

U.S. PACIFIC COMMAND POSTURE

HEARING
BEFORE A
SUBCOMMITTEE OF THE
COMMITTEE ON APPROPRIATIONS
UNITED STATES SENATE
ONE HUNDRED SEVENTH CONGRESS
SECOND SESSION

SPECIAL HEARING
APRIL 3, 2002—HONOLULU, HI

Printed for the use of the Committee on Appropriations



Available via the World Wide Web: <http://www.access.gpo.gov/congress/senate>

U.S. GOVERNMENT PRINTING OFFICE

80-485 PDF

WASHINGTON : 2002

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
Fax: (202) 512-2250 Mail: Stop SSOP, Washington, DC 20402-0001

COMMITTEE ON APPROPRIATIONS

ROBERT C. BYRD, West Virginia, *Chairman*

DANIEL K. INOUE, Hawaii	TED STEVENS, Alaska
ERNEST F. HOLLINGS, South Carolina	THAD COCHRAN, Mississippi
PATRICK J. LEAHY, Vermont	ARLEN SPECTER, Pennsylvania
TOM HARKIN, Iowa	PETE V. DOMENICI, New Mexico
BARBARA A. MIKULSKI, Maryland	CHRISTOPHER S. BOND, Missouri
HARRY REID, Nevada	MITCH McCONNELL, Kentucky
HERB KOHL, Wisconsin	CONRAD BURNS, Montana
PATTY MURRAY, Washington	RICHARD C. SHELBY, Alabama
BYRON L. DORGAN, North Dakota	JUDD GREGG, New Hampshire
DIANNE FEINSTEIN, California	ROBERT F. BENNETT, Utah
RICHARD J. DURBIN, Illinois	BEN NIGHTHORSE CAMPBELL, Colorado
TIM JOHNSON, South Dakota	LARRY CRAIG, Idaho
MARY L. LANDRIEU, Louisiana	KAY BAILEY HUTCHISON, Texas
JACK REED, Rhode Island	MIKE DEWINE, Ohio

TERRENCE E. SAUVAIN, *Staff Director*
CHARLES KIEFFER, *Deputy Staff Director*
STEVEN J. CORTESE, *Minority Staff Director*
LISA SUTHERLAND, *Minority Deputy Staff Director*

SUBCOMMITTEE ON DEFENSE

DANIEL K. INOUE, Hawaii, *Chairman*

ERNEST F. HOLLINGS, South Carolina	TED STEVENS, Alaska
ROBERT C. BYRD, West Virginia	THAD COCHRAN, Mississippi
PATRICK J. LEAHY, Vermont	ARLEN SPECTER, Pennsylvania
TOM HARKIN, Iowa	PETE V. DOMENICI, New Mexico
BYRON L. DORGAN, North Dakota	CHRISTOPHER S. BOND, Missouri
RICHARD J. DURBIN, Illinois	MITCH McCONNELL, Kentucky
HARRY REID, Nevada	RICHARD C. SHELBY, Alabama
DIANNE FEINSTEIN, California	JUDD GREGG, New Hampshire
HERB KOHL, Wisconsin	KAY BAILEY HUTCHISON, Texas

Professional Staff

CHARLES J. HOUY
SUSAN HOGAN
TOM HAWKINS
ROBERT J. HENKE
DAVID MORRISON
LESLEY KALAN
MENDA FIFE
MAZIE R. MATTSON
STEVEN J. CORTESE (*Minority*)
SID ASHWORTH (*Minority*)
KRAIG SIRACUSE (*Minority*)
ALYCIA FARRELL (*Minority*)

Administrative Support

NICOLE ROYAL
BETSY SCHMID (*Detailee*)

CONTENTS

	Page
Statement of Admiral Dennis C. Blair, USN, Commander in Chief, Pacific Command, Department of Defense	1
Opening statement of Senator Daniel K. Inouye	1
Statement of Senator Ted Stevens	4
War against terrorism	6
People's/readiness	7
Transformation	8
Tribute for support	8
Prepared statement of Admiral Dennis C. Blair	9
Combating terrorism in the Asia-Pacific region	9
Other regional developments	12
POW-MIA efforts in southeast Asia	16
Theater security cooperation	17
Readiness and resources	20
USPACOM Force transformation	25
Unified command plan	28
Indonesia	30
China	31
Indonesia	32
Northern Edge	33
C-17	34
TRANSCOM	35
IMET	36
Korea	37
Armed Forces	38

U.S. PACIFIC COMMAND POSTURE

WEDNESDAY, APRIL 3, 2002

U.S. SENATE,
SUBCOMMITTEE ON DEFENSE,
COMMITTEE ON APPROPRIATIONS,
Honolulu, HI.

The subcommittee met at 10:15 a.m., at the Federal Courthouse, 300 Ala Moana Boulevard, in Courtroom Aha Kupo, Honolulu, HI, Hon. Daniel K. Inouye (chairman) presiding.

Present: Senators Inouye and Stevens.

DEPARTMENT OF DEFENSE

STATEMENT OF ADMIRAL DENNIS C. BLAIR, USN, COMMANDER IN CHIEF, PACIFIC COMMAND

OPENING STATEMENT OF SENATOR DANIEL K. INOUE

Senator INOUE. Good morning. This morning the subcommittee will receive testimony from Admiral Dennis C. Blair, Commander in Chief of the Pacific Command (CINCPAC).

The United States Pacific Command is the largest U.S. military regional command that stretches from the west coast of the United States to India.

More than 300,000 U.S. military personnel are assigned to this command. It's an area of many challenges and many opportunities. Forty-three nations are in its area of responsibility.

Seven of the world's eight largest armies are in this area. Three of the world's most populous nations are in this region. It is an area of rapid economic growth, but also the home of many impoverished nations. It is a region with many emerging democracies, but also one with totalitarian regimes who still threaten their neighbors.

In the Pacific, one finds thorny territorial disputes such as the Spratly Islands, and long simmering tensions between such places like Taiwan and China, North and South Korea.

A fact unknown to most Americans is that Asia is home to the country with the world's largest Muslim population, Indonesia. Yet, with all of these challenges of potential problems, it's been a region of relative peace and calm. At least for 30 years, there have been no major conflicts in this theater.

The leaders in every nation in the Pacific know that the key factor which has given us this generation of peace is in the Pacific Command, Admiral Blair.

Unlike Europe, there's no North Atlantic Treaty Organization (NATO) keeping the peace and deterring aggression. In Asia, it is up to you, Admiral.

The Pacific Command has maintained a military force necessary to deter any threats. Equally important, the U.S. military has been engaged in peaceful cooperation every day in the region. This combination of deterrence and engagement is the reason for the generation of peace.

A decade ago, after the Philippines requested that our military forces leave that nation, Senator Stevens and I led a delegation to Asia to discuss our relationship with the many nations in that region. We traveled from Australia to South East Asia up to China meeting with the heads of state of all of these countries. At each stop, whether it was Xi'an or Beijing or Sydney or Tokyo, or Manila, when we asked do you want the United States to stay or leave the region, each one, close allies and past and potential adversaries alike, the answer was the same. The United States must stay engaged in Asia. That was their response. We must maintain our military presence in that region. They all knew if the United States withdrew from the region, there would be chaos. Arms races would begin, regional hegemony would grow, and each nation worried where it would end.

We returned to Washington and reported to our leaders that we could not take the action by the Philippines as a sign that it was time to pull back. To its credit, the first Bush administration responded to our concerns. They went out and found ports and airports for the United States Navy and Air Force in Singapore and Thailand. By taking action, the administration was able to assuage the concerns in the region.

Over the past 2 weeks, Senator Stevens and I traveled again to Asia, this time to China, Beijing, Xi'an Siang, Kunming, Singapore, Indonesia, Jakarta, and Manila, Philippines. At each stop, we heard the same thing. The United States must stay engaged in the region. We must maintain our military posture. We must keep our cooperative engagement strategy.

I note this because 5,000 miles away from here, there's some in Washington who are taking a new look at the region and are considering changes.

The reaction to the tragic events of last September 11th have forced all of us to reconsider how we will defend against terror. This is necessary and beneficial.

Unfortunately, some think we should recreate a fortress America. Ensuring the defense of the homeland is essential but the execution of that goal cannot come at the expense of our leadership role in the world.

The world has changed since last September but we must be sure we're making the right decisions in our response to terrorism; not overreacting, sealing our borders and retreating behind closed doors. We must be prepared and willing to root out terrorism. We should realize, however, it is at least as likely to be found here in the Pacific, outside of our borders, as anywhere else in the world.

I returned from Asia more aware than ever before that this is not the time for changes in our forces, in our Nation.

In China, we heard from leaders who will not renounce the use of force against Taiwan.

In Singapore, we learned about a terrorist attack plot that was nearly carried out against our military in that nation.

In Indonesia, we learned about fundamental Islamic leaders that are allied with al Qaeda. We heard about those that view Osama bin Laden as a lightweight in the Jihad against Jews, Christians and Americans. We heard the rhetoric from those that think Indonesia should be called an Islamic state, not unlike the Taliban in Afghanistan.

In the Philippines, we received a briefing from our military leaders that are engaged with the Philippine Government to defeat terrorists.

Admiral, we come back here sobered by these concerns.

To those who believe we can withdraw from the region, we say nonsense. To those who say we can defend our interest in the region by threatening the use of nuclear weapons instead of by positioning our forces here on a day-to-day basis, we say you are risking catastrophe. To those who say we need to pull back to protect our borders, we say our interests will be at greater risk by allowing the growth of instability in the region than by any single group of terrorists.

For every terrorist we stop inside our borders, 100 will be trained in this region if we turn our backs on the people and the governments who are in need of our support.

The roots of terrorism are poverty, ignorance and instability. We cannot defeat terrorism if we stop engaging with these nations, if we stop carrying out our message of democratic freedoms to these people.

This command has been very active working with the nations in this region in this way:

Building up alliances and friendships, teaching the benefits of democratic freedoms, and demonstrating to emerging nations the important role of civil military relations. These activities help to minimize instability and restrain the development of new terrorists.

The relationship developed by your command, sir, and created by many new friendships in the region, they led to unprecedented support by the nations in Asia following the attack on the United States. It was an Asian nation that came to our support. Number one was the Philippines.

For the United States to retire behind our borders to ignore the rest of the world would be a tragedy. It would jeopardize the progress we have made in this region. It would certainly lead to instability, if not chaos.

Our leaders must also remember that a peaceful Asia is critical to the United States economy. Trade with the countries of Asia is increasingly important to the United States. Each day more jumbo jets fly towards Asia from the United States than toward any other region of the world.

Free commerce can only be guaranteed by having the United States military engaged in peaceful cooperation with our allies and deterring aggression through our presence.

And so I would caution those who look for short-term savings by reducing our presence in the region. I question the wisdom of reassigning forces critical to the conduct of day-to-day activities in this region for some other purpose. I reject the notion that we can reduce our military leaders' authority to manage forces in the region without increasing risk.

Homeland defense is important, but we will not be able to defend the homeland if we fail to meet our commitments abroad; if we fail to deter terrorism and aggression; if we allow regional tensions to explode; or if we allow regional hegemony to recur through our inattention.

Admiral Blair, I know I'm preaching to the choir. You have been a stalwart proponent of cooperative engagement in this region. You have used the military forces under your control to deter hostilities very effectively.

We look forward to your testimony today informing us how the Pacific Command is functioning. We hope to hear about your shortfalls. We hope to learn how you are engaged in fighting the war on terrorism and how you would cope if fundamental restructuring were to occur with the forces under your jurisdiction.

However, before I call upon you, I would like to recognize the co-chairman of this Committee, a man of great insight, a man I admire very much, the senior Senator of the State of Alaska, Senator Ted Stevens.

STATEMENT OF SENATOR TED STEVENS

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

Admiral, as you know, Senator Inouye and I and our staffs have returned again from another long and arduous trip. Earlier this year, we went to look in on the war zone of the war against the terrorism and to Pakistan, Afghanistan, Uzbekistan and then on to Rome to visit with the world food program to determine what they're going to do to meet some of the needs that we saw there.

This trip we've just returned from has been an awesome one in many respects in terms of the depth of knowledge of this area of the problems we face now, they have faced for so long, the problems of fundamentalist just rogue type of activity. And it was a very interesting trip.

But we've returned now and happy to have a chance to visit with you. Your record as Commander in Chief here in the U.S. Pacific Command is one of distinguished accomplishment and success. Some in Washington have questioned the engagement policies at the center of our relations in this region. The role of this command in response to the attacks of September 11th have revalidated the approach you have taken here. And we've seen that all over this region. The flow of support for Operation ENDURING FREEDOM move through the Pacific because you were able to rapidly secure access for our aircraft, our ships and our personnel.

That success is entirely the result of years of cooperative training, exercises, military exchanges, and the international military education and training (IMET) relations. Our Committee has sought to support and enhance these efforts through the Asia Pacific regional initiative, the new counterterrorism training fund, and expanding IMET funding. These are the tools we can and have

given you and we look forward today to learning more about how you have used those tools and what you may need for next year and then the years to come.

On a personal note, Admiral, you've been a welcome neighbor and a frequent visitor to our forces and military personnel in Alaska. And we have welcomed you and I thank you for your consideration. Your commitment in the expansion of NORTHERN EDGE exercises and COPE THUNDER training have kept Alaska at the forefront of military training and experimentation.

In partnership with General Shinseki, the Army Chief, and Lieutenant General Smith, the Commander of the U.S. Army of the Pacific, for the Army's new Interim Brigade Combat Teams (IBCT), will be based in Alaska, Hawaii, Fort Lewis and dedicated to your command.

You have also endorsed significant quality of life improvements for the military families in Alaska, including the housing privatization at Elmendorf Air Force Base and the new hospital under construction at Fort Wainwright. Any one of these achievements would be an appropriate highlight for a person's tenure. The combination of these and more reflect your personal leadership and focus on the future. As much as we want to thank you for what you've done, we very much want to use this final hearing with you to consider what we should contemplate for the future.

As the chairman has indicated, these recent travels through China, Singapore, Indonesia, and the Philippines make clear that our presence in this region may become more critical in the days ahead. It certainly is my conclusion also.

I want to especially commend the effort led by General Don Wurster, Commander of the Joint Task Force (JTF) 510 and the coordinator of our counterterrorism exercises in the Philippines.

It was clear during our visit the great work underway in the Philippines and the personal leadership demonstrated by General Wurster in that effort.

We must remain vigilant to ensure that forces assigned and averted support our security interest in this vast region are not held hostage or just diminished in response to new priority for homeland defense.

The best investment we can make in homeland defense is a stable economically prosperous and increasingly democratized Asia Pacific region.

While some in Washington, especially the Department of Defense, seem slow to recognize that dynamic, you can rest assured that the two of us here today will be relentless in carrying that message back to Washington. And, as you know, we've carried it there already.

I look forward to your statement this morning. And, once again, I'm grateful to the chairman for allowing us to join him here in Hawaii. We may not have this opportunity to be with you again, Admiral, although there are still some months ahead. God willing, you'll be free of us for the rest of your tour here. But we continue to return to you for advice and counsel and I want you to know that that advice will be accepted by the two of us no matter where we are and where you are. Thank you very much.

Senator INOUE. Thank you very much, Chairman Stevens. We call each other chairman because we just exchange seats, as you know. This here is my turn.

Senator STEVENS. He just won't admit it, there was a revolution.

Senator INOUE. On our trip, Admiral, everyone spoke about you with the highest regard. Military commanders, people in State governments and such. And now, if I may, I'd like to hear your views on what is happening in this area of responsibility of yours.

Admiral BLAIR. Thank you, Mr. Chairman, Mr. Co-Chairman. It is an honor to receive you here but it's not an honor that surprises any of us who have observed you over the years. You take what is supposed to be breaks from a pretty hectic schedule there in the Capitol and you go out and you refresh your knowledge of this part of the world. And I think you, in that fashion, are really about the most valuable people we have in terms of understanding what is really going on in this part of the world.

WAR AGAINST TERRORISM

And we've been busy out here with the Pacific Command Forces in the last year, in the last months. The combat phase of our war against terrorism, which began last fall, included many forces from the Pacific here, the U.S.S. *Carl Vinson* Battle Group, the U.S.S. *Kitty Hawk* Battle Group, the U.S.S. *John C. Stennis* Battle Group, which is still on station, many patrol aircraft flying in that region, the U.S.S. *Pelelieu* and U.S.S. *Bonhomme Richard* Amphibious Ready Groups and the 15th and 13th Marine Expeditionary Units, embarked and Air Force bombers flying out of our Pacific Command base in Diego Garcia.

As you mentioned, our allies, together with a broad range of regional security partners, quickly stepped forward to support the campaign against terrorism. They offered overflight rights, the use of facilities for Operation ENDURING FREEDOM. Several, including Australia, Canada, and New Zealand offered combat troops to participate. Support forces were offered by Korea and are participating today. And then a great new departure, Japan, which had to pass special legislation to do so, offered forces which are now supporting U.S. Navy ships.

In the Pacific, we've also gone over on to the offensive against terrorism. And our mission is to eliminate al Qaeda and its support.

As you learned on your trip, we have strong support there from allies and partners. They have averted terrorist operations in progress. There have been over 100 arrests in our part of the world.

The key to success is relentless pursuit and an unprecedented degree of cooperation among the nations of the Asia Pacific region. No country has moved more aggressively than the Philippines. We do not want a Taliban style regime in the southern part of that country and the Philippines don't either.

To support them, we have been providing advice, training, material assistance, and other forms of support to the Armed Forces of the Philippines to eliminate the Abu Sayyaf Group (ASG), which not only has links to al Qaeda but also holds two American missionaries hostage.

Our Joint Task Force there in the Philippines, the commander you met, is currently our largest military operation ongoing against terrorism in the Pacific.

But as we take on these new roles of combating terrorism, our long-standing missions still remain. The Taiwan Strait military balance, North Korea, which is starving its populous while selling missiles, sustained tensions between nuclear neighbors India and Pakistan, all of these keep the U.S. Pacific Command busy maintaining deterrence through readiness and also through theatre security cooperation.

PEOPLE'S/READINESS

So let me turn to those Pacific Command forces themselves and to their readiness, and readiness begins with people. I'd like to thank you, on their behalf, for supporting our men and women in uniform. This year saw the largest pay raise in two decades and it takes a large step towards decreasing that pay gap between the Armed Forces and the private sector. Our people know that those of you in leadership positions in Congress care about them.

In this high operating tempo (optempo) world, we need to continue to work on other financial stress points. Our forces in Korea routinely run hardships for which there is inadequate compensation and elsewhere in the Pacific, many of the little things, like moving pets, an additional car, all of these add up when you're overseas. And affordable quality education for our military families who are stationed out here is always a top concern.

We've had to bring additional people into the Pacific Command following the 11th of September. Most of them from the Reserve Component, and they've performed magnificently. And they're critical to our ability to get the job done.

Our estimate is that if we continue at our current level we need approximately 5,000 additional billets throughout the Pacific Command to wage this war against terrorism for as long as it continues. And while this war continues, we would be hard put to cut active duty billets from our operational headquarters when assigned personnel are working long hours to fight this war.

Our ships, planes and ground equipment performed magnificently in battle in Afghanistan. And that was a tribute both to the people who maintain and operate them and to the investments in readiness that we have made in recent years. And we will require continued sustained funding for operations and maintenance of select forces which have been rode hard and put away wet during this campaign.

I'm talking in particular about the Navy and Marine Forces which have been deployed, Special Operating Forces which have been heavily used, intelligence, surveillance, and reconnaissance forces and airlift. And we also require replenishment of ammunition stocks, especially of precision munitions.

Theatre security cooperation with our allies and partner nations has never been more important.

I agree completely, Mr. Chairman, with your remarks because I find that most of our U.S. interests in this part of the world are also shared interests with other allies and partners. And some of our partners and allies, in particular the Philippines, will need con-

tinued assistance to defeat the international terrorists in their territory, which also is in the interest of the United States.

TRANSFORMATION

Finally, transformation of the Armed Forces is an important area of interest to this command. In the Pacific, we've made significant improvements to the speed of formation of task forces and the speed of decision of our Joint Task Forces.

And I urge this subcommittee not to settle for transformation measured in years but to insist on progress in months through building on our operation and exercises to attack real missions, and especially those missions which we face as regional Commanders-in-Chief.

And I urge you to keep an eye on the condition of our bases, camps and stations. These are sort of the "canaries" in the coal mine. As we've discussed before, they're the real indicators of whether that readiness funding is getting all the way down to the field.

We're not working down the backlog of deferred maintenance in the Pacific Command. Far too many of our family homes, barracks, buildings and utilities in places like Schofield Barracks, Camp Pendelton, Elmendorf Air Force Base, Pearl Harbor Naval Shipyard, are old and shabby, and we owe our people first class facilities in which to live and work.

TRIBUTE FOR SUPPORT

I believe this is an appropriate time to pay special tribute to two men who have left an indelible mark on the U.S. Pacific Command, both of them honored veterans from World War II, an infantry man from Hawaii who earned the Medal of Honor with the 442d and an Alaskan pilot who earned two Distinguished Flying Crosses supporting the Flying Tigers in the China, Burma, India theater.

And I would like to thank you both for being our champions in many ways. You each know what it is to be in uniform. You let our people who are now in uniform know that you remember and that you care and you continue to serve magnificently in many, many ways.

Your persistence in pushing for what we need here in the Pacific has been a key in ensuring that we are properly positioned for support of U.S. interest in this very important part of the world.

Because of you, our Nimitz-McArthur Pacific Command headquarters at Camp Smith is going vertical. It will replace a World War II era hospital where I now work that doesn't meet modern seismic codes and that has to rely on termites to provide the holes for putting a fiberoptic cable through. Soon we'll be operating in a 21st century structure built around a backbone of command, control and communications infrastructure which will let us get our job done to support our people out in the field.

And there's work and then there's home. Those beautiful new family housing developments at Pearl Harbor have been welcomed by our Navy families who live there. And as you continue to support the Armed Forces with future improvements that are now scheduled to fix shabby and dangerous infrastructure, we will see continued improvement in all of these places that we mentioned.

What's so remarkable is that as members of the "greatest generation" in addition to taking pride and remembering the past, you look to the future, and we all appreciate that. George Bernard Shaw once wrote, "The reasonable man adapts himself to the world. The unreasonable one persists in trying to adapt the world to himself. Therefore all progress depends on unreasonable men."

PREPARED STATEMENT

And thank you, Senator Inouye and Senator Stevens, for being two unreasonable men for so many years and making so much happen. It's an honor to appear before you this morning. I look forward to your questions and our discussions. And again, I thank you for coming out to this theatre to see what's really going on.

[The statement follows:]

PREPARED STATEMENT OF ADMIRAL DENNIS C. BLAIR

INTRODUCTION

Mr. Chairman and Members of the Committee: On behalf of the men and women of the United States Pacific Command, I thank you for this opportunity to testify on security in the Asia-Pacific region.

Incidents and action drove the year 2001 for the U.S. Pacific Command (USPACOM). In February, U.S.S. *Greeneville* collided with and sank the Japanese fisheries training vessel *Ehime Maru*, resulting in the loss of nine Japanese lives. Soon after, a Chinese fighter jet collided with one of our EP-3s, resulting in the loss of the Chinese pilot and the detention of our crew on Hainan Island for 11 days. During this time, seven USPACOM personnel from Joint Task Force-Full Accounting died in a helicopter crash in Vietnam. Then came the terrorist attacks of 11 September. We have gone on the offensive against terrorism while sustaining our readiness, improving the readiness of regional forces to contribute to coalition operations, and transforming the capabilities of our forces. The men and women of USPACOM have been busy.

We cannot provide adequate protection to our citizens and our forces while only playing defense. Since 11 September, combating terrorism on U.S. territory and throughout the Asia-Pacific region has been USPACOM's top priority. We are succeeding, largely as a result of cooperation among many nations.

Countering terrorism has accelerated security cooperation in the Asia-Pacific region, but has not fundamentally altered the region's security challenges. A secure, peaceful and prosperous Asia-Pacific region remains very much in the interests of America and the world. An uncertain Asia will present crises and dangers. We continue to base our power and influence on our values, economic vibrancy, our desire to be a partner in this critical region, and our forward-stationed and forward-deployed forces of USPACOM.

Overall, we are in better shape than we were a year ago. We have gone on the offensive against terror organizations we did not know the name of a year ago. Although there are persistent deficiencies, particularly in facilities upkeep and replenishment of precision weapons, our readiness is on its way to a satisfactory level. If we can maintain our momentum, the future is bright for the U.S. Pacific Command.

COMBATING TERRORISM IN THE ASIA-PACIFIC REGION

International Terrorism in the Asia-Pacific Region

The terrorist threat in the Asia-Pacific region (APR) consists primarily of local groups with links to al-Qaida that are hostile to the United States and our friends. These groups have plotted attacks against American forces, embassies, and other citizens, and have provided transit assistance to al-Qaida members. Our understanding of the threat has increased greatly since 11 September, as we brought more intelligence resources to bear and shared intelligence with other countries. Jemaah Islamiyah, which has plotted against United States and other nations' citizens, vessels and facilities in Singapore, is one group of concern. The Governments of Singapore and Malaysia moved quickly against this al-Qaida-linked group. Continued vigilance, actions such as this, and enhanced cooperation among governments, will keep terrorists on the run and root them out over time.

At present, no “Afghanistans”—sanctuaries for active terrorist organizations with governments fully supporting them—exist in this Area of Responsibility (AOR). Governments throughout the region fundamentally support the campaign against international terrorism. Each country in the region faces different circumstances and unique challenges, and each has varying capabilities in contributing to the international war on terrorism. Domestic political considerations are factors in countries such as Indonesia and Bangladesh. However, nations in this region are cooperating with the United States in many different ways, and this cooperation is succeeding against international terrorism.

We have actively engaged our regional partners to support Operation ENDURING FREEDOM (OEF) in Afghanistan. Our Asia-Pacific allies and regional partners have condemned the terrorist attacks of 11 September, and many are contributing resources. We appreciate the many military contributions of our allies and regional partners, Australia, New Zealand, Japan and the Republic of Korea.

Australia invoked the ANZUS Treaty immediately following 11 September for the first time in the 50-year history of this treaty. In addition to its ongoing naval contribution to Maritime Interdiction Operations supporting U.N. Security Council Resolutions against Iraq, Australia provided additional ships to the Arabian Gulf and aircraft to Diego Garcia. Australia was one of our first allies to deploy ground troops to Afghanistan. New Zealand has provided a contingent of its Special Air Service for operations as well.

The Government of Japan has implemented major policy and legislative changes to allow Japan to provide force protection and logistical support to U.S. installations in Japan. The Japan Air Self Defense Force has flown relief missions to Pakistan and lift missions for our forces in the USPACOM AOR. For the first time since World War II, the Japan Maritime Self Defense Force is at sea far from Japanese waters, providing fuel and other support to coalition naval forces.

The Republic of Korea (ROK) is providing air and naval logistic support to OEF. Several other countries have given overflight rights and seaport and airport access to our aircraft and ships.

The bottom line is that our previous bilateral and regional cooperation with the countries of the APR has paid off in valuable cooperation with regard to the war on terrorism.

Antiterrorism Efforts—Defense

USPACOM’s Force Protection Program has effectively protected our armed forces and supported civilian authorities throughout the Asia-Pacific region since the 11 September terrorist attacks. We activated Joint Rear Area Coordinators (JRACs) to counter the threat and accelerated the Critical Infrastructure Protection (CIP) Program.

JRACs integrate the defensive measures by all the military units in the same location—Hawaii, Alaska, Guam, Japan and Korea. In addition, they coordinate Department of Defense (DOD) efforts with federal, state, and local agencies. JRACs have written and exercised plans and are fielding the Area Security Operations Command and Control (ASOCC) system. Over the past year, we have made significant progress identifying and protecting critical infrastructure by making CIP part of all major exercises and using JRACs to protect critical assets. We are also accelerating the fielding of the Pacific Mobile Emergency Radio System in Hawaii and Alaska to improve coordination efforts between civilian authorities and their JRAC counterparts. USPACOM’s JRACs and CIP program are widely recognized as the model for interagency coordination, combined scenario-based training events, and unprecedented cooperation and information sharing.

Following the attack on the U.S.S. *Cole*, USPACOM began a full reassessment of vulnerabilities at foreign ports we visit. We have established plans and increased deployable security measures at all these ports. To date, we have completed 25 force protection memoranda of agreement (MOA) with U.S. embassies, including MOAs with embassies in India, Russia, Singapore, Malaysia, the Philippines and China. These agreements clearly delineate U.S. responsibilities for all our military forces in Asia-Pacific countries.

A major challenge is to sustain these intense efforts over the long-term. Substantial resources are required to maintain higher Force Protection Conditions (FPCONs) that will be a way of life for many years to come.

As long as we are engaged around the world, terrorists will look for soft spots for further attacks. On every deployment, every exercise and especially now at home stations, force protection is an essential mission.

Counter-terrorism—Offense

USPACOM forces—U.S.S. *Kitty Hawk*, *John C. Stennis*, and *Carl Vinson* battlegroups, patrol aircraft, and U.S.S. *PELELIU* Amphibious Ready Group with the 15th and 13th Marine Expeditionary Units—played major roles in the successful Afghanistan campaigns. At the same time, we have gone on the offensive in the Pacific region.

We have already deployed personnel to U.S. embassies in the Philippines, Indonesia, Malaysia and India to better integrate our operations with interagency country teams. We have established a Directorate for Counter-Terrorism to fuse all sources of intelligence, to plan and coordinate operations, and to begin true interagency integration across the region. We have sent equipment and an assistance team to the Philippines. Our Joint Intelligence Center Pacific (JICPAC) has rapidly improved its support to the counter-terrorism mission. Analytical depth and breadth of the terrorism threat in the AOR has significantly improved, with increased collection, analysis, and reporting in this area.

To build coalition support for our offensive efforts since 11 September, I have visited the Philippines, Thailand, Malaysia, Indonesia, India, Singapore, Japan and Korea, and met with each country's U.S. ambassador, and key senior government and military leaders to discuss our intentions, and how their support can help. The response to our plan has been positive, and we are building capability to act with other countries against terrorism.

We continue to foster interagency participation in our planning and operations. While our counter-terrorism cell includes a Joint Interagency Coordination Group to seamlessly interconnect with the national architecture as it is established, a Joint Interagency Task Force with direct tasking authority that transcends agency stovepipes would be a more effective organization.

*USPACOM Requirements for the War against Terrorism**Manpower*

Legislation mandating a 15 percent headquarters manpower reduction over 3 years was passed before 11 September. As we launched the war on terrorism, we brought additional Reserve Component (RC) personnel on board to handle the increased workload. On 12 October 2001, the Deputy Secretary of Defense waived the fiscal year 2001 10 percent headquarters manpower reduction. As long as the war on terrorism continues, there will be more requirements for intelligence, operations, logistics, communications, and planning officers on USPACOM combatant headquarters staffs.

The war on terrorism has created new manpower requirements. Over 5,000 additional billets are needed to address the full range of force protection, antiterrorism, and counter-terrorism missions throughout USPACOM. Examples of additional manpower requirements include increased shore and harbor security patrols in response to enhanced Force Protection Conditions (FPCONs), additional teams to assess security of foreign ports and airfields we visit, and around-the-clock manning of JRACs and crisis action teams. We are working to address these manning and management challenges from within existing endstrength levels.

Combating Terrorism Readiness Initiatives Fund (CBT RIF)

Funding obtained through CBT RIF continues to play a major role in addressing emergent requirements. This initiative provides the geographic CINCs additional avenues for resourcing against emerging threats. Some examples of USPACOM funded CBT RIF projects include weapons/metal detectors and explosive vapor detectors for Marine Corps Base Okinawa and blast mitigation windows for Yongsan Base in Korea. USPACOM received \$3.95 million in CBT RIF funding in fiscal year 2001. USPACOM received nearly \$3.9 million more in the first allocation of fiscal year 2002 funding, including \$850,000 for U.S. Forces Korea (USFK). However, USPACOM still has over 1,070 unfunded Anti-Terrorism Force Protection (ATFP) projects totaling nearly \$1.5 billion to achieve full compliance with current standards. Service funding will meet some of these requirements, but the CBT RIF program fills the gaps.

Foreign Military Financing (FMF)

FMF is an essential tool for our allies and partners to improve their capabilities against international terrorist groups and their supporters. A detailed discussion of FMF funding requirements, with particular emphasis on FMF for the Philippines, is included later in this statement.

OTHER REGIONAL DEVELOPMENTS

Australia

Australia remains America's oldest ally in the Asia-Pacific region. Last year we celebrated the 50th anniversary of our defense treaty. Australia's steadfast support has been a key facet of our counter-terrorism campaign in the Asia-Pacific region.

Australian armed forces remain in the lead role in East Timor and in the shaping of East Timor's new defense force. In addition, Australia maintains an important presence in Papua New Guinea, Bougainville and the Solomon Islands, ensuring peace and security in these problematic areas. The Australian government has been active in promoting the return of democracy in Fiji and security and peaceful development throughout the archipelagic states of Southeast Asia and the South Pacific.

Our relationship with Australia is mature and as strong as it has ever been. USPACOM works hard through bilateral and multilateral fora to keep the ANZUS Treaty relationship with Australia healthy and looking forward. We are currently conducting a strategic top-down interoperability study with Australia's armed forces. It will return great long-term dividends in acquisition, information technology, operations, research and development, and further strengthening the relationship with this trusted ally.

Japan

Japan hosts nearly 41,000 U.S. armed forces personnel and 14,000 additional sailors afloat with the Seventh Fleet. It contributes \$4.57 billion in host-nation support, the most of any U.S. ally. These forward-stationed and forward-deployed forces are key to the U.S. commitment to defend American interests throughout the Asia-Pacific region. The U.S.-Japan alliance is the cornerstone of U.S. security interests in Asia and fundamental to regional security and peaceful development.

Over the past year, Japan and the United States have made steady progress in strengthening our alliance. We signed the first bilateral defense plan under the 1997 revised Defense Guidelines. It incorporates additional Japanese support for U.S. operations, and opens new areas for defense cooperation.

After 11 September, Japan passed historic legislation to assist U.S. combat operations. For the first time since World War II, Japan sent its Self-Defense Force (JSDF) overseas to support a combat operation and work with other countries in a U.S.-led coalition.

JSDF roles and capabilities are evolving to meet future challenges. In addition to Japan's military contribution in support of OEF, the JSDF will deploy a 700-member engineer battalion to East Timor in March 2002, and will continue to provide a 45-man transportation unit as part of the Golan Heights U.N. Disengagement Observer Force. The JSDF has also worked closely with USPACOM components in restructuring bilateral exercises to develop skills for humanitarian assistance; search and rescue; non-combatant evacuation; consequence management for chemical, biological and nuclear incidents; and complex contingency operations likely to occur in the future. I am also encouraged by the increased attention the JSDF is giving to cooperating with regional armed forces—the ROK in particular.

We successfully completed the search and recovery effort on the *Ehime Maru* last October with the recovery of eight out of nine missing crewmembers. The U.S. Navy's intense efforts and our two nations' exceptional cooperation overcame the effects of the tragedy, and even strengthened the ties between our two countries in many areas.

We continue to work to be good neighbors on our bases in Japan. Japan closed the industrial waste incinerator next to the U.S. Naval Air Facility Atsugi, ending an environmental hazard. Because of steady progress made under the Special Action Committee on Okinawa (SACO), a relocation site for Marine Corps Air Station Futenma has been selected in northern Okinawa, and detailed discussions have begun over the type and scale of the facility.

Japan's timely, meaningful and visible contribution to the campaign against terrorism is a new stage in our alliance relations. This lynchpin relationship is vital for security and peaceful development in Asia.

Republic of Korea (ROK)

Encouraging events on the Korean Peninsula in 2000 appeared to indicate a new era. However, progress stalled last year. Since March 2001, the North has canceled events and refused to meet regularly with the ROK. At the same time, North Korea's "military-first" policy remains. Its training cycles in 2001 were at normal levels, but the ongoing 2002 winter training cycle has featured unusual corps-level activity. North Korea continues to maintain more than 60 percent of its forces within

100 kilometers of the Demilitarized Zone (DMZ). The North remains a formidable force that we must guard against and deter.

During 2001, the United States and the ROK successfully negotiated several important alliance issues. Our military relationship is on a stronger footing every year.

The Special Measures Agreement (SMA), once completed, will significantly increase contributions to the maintenance of U.S. troops on the Peninsula. Under the SMA, the ROK will cover 50 percent of the non-personnel stationing costs for U.S. forces by 2004. The Commander of U.S. Forces Korea (USFK) has also reached a tentative agreement with the ROK government on a Land Partnership Plan (LPP) that will consolidate U.S. force presence. The plan will reduce the number of major U.S. bases in Korea from 41 to 26 while enhancing training and combined warfighting capability. Commander USFK and the ROK Ministry of National Defense have agreed to review the 1990 agreement to relocate Yongsan Army Garrison, the home of USFK, from its location in downtown Seoul.

We must continue to enhance the quality of life for our troops and their families stationed in Korea. The ROK provides critical Host Nation Funded Construction (HNFC) support. However, HNFC, coupled with the current level of U.S. Military Construction (MILCON) funding, is inadequate. Many of the facilities, including unaccompanied personnel housing and family housing, are of Korean War vintage. Personnel live in inadequate barracks, apartments, even Quonset huts and "temporary" Vietnam-era buildings that we have maintained at increasing cost as age, infestation, and Pacific weather have taken their toll. The fiscal year 2003 funding shortfall for facility construction and modernization across Korea is estimated at \$315 million. Congressional support of MILCON funding for Korea in the fiscal year 2001 supplemental and fiscal year 2002 MILCON Appropriations bills was sorely needed and very appreciated. We seek your continued support for MILCON and sustainment, restoration and maintenance funding as provided in the President's fiscal year 2003 budget.

The ROK increasingly contributes to regional security by deploying over 400 troops to the peacekeeping mission in East Timor, in addition to its other peacekeeping commitments in Western Sahara, the Republic of Georgia, Cyprus and the India-Pakistan border region. ROK forces participate in exercises such as RIMPAC (a major, multilateral naval exercise), PACIFIC REACH (a submarine rescue exercise also involving naval forces from Japan, Singapore and the United States), and COPE THUNDER (a multilateral air exercise in Alaska). Most recently, the ROK and USCINCPAC co-hosted a Multilateral Planning Augmentation Team (MPAT) workshop in Korea. Hosting an exercise with over 20 non-U.S. participants, including Japan, was a significant first for the ROK.

Following the 11 September tragedy, the ROK aggressively supported our efforts to combat terrorism. They have dispatched forces to support Operation ENDURING FREEDOM, currently deploying four C-130 aircraft, a naval tank landing ship (LST) and a Mobile Army Surgical Hospital (MASH) unit. The ROK has also sent liaison officers to the headquarters of USCINCPAC and Commander in Chief, U.S. Central Command to coordinate ROK government support for the Afghan campaign and continuing war. The ROK has worked closely with USFK to fully ensure the highest levels of protection of U.S. forces on the Peninsula. This is in addition to the \$45 million pledged for the reconstruction of Afghanistan.

By joining the coalition to combat global terrorism and participating in peacekeeping missions and USPACOM's regional exercises and cooperative initiatives, the ROK plays a very positive role in the region. Although there has been little or no substantive progress toward normalization and reunification of the Peninsula, the United States and the ROK have strengthened our alliance, and the ROK has continued its contribution to regional security.

Philippines

Our relationship with the Republic of the Philippines (RP), a long-time U.S. ally, had major developments last year. The RP continued to be a strong partner in regional security initiatives—hosting various conferences, the annual bilateral BALIKATAN exercise linked to the regional TEAM CHALLENGE exercise, and numerous Joint Combined Exchanges for Training (JCETs).

The Armed Forces of the Philippines (AFP) are challenged by budgetary constraints, logistical problems and a lack of adequately trained personnel. These factors hamper the AFP's ability to deal with internal insurgent groups, like the Abu Sayyaf Group (ASG) that also has ties to al-Qaida and poses a threat to Americans.

President Arroyo has championed Philippine and regional support for the international counter-terrorism campaign. During her November 2001 visit to the United States to commemorate the 50th Anniversary of the U.S.-RP Mutual Defense Treaty, she and President Bush agreed that the 11 September terrorist attacks on the

United States, and the terrorist activities of the ASG (which now holds Filipino and American hostages in the Southern Philippines), underscore the urgency of ensuring that the two countries maintain a robust defense partnership into the 21st century. The two leaders agreed to strengthen the military alliance on a sustained basis, through increased training, exercises, and other joint activities. Finally, they declared that the American and Filipino people stand together in the global campaign against terrorism.

USPACOM has deployed a Joint Task Force (JTF) to the Southern Philippines and has organized a substantial program to improve the maintenance of AFP equipment. The JTF package includes: a training/advisory team of Special Operations ground, naval and air personnel to train the AFP from their Southern Command Headquarters potentially down through company level. Training will focus on effective counter-terrorism campaign planning, intelligence/operations fusion, psychological operations (PSYOP), civil-military operations (CMO) and field tactics. Additionally, civil affairs (CA), maintenance, medical, and other support personnel round out the Special Forces team.

The JTF initial deployment of advisors was approved during implementation planning in January 2002. The recently concluded Terms of Reference (TOR) provided both governments with the necessary framework for executing our deployment to the Philippines.

The war against the ASG will not be won by military operations alone. Improvements in law enforcement, intelligence, economics, business, information, media, academia, community leadership and religion will have enduring and important roles in the battle. A solid, sustainable socio-economic program by the Government of the Philippines in the affected areas is also essential. USPACOM is working on a civil affairs assessment to support the JTF operation. Our training, assistance, and maintenance package will improve the AFP's CT capabilities. Continued U.S. support to the Philippines through the FMF program is critical to the success of the AFP's campaign against terror.

Thailand

Thailand is one of the nations in Asia most committed to building regional approaches to the future challenges of counter-terrorism (CT), counter-drug (CD) interdiction, peacekeeping operations (PKO), humanitarian assistance (HA), and other transnational concerns. The TEAM CHALLENGE multilateral training event to improve multinational capability/interoperability is held in Thailand.

Thailand has taken a leading role in Southeast Asia in support of peacekeeping operations (PKO) by maintaining battalion strength forces in East Timor and again supplying the U.N. military commander there. Thailand has also sponsored several multilateral PKO seminars. We have supported humanitarian demining in Thailand and are transferring that program to Thailand in fiscal year 2002. USPACOM continues to respond to Thailand's request for U.S. assistance to the Royal Thai Army in combating drug traffic across the Burma-Thai border. Joint Interagency Task Force West (JIATF-W) is the standing task force for all CD issues in the theater and has the lead in training, equipment, and organizational coordination initiatives to assist the Thais with their CD mission. Full funding of fiscal year 2002/03 Foreign Military Financing (FMF) for Thailand is critical to our efforts to help Thailand sustain its CD and PKO over the next 2 years.

Since 11 September, Thailand has coordinated fully with the United States in combating terrorism by supplying access to Thai military facilities, granting overflight permission, making formal public statements of support, and cooperating in information sharing and in investigation of terrorists using Thailand for a transit point and for other support. During a December 2001 trip to Washington, D.C., Prime Minister Thaksin offered the U.S. Deputy Secretary of Defense Thai security contributions to multilateral presence in Afghanistan.

Our effective military-to-military cooperation with Thailand meets the security concerns of both our countries. Our attention to Thai political and military priorities supports our ability to call for access to military facilities. Thailand will continue to be our key ally in Southeast Asia.

Singapore

The March 2001 completion of the deep-draft pier at Changi Naval Base, constructed entirely at Singapore's expense, will support continued U.S. presence in the region for many years to come. U.S.S. *Kitty Hawk* was the first aircraft carrier to berth pierside at Changi. Though not a formal treaty ally, Singapore is a solid security partner in the Asia-Pacific region, a vocal proponent for U.S. access, and strong supporter of U.S. counter-terrorist efforts. Additionally, Singapore supports and hosts many significant multilateral activities. Last year, it hosted Exercise PACIFIC

REACH, participated in Exercise COBRA GOLD and numerous anti-piracy regional conferences, and hosted a Western Pacific Naval Symposium (WPNS) regional Mine Counter-Mine exercise.

Singapore seeks greater interoperability with the U.S. armed forces. It views high technology and advanced hardware as a deterrent and is increasing its cooperation with the United States in several projects. Singapore participated with Extending the Littoral Battlespace (ELB) Advanced Concept Technology Demonstration (ACTD) and is active in other developments such as the Joint Mission Force (JMF) and Asia-Pacific Area Network (APAN).

Singapore has worked against terrorist groups in the country who were targeting U.S. interests. Immediately following the 11 September attacks, Singapore was unwavering in its support to Operation ENDURING FREEDOM, allowing our aircraft to use its airfields and increasing protection to vital shipping in the Strait of Malacca.

Singapore's arrest of 13 al-Qaida-linked terrorists in December led to additional arrests in Malaysia and the Philippines in January. Information sharing between these countries provided unprecedented insights into the al-Qaida network in the Asia-Pacific region.

Singapore has rapidly matured into a solid regional partner in a strategic location.

India

U.S. military relations with India have greatly expanded over the past year. India offered rapid and valuable assistance to the United States in conducting military operations in Afghanistan. USPACOM officers have met with their Indian counterparts and agreed on programs and exercises for the next 6–18 months. The primary areas of cooperation focus on peacekeeping, counter-terrorism, special operations training and naval activities.

We are closely following India's current confrontation with Pakistan. Throughout our interaction with our Indian counterparts, we continually stress the importance of a peaceful negotiated long-term solution to the Kashmir issue.

India and the United States have many common interests and our growing military cooperation will support this increasingly important security relationship.

Indonesia

Indonesia continues to go through a complete transition toward a modern democracy and a market economy. A key factor influencing Indonesia's political transformation and the prospects for its stability and unity are the Armed Forces of Indonesia, or TNI.

Military reform made some progress last year, but more remains to be done, especially in the areas of accountability and professional conduct. Separatist and sectarian violence in Aceh, the Moluccas, Sulawesi, and Irian Jaya, and inadequate TNI resources and capabilities have slowed the momentum of reform. TNI's future course is central to Indonesia's development and important to U.S. interests in combating terrorism, maintaining freedom of navigation on important trade lanes, and supporting regional security.

The Indonesian government has condemned terrorism and approved overflights of U.S. aircraft supporting the war on terrorism. It has improved security for our citizens and the U.S. embassy in Jakarta. However, Indonesia's very geography makes it vulnerable to terrorist penetration. With many challenges on its plate, and diminishing resources, Indonesia's security apparatus does not have full control of its borders. Moreover, Indonesia has not aggressively investigated domestic elements that are sympathetic to the aims of al-Qaida. We need to strengthen cooperation with Indonesia on terrorism. Current restrictions on our interaction with the TNI limit our effectiveness. However, the newly established Regional Defense Counter-Terrorism Fellowship Program may offer us a valuable tool to provide TNI mid-grade officers non-lethal training focused on counter-terrorism and combating transnational threats. We look forward to exploring this possibility with the Congress.

USPACOM activities with TNI include inviting some officers to multilateral conferences, subject matter information exchanges, senior officer visits, and the annual naval Cooperation Afloat Readiness and Training (CARAT) exercise focusing on humanitarian assistance and anti-piracy. CARAT 2002 will now include a counter-terrorism element.

A responsible, developing Indonesia is key to the security and development of the Southeast Asia region; it is in our interest to help ensure the security of this important country.

East Timor

East Timor is preparing for independence in May of this year. U.N. Transitional Administration in East Timor (UNTAET) support has been successful in assisting and guiding East Timor toward independence. USPACOM forces in U.S. Support Group East Timor (USGET) played a vital role in supporting this monumental international effort. USGET has provided a significant U.S. presence, vital civic actions, humanitarian assistance, and regular ship visits. Today, East Timor is generally secure from the militias, and ready to face the challenges of a democracy.

After East Timor's independence, USPACOM will transition from civic action orientation in East Timor to a more traditional military cooperation program. This program will support an international effort, led by Australia, to further develop the East Timor Defense Force into a viable self-defense force.

China

Many important political, economic, and military developments occurred in the People's Republic of China (PRC) last year, and Chinese actions affected U.S. military relations with the People's Liberation Army (PLA).

Last year's military exercises in the PRC showed a measurable increase in quality, as the PLA continued to modernize its forces, with an emphasis on integrating ground, air and naval forces into a viable joint capability, and on creating a more professional officer and noncommissioned officer cadre. In addition to basic maritime combat skills, the 2001 exercises demonstrated efforts to conduct joint amphibious operations combined with missile and air strikes against key targets, such as airfields, naval ports and command centers.

China continued to build and exercise its force of short-range ballistic missiles ranging Taiwan. It still seeks to develop a range of military options to influence and intimidate Taiwan, and has not abandoned the option of using force to resolve Taiwan's status.

Across the Strait, Taiwan's armed forces continue to restructure and modernize. They are reorganizing and modernizing command, control, communications, computers, intelligence, surveillance, and reconnaissance (C⁴ISR). The U.S. government last year approved the sale of naval, ground and air equipment to maintain Taiwan's sufficient defense in the near term. Taiwan still needs to focus on developing and modernizing C⁴ISR, integrated air and sea defense, and the ability to integrate its armed forces to conduct effective joint operations.

The PLA is still years away from the capability to take and hold Taiwan. Continued improvements in Taiwan's capabilities and development of USPACOM capabilities will be necessary to maintain sufficient defense.

The April 2001 EP-3 crisis was eventually resolved—the crew and airplane returned. However, the aggressive behavior of the Chinese pilot who caused the collision and the detention of the crew for 11 days damaged China's relations with the United States.

Military-to-military relations are resuming slowly, and in accordance with the National Defense Authorization Act. It is in the interests of the United States to interact with the PLA to address common interests, such as combating terrorism, peacekeeping operations, search and rescue, counterdrug, counterpiracy, and humanitarian assistance. These interactions should be reciprocal and transparent and serve to reduce misunderstandings and the risk of miscalculations on both sides.

POW-MIA EFFORTS IN SOUTHEAST ASIA

Joint Task Force-Full Accounting (JTF-FA) continues progress on the fullest possible accounting of Americans unaccounted-for as a result of the war in Southeast Asia.

The risks of this noble mission were sadly underscored by the helicopter crash on 7 April 2001. Seven American service members and nine Vietnamese tragically died in Quang Binh Province, Vietnam, while conducting advance work for the 65th Joint Field Activity (JFA). We may never know the exact details of the accident, but a report by the U.S. investigator indicated that deteriorating weather conditions, poor visibility, and pilot error were factors. This tragic incident was a deep loss for USPACOM, the task force, and the American and Vietnamese people.

During fiscal year 2001, JTF-FA conducted nine JFAs—three in Vietnam, five in Laos, and one in Cambodia where 211 cases were investigated and 37 sites excavated. One JFA in Vietnam was canceled due to the tragic helicopter crash. JTF-FA continues to maintain its pace of operations in fiscal year 2002, with 10 JFAs scheduled—4 in Vietnam, 5 in Laos, and 1 in Cambodia.

Last year, 44 sets of remains were identified and returned to their loved ones. JTF-FA recovered and repatriated 27 remains still to be identified, but believed to

be Americans unaccounted-for (16 from Vietnam, 10 from Laos, and 1 from Cambodia).

We remain committed to obtaining the fullest possible accounting of Americans still missing in Southeast Asia and to the return of all recoverable remains. We seek continual support for funding of this mission.

THEATER SECURITY COOPERATION

Theater Security Cooperation Overview

Ready forces are the foundation for USPACOM's cooperation with the Asia-Pacific region. They reassure our friends and partners, and dissuade our potential enemies. During 2001, we maintained a strong program of Theater Security Cooperation (TSC) designed to maintain coalition warfighting skills for deterrence, and build regional coalition capabilities to carry out common missions, from peacekeeping through combating terrorism.

The three primary goals of TSC—influence, access, and competent coalition partners—led to an active program that proved its worth after 11 September. All countries in the Asia-Pacific region declared support for the global war on terrorism, and contributed in many ways.

Seminars, simulations and multilateral exercises are inexpensive and powerful ways to develop the capabilities to work effectively—as coalitions in complex contingencies (such as East Timor); as partners in countering terrorism, illegal drug trafficking, and piracy; in managing the consequences of chemical, biological or nuclear attacks, natural disasters and accidents; in evacuating citizens caught in the path of violence; in search and rescue of mariners and airmen in distress; and in providing humanitarian assistance. TSC develops a cadre of competent coalition partners able to contribute when called upon.

Such a call came 11 September. Under the banner of Operation ENDURING FREEDOM, many of our partners in enhanced regional cooperation stepped forward to make significant contributions to the emerging OEF coalition. We have also focused on building long-term, strategic relationships necessary to plan and execute the protracted theater campaigns to eradicate terrorism. Many of our efforts with key allies and friends, such as Australia, Japan, Korea, the Philippines, Thailand and Singapore, are expanding on strong foundations nurtured by TSC to improve our counter-terrorism capabilities. With other strategic nations in our theater, such as India, the events of 11 September are the catalyst for accelerating more meaningful military-to-military contact and cooperation. Finally, many nations, such as Vietnam, Cambodia, Laos and Burma, have offered varying levels of support and cooperation to the global campaign against terrorism. Their proposed contributions and offers, although perhaps not strategically significant, forecast meaningful regional cooperation on a threat that affects all Asia-Pacific nations.

We will continue to cultivate and maintain the necessary operational access and coalition cooperation (diplomatic/financial/military) to plan and execute current and future operations. For all these purposes, USPACOM should maintain a baseline of multilateral conferences and International Military Education and Training (IMET) for every country.

Coalition Exercises

TEAM CHALLENGE 2002 links the multilateral COBRA GOLD exercise in Thailand with the bilateral BALIKATAN in the Philippines to address bilateral and multilateral training objectives, and to improve the readiness of regional armed forces to contribute to multilateral operations. Singapore will participate again this year alongside Thai and U.S. forces in COBRA GOLD. Observer nations (with an eye toward possible participation in future years) will include Japan, Philippines, Malaysia, Indonesia, France, ROK, Mongolia, Russia, China, India, Cambodia, Tonga and Sri Lanka; Vietnam has been invited. In TEAM CHALLENGE, we will exercise elements from the full spectrum of missions that our combined forces may be called upon to do together, from complex contingencies to humanitarian assistance. TEAM CHALLENGE continues to be our largest multilateral exercise in theater, while serving as our premier Combined Joint Task Force training exercise.

International Military Education and Training (IMET)

IMET is the cornerstone of our Theater Security Cooperation Program. It provides education opportunities for personnel from foreign armed forces to study U.S. military doctrine and to observe U.S. commitment to the rule of law, human rights, and democratic values. It is the best means for promoting professionalism within foreign armed forces, and exposing foreign armed forces to the principle of a military responsive to civilian control. IMET is an effective tool for assisting armed forces to develop in ways that meet their own and U.S. objectives. Indonesia is a case in

point, where officers from the Indonesian armed forces have not attended professional U.S. military education courses since 1992, with an attendant loss of U.S. influence on an entire generation of Indonesian company/field grade officers.

Regional Defense Counter-Terrorism Fellowship Program

The Regional Defense Counter-Terrorism Fellowship Program complements the IMET program. DOD funding will be used to send foreign military officers to U.S. military institutions and selected regional centers for non-lethal education. This program will provide the regional CINCs with additional flexibility in executing our security cooperation strategies, and it will have an immediate and positive impact in encouraging reform, professionalism, and regional cooperation in addressing counter-terrorism and other transnational threats.

Foreign Military Financing (FMF)

FMF for acquiring U.S. military articles, services and training enables key friends and allies to improve their defense capabilities and improve their potential contributions as a coalition partner. In response to our original fiscal year 2002 FMF request, three USPACOM countries were granted FMF funds: Mongolia (\$2 million), the Philippines (\$19 million), and East Timor (\$1 million), which gains its independence 20 May of this year.

To prosecute the global war on terrorism, it is in the U.S. interest to provide equipment to select countries facing threats. The administration is reviewing potential threats and options.

Philippines FMF Maintenance Program

The Philippines FMF Maintenance Program is the foundation for effective security assistance to the Armed Forces of the Philippines (AFP) in their campaign against terror. We are in the first year of a 5-year, \$68 million FMF plan to sustain critical AFP military capability while promoting clear and positive actions to correct budgetary and logistics deficiencies. We have developed courses of action to improve AFP readiness rates for specific systems such as C-130 aircraft, UH-1 helicopters, 2½-ton trucks, and 78-foot Fast Patrol Craft. We have also developed a statement of work to implement contractor management assistance and ways to track improvements in readiness rates. Full funding over the 5-year program will enable the AFP to sustain higher readiness levels for key weapons systems. This funding is essential for the AFP to achieve a self-sustaining capability.

As the efforts in the Philippines evolve, possible opportunities to maximize effectiveness of counter terrorism operations may require additional resources. Fiscal year 2003 FMF funding for the Republic of the Philippines Maintenance Program remains key to achieving one of our long-term goals of improving AFP readiness.

Enhanced International Peacekeeping Capabilities (EIPC)

EIPC programs promote standards for peacekeeping doctrine, training, and education at the institutional level. In fiscal year 2001, five USPACOM countries (Malaysia, Mongolia, Nepal, Philippines and Thailand) received a total of \$2.227 million to achieve this goal. In fiscal year 2002, we hope to add Fiji, Madagascar, Tonga and India to this list. While EIPC programs are not as visible as IMET or FMF grants, EIPC plays a key role in developing host country self-sufficiency to train its forces to be effective players in worldwide peacekeeping efforts.

Nonproliferation, Antiterrorism, Demining, and Related Programs (NADR)

NADR funding supports U.S. efforts to reduce threats posed by international terrorists, landmines, and stockpiles of excess weapons, as well as by nuclear, chemical, and biological weapons and their associated technologies. We have received limited funds in the past, primarily for demining activities in Cambodia, Laos, Thailand, India and Vietnam. Our war against terrorism could benefit by any expansion of these programs. We will work closely with U.S. Country Teams to ensure we use these limited funds wisely.

Overseas Humanitarian Disaster and Civic Aid (OHDACA)

OHDACA appropriation provides the critical ability to respond to humanitarian needs in the Asia-Pacific region and is the primary source of DOD financing for foreign disaster assistance, demining, excess property donations and other humanitarian projects. While other federal agencies also have responsibilities to respond to man-made and natural disasters, armed forces are frequently called upon first. Additionally, our annual assistance programs provide important access to some countries where other means of security cooperation are inappropriate. These non-threatening programs demonstrate the peacetime capabilities of DOD to our Pacific neighbors without impacting readiness. Approved fiscal year 2002/03 Humanitarian As-

sistance requirements for construction projects and property donations total approximately \$5.1 million.

East Timor Defense Force (ETDF)-Logistics System / East Timor Engineer Plan

The U.S. armed forces continue to conduct operations in East Timor by providing liaison officers, engineers and humanitarian assistance during ship visits. Fiscal year 2002 engineering priorities include water plant, electrical system, and health clinic projects. The State Department programmed \$4.8 million in FMF funds in fiscal year 2001-03 to assist in developing the East Timor Defense Forces (ETDF) logistics support system and to conduct training to develop the skills necessary for self-sufficiency. We will need to look at avenues to provide the ETDF the support they need to provide for their own security. There should be no haven for terrorism in the Asia-Pacific region, in countries with histories old or new.

Asia-Pacific Center for Security Studies (APCSS)

The APCSS regional study, conference, and research center continues to do great work. Graduates from its 3-month executive course total 764 from 41 countries, including Pakistan. I meet many of the outstanding graduates when I travel, and all are convinced that the regional approach works.

Asia-Pacific Regional Initiative (APRI)

The APRI program increases USPACOM access, regional readiness and U.S. influence in the Asia-Pacific region. APRI funding supports a wide range of exercises, programs, and training symposiums such as Exercise TEAM CHALLENGE, the PACIFIC REACH multi-national submarine rescue exercise, the annual multilateral Chiefs of Defense conference, and search and rescue and humanitarian assistance/disaster relief exercises.

Asia-Pacific Area Network (APAN)

Funded by the APRI program, APAN provides information exchange throughout the region that directly supports Theater Security Cooperation. It functions as an interactive Web-based network that is attracting ever-widening attention and participation. APAN's membership has grown from about 300 users from 17 countries in June 2000 to more than 4,000 self-registered users (by 1 January 2002) from every country in the Pacific region except Burma and North Korea. APAN has also attracted users from over 20 other countries outside the region. The Web site supports regional exercises and conferences, and provides information resources to functional areas such as peacekeeping operations, disaster management and counter-terrorism. More importantly, it has been a catalyst to the creation of multinational information-based relationships and collaboration. Since APAN's operational capabilities and information are entirely unclassified, they are available to government agencies and non-governmental organizations (NGOs) that are important as participants in complex humanitarian emergencies and as partners in any combined military effort. After 11 September, APAN began a commercially secured Web site for Hawaii's Joint Rear Area Coordinator (JRAC) effort, a multi-agency effort comprising 17 federal state and local agencies in Hawaii responsible for critical infrastructure. APAN is working with the U.S. Coast Guard to develop a similar commercially secured operational network capability for multinational collaboration in the Northwest Pacific and with the Department of State for similar collaborative sites to support ASEAN Regional Forum Confidence-Building Measures in Counter-Terrorism and possibly Maritime Security. Part of the international experience of 11 September has been overcoming resistance to new operating methods and information-based relationships. APAN has encouraged regional countries and United Nations organizations and NGOs to use and contribute to building experience in network centric operations that will pay off in future multinational force operations.

Multinational Planning Augmentation Team (MPAT) Program

The MPAT Program, also funded through APRI, brings together expert military planners from nations with Asia-Pacific interests that can rapidly augment a multinational force headquarters. Using standardized skills, they would plan and execute coalition operations in response to small-scale contingencies in the region. Through a series of workshops and planning exercises, MPAT members have developed a knowledge base of the various national crisis-action-planning procedures in the Asia-Pacific region and strong working relationships with each other. MPAT members have also begun developing common crisis-action planning procedures that any lead nation could use during a crisis.

We have successfully completed three MPAT workshops each involving over 25 countries, co-hosted by the Philippines, Thailand, and Korea respectively. We have also completed six concept and standard operating procedures (SOP) workshops. The

strength of the MPAT program lies in its ability to foster the development of a consensus on multinational responses to crises in a region with only a strong bilateral tradition.

The Center of Excellence in Disaster Management and Humanitarian Assistance (COE)

COE plays an important role in our pursuit of key strategic objectives in USPACOM. COE engages countries in the Asia-Pacific region, builds burden-sharing relationships among our friends and allies, and prepares U.S. forces to perform effectively in complex contingencies. COE's mission in disaster management, humanitarian assistance, and peace operations offers a low profile tool to engage civilian and military communities throughout the theater that might otherwise be hesitant to work with us. COE's support of our peace operations capacity building efforts in the Asia-Pacific region have helped improve capabilities in the Philippines, Thailand, Bangladesh, Nepal, and Malaysia. Finally, by promoting broader collaboration among non-traditional partners, COE contributes to the creation of an environment less hospitable to terrorism.

READINESS AND RESOURCES

Personnel

The war on terrorism along with ongoing commitments throughout the Asia-Pacific region place heavy pressures on our troops and their families. It is especially important today, that our young men and women in uniform feel the support of our country. The quality of life (QoL) initiatives included in the Fiscal Year 2002 National Defense Authorization Act are welcome and let our people know their elected representatives value their hard work and sacrifices.

Thank you for supporting the Administration's request for the largest pay raise in two decades. Competitive pay is essential to attract and retain the highly skilled personnel critical to our national defense.

There are areas where compensation has failed to keep up with the times. For example, most American families today own two cars for parents' jobs, school, and children's extracurricular activities. This is a necessity, not a luxury. At present, our military families are only allowed to transport one vehicle when transferred to and from overseas duty stations in the United States. Developing programs to meet the needs of today's military families will go a long way toward improving retention.

Another much-needed improvement is reducing Permanent Change of Station (PCS) out of pocket expenses. We calculate the average military family pays \$1,700 above reimbursements when moving to Hawaii. Legislation like that in the Fiscal Year 2002 Defense Authorization Act, to increase partial reimbursement of mandatory pet quarantine fees incurred by members transferred to various overseas locations within and outside the United States, helps reduce this financial burden. The removal of entitlement limits that previously excluded junior personnel from receiving proper reimbursement for expenses incurred during their first PCS move is also a standout. Even a seemingly small gesture, like helping our volunteer Reserve or Guard members deal with excess accrued leave as they move from hot spot to hot spot, sends a message that we care.

In past conflicts, Reserve Component (RC) personnel have mobilized to serve in and around combat zones. For the war on terrorism, we have mobilized thousands of reservists and guardsmen to protect our military bases and civilian facilities like airports. The President has clearly stated that the war on terrorism will continue for years. RC support will be a vital part of the war effort. In USPACOM, our reservists have done a magnificent job. The flexibility and support of their employers has been a key element of this successful mobilization.

We need to reexamine RC policies and programs to sustain the war on terrorism over the long term. Cold War-era regulations and public laws still sometimes prevent RCs from providing the responsive and flexible capability they are so eager to deliver. I applaud the efforts of the Office of the Secretary of Defense (OSD) and Joint Staff to push for improvements to law, policy, and regulations. I support ways not only to increase funding but also to modernize the rules that govern RC support. To do this, we need more full-time support to perform tasks like managing manning documents, pre-screening medical records before recall, and providing support at the locations where the RC personnel are frequently mobilized.

While we are fortunate to have many eager and talented volunteers willing to make sacrifices to serve their country in times of crisis, I am concerned about the long-term impact of reliance on recalled reserve augmentation forces. Given the nature of our protracted war on terrorism, we need to take a hard look at active duty

force levels required in the next 5–10 years to combat terrorism, because now is the time to make recruitment and force authorization adjustments.

State of Housing, Family Support

Military family housing remains one of our top QOL priorities. We are working to replace or renovate substandard military family housing by 2007. Pacific Fleet (PACFLT), Marine Forces Pacific (MARFORPAC), Pacific Air Forces (PACAF), and U.S. Army Pacific (USARPAC) will meet this goal with their current master plans and programs. We must continue to restore and increase funding to ensure that our military family housing is safe, modern, and secure. Congressional efforts last year resulted in a welcome and much needed increase in attention to overseas MILCON in USPACOM. I applaud your efforts to fix the grossly inadequate housing in Korea and other deficiencies throughout the AOR. There is still so much to do.

People are our most important resource. Recognition, adequate compensation, and housing are the foundation of a decent quality of life for our people and their families.

Operations and Maintenance (O&M) Funding

The second important component of readiness is sufficient operations and maintenance funding for training and maintaining equipment.

Last year I testified that with regard to our funding for Operations and Maintenance (O&M) “news is not positive” and, “accordingly the readiness of our component commands is not expected to reflect any significant increase this fiscal year.” I am happy to report this year, due to supplemental funding, our readiness picture is more optimistic.

Funding for training and maintenance across Service components has been adequate to keep units trained and their equipment in good repair. This readiness was proved in combat as USPACOM carrier battlegroups (CVBGs), amphibious ready groups (ARGs), and marine expeditionary units (MEUs) deployed on short notice to Afghanistan and were effective in combat immediately.

Let me highlight my current readiness concerns.

Precision Guided Munitions (PGMs)

Ongoing support of Operation ENDURING FREEDOM (OEF) has significantly reduced the already limited worldwide stocks of precision munitions across all services, especially the Joint Direct Attack Munition (JDAM). The President’s fiscal year 2003 budget request contains aggressive programs to restore inventories to adequate levels. Sustained funding to restore/increase PGMs stockage levels to support the spectrum of military operations—counter-terrorism (CT) operations, small-scale contingencies (SSCs), major theater wars (MTWs), training/testing expenditures, theater positioning and combat-sustainment requirements—must remain a priority.

Intelligence, Surveillance, and Reconnaissance (ISR) Aircraft

Our AOR requires more ISR aircraft coverage to meet operational demand. While I cannot provide exact numbers in this forum, our collection rates of required intelligence information is dangerously low. Recent funding of ISR aircraft as part of the counter-terrorism (CT) supplemental will help, but this projected increase must be realized in increased surveillance units in this theater. New aircraft must also be developed to replace aging ISR assets. The projected retirement of aircraft over the out years puts at risk Service commitments to maintain a minimum number of operational ISR aircraft.

Aircraft Readiness

Mission Capable (MC) rates for Pacific Fleet (PACFLT)/Marine Forces Pacific (MARFORPAC) aircraft and cannibalization of Pacific Air Forces (PACAF) aircraft continue to be major readiness concerns in USPACOM. Availability of repair parts is a significant contributor to aircraft readiness shortfalls. Although funding for repair parts for Navy, Marine Corps, and Air Force aircraft has improved in the past two years, shortages still exist, causing cannibalizations on PACAF aircraft and crossdecking/temporary equipment loans in PACFLT. Of PACAF aircraft tracked from January to December 2001, 80 percent did not meet the aircraft standard for cannibalization rates.

Infrastructure, Logistics Inventories, and Related Support

The final component of readiness is infrastructure, logistics inventories, and related support. This component still requires attention.

Facilities: Sustainment, Restoration and Modernization (SRM)

The combined effects of aging facilities and years of under funding have produced an enormous backlog of restoration and replacement projects. The current recapital-

ization backlog was caused by a combination of factors. Funding intended for facilities sustainment has often been diverted. When bases closed in the Philippines, Guam, and Hawaii, SRM funds were not redistributed for remaining facilities but were reduced as part of the "peace dividend." Rising utility costs and higher costs to accomplish base-operating support by contract further reduced funds available for SRM. As a result of inadequate funding, bases, camps, posts and stations across the Asia-Pacific region are shabby and deteriorating to a point we can no longer ignore. Our people deserve much better than this; they deserve to live and work in a quality environment.

At current Future Years Defense Plan (FYDP) funding levels, the \$5.3 billion USPACOM recapitalization backlog will nearly double over the FYDP. USPACOM requires an additional \$8.4 billion over the FYDP to eliminate the backlog and prevent future backlog growth through proper sustainment.

SRM funding shortfalls not only affect quality of life, but also impact readiness, operation plan (OPLAN) execution, retention, and force protection. Unfunded backlog projects affect OPLAN execution in Korea, Guam and Wake Island. Without additional funding, recapitalization backlogs will continue to grow if we do not realign or close any installations or facilities, and will further deteriorate, jeopardizing critical functions throughout USPACOM's Area of Responsibility (AOR).

New Pacific Command Headquarters

Construction on the Nimitz-MacArthur Pacific Command Center at Camp Smith is underway and going vertical. Completion is scheduled for December 2003. We appreciate the restoration of \$3 million included in the fiscal year 2002 MILCON Appropriations Act to fund critical design elements, including antiterrorism force protection (ATFP) and information security requirements. Unfortunately, this funding was reduced by over \$400,000 due to an across-the-board reduction of all fiscal year 2002 MILCON funding, creating an unexpected shortfall just as critical ATFP and information technology security requirements are being addressed.

Pacific Security Analysis Complex (PSAC) MILCON04

USPACOM needs a single shared intelligence complex on Oahu, Hawaii, that optimizes the missions and operations of both Kunia Regional Security Operations Center (KRSOC) and the Joint Intelligence Center Pacific (JICPAC). The current KRSOC is obsolete. The facility was built in 1945, and the last major renovation occurred in 1979. Current estimates for necessary renovations to ensure a 30-year continued use exceed \$185 million, with annual operating costs of approximately \$8 million. Construction costs for a new KRSOC facility, incorporating Naval Security Group Activity (NSGA) Pearl Harbor and NCPAC, are currently estimated at \$220 million, with annual operating costs of \$6 million. Additional savings in renovation costs to NSGA Pearl Harbor and NCPAC are estimated at \$9 million. Thus, it would be less costly in the long term to build the new facility.

The JICPAC theater intelligence production facility has force protection vulnerabilities due to its location on a main civilian thoroughfare. Co-locating with KRSOC would lead to savings of roughly \$30 million over 4 years in JICPAC operating costs, and enhance fusion of all-source intelligence. The PSAC presents an unprecedented opportunity for immediate in-depth collaboration between the premier signals intelligence and production centers.

USPACOM Simulation Center MILCON04

Increasing exercise activity, training complexities, and command, control, communications, computers, intelligence (C⁴I) modernization have outgrown USPACOM's exercise simulation infrastructure and support capabilities. This deficiency significantly reduces the ability to train USCINCPAC and Joint Task Force (JTF) commanders in crisis action readiness procedures; degrades the ability to improve combined interoperability with friends in the region; and contributes to increased operating tempo (OPTEMPO), training time and associated costs for USPACOM forces before responding to contingencies. The current facility does not support future technologies or meet force-protection requirements. The planned state-of-the-art simulation center will link with simulation centers throughout the Asia-Pacific region to train joint integrated forces, rehearse mission requirements, provide commanders with quick-reaction combat analyses, and exploit information from open sources. It will transform USPACOM through the use of advanced simulations, collaborative tools, and C⁴I systems in joint experiments.

Wake Island Airfield Funding

Wake Island remains critical for support of strategic deployment of forces for major theater wars (MTWs). The funding in the Air Force program is the first year

of a multi-year program that must be maintained to ensure availability of this critical asset to meet wartime contingency requirements.

Mobility Infrastructure and Strategic Lift (C-17/C-5) Reliability Enhancement and Re-engine Program

USPACOM depends on continued funding of the programmed C-17 aircraft buy and the C-5 aircraft Reliability Enhancement and Re-engine Program and Avionics Modernization Program. Equally important are our efforts to exploit advanced sea-lift technology to reduce our dependency on premium airlift. Over the past year, III Marine Expeditionary Force (MEF) has been testing and evaluating off-island deployments using a leased High Speed Vessel (HSV). Initial analysis of the HSV suggests considerable cost savings while significantly reducing in-transit deployment time for Marine forces. Based on these encouraging initial returns, we are pursuing the HSV as a theater-lift asset in USPACOM.

Real world operations in other theaters are impacting USPACOM's exercise program. We are beginning to face regular shortages of airlift and aerial tankage. This, in turn, makes it more difficult to train soldiers, sailors, airmen, and Marines that we are depending on to execute ongoing operations. For example, to send the 3rd Wing to Red Flag to prepare them for deployment to Operation Southern Watch, we will need to contract civilian airlift at a cost of approximately \$1.1 million. The original budget was \$250,000 using KC-10. Overall, the PACAF exercise program has been cut \$734,000 and the JCS exercise program was cut \$1.2 million. Successful achievement of combat readiness training will hinge largely on sufficient funding for exercises.

Intelligence

The events of 11 September have introduced additional requirements on our already heavily tasked national and tactical intelligence systems. The demand for precise and timely intelligence has never been greater, including in-depth understanding of long-term potential adversaries, regional hotspots, and transnational threats—terrorism and the proliferation of weapons of mass destruction.

Signals Intelligence (SIGINT)

National and tactical SIGINT systems must be modernized to meet the advances in global telecommunications technology. National Security Agency (NSA) and Service SIGINT capabilities are key to our daily operations and the execution of OPLANs and contingencies in the USPACOM AOR. They must be funded to continue modernizing SIGINT collection capabilities against both modernized militaries and terrorists. Funding is also needed to replace the Kunia Regional Security Operations Center (KRSOC) and accompanying land-based collection architecture.

Our support to Operation Enduring Freedom (OEF) has exacerbated our peacetime shortage of intelligence collection aircraft. While additional aircraft are in the pipeline, we still need more in the inventory to help us reach and maintain our long-standing minimum theater requirements, and we need them soon. We encourage development of a follow-on to current manned aircraft and await availability of high altitude, long dwell, unmanned aerial vehicles. We must also upgrade the collection equipment on the aircraft. This is especially true for SIGINT, where existing collection equipment is ineffective against modern communication technology. Similar land and maritime collection capabilities also need upgrades. USPACOM fully supports integrated, joint development of the next generation signals collection tools, along with further consolidation of funding to hasten this event. Extra aircraft and new collection tools are meaningless, though, if we lack trained personnel to exploit the information. The existing shortage of linguists has worsened due to the war on terrorism. We now face regional languages and dialects never considered important before 11 September.

Imagery Analysis

Requirements for imagery continue to grow. New platforms are producing an increasing flow of data, but our ability to exploit this data has not kept pace. We are doing well on the Tasking portion of the Tasking, Processing, Exploitation, and Dissemination (TPED) of imagery, but insufficient communications and lack of imagery analysts hamper the remaining aspects of the process. Additional funding is needed to realize the full potential of this intelligence source. USPACOM still requires a robust theater-level intelligence gathering capability against the entire threat spectrum.

Command, Control, Communications, and Computer Systems (C⁴) Capabilities

Information technology (IT) continues to influence warfare at every turn. C⁴ is the unsung workhorse of any operation, requiring 24 hours a day/7 days a week reliable,

timely and uncorrupted service. As evidenced by the world's recent response to terrorist events, the need for information sharing between service, joint, and coalition partners, as well as local, state, and federal organizations, has increased exponentially. This requirement places a strain on an already antiquated and stressed communications network. Since C⁴ encompasses a wide spectrum, I will focus on three primary areas of continued need: (1) an end-to-end communications infrastructure, (2) information assurance, and (3) interoperability.

First, the end-to-end communications enterprise provides the foundation to electronically link garrison and forward-deployed forces to commanders at all levels. USPACOM's vast AOR, mostly separated by ocean and encompassing countries with under-developed C⁴ infrastructures, requires forces to rely heavily on satellite communications (SATCOM). We continue to make great strides in many of the SATCOM programs and I thank you for your continued support. However, aging equipment and specifically, limited Ultra High Frequency (UHF) SATCOM capacity over this AOR, is fast becoming a factor in my ability to command and control forces. With the recent terrorist attacks and our ongoing efforts to root out terrorism as a whole, SATCOM connectivity to our highly specialized forces is more critical than ever before. The new challenge is to ensure that critical SATCOM upgrades, the fielding of new satellite programs, and the launching of new satellites remain on track to replace the aging fleets currently orbiting the earth in support of warfighters.

As an inseparable partner with the space segment, we must inject similar technology advances into the base, post, camp, and station infrastructures. In the Pacific Theater, we still operate on cables and wiring installed as far back as the 1960s. These cables are no longer dependable. Coupling this condition with the ever-increasing user requirements for more and more information, we must quickly modernize to support the growing bandwidth and increased speed requirements of our intelligence gatherers, planners and warfighters. Information is truly a force multiplier.

Our second focus area is information assurance (IA). How we protect our sensitive information from potential adversaries while providing access to, and sharing it with, our coalition partners is probably the toughest challenge we face in today's C⁴ environment.

Although we have made significant strides to improve IA in USPACOM, we are far from 100 percent protected. Cyber warfare never rests. Our USPACOM networks continue to receive daily cyber probes and potentially dangerous virus and hacker attacks. They can occur at any time and any place in the theater and the consequences can be severe, if we are not on guard around the clock. The payback for IA is not always as easily recognizable as with the production of new airplanes, ships, or tanks. You cannot touch and feel information protection, but a loss of critical or time-sensitive information, or a denial of service, can be far more detrimental to national security than any single weapon system. An example of the heavy IA investment needed for additional hardware is the protection afforded by current cryptographic equipment to secure networks for command and control of daily operations. Replacement parts for this aging equipment are difficult to obtain—a limiting factor as technology increases the speed, connectivity, and capacity of our networks. Cryptographic modernization programs are essential to improve the effectiveness of the U.S. Government cryptographic inventory. For example, airline flight schedules and blueprints of our embassies are simply tidbits of information. But, that information in the wrong hands may improve the enemies' chances of producing devastating results as evidenced by recent terrorist incidents.

Ongoing IA improvements will require a continued heavy investment in equipment, training and technically skilled people. I ask for your support as we strive to implement a "defense in depth" posture into our daily information operations.

The third C⁴ area is interoperability. The events of 11 September have caused us to concentrate hard on interoperability, especially with civilian and coalition partners in support of global counter-terrorism efforts. We must reassess our processes in these areas.

I firmly believe we must revamp our acquisition system, especially in the area of IT. Long-term replacement programs are detached at an early stage from the dynamic reality of operations and warfare. They emerge decades later with new systems that are better than what they replace, but not as good as what they could or should be in meeting the needs of the warfighter.

Our system does not put engineers together with the operators to fix real operational problems, deal with real war plan deficiencies and emerging threats, or take advantage of real opportunities. The current system, which drives the actions of the detached bureaucracy of requirements writers, contracting officers and program managers, is only tenuously connected to what our forces need to operate and fight

better. We must integrate the engineers with the operators in a spiral development approach in which we build a little, test a little, and then build a little more. Let them see firsthand the interoperability problems that exist between civilian, joint and coalition organizations. For example, our Joint Task Force (JTF) commanders use service variants of our Global Command and Control System (GCCS), because the joint version is not as capable as the service variant and is not fully fielded across the theater. As another example, the land mobile radio systems that our police and fire departments use are not interoperable with our military systems. These incompatibilities prevent key personnel from sharing critical information in a timely fashion, and could easily lead to catastrophic results.

We can address many of these interoperability issues by using this spiral development approach, and putting engineers in the field during joint exercises, training maneuvers and technology demonstrations. Initially, this approach comes with an increased cost until we can identify capabilities in programs that we do not need. But the timely and increased operational capabilities provided to the warfighter as result of it more than justify the initial expense.

Maintaining our leading edge in C⁴ technology, assuring our critical information and improving interoperability with our coalition partners are essential to protecting American security interests in the 21st century. Our command is working hard to mitigate these limitations; however, we need increased C⁴ funding to maintain the operational edge over our adversaries.

Multiple Theater War Sustainment Issues (Harvest Eagle, APS-4)

Refurbishment and reconstitution of Air Force Harvest Eagle bare base assets are key to both current operations plans (OPLANs) and USPACOM operations in support of the global war on terrorism. Harvest Eagle's tent-based housing modules allow forward-deployed or reinforcing units to establish airfield operations where local infrastructure is austere or lacking. Degraded before their use in current operations, our deployable bare-base assets capacity will continue to be a limiting factor to executing OPLANs and contingencies without fully funding refurbishment and reconstitution.

Shortfalls in pre-positioned equipment and supplies to support combat operations in the Korean Theater of Operations are also of major concern. The Army maintains a strategic inventory of sustainment supplies as part of Army Pre-positioned Stocks (APS). These stocks sustain forward-deployed and initial follow-on ground forces, and include major end items such as engines, repair parts, medical supplies, packaged petroleum products, barrier/construction materials, operations rations, and clothing required to sustain combat operations.

Additionally, we have significant shortfalls in Army APS-4 Sustainment Stocks designated to replace projected combat losses, especially critical during the early stages of a major theater war (MTW) on the Korean Peninsula. Within these sustainment stocks, Class VII (Major End Items) and Class IX (Repair Parts) have the most serious shortfalls. Finally, less than 30 percent of Joint Service Lightweight Integrated Suit Technology chemical protection suits (to support operations in a nuclear, chemical, biological environment) are available in sustainment stocks. The combination of these shortfalls degrades our ability to conduct sustained combat operations on the Korean Peninsula.

USPACOM FORCE TRANSFORMATION

Our enemies and potential enemies are working hard to develop ways to defeat the U.S. Armed Forces. We cannot allow our current military dominance to lead to complacency and future defeat. Force transformation is a priority at USPACOM. We have made rapid progress over the past year in developing Joint Mission Force capabilities, in our Advanced Concept Technology Demonstrations (ACTDs) and in aligning force transformation with our Joint Training and Theater Security Cooperation (TSC) plans. Experimenting as we exercise and operate is becoming routine. Individual commanders are also making advances through their own initiatives, with service and USPACOM support. Examples include the High Speed Vessel (HSV) that Marine forces on Okinawa have leased to make movement within the theater faster at less expense and the development of numerous networking and decision support capabilities. We continue to work closely with U.S. Joint Forces Command (USJFCOM), the executive agent for joint force experimentation, and are increasing the involvement of allies and coalition partners to enhance interoperability and combined force capabilities as we transform U.S. forces.

Joint Mission Force (JMF) Objectives

The objectives of USPACOM's JMF concept are to enhance the speed of action, precision, and mission effectiveness of Theater Joint Task Forces (JTFs). Our vision

is to create a seamless Joint/Combined Pacific Theater response force capable of accomplishing the full spectrum of missions, from a complex contingency through humanitarian assistance (HA), and serving as the leading edge during a major war. This transformation effort has moved from its concept development in war games to implementation in exercises that enhance our ability to rapidly form and deploy a JTF.

Through the JMF concept, Battle Staff Rosters supported by service components now provide tailored on-call augmentation for key billets at USPACOM's designated JTF headquarters. These staffs are trained to provide the performance of a Standing JTF Headquarters, without incurring the overhead of a separate organization. Command relationships for designated JTF and component commands are already established and rehearsed to enable rapid activation and deployment.

Command, control, communications, computers, intelligence (C4I) baseline requirements have also been established and are routinely tested in our command and control exercise program to ensure our ability to establish a common operating picture and theater network for collaborative planning. Our JTFs now use newly published CD-ROM based and Web-accessible standard operating procedures (SOPs) internally linked with checklists and templates. Information management serves as the foundation for the SOP, and is supported by a standardized JTF Web site that facilitates Web-centric information pull. Our primary JTFs now train to assigned missions with packaged, mission-oriented training standards, including new tasks designed to examine draft doctrine linked to technology, for integrated and synchronized fires and maneuver.

The current focus for transforming JTF capabilities are in the areas of joint fire and maneuver, battle space situational awareness and the common operational and tactical pictures, coalition force integration, force protection, and rapid JTF formation.

Based on 3 years of development, the JMF concept is our prototype standing JTF Headquarters. JMF provides greater flexibility for multiple crises, capitalizes on component core competencies, requires no additional manpower, and allows for normal service rotations and deployments.

During Exercise KERNEL BLITZ (EXPERIMENTAL) in June 2001, we demonstrated Wide Area Relay Network (WARNET) technologies in the Extending the Littoral Battlespace (ELB) ACTD. Our follow-on JTF WARNET initiative will provide our JTFs with organic, wireless, and secure connectivity for planning and execution at the tactical level. The JTF WARNET communications network, associated applications, and interfaces support joint forces across a widely distributed battlespace to provide real-time and near real-time command and control (C²), collaboration, common tactical picture and joint fires across service boundaries. Under the technical leadership of the Office of Naval Research with substantial funding support from OSD, JTF WARNET development continues for prototype deployment with operational forces in 2004.

Coalition Involvement in Joint Mission Force (JMF) Efforts

Our JMF concept is an essential part of Theater Security Cooperation (TSC). To improve regional readiness for coalition operations, we are developing a Multinational Force (MNF) SOP tailored from the JTF SOP we built last year. This more generic document will include broad operational considerations that our multinational partners can readily implement when one acts as the lead nation with the United States serving in a support role. The Multinational Planning Augmentation Team (MPAT) serves as the instrument for MNF SOP development. The MPAT conducts collaborative development of the document over the Asia-Pacific Area Network (APAN) and at workshops in the region. Joint Experimentation with coalition partners is coordinated in bilateral venues such as the Annual Staff Talks with Singapore and Australia. This spring, USPACOM will fully involve coalition partners by hosting a Coalition Transformation Workshop as part of our annual ACTD conference.

Joint Task Force (JTF) Joint Experimentation Program (JEP)

Our JTFJEP focuses on transforming JTF operations and is fully coordinated with the JEP of USJFCOM. Our JTFJEP includes technology insertion experiments during exercises to advance our practice of JTF operations, both in the United States and coalition venues.

This year we have planned two major experiments. The first experiment will occur as part of our command and control exercise (C²X) series where we train for rapid formation of a JTF. Our C²Xs over the past year made significant advances in sharing common procedures and a common operational picture (COP) among JTF subordinate commanders, and in collaborative planning. We will experiment next

with advanced capabilities to manage and control information flow on the JTF networks, and incorporate advanced fires management capabilities. Our second experiment will be in a coalition environment during Exercise COBRA GOLD with Thailand, Australia, Singapore, and Malaysia. By experimenting as we exercise, we provide a continuous series of field-tested warfighting improvements in joint and combined operations before we make key procurement decisions.

Advanced Technology Development

I am a strong supporter of USPACOM's Advanced Concept Technology Demonstrations (ACTDs). They provide important near-term joint and combined warfighting capabilities. Since I last spoke with you, USPACOM has been awarded six new ACTDs, bringing the number of ACTDs involving USPACOM to 18, more than any other major command. Almost all our service Component Commanders, designated JTF Commanders, Subordinate Unified Commanders, and each of my Staff Directors have responsibility for executing one or more ACTDs. USPACOM forces are involved in transformation across the theater.

Our six new ACTDs will provide new operational and tactical capabilities.

- The Micro Air Vehicle ACTD will provide small units enhanced situational awareness using miniaturized sensors on a man-portable unmanned air vehicle.
- The Language and Speech Exploitation Resources ACTD will reduce language barriers and improve coalition operations by providing a tool to automatically translate languages.
- The Joint Explosive Ordnance Disposal—Knowledge Technology Operations Demonstration ACTD will provide Explosive Ordnance Disposal (EOD) teams in the field with a portable, rapidly updateable, computerized database for safely disarming explosive devices in the field.
- The SPARTAN ACTD will provide enhanced battlespace awareness and increased force protection for surface and subsurface operations, by demonstrating the capabilities of unmanned surface vessels with modular sensor packages. SPARTAN is also the leading candidate for an improved TSC initiative involving co-development of advanced capabilities with coalition partners. The Singapore Armed Forces are interested in co-developing this system with us.
- The Thermobaric Weapon ACTD provides a standoff weapon for attacking tunnels and underground facilities. This program potentially provides two to three times the lethality over currently fielded penetrating weapons.
- The Signals Intelligence Processing ACTD provides improved capabilities to collect and process signals.

Coalition Theater Logistics

In parallel with transforming our forces, we must also bring along coalition partners. Last year, I testified that, thanks to your strong support, we were starting work on our Coalition Theater Logistics ACTD.

This is an important initiative, co-sponsored by Australia, to demonstrate how coalition logistics information can be exchanged at the national, operational and tactical levels. Over the last year, we've finalized operational requirements; signed a project arrangement with Australia that leverages technology from both countries, and embarked on a technical development program that puts us on the brink of providing a coalition force with a breakthrough capability—plan and execute coalition force deployment through selective information exchange between existing national logistics information systems. Continued support will ensure that we achieve all our objectives.

We have also partnered with Thailand and are beginning discussions with Singapore, Korea, and Japan to partner with them during future phases of ACTD development. In parallel with transforming our forces, we must also bring along coalition partners.

Joint Warrior Interoperability Demonstration (JWID)

USPACOM is the designated-host Commander in Chief for the fiscal year 2002 and fiscal year 2003 execution of the Joint Staff J61-sponsored JWID. Despite numerous other interoperability and transformation initiatives in progress, JWID has exceptional potential to address the real and near-term command, control, communications, computers, intelligence, surveillance, and reconnaissance (C⁴ISR) interoperability challenges facing joint and coalition operations. Working with the U.S. Marine Corps, this year's lead service, USPACOM has broadened the scope of challenges being investigated, focused the operational environment underpinning JWID to simulate demands of current military operations, expanded the list of countries participating to include Pacific Rim countries for the first time, and introduced warfighter rigor in executing the demonstration period and assessment of proposed technology solutions.

U.S. industry and government activities have responded to the call for interoperability solutions that span the C² spectrum from strategic to tactical and that embrace new approaches to challenges in the situational awareness, common operating picture, decision support, collaboration, logistics, multi-lingual, joint and coalition fires, multi-level security, and medical arenas. For the first time, there will be incipient focus on support for humanitarian assistance and disaster-relief enablers. Due to success in our JMF program, USPACOM has introduced a Combined Task Force Web-portal interface for organizing, visualizing, and transferring the products produced by various JWID demonstrations and interoperability trials.

We have also made a concerted effort to enhance the understanding and participation by other Commanders in Chief to ensure that the results from JWID will deliver solutions to the C⁴ISR challenges that each of them confront in routine and contingency operations.

Multi-Domain Dissemination System (MDDS)

An unresolved challenge of furthering coalition readiness in the Pacific is the problem of multi-level security. Our intelligence-sharing relationships with our theater partners vary from country to country. Therefore, completely separate structures for passing classified information are required to interoperate with each individual country. To meet this requirement, developing and accrediting multi-level security technology, such as the MDDS, remain a high-interest item in USPACOM. Such technology and capability is imperative toward fully realizing our engagement strategy for any Pacific coalition force.

SUMMARY STATEMENT

In summary, the forward deployed and forward-stationed forces of the U.S. Pacific Command are making a difference in promoting American interests in security and peaceful development in the Asia-Pacific region. We are relentlessly pursuing terrorists that threaten American citizens and interests. With a sustained effort and support of regional partners, we will succeed in rooting them out. U.S. Pacific Command's priorities remain readiness, regional (theater) security cooperation, and transforming U.S. forces to achieve a revolution in military affairs. The men and women of the U.S. Pacific Command appreciate this opportunity to tell their story and the support that you give them.

Senator INOUE. We thank you on behalf of the Committee for the many years of service you have provided us and the people of the United States. To say that we will miss you is an understatement.

I would like to begin questioning with a matter that is not related to any one of the countries we visited but it is one that affects the whole military.

UNIFIED COMMAND PLAN

Admiral, under the proposed Unified Command Plan, the Continental United States would come under the jurisdiction of a new command, the Northern Command. And we have been told that it is likely that a followup to this would be to place all of the forces in the Continental United States under the administrative control of the Joint Forces Command. This would mean that the 3d Fleet, which is stationed on the west coast, and the Marines would no longer be directly assigned to the Pacific Command.

What impact would this change have on your day-to-day activities and your ability to deter aggression and maintain a robust cooperative engagement strategy?

Admiral BLAIR. Mr. Chairman, I believe that with the current arrangement of forces in the Pacific Command, in which the 3d Fleet and the 7th Fleet and the 1st and 3d Marine Expeditionary Force are assigned to the Pacific Command, we are able in a very efficient and effective way to plan for the contingencies that may happen in the region, and to ensure that we can be ready for those con-

tingencies and therefore deter them from occurring, and we are able to build linkages on a day-to-day basis between all of our Pacific Command Forces and our allies and partners in the region.

I also didn't mention the First Corps, Army Corps in Fort Lewis, which is also part of our forces. For example, they conduct the COBRA GOLD exercise in Thailand every year and are present every year and are building a steady support for U.S. interests in the region.

In addition, we find that those forces are—because they're concentrating on the specific challenges and operations in the Pacific—really have their heads in the Pacific game and are supporting our interest on a day-to-day basis. I believe that alternative arrangements do not provide that same focus on the Pacific, which is very important to us. And the proposals that I have not seen do not duplicate that very important emphasis and ability which we now have.

I fully support the establishment of a Commander-in-Chief to be responsible for a homeland defense. We in the Armed Forces need to be better organized and concentrate better on it. However, I believe that the arrangements between the Pacific Command and a homeland defense Commander-in-Chief for the Northern Command can be made so that we, in the Pacific Command, can provide forces necessary for homeland defense. We can, in fact, be the single commander of homeland defense for Hawaii and Alaska, yet linked to the homeland defense which will provide that sort of capability. But I believe that the main combat forces which are on the west coast should lean towards the Pacific and be part of the Pacific Command.

Senator INOUE. I find it strange to have the 3d Fleet under the administrative control of the offices in Norfolk, Virginia. That's about 2,500 miles apart with a land base in between.

My concern is that—we have been on several trips to Asia, Senator Stevens and I, and we have assured them that we would maintain our military posture there and our presence. And some may argue that this is just an administrative change but it will have a control change and if this is ever translated in such a way that people in Asia would get the idea that we are beginning to withdraw our forces and thereby show our lack of interest there, then we're in deep trouble.

On this trip that we went to, before then I was concerned about China and Taiwan. I was concerned about North and South Korea. But, Admiral Blair, I'm much more concerned about what is happening in Indonesia, a land that may have control over the Malacca Straits which would cut the line for the transport of oil and other goods. I would be concerned about what happens to the Spratlys.

I think we should keep in mind that 90 percent of the population of Indonesia is Muslim. And we have tried our best to convince people that this is not a war against Muslims, it is a war against terrorists. The vast majority of the Muslims in Indonesia are friendly.

And I reminded our friends abroad that, after all, not too long ago we had another terrorist attack and the perpetrator did not have a beard or a turban, it happened in Oklahoma City.

I also pointed out that we have been always sensitive to what's happening in Ireland. So terrorism is worldwide. But do you agree

that the problem in Indonesia may have catastrophic results on our presence here?

Admiral BLAIR. Mr. Chairman, before I answer that question, may I go back to just one point on our previous discussion, please?

As far as administrative support for forces in the Pacific, I believe that there are efficiencies that the Services can make in terms of looking across the entire Service and some of Admiral Clark's, the Chief of Naval Operations (CNO's), initiatives in order to more efficiently do things like maintenance and supply support and the administrative functions I think are admirable.

What I believe is important that we keep pointing towards the Pacific as the operational and combatant focus of those forces. So if we can get greater efficiency in some of our administration and support areas by doing things the same for the Atlantic and Pacific forces, I'm all for that. I think it saves money and makes our dollar go further. But I believe it's combatant and operational control that ought to continue to look west, sir.

INDONESIA

On Indonesia, your evaluation of the importance of that country is absolutely correct. And I think that if we ignore what's going on in that country, it would be peril. Indonesia is a big country, 16,000 to 17,000 islands, a population comparable to that of the United States, stretching over a land area comparable to the United States. So it's difficult to sum it up in simple sentences. But I strongly believe that the United States should support those in Indonesia who are working through a set of extremely challenging reforms in that country.

Indonesia is trying to reform its political system towards a more representative democratic form after 38 years of strong man rule. It is trying to reform its economy. It's trying to reform its armed forces, which has a long tradition of taking a role in the internal affairs of the country.

I think there are a large number, in fact a majority, of Indonesian leaders who are looking for a modern, secular, advanced, business-friendly state which is very much in the U.S. interest and we can work with them. And we should support them whether they are in uniform or elsewhere in the Indonesian society.

There are other groups in Indonesia which have quite another vision for Indonesia imposing a religious law on the country. There's a strong anti-western, particularly anti-American, strain to their thinking. There is certainly rhetorical support for some of the terrorists acts against the United States. And I think we should oppose those in Indonesia who hold that view and we should be very clear that that is not the sort of Indonesia that is in Indonesia's interest or in our interest.

So I believe that we should pay attention to Indonesia. I believe we should work with those who have the vision of Indonesia which can share interest with the United States, and I believe we should work against those who have anti-American interests and believe that it's alright to attack Americans. An Indonesia which is a danger to the United States is something we should oppose.

And I agree with you completely that were Indonesia to—well, the term here is “fall apart”, and it's not really fall apart but be-

come more lawless in these fringe regions where law and order may be thin where pirates can develop and where there are insurgent movements, should those become even more violent that also is against the interest of Indonesia and the United States and would be very bad for the region.

Senator INOUE. I have many other questions but may I now call upon the co-chairman.

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

CHINA

As you mentioned, Admiral, I served in China in World War II. We have seen an increasing flow of students now coming from China to the United States. And it appears to us from our trip that we've just taken that military links with the Chinese people are absent and it's a glaring absence.

How do you characterize the current level of military contacts with the Peoples Liberation Army of China?

Admiral BLAIR. The current level of contacts is at a relatively low level. And you really have to go back a bit to the EP-3 incident of about 1 year ago when China insisted that the United States apologize for an incident that was clearly caused by the bad airmanship of a Chinese pilot soured our relationships.

Since then, overall relationships between the two countries have evened out, particularly with the two visits President Bush made to China, and his most recent one last year. But our military relationships have not resumed.

I think that there are several areas in which we and the Chinese Armed Forces should interact. I would say that we should interact in multi-lateral forum in which we are dealing with common problems in the region, and we should be working together on things like combating piracy, on combating drugs, on combating terrorism, on peace enforcement operations, and on humanitarian assistance. These are things that all countries, and China and the United States included, should cooperate on. And we are doing some of that in seminars and in some exercises but I believe we should emphasize that those are things that the United States and China have in common.

I also believe that Chinese officers should come study in the United States just as officers of other military organizations do, in order for them to understand more about the United States. I believe that understanding more about the United States is positive for Chinese officers as it is for other officers. And I believe that our officers should also go and spend more time in China learning about them.

I think that it is to the advantage of the United States' Armed Forces and the People's Liberation Army to know one another better, and to know the true capabilities, as well as what's on the minds of the others, because I think that miscalculation could be very serious between us. And the better knowledge will lead to less miscalculation.

That being said, there are some characteristics of past interaction with the Chinese Armed Forces that we need to address, and one is the issue of reciprocity. The pattern in the past has been that the United States has primed the pump. We have given wider

access to our people and facilities than China has in return, and I think it's time to even up some of that balance. For example, Chinese ships have been to three U.S. ports, U.S. ships have been to two Chinese ports. I think before we expand that, it's time for China to open additional ports. So I don't think this can be a one way relationship. I think there has to be a reciprocity as we go forward.

I also think that, with China, we need to get beyond the political posturing that generally takes up the first part of any meeting. And I'm sure that you experienced that when you visited China, these discussions about Taiwan which dominate meetings. I think we should get on to the professional subjects which are in our interest. And we tend to see a rather large number of professional political officers rather than professional military officers when we interact with the Chinese, and I think we should get on more of an "operational officer to operational officer 'and' operational non-commissioned officer (NCO) to operational NCO basis." So I believe there are some standards we should apply to this relationship but I also believe that the goals are important that we interact.

Senator STEVENS. Well, in your capacity as the Commander-in-Chief of the Pacific, can you make those decisions to increase the level of cooperation or do you need special concurrence from the Department before you can resume the practices of the past?

Admiral BLAIR. Right now the system is, Senator Stevens, that individual events which the Pacific Command and other officers in the Department of Defense may want to pursue are proposed to the Office of the Secretary of Defense and then approval is given centrally. So it's a case by case approval of each event.

Senator STEVENS. But that's not your job. You have to go to the Department for that approval?

Admiral BLAIR. That's correct, sir.

Senator STEVENS. That's a change from prior circumstance, isn't it?

Admiral BLAIR. That is a fairly recent requirement, yes, sir. Previously, we had an annual program that was approved as a single body and then we executed it. Now it's a "one event at a time" approval process.

INDONESIA

Senator STEVENS. Shifting over to Indonesia, we had a very interesting meeting with the commander of the Indonesian Army, General Sutarto. He is a graduate of the Army Infantry Training School at Fort Benning and wore with pride his ranger emblems. I, personally, was very pleased with his candor in dealing with us. He seems to want to foster future increases in relationships between the Indonesian Army and the Armed Forces, the TNI's he calls them, and our people.

Do you believe that it is time now to resume those contacts, and particularly for us to insist on restoring the IMET type of participation by the Indonesian Army?

Admiral BLAIR. Yes, sir. I believe strongly that we should restore a full IMET, not the so-called expanded IMET which we now pursue. And we should bring uniformed military officers to our Command and General Staff Colleges as we did as generals of General

Sutarto's generation did in the past. And I believe that we should also implement the Regional Security Fellowships which were also passed by the Congress and signed by the President last year. I think we all gained over the long-term by having military officers come, study in our institutions, meet Americans, and then return to their own countries.

In addition, I think that we should cooperate with the TNI in several specific areas in which we have very closely shared interests. And combating terrorism is probably the most pressing right now but there are others, combating piracy, stemming the flow of illegal immigrants that washes through Indonesia.

These multi-lateral operations in support of peacekeeping Indonesia has had a proud peacekeeping tradition in the past and I think it's something that we could work together on.

As you heard from General Sutarto, and he's one of the main proponents of it, the Indonesian Army is going through a reform right now, becoming more professional, getting away from the so-called "dwi-fungsi" system in which military officers actually fill civilian policy positions within Indonesia. And these reforms are extremely important. And I believe that we should ratchet up our military relationship with them as they achieve these reforms.

And eventually when they achieve them all and when, for example, there's full accountability for the actions of TNI officers who are accused of bad behavior in the field, then we can get back to a full relationship. But short of that, I believe we should cooperate on these individual items which are in our interest. And I certainly believe that IMET is very much in our interest.

Senator STEVENS. Thank you. With your permission, Mr. Chairman, I return to Alaska this afternoon and will be meeting with our military people at the annual military appreciation dinner in Fairbanks.

NORTHERN EDGE

Are you planning to deploy forces to NORTHERN EDGE exercises again this year? Could you give us some judgment in how important those are to the readiness and preparedness of the Pacific Command? And are there any changes in infrastructure or training enhancement concepts that you would like to see made to the ranges or other facilities in Alaska that would better support the NORTHERN EDGE exercises in the future?

Admiral BLAIR. Yes, sir. Senator Stevens, this year, we have some very important training to be done in NORTHERN EDGE that will involve terror based aviation working together with Air Force land based aviation. And this is an area that we always get into when an operation starts, but we don't practice nearly as much as we should. So we often find that we are adapting when Navy airplanes meet Air Force airplanes in the same space. And this year's NORTHERN EDGE exercise will be able to work that out where you can really try different things, critique them, and try them again, vary them, and we look for a great deal of progress there.

In addition, we have several other joint training aspects which are important to us in that part of the world or point to us in joint operations.

I find myself receiving constant reports from around the theater about pressure on our training ranges throughout the theater. It's true in most of the United States. It's certainly true overseas, restrictions on space, restrictions on hours, restrictions on radio frequencies that we can use for our equipment.

And the importance of ranges in Alaska, the importance of ranges here in Hawaii off of Barking Sands were important already, but as I look to the future, they are becoming even more so. And I think that we need to continue with a steady program of instrumentation of those ranges so that every training minute counts.

An exercise that you just go up and do, and you do it, is better than nothing, but it doesn't make a long term contribution. And an exercise which you go up, you record, you take apart, you not only train the people who were involved in it, but then you put those lessons into your doctrine so that you can do it better next time. This continues to raise the whole level of our Armed Forces.

And as longer range weapons and as more disputed operations come in, operations like that we're going to be conducting with the Interim Brigade Combat Team that you mentioned, we need to have changes of instrumentation on our ranges. In the case of Hawaii, we need a little more space here on Oahu to do it. And that sort of emphasis of our two premier Pacific training ranges, I think, is something we have to pay attention to in coming years.

C-17

Senator STEVENS. And we've got a joint interest with Hawaii in the C-17, Admiral. We have tried to assure that there be sufficient numbers of C-17's that would be dedicated to the Pacific. And by increasing the planned procurement, we should have a sufficient number that could be dedicated and split between Alaska and Hawaii.

We have the forward deployed forces in our area that are supposed to be capable of moving to prevent crisis developing along the Pacific rim, and I'm very hopeful that we can get control of them.

It is my judgment there should be some 16 of those C-17's available for the Pacific. What is your judgment as to whether those aircraft should be designated to the Pacific Air Forces or to the Air Mobility Command as apparently some people want to achieve their assignment to the Air Mobility Command rather than the Pacific Air Forces? Do you think the Pacific Air Force should have those C-17's?

Admiral BLAIR. Senator Stevens, with 52 percent of the world to cover, we make up a healthy chunk of what Transportation Command (TRANSCOM) has to cover and we find that we are short on long range transport aircraft like C-17's on a day-to-day basis.

So as we continue to build those extremely important platforms, which I've advocated for several years, I believe that we can easily absorb 16 of them to do chores that are not only in the national interest but will help us in the Pacific Command region.

We are talking right now with Transportation Command about how we would—about the control and command of those forces. And there are also important considerations concerning the Guard/

Active mix of those two units here, one here in Hawaii and the other in Alaska.

I think we are on the verge of a solution which will give the operational responsiveness that we need which will provide the Guard in Hawaii and in Alaska with a real role and with a sustainable force and which will give TRANSCOM the ability to carry out its worldwide responsibilities at the same time that we're watching 52 percent of the globe for it. So I think we're very close to a solution which will satisfy all three sets of those demands, Senator.

Senator STEVENS. Would that mean they would be under the command of the Commander-in-Chief of the Pacific?

TRANSCOM

Admiral BLAIR. I think the solution towards which we are working would have them under the operational control of the Pacific Command and their combatant command assignment which would still be to the TRANSCOM but the operational control would be under Pacific Air Forces. And I think that arrangement would satisfy both the needs that we have and the responsibilities that—the ultimate responsibilities that TRANSCOM has. And we're very close to wrapping that up, Senator.

Senator STEVENS. Mr. Chairman, I'm reminded of the comments that many of the war time commanders of Alaska, the World War II commanders of Alaska, have often told me. That is, in the event of crisis, in an Alaskan war you have to survive with this, with the assets that are under the control of the commanders in those two States. We won't get any reinforcements for quite some time.

If, God forbid, that requirement ever comes to you or your successor, I fully hope that we'll be able to work with you all to make certain that the capabilities are here to meet the urgencies of carrying out our role and preventing the spread of crisis throughout the Pacific. That, to me, means the absolute necessity to have the air transport capability to deploy our forces readily and not have to wait for them to come to us from some center in the Continental United States, like the one in Nebraska or down in South Carolina.

If we have to wait for that transport, our forces will be—orphan forces. They'll be here and not transportable and our whole process of training and equipping and deploying forces here for ready use to prevent crisis from further developing will be lost.

I think of all of the things we worked on and assessed and maintained, the independence of the forces in the Pacific Command, in order to assure that our presence in the total Pacific is meaningful is the essential item for me.

Thank you, Mr. Chairman.

Senator INOUE. If I may, Admiral, I'd like to follow up on the questions and comments made by my colleague.

On the matter of the United States Army, the units in Alaska and Hawaii have been selected for special training and special equipment under the new Army. It will be lethal, light, and be responsive as soon as possible. We are beginning our training, we're beginning our equipping, but if we don't have the transport to send them where the action is then I think it's a waste of effort. And, therefore, we have been trying our best to get the appropriate air-

craft to transport these troops to the troubled spots, and that's the C-17 at this time. Do you agree with that?

Admiral BLAIR. I would add one other comment to that, Senator. It's important to train in order to be able to make that move. And in my experience, it's co-location of forces that leads to the ability to train together and to move quickly.

You can make fine plans on paper which draw forces from different places, but we find in deployment after deployment that when they show up, they haven't had the kind of back and forth face-to-face knowledge that we have in places like Hawaii with our people working together, and so on. It's not effective. So I think that the idea of getting all of the pieces of our reaction capability located together is imperative.

IMET

Senator INOUE. Well, one of the more frustrating problems Senator Stevens and I have in the Senate is the amount of IMET, as we pointed out.

Most Americans are not aware of what IMET is all about. One would sense that it must be a huge program with the length of debate.

Last year we appropriated \$75 million. Seventy-five million dollars is a lot of money. But when you take it in the context of what the defense budget is like, it's almost inconsequential. It has an impact upon over 40 nations. And the amount that we had set aside for Indonesia was slightly over \$2 million. So it's not a whole lot of money, and yet some of my colleagues look upon this amendment that would prevent Indonesia from taking part in the IMET program as a punishment. We are punishing the troops, therefore, what they did in East Timor. And I've tried to suggest to them that we're punishing ourselves because the IMET program is a program to expose other officers destined to become leaders to how a democratic military conducts itself military to military and instead, we are telling them you do your own thing. Do you think my observation is correct?

Admiral BLAIR. I absolutely agree, Mr. Chairman. When I have discussions with those who oppose IMET, I find that we are in violent agreement on the goals and we are in violent disagreement on the means. The goal for bringing military officers of other countries to the United States is so that they will learn how we do it in the United States and how the United States thinks about those countries. We don't turn them into Americans, but they come back speaking our language, understanding us, and they're people that we can work with, and they often go into very high ranking positions, and that very much is in the interest of the United States that they do that.

I need to add that every officer we bring to training in the United States we carefully review the record of, through the Embassy, the Ambassador certifies that this officer is an officer of promise who has not been involved in reprehensible activity in the past. So those checks are done for every officer that participates.

And my experience has been like yours over the years, that it's officers who have studied in the United States that we have something in common with that we can go to when we need to work to-

gether that are generally the ones that we can find common ground with when we have operations that we must conduct together and that it's very much in our interest.

Senator INOUE. During the last budgetary cycle, because of our concern with the denial of IMET funds to Indonesia, we initiated the Regional Counter Terrorism Program that would permit you to have military to military contact with the Indonesian troops on a non-lethal training. Now this has not been cleared yet, but once it is cleared by the Department of Defense (DOD) is CINCPAC prepared to move forward on this?

Admiral BLAIR. Very much so, Senator. I believe strongly that this program would be of benefit. We are prepared to nominate officers quickly as soon as the procedures are determined and we very much appreciate the initiative of the Committee in this regard.

Senator INOUE. Admiral, our schedule did not provide us sufficient time to go to Korea. We would have wanted to but we did not. However, we were briefed in great depth on the situation in Korea. For example, that they are now preparing further for war. And they've said so publicly. They have not agreed upon a negotiated peace agreement with South Korea.

And recently, this may sound facetious, but we heard reports that these are circus clowns dressed as American troops. American troops are the clowns.

Am I correct to assume that this place is now becoming a bit more tense than it was, say, 1 year ago?

Admiral BLAIR. There are various indicators of the situation on the peninsula, Senator. I think from the military deterrence point of view, the position of the United States and its ally, the Republic of Korea, is as strong today as it was 1 year ago. There is no question that should North Korea initiate military aggression that it will be the start of the last Korean war. So I think deterrence is solid.

The sort of military adventurism that we saw a couple of years ago in which North Korea was sending spy satellites down the east coast of the Republic of Korea and starting fishing wars by going over boundaries in the Yellow Sea seem to be still suspended. There has been no launch of a TAEPO Dong missile from North Korea, which is in accordance with the moratorium that North Korea agreed to several years ago. So the actions are still at that restrained level.

KOREA

The continued devotion of an enormous and disproportionate share of its resources to its military forces while it starves its own people continues in North Korea. We see continued modernization of North Korean Armed Forces at a time when people are shrinking in size and when increasing numbers of refugees are leaving North Korea because of the economic conditions. So there seems to be no let up in Korea's idea that it wants to present a military threat to the south and its deployed posture is still heavy on artillery to the south, still continues to build missiles. So we don't see instances of diminishment of that threat.

On the rhetorical side, it's difficult to sort out just how you interpret what North Korea says. But there have certainly been strong

attacks against the United States, strong attacks against our President that we have seen in recent months, and a strong level of rhetoric. And the incident that you described to me, I would think is in accord with that. So it's that sort of a mixed picture that we see in Korea.

I'm not more concerned about Korea than I was a few months ago, but that it continues to be a very high level of concern and it's the area where the warning times are the shortest and something could happen in the quickest fashion of anywhere in the theatre.

Senator INOUE. You are one of the great proponents of the cooperative engagement strategy. There are some in Washington who pooh-pooh this and say that it's not necessary to have peaceful dialog, an engagement of this sort or day-by-day, day-to-day type contact.

What benefits do we get out of the cooperative engagement strategy?

ARMED FORCES

Admiral BLAIR. Mr. Chairman, I look for three things that the United States gets out of interacting with Armed Forces in our region. The first one is access. If we exercise with and interact with a country when the time comes that we need to fly airplanes through or establish an intermediate support base, we have a basis to do so.

And, as you mentioned in your opening remarks, when it was time to flow forces through to Afghanistan, we called in some of those jets, our allies and partners responded and we were able to deploy quickly. So access is number one.

The second one that I would add is competent coalition partners is what we seek from engagement. Whether it's an ally like Korea in which we have an integrated armed forces and an integrated contingency plan and we want to make sure that the Koreans operating on the flank of U.S. forces are skilled and trained, and if we can help the resources—the training that Korea puts into those forces with our efforts, that is in our benefit. That's one end, all the way down to a competent coalition partner in something like a peacekeeping operation when Australia led United Nations forces into East Timor. A lot of the training and interaction that the United States had done with those Armed Forces paid off as they were able to move in and work together and establish a peacekeeping force even though the United States was not heavily involved.

In fact, I think the East Timor operation was a real success of how other countries can accomplish things that are in the U.S. interest without the United States having to run the whole show. And our cooperation over the years gave that sort of ability. So competent coalition partners is the second thing that we get from engagement.

And the third thing that we get from engagement is influence. When we've been working with the armed forces of another country and if there's something the United States wants with that country, then we know the people to ask, we know the people to work with, we are going into a door that we know is open and we can

get many quiet things done and some fairly public things done simply because we've worked with these people, we know who they are, they know who we are. And that shows up in little ways and it shows up in big ways. So those three things, it's not charity. We don't do this because we're tithing or something. We do this because it's in the interest of this country.

Senator INOUE. What you've said is you've touched upon something very sensitive to the military in the Pacific region. They want to be treated as equals, and they are very pleased that you do so.

We went to Singapore for many reasons. One of the foremost reasons, plus to thank the Government of Singapore for extending their helping hand, and we made a special tour of the new Changi Naval Base. And I think this is a demonstration of the results of your cooperative engagement strategy.

Most Americans are not aware of this but the naval base was built according to specifications of the United States Navy. The depth of the harbor area was done to accommodate our carriers, something that not all of our naval bases can do. The length—the breadth of the naval base, Admiral, the storage areas were all built according to American specifications.

The Singaporeans make no bones about it, that they want American presence there. In fact, they built all of the other facilities on their own. There wasn't a single penny provided by the American taxpayer. This is the sort of benefit we acquire from your program and I congratulate you, sir. That's why in the beginning when I said that we're going to miss you, I really meant it. We're going to really miss you. But I think your successor will carry on your programs, at least I hope so.

Admiral BLAIR. Yes, sir. I'm sure he will. And some of the things you mentioned are a tribute not to the people that I leave, but to my predecessors. And, as you say, there has been a continuing emphasis of the Pacific Command. But I don't think—I think you're right, that most Americans don't understand some of the contributions made by our Asian allies.

Japan, for example, contributes almost \$5 billion a year to the support of our approximately 40,000 troops in Japan. Korea, where we have—I'm sorry, there are about 70,000 troops in Japan. About 40,000 troops in Korea, and Korea contributes almost \$1 billion, and in fact has agreed to raise that contribution and in a couple of years will be contributing 50 percent of the stationing costs there. So our Asian allies and partners make serious financial contributions to our forces over there. It's not just rhetoric.

CONCLUSION OF HEARING

Senator INOUE. Well, as I indicated knowing that you'll be soon retiring from this position, as Senator Stevens said, this may be your final official appearance before the subcommittee.

And so on behalf of the Committee, I'd like to thank you for your many years of service to our Nation, to the Navy and to the world. You've had a tough job, you had many challenges but you've done a superb job in meeting all of them. We're going to miss you. But in missing you, we'll remember your contributions and we pray that your successor will, well, read the book that you wrote in the

Pacific. So we wish you the best. And with that, the subcommittee stands in recess.

[Whereupon, at 11:35 a.m., Wednesday, April 3, the hearing was concluded, and the subcommittee was recessed, to reconvene subject to the call of the Chair.]

○