoist insurgents in the government have not brought about the desired national stability. Continued Maoist refusal to fulfill promises to disarm, return confiscated property, and cease intimidation and extortion cast a shadow of doubt on the future of democracy in Nepal. We remain hopeful that the recent political agreement will result in lasting peace, opening the way for democratic rule and economic development. In the interim, USPACOM security cooperation focuses on non-lethal assistance with an emphasis on professional military development and human rights education for the Nepal Army, which remains a positive force for stability and security in the country.

Bangladesh. Political turmoil and the increasing influence of extremists in Bangladesh are growing challenges to both national and regional stability. Political violence led to a decision - backed by the Bangladeshi armed forces - to postpone elections and retain the civilian interim government. USPACOM objectives are to assist Bangladesh in combating extremism by enhancing counter terrorism capabilities, improving land and sea border control, and promoting a professional military that adheres to human rights and respects civilian control of the military. USPACOM further seeks to enhance Bangladeshi ability to contribute to international peacekeeping

missions and to increase their capacity to conduct domestic humanitarian assistance and disaster relief missions.

Our security relations are good and steadily improving with **Malaysia**, a country whose importance and influence increasingly extends beyond its regional neighborhood. In addition to chairing the Organization of the Islamic Conference, Malaysia recently hosted the non-aligned movement and ASEAN Regional Forum. Malaysia remains active by leading the peace monitoring mission in southern Philippines, and has contributed peacekeeping troops to East Timor and Lebanon.

In other areas of interest, Malaysia has demonstrated strong leadership in maritime security with its littoral partners, fostering support for the "Eyes in the Sky" initiative to increase maritime surveillance. These efforts contributed to the decision last year by Lloyds' of London to declassify the Strait of Malacca as a high-risk war zone. The new Malaysian coast guard, the MMEA, continues to develop, and take on greater responsibility for maritime patrol.

Vietnam. Our military-to-military relationship with Vietnam is advancing steadily through high level visits and new initiatives for defense cooperation such as additional language and disaster response training and information exchange of weather forecasting data. In January, Vietnam agreed to allow the conduct of recovery operations of missing U.S. personnel in territorial waters using U.S. vessels. Vietnam prominence in the region has increased with its hosting of the Asia-Pacific Economic Council Summit and accession to the World Trade Organization. As their level of confidence and engagement grows, we expect Vietnam to pursue a more active regional role and greater security cooperation with the U.S.

Cambodia. USPACOM and the Royal Cambodian Armed Forces (RCAF) are beginning to cooperate closely on counter-terrorism, peacekeeping, disaster response and medical and health related activities. Last year USPACOM conducted an assessment of RCAF requirements to better understand their needs and determine a way-ahead to professionalize the RCAF in the post-Khmer Rouge era. In February of this year, the U.S. Pacific Fleet made the first ship visit to Cambodia since the Vietnam War, demonstrating a strengthened military-to-military relationship.

Laos. We are slowly building security-related activities with Laos beyond traditional humanitarian assistance cooperation. As demonstrated during the January 2007 Technical Talks with USPACOM, the Lao Peoples' Democratic Republic (PDR) leadership is receptive to increased engagement focused initially on education and language training for mid-level and senior officers. As the Lao PDR forces become more comfortable with our bilateral interaction, we expect to increase the pace of military-to-military activities to include greater cooperation in humanitarian assistance, disaster response training and exchange of personnel.

New Zealand is strongly supportive of our efforts in the War on Terror. New Zealand forces are leading a Provincial Reconstruction Team in Bamyan Province, Afghanistan and have placed additional troops in Bagram. They are also an active, stabilizing force in the Pacific Islands, with their soldiers supporting security efforts in East Timor, the Solomon Islands and Tonga. The Government of New Zealand's 1987 legislative ban of nuclear-powered ships in its waters remains an obstacle to improved military-to-military relations. However, they continue to provide outstanding support to Operation DEEP FREEZE missions enabling U.S. scientific exploration in Antarctica.

Compact Nations. USPACOM values our special relationship with the three Compact Nations - the Federated States of Micronesia, the Republic of the Marshall Islands and the Republic of Palau. 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. The proud citizens of these nations continue to serve with distinction in the U.S. Armed forces and Coast Guard. The U.S. Army Pacific's Joint Task Force for Homeland Defense has taken the lead as we partner with these nations to ensure our mutual defense as set forth in the Compacts of Free Association. Additionally, we fully support initiatives to expand operations to protect their valuable economic exclusion zone resources.

East Timor. Progress in East Timor remains hindered by weak institutions, political infighting, poor education and extreme poverty. Australia and the United Nations Interim Mission in Timor (UNMIT) facilitated security and stability in advance of the April 2007 presidential elections (with inconclusive results, a runoff election is scheduled for next month). USPACOM works to complement UNMIT and the Australian Defence Force (ADF) with humanitarian assistance and International Military Education and Training (IMET) while the Department of Justice provides police training through the International Criminal Investigative Training Assistance Program. USPACOM also provided strategic airlift to support the deployment of Australian soldiers following rampant violence in East Timor during May 2006.

Security Assistance. One of the most important features of USPACOM theater security cooperation in the region is our partnership with the Department of State and U.S. Embassy country teams, which facilitates military-to-military interaction with allies and emerging partners. 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. and USPACOM interests by educating participants on the principles of rule of law, human rights and good governance, promoting increased understanding and regional stability. FMF continues to prove its value by equipping and training regional partners. It is vital in supporting U.S. partners in achieving security goals of mutual interest, including the War on Terror. However, Pacific region countries typically receive less than one percent of the annual worldwide allocation of FMF. These investments in capacity building and prevention of the conditions which foster instability are very cost-effective and merit increased funding.

Other key programs in USPACOM contribute more broadly to security cooperation by addressing transnational concerns. The periodic deployment of the hospital ship, USNS MERCY, 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 foundational expertise while establishing enduring relationships between nations of the region. Additionally, Joint POW/MIA Accounting Command is a powerful tool in our efforts to improve relationships in the region, particularly in Southeast Asia.

USNS MERCY Deployment. Our experience with the 2004 Indian Ocean tsunami relief effort revealed the tremendous influence of DOD-led humanitarian operations in reinforcing a positive view of the U.S. while countering ideological support for terrorism. Since then, we have adjusted our priorities and resources to achieve those effects through deliberately planned humanitarian assistance efforts. The paramount event of this type in 2006 was the deployment of the Navy hospital ship USNS MERCY. During a five-

month period, MERCY conducted ten humanitarian visits among predominantly Muslim populations in South and Southeast Asia. We augmented the MERCY medical complement with hundreds of volunteers from non-government organizations and military medical personnel from eight partner countries. Among a wide array of assistance work, the MERCY team treated over 60,000 individuals including a thousand complex surgeries. Events of this type will continue to be central to our security cooperation efforts in the USPACOM AOR.

MATURE OUR JOINT AND COMBINED CAPABILITIES AND READINESS

Fundamental to success in the War on Terror and continued stability in the Asia-Pacific region is our Joint Training Program. Virtually every operation and activity is conducted jointly and in concert with allies, making it important that we train to operate more effectively as a multinational team.

The USPACOM joint training plan is specifically designed to mature joint and combined warfighting capabilities and readiness and to advance security cooperation while using resources more effectively. We have taken several steps to maximize scarce training dollars and minimize unnecessary stress on the force. For example, Joint Task Force certification is accomplished through existing exercises rather than new events. By leveraging rotational forces in theater and aligning service exercises to create joint training opportunities, we also met obligations with partners and allies, enhanced training opportunities, and improved interoperability between regional militaries. Combining Joint Exercise KEEN EDGE with Army Exercise YAMA SAKURA resulted in efficiencies while continuing to demonstrate our strong commitment to Japan.

Global Peace Operations Initiative (GPOI) is a Presidential and G-8 program to expand and train competent and professional Peacekeepers worldwide, and is a key component in building combined capabilities in the AOR. The USPACOM GPOI program takes advantage of existing host nation programs, institutions and exercises like KHAAN QUEST in Mongolia. We facilitate long-term sustainment and enduring impact of the peacekeeper initiative by using a "train-the-trainer" concept, standardizing training with United Nations Guidelines, and conducting combined, multilateral training events that foster cooperation, not competition, among countries.

This past year, USPACOM GPOI efforts trained more than 700 tactical peacekeepers, 198 qualified staff officers, and 50 Trainers from Mongolia, India, Thailand, Tonga, Korea, and Bangladesh. Most will deploy to a coalition or UN peacekeeping mission within the year. The Mongolians are supporting UN Missions in Western Sahara, Congo, Sierra Leone, Ethiopia, and Entrea as well as a seventh rotation to Iraq and a sixth rotation to Afghanistan. Indonesia, Fiji, Sri Lanka, and Nepal are newly approved GPOI participants in fiscal year 2007.

Maturing our capability and readiness also requires operational improvement that not only spans the spectrum of mission types - from nontraditional to combat operations - but also reflects the maritime nature of our theater.

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. As demonstrated by the PLA Navy SONG submarine operating in vicinity

of USS Kitty Hawk Strike Group, we must work to maintain our operational advantage in the face of fast-paced PLA-N modernization and ever-expanding area of operations.

Maturing Theater Intelligence Capability. Enhancing information sharing among allies and partners is crucial to success in the War on Terror and regional stability. We are developing Intelligence Modernization programs with several regional partners, helping them improve the professionalism and quality of their intelligence institutions. We continue to close the gap between intelligence and operations by embedding U.S. experts in partner nation intelligence organizations, assisting them to assess their military intelligence capabilities, and hosting annual multinational intelligence working groups to foster multinational cooperation.

Persistent Surveillance. The limited persistence of U.S. intelligence collection systems makes it difficult to readily gauge other nations' military capability, readiness, and operations. At the current time, it is difficult to judge intent or rate of escalation in a crisis. We are further challenged in tracking high value individuals in the War on Terror, maintaining real-time status of ballistic missile launch preparations, or monitoring suspected WMD proliferation.

Command and Control (C2). USPACOM requires secure, integrated, standardized, and interoperable command and control capabilities. This includes robust networks to enable horizontal and vertical information sharing and collaborative planning across the full spectrum of joint and multinational operations throughout the Asia-Pacific region. Key vulnerabilities threaten the Commander's ability to effectively command and

control Joint and/or Coalition forces and effectively share information with our partners.

A single facility provides tactical access to the Defense Information Systems Network (DISN) within the Pacific theater. If this critical network infrastructure suffers a catastrophic failure from attack or natural disaster, there is no redundant capability to fully restore USPACOM communication requirements for the War on Terror, Ballistic Missile Defense, and execution of standing OPLANS. Correcting this single-point-of-failure involves the construction of an additional telecommunications area master station within the PACOM AOR at an approximate life cycle cost of \$600M. This new master station will provide redundant and reliable communications for both USPACOM and USCENTCOM. Satellite failures as well as funding cuts and delays in follow-on SATCOM systems have also reduced communications availability of Military SATCOM. USPACOM is actively engaged with the national satellite community to ensure satellite and terminal programs are synchronized and address this availability gap. The DOD communications infrastructure also remains vulnerable to exploitation and attack. USPACOM continues to work with the DOD Information Assurance community to increase the security posture of critical C2 networks through real-time analysis of ongoing intrusion threats.

Expanding coalition communication networks is essential to support USPACOM missions. The Assistant Secretary of Defense for Networks and Information Integration and the Joint Staff are implementing a new Multinational Information Sharing (MNIS) program and have designated MNIS-Combined Enterprise Regional Information Exchange System (CENTRIXS) as the DOD standard for multinational networks. The goal of this program is to build

and sustain a single network that supports multinational information sharing requirements. USPACOM strongly supports this initiative.

Missile Defense. The North Korean short and medium range ballistic missile launches in July 2006 highlighted the need for a robust, active missile defense capability in the AOR. The long-term strategy for missile defense in USPACOM is to establish a forward-deployed, layered, integrated air and missile defense system. Once matured, this system should be capable of intercepting threat missiles throughout the entire time of flight and must be interoperable with our regional partners. Specific initiatives include moving a US PATRIOT PAC-3 Battalion to Kadena Airbase in Japan, forward stationing of AEGIS Standard Missile 3 (SM-3), deploying the first Forward-Based X-Band Transportable (FBX-T) radar to Japan, and establishing a permanent joint Command and Control facility for integrated air and missile defense within the Pacific Air Forces Headquarters. To further our missile defense capabilities, USPACOM would benefit from forward deployment of a Terminal High Altitude Air Defense (THAAD) unit, increased inventories of PATRIOT PAC-3 and SM-3 missiles, and accelerated development of a sea-based terminal defensive capability.

Strategic and Intra-theater Lift. There is a shortage of responsive strategic air and ship lift to support force sustainment and deployment to operating areas. Insufficient strategic airlift capability of C-17 and C-5 aircraft could cause delays in the arrival of critical cargo and passengers. USPACOM has eight C-17s based at Hickam AFB, Hawaii and is looking forward to basing eight more at Elmendorf AFB, Alaska starting in Jun 07. Pacific-based C-17s bring an increased reliability, versatility, and delivery capacity to the Theater. An increase in Pacific-based C-17s, should they become available, would be helpful.

High-Speed Vessels (HSVs). Leased HSVs have demonstrated their value in the Pacific theater, supporting unit training, joint exercises, GWOT requirements, and humanitarian missions such as the tsunami disaster relief effort. They have served as valuable platforms for intra-theater lift, providing a cost-effective alternative and highly flexible augmentation to scarce intra-theater airlift assets. As the Army continues to transform, the JHSV will be increasingly critical in the rapid deployment of the Stryker Brigade Combat Team forces throughout the theater. USPACOM favors continued leasing of HSVs as an interim capability, and strongly supports a more aggressive acquisition process to expedite JHSV delivery. This capability will fully support Theater Security Cooperation Plans and response to disasters, and is also useful as a mobile sea base to facilitate security cooperation. This capability will be increasingly important with the pending relocation of forces to Guam and throughout the theater.

Prepositioned Stocks (PREPO)/Preferred Munitions. Due to the time-distance challenges in this theater, USPACOM forces require readily available and properly maintained PREPO stocks at the outset of any conflict. With the recent download of the APS-3 afloat equipment sets to support Iraq-bound Army units and the existing shortages in the remaining pre-positioned programs, we now have a greater need for replenishment of equipment and stocks. Achieving the appropriate mix of key munitions, particularly GPS-aided and laser-guided weapons to include Guided Multiple Launch Rocket System, new 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.

Acquisition and Cross-Servicing Agreements (ACSAs) enhance interoperability, 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. With the recently concluded agreement with Sri Lanka, USPACOM has a total of twelve ACSAs in place, with fourteen additional countries within the AOR currently ACSA-eligible. We are currently in the renewal process with the Philippines and Tonga, negotiating an agreement with India, and we are hopeful interest by Maldives will yield results. We view these agreements as vital in maximizing our interoperability and helping build competent coalition partners in the Pacific region.

POSTURE FORCES FOR AGILE AND RESPONSIVE EMPLOYMENT

The Asia-Pacific region holds both great potential benefit and ongoing challenges for the United States. The region is home to some of our most stalwart security allies and partners - Japan, Australia, Korea, Thailand, the Philippines and Singapore - a rising military power in China and burgeoning relationships with India and Vietnam. U.S. force presence - in Japan, Korea, and across the Asia-Pacific AOR - has long been a guarantor of peace and stability in the Asia-Pacific.

Changes in USPACOM force posture reflect the priorities of the Quadrennial Defense Review, which seeks to strengthen U.S. response to emerging security threats. We are taking advantage of technology to enhance our effectiveness and combat power while simultaneously reducing our military footprint in Asia. At the same time, we are using our increased mobility to guarantee presence where and when needed to respond to security challenges.

We continue to develop and refine plans to reposition and realign our forces in Japan, Guam and Korea following the agreements reached through the U.S.-Japan Defense Policy Review Initiative (DPRI) and the U.S.-ROK Future of the Alliance (FOTA) Talks. The goals of our evolving force posture are to improve the effectiveness of our alliances with these two vital allies while providing the flexibility and agility to employ U.S. forces worldwide.

The U.S.-Japan DPRI discussions reached a milestone in May 2006, when Secretary of State Rice and former Secretary of Defense Rumsfeld, together with their Japanese counterparts, released the Roadmap for Realignment, which specifically defined the interrelated initiatives, plans and schedules for a number of posture realignment initiatives that will ensure an enduring U.S. presence in the Asia-Pacific. The linchpin for repositioning our forces in Japan is the relocation of Marine Corps Air Station Futenma functions from the current facility to a new, less encroached area in central Okinawa. This new facility will enable us to return the existing Futenma facilities, including several acres of highly desirable land, to the government of Japan, and will lessen the impact of military aviation operations on the local Okinawan populace. We will also move 8,000 Marines and their dependents from Okinawa to Guam. This action will return additional land to Japan while retaining a forward-based Marine presence in the USPACOM theater. Additionally, we intend to look for more opportunities to leverage our interoperability with Japan, such as ballistic missile defense cooperation, to better align our capabilities and forces to respond to potential security challenges.

As part of our realignment efforts, USPACOM is actively supporting various Service planning and infrastructure expansion initiatives that are

crucial to our force bed-down plans in Guam. Our activities are closely linked with Service initiatives as well as our broader theater security cooperation efforts. We are finalizing construction details and expect to begin upgrades to the military infrastructure, housing and training facilities in 2010. The Joint Guam Program Office, led by the Department of the Navy, will manage all aspects of the project. While Japan will bear approximately \$6 billion of the costs of facilities and infrastructure development to support relocation of Marine units from Okinawa to Guam, we must also do our part and financially commit to the required upgrades and changes. Managing the construction effort will require coordination from all branches of the military and active participation and planning from other federal and territory agencies.

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. We continue to transfer missions to the ROK military, and modernize our combined combat force capabilities. As part of the Security Policy Initiative - the successor to our Future of The Alliance effort (FOTA) - we have agreed with the ROK government to complete the transfer of wartime operational control of ROK forces by April 2012. With this agreement, we envision a future force with increased strategic relevance, flexibility and responsiveness.

ENSURE OPERATIONAL PLANS AT ALL LEVELS ARE CREDIBLE

Operational and contingency plans are the basis for USPACOM response to security challenges. Our planning construct, with renewed emphasis on phase zero engagement activities, is designed to synchronize actions across the full spectrum of U.S. national power. Emphasis on peacetime shaping has

significantly improved plan development and generated more options for senior decision makers across a wider range of crisis scenarios. Our primary effort remains to prevent conflict and ensure a stable and secure environment within the region. Should deterrence efforts fail, our plans are designed to be successful during all phases of crises.

We validate our planning efforts through annual exercises, such as Reception, Staging, On-ward movement, and Integration (RSOI) and ULCHI FOCUS LENS, which enable us to closely examine potential friction points in our plans and develop response options which optimize capabilities. Exercises also help the staff to analyze strategic and operational goals should the plan become a reality.

U.S. forces also conducted joint Exercise VALIANT SHIELD in June 2006 in the waters off Guam, bringing together USAF and USN personnel and assets to work through a range of warfighting skills such as maritime interdiction and command and control. This exercise, the greatest concentration of naval and air power in the Western Pacific since the Vietnam War, demonstrated joint command, control and communications of U.S. forces while highlighting continued U.S. commitment to allies and friends of the region. We also hosted observers from many nations, including China.

USPACOM has developed 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, Department of Health and Human Services, U.S. Department of Agriculture, and Department of State) at a national level. We are working closely with other geographic and functional combatant commands to refine and exercise comprehensive PI response actions.

We are also working to assess activities that support the development and execution of operational and contingency plans. From peacetime security cooperation to winning the fight against terrorism, we are evaluating support of all elements of national power to ensure our approach is comprehensive, efficient, risk managed and measurably effective.

QUALITY OF SERVICE

USPACOM forces continue to make a difference not only in the region but also in Iraq and Afghanistan. The performance of our people during this past year has been exemplary. Contributing to their steadfast devotion to duty is the knowledge that others, including the Congress, are actively concerned for their health and well being. We appreciate the 2.2 percent pay raise, special benefits for injured and recuperating personnel and their families, the government match for the Thrift Savings Plan for civilian personnel, and expanded authorities for our reserve component men and women. Continued support of these Quality of Service initiatives contributes immensely to our combat readiness and the retention of our highly skilled personnel who serve our national interests at home and abroad.

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.