

**HEARING TO CONSIDER THE NOMINATIONS  
OF: MR. MICHAEL B. DONLEY TO BE SEC-  
RETARY OF THE AIR FORCE; GENERAL  
NORTON A. SCHWARTZ, USAF, FOR RE-  
APPOINTMENT TO THE GRADE OF GEN-  
ERAL AND TO BE CHIEF OF STAFF, UNITED  
STATES AIR FORCE; AND GENERAL DUNCAN  
J. McNABB, USAF, FOR REAPPOINTMENT TO  
THE GRADE OF GENERAL AND TO BE COM-  
MANDER, UNITED STATES TRANSPOR-  
TATION COMMAND**

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**Tuesday, July 22, 2008**

U.S. SENATE  
COMMITTEE ON ARMED SERVICES  
*Washington, DC.*

The committee met, pursuant to notice, at 9:36 a.m. in Room SR-325, Russell Senate Office Building, Hon. Carl Levin, chairman of the committee, presiding.

Committee Members Present: Senators Levin [presiding], Akaka, Bill Nelson, E. Benjamin Nelson, Clinton, Pryor, McCaskill, Warner, Inhofe, Sessions, Chambliss, Graham, Dole, Thune, Martinez, and Wicker.

Other Senators Present: Senators Conrad and Stevens.

Committee staff members present: Richard D. DeBobes, Staff Director, and Leah C. Brewer, Nominations and Hearings Clerk.

Majority staff members present: Jonathan D. Clark, Counsel, Madelyn R. Creedon, Counsel, Creighton Greene, Professional Staff Member, Michael J. Kuiken, Professional Staff Member, Gerald J. Leeling, Peter K. Levine, General Counsel, Michael J. McCord, Professional Staff Member, William G. P. Monahan, Counsel, and William K. Sutey, Professional Staff Member.

Minority staff members present: Michael V. Kostiw, Republican Staff Director, Gregory T. Kiley, Professional Staff Member, Lucian L. Niemeyer, Professional Staff Member, Christopher J. Paul, Professional Staff Member, Diana G. Tabler, Professional Staff Member, and Richard F. Walsh, Minority Counsel.

Staff assistants present: Ali Z. Pasha and Breon N. Wells.

Committee members' assistants present: Jay Maroney, assistant to Senator Kennedy, Bonni Berge, assistant to Senator Akaka, Christopher Caple, assistant to Senator Bill Nelson, Andrew R.

Vanlandingham, assistant to Senator Ben Nelson, Jon Davey, assistant to Senator Bayh, Andrew Shapiro, assistant to Senator Clinton, M. Bradford Foley, assistant to Senator Pryor, Gordon Peterson, assistant to Senator Webb, Chani W. Wiggins, assistant to Senator McCaskill, Sandra Luff, assistant to Senator Warner, Anthony J. Lazarski, assistant to Senator Inhofe, Lenwood Landrum, assistant to Senator Sessions, Todd Stiefler, assistant to Senator Sessions, Mark J. Winter, assistant to Senator Collins, Clyde A. Taylor IV, assistant to Senator Chambliss, Lindsey Neas, assistant to Senator Dole, Jason Van Beek, assistant to Senator Thune, Brian W. Walsh, assistant to Senator Martinez, and Erskine W. Wells, III, assistant to Senator Martinez.

**OPENING STATEMENT OF HON. CARL LEVIN, U.S. SENATOR  
FROM MICHIGAN**

Chairman LEVIN. Good morning, everybody. This morning the committee considers the nominations of Michael Donley to be Secretary of the Air Force, General Norton Schwartz to be Air Force Chief of Staff, and Duncan McNabb, to be Commander, United States Transportation Command.

We welcome our nominees and their families to today's hearing. We know the long hours that senior Department of Defense officials put in every day. We appreciate the sacrifices that our nominees are willing to make for our country. We also know that they're not going to be alone in making these sacrifices, so we thank in advance the family members of our nominees for the support and assistance that we know that they're going to need to provide to our nominees.

Each of our nominees has a long career of public service. Mr. Donley has served in the Army, on the staff of the National Security Council, as an assistant Secretary of the Air Force, and in the Office of the Secretary of Defense. He served for 4 years on the staff of this committee from 1981 to 1984, and many of us and many of our staffs know him well and we hold him in high regard.

General Schwartz has served in the Air Force for 35 years, most recently as director of the Joint Staff and as Commander of the U.S. Transportation Command.

General McNabb has served in the Air Force almost as long, most recently as Commander of the Air Mobility Command and Vice Chief of Staff of the Air Force.

If confirmed, Mr. Donley and General Schwartz will assume leadership positions in the Department of the Air Force at a very, very difficult time. Over the last year, the Air Force has been severely criticized for its handling of nuclear weapons security and command and control, which according to Admiral Donald has been characterized by inattention to detail, lack of discipline, and a degradation of authority, technical competence, and standards of excellence.

Reports on the mistaken movement of nuclear weapons from Minot Air Force Base to Barksdale Air Force Base confirmed that Air Force nuclear procedures reflected a "breakdown in training, discipline, supervision, and leadership." The challenge facing the next Air Force Secretary and Chief of Staff will be to fix the underlying problems and not just to address the obvious symptoms.

Also of great concern to the continuing problems in the Air Force is acquisition systems. Earlier this month the Government Accountability Office found serious defects in the Air Force's evaluation of proposals for new tanker aircraft and the Secretary of Defense has been required to step in and take over the program for the second time in 4 years. In addition, the Department of Defense's Inspector General has found disturbing evidence of favoritism and the award of a series of contracts to companies closely linked to high-ranking Air Force officials. We have asked the Inspector General to make recommendations as to accountability of those officials.

A few months ago, the Government Accountability Office reported that unit costs on the Air Force's largest acquisition program, the Joint Strike Fighter, have grown by almost 40 percent, costing us an extra \$36 billion. This cost growth is symptomatic of problems in Air Force acquisition programs, which are all too frequently subject to overly optimistic cost estimates and overly ambitious performance expectations, resulting in programs that are technically challenged, behind schedule, and over budget.

To address these problems, the Air Force leadership will have to live up to its commitments to establish reasonable requirements, ensure the use of mature technologies, and ensure the programs are adequately and accurately funded from the outset.

The next Secretary and Chief of Staff will have their work cut out for them to address these problems and restore public confidence in the ability of the Air Force leadership to handle its critical national security and fiscal responsibilities.

If confirmed, General McNabb will also face critical challenges in his new position. The strategic mobility of our armed forces enables us to project power anywhere around the globe. The U.S. Transportation Command, TRANSCOM, which encompasses the Air Force's Mobility Command, the Navy's Military Sealift Command, and the Army's Military Surface Deployment and Distribution Command, is the linchpin of that strategic mobility.

At a time when our forces remain engaged at high operating tempos around the globe, it is critical that we fully leverage the capabilities of these commands. So these are all extremely important positions which merit the attention that we give them today.

Senator Warner?

**STATEMENT OF HON. JOHN WARNER, U.S. SENATOR FROM VIRGINIA**

Senator WARNER. Thank you, Mr. Chairman. I join you in welcoming our distinguished presidential nominees this morning and our great friend and colleague Senator Stevens, who will soon participate in the introductions.

I think we really ought to pause for a minute here this morning to reflect that the Nation and most specifically the Department of the Air Force lost some brave men here in that B-52 airplane loss. It's an old airplane. I checked it out yesterday. The oldest one is 59 years old, almost twice the age of the young men and those women who are flying those aircraft. So we must remember even in times in that particular theater, with no conflict in progress, these operational accidents always pose a great danger to the uni-

formed people, and our hearts go out to the families of these victims.

I've had the privilege to have been associated with the Pentagon since 1969 and through the many years on this committee. The Department of the Air Force has recently undergone some of the most extraordinary chapters in the history of the Department of Defense in terms of its reorganization and the withdrawing of senior leadership at the decision of Secretary Gates.

I'd like to say a word about Secretary Gates. I've known him for a very, very long time. I think he's doing an absolutely extraordinary job as Secretary of Defense. This was not an easy decision. I can think of few parallels, very few parallels in the history of the Department of Defense since it was formed many, many years ago. But he made it and, presumably with the backing and support of the President, and in the place of those two individuals specifically he has selected you, Mr. Donley, to be the new Secretary and you, General Schwartz, to be the new Chief of Staff, the two key positions.

Your charter quite clearly is to restore the Department of the Air Force to its rightful place as a coequal among the military branches of our United States. How proud we are of you, Mr. Donley. You're one of our own, as we might say, thoroughly trained by this committee at a time when the distinguished chairman and I were somewhat junior, but nevertheless you were a part of the great teams of John Stennis and Jackson and Goldwater and Tower and many others, Sam Nunn and the like.

So you come with the experience that is needed to take this outfit by the bootstraps and bring it right back up just as fast as you can.

Equally important, as the chairman touched, is the need to go forward with the modernization program, most specifically the tanker program, which would be in large part under your cognizance, General McNabb, if confirmed by the Senate. There again, it's an old aircraft. I suppose that fleet of aircraft is second in aging perhaps to the B- 52s. Would that be about right, somewhere right along in there? And we're asking an awful lot of those young aviators, to night and day, anyplace in the world, roll them out, take them down that runway, and take them off, hope and pray they come back with a good safe landing.

So I hope we can proceed with the resolution of the contract consistent with law and other applicable regulations and we can put that behind us.

But I really believe that the Congress of the United States is going to give you the strongest of support. We recognize the situation the Department's in and consequently I think this committee is going to give strong support, Senator Stevens' committee will give strong support, and I hope the other body will do likewise, to help it, under your leadership, subject to confirmation, bring this Department back to its rightful place.

Thank you very much.

Chairman LEVIN. Thank you, Senator Warner.

We're always delighted to have Senator Stevens with us. Again, we welcome you, our friend and colleague, to make an introduction

here this morning. Senator Stevens, why don't you proceed and then we'll go in our regular order after that.

**STATEMENT OF HON. TED STEVENS, U.S. SENATOR FROM  
ALASKA**

Senator Stevens: Thank you very much, Mr. Chairman, members of the committee. I'm delighted to be here with my good friend General Nortie Schwartz. Nortie's been a friend for many years and I think Secretary Gates has made a great decision when he decided to recommend Nortie become the Chief of Staff of the Air Force.

He and his wife Susie, who is behind us here now, have been good friends for Catherine and me for several years. He was Commander of the 11th Air Force and NORAD at the Alaska Command, and we've worked with him to a great extent. He has I think a wonderful record in the Air Force. When he's confirmed, he'll be the first non-fighter, non-bomber pilot to be the Chief of Staff of the Air Force. His principal service has been the Special Operations Command and the Air Mobility Joint Command. He's a 130 pilot, C-130 pilot, and he's the right man to lead our Air Force at this time in terms of people in uniform.

I do believe he has an uncanny ability to improve morale wherever he goes. He has earned the respect and admiration of his civilian and military counterparts wherever he's been. I have enjoyed his vast intellect and quiet, confident manner. Particularly he was on September 11, 2001, the leader of the Alaska and NORAD air space. He's a graduate of the Air Force Academy and the National War College. His combat experience included being involved in the airlift evacuation of Saigon in 1975. He was Chief of Staff of the Joint Special Operations Task Force in Northern Iraq in Operation Desert Shield-Desert Storm. Since 2005 he's done an impressive job heading the United States Transportation Command that you mentioned, Mr. Chairman. He's focused on delivering resources to Iraq and Afghanistan, and he brought really a fresh look at the concepts of fulfilling that job.

I think his experience has given us the skills and ideas necessary to face the challenges of the Air Force in the days ahead. I do urge the committee to confirm General Schwartz expeditiously. I think our Air Force very much needs the leadership now. There's been sort of a traumatic change of command and it's not going to be helped if there's a delay in confirming my good friend Nortie Schwartz.

So I appreciate your giving me the time to be here and make comments upon his abilities and really to urge you to act as quickly as possible. Thank you all very much.

Chairman LEVIN. We thank you, Senator Stevens, very much for that introduction. It's an important statement. We know the schedule that you have to keep. So you of course are leaving us, as we understand.

Now we'll ask the standard questions of our three nominees, and we would ask that you respond to these together. Have you adhered to applicable laws and regulations governing conflicts of interest?

General Schwartz: Yes, sir.

Mr. Donley: Yes, sir.

General McNabb: Yes, sir.

Chairman LEVIN. Have you assumed any duties or undertaken any actions which would appear to presume the outcome of the confirmation process?

General Schwartz: No, sir.

General McNabb: No, sir.

Mr. Donley: No, sir.

Chairman LEVIN. Will you ensure your staff complies with deadlines established for requested communications, including questions for the record in hearings?

General McNabb: Yes, sir.

Mr. Donley: Yes, sir.

General Schwartz: Yes, sir.

Chairman LEVIN. Will you cooperate in providing witnesses and briefers in response to Congressional requests?

Mr. Donley: Yes, sir.

General Schwartz: Yes, sir.

General McNabb: Yes, sir.

Chairman LEVIN. Will those witnesses be protected from reprisal for their testimony or briefings?

General McNabb: Yes, sir.

General Schwartz: Yes, sir.

Mr. Donley: Yes, sir.

Chairman LEVIN. Do you agree, if confirmed, to appear to testify upon request before this committee?

General Schwartz: Yes, sir.

Mr. Donley: Yes, sir.

General McNabb: Yes, sir.

Chairman LEVIN. Do you agree to provide documents, including copies of electronic forms of communication, in a timely manner when requested by a duly constituted committee or to consult with the committee regarding the basis for any good faith delay or denial in providing such documents?

Mr. Donley: Yes, sir.

General Schwartz: Yes, sir.

General McNabb: Yes, sir. [Pause.]

Chairman LEVIN. This question is asked of our two uniformed officers. In order to exercise its legislative and—and this is the traditional question we ask. The reason it was left out was because Secretary—this is not generally asked of our civilian nominees, but it should be asked of our general officers here.

In order to exercise its legislative and oversight responsibilities, it is important that this committee and other appropriate committees of the Congress are able to receive testimony, briefings, and other communications of information. My question: Do you agree, if confirmed, to appear before this committee and other appropriate committees of the Congress, and do you agree when asked to give your personal views, even if those views differ from the administration in power?

General Schwartz: Yes, sir.

General McNabb: Yes, sir.

Mr. Donley: Yes, sir.

Chairman LEVIN. Mr. Donley, let me call upon you first. We believe that each of you have some family members, and of course we would be delighted to have you introduce those members as you give us your opening statements. Mr. Donley?

**STATEMENT OF MICHAEL B. DONLEY, NOMINATED TO BE  
SECRETARY OF THE AIR FORCE**

Mr. Donley: Thank you, Mr. Chairman, members of the committee, and thank you for this opportunity to appear before you today. I want to first thank you for your reference to the importance of family. Without my wife Gail and the support of my three daughters over the last 30 years, this would have been an incredibly difficult journey. They have been supportive every step of the way and I want to thank them for being here today to be with me.

Let me also express my thanks to Secretary Gates for his confidence and to the President for nominating me to lead America's Air Force. As a former staff member of this committee, it is truly an honor to be back testifying before you today. I have great respect for the indispensable role that Congress fulfills in shaping our Nation's defenses, as well as the vital support you provide to our men and women in uniform.

I especially appreciate your steadfast support for the nearly 700,000 total force airmen, regular, Reserve, guard, and civilians, who continue to distinguish themselves in joint operations around the world and in the global war on terror. Indeed, in the 15 years since I last served as Acting Secretary of the Air Force our Nation's airmen have been continuously deployed and in the joint fight. If confirmed, it will be an honor and a privilege to once again serve with these dedicated men and women.

The circumstances that brought General Schwartz and me to this table are indeed difficult and unprecedented. I wish to acknowledge, as did Secretary Gates, that Mike Wynne and Buz Mosely have given decades of faithful service to the Nation, and we are all grateful for that service. In particular, I want to thank them for their assistance in this recent transition.

I also want to acknowledge the other Air Force nominees here today. Both General Schwartz and General McNabb bring the broad defense-wide perspectives that are so essential to joint operations and effective collaboration in DOD's headquarters. If confirmed I would consider it a privilege to work with them and especially with General Schwartz in leading the world's finest Air Force.

Unusual circumstances place me in the position of Acting Secretary while I await your deliberations on this nomination. I appreciate your understanding as I step forward to address the urgent business confronting the Air Force. At the highest level, I believe the most urgent tasks for the new leadership are to steady this great institution, restore its inner confidence, and your confidence in the leadership team, and rebuild our external credibility.

My immediate focus has been on the nuclear enterprise. On June 26 I directed the Air Force Vice Chief of Staff to establish a Nuclear Task Force to synchronize corrective actions under way across major commands and to unify these efforts at the strategic level. The task force is charged to deliver a comprehensive road map by

the end of September, fully recommitting the Air Force to this critical national mission.

As you know, the Secretary of the Defense has also asked former Secretary Jim Schlesinger to provide recommendations in this area. I have met with Dr. Schlesinger and his panel and the Air Force schedule is structured so that we can incorporate their recommendations as we move forward.

The KCX tanker issue has also received my attention. I support Secretary Gates' decision to reopen the request for proposal and address the issues raised by the General Accountability Office and move source selection authority to the Under Secretary of Defense, John Young. Secretary Young will have whatever support he needs from the Air Force to continue forward.

The Air Force needs a new tanker. The joint warfighters need a new tanker. This is a critical capability that facilitates the projection of U.S. influence around the globe.

At the same time, I have directed the assistant Secretary of the Air Force for Acquisition to assess lessons learned from GAO's decisions on the KCX and to ensure appropriate adjustments are made as the Air Force prepares for future program decisions and source selection. We need to strengthen confidence in the Air Force and DOD's capability to manage these large, complex competitions and successfully withstand contractor protests.

In addition to these matters, I look forward to working with you and other members of Congress in the weeks ahead to resolve outstanding issues in the authorization and appropriations processes.

Mr. Chairman, over the past 4 weeks I have spoken with all of the Air Force's senior civilian and military leadership and conducted town hall meetings at four installations. Without exception, leadership and airmen at all levels are ready to put the difficulties of the past few months behind them, to learn the appropriate lessons from these experiences, and to move forward.

The way ahead includes a recommitment to upholding the high standards of excellence that have always been the Air Force's hallmark, and for our core values of integrity first, service before self, and excellence in all we do, to underpin every action by every airman at all times.

The men and women of the Air Force are volunteers all and there is no quicker recovery of our inner confidence and credibility than the power of tens of thousands of airmen recommitting to our own high standards. Our values and our high standards form the core of all Air Force actions. They serve us well in today's joint fight and I believe they point the way to a bright future.

If confirmed, I commit to the men and women of the Air Force and to you all my energies in these efforts.

Mr. Chairman, my door is always open and I thank you again for your continued support of the men and women of the United States Air Force. I look forward to your questions. [The prepared statement of Mr. Donley follows:]

Chairman LEVIN. Thank you so much, Mr. Donley.  
General Schwartz?

**STATEMENT OF GENERAL NORTON A. SCHWARTZ, USAF, NOMINATED FOR REAPPOINTMENT TO THE GRADE OF GENERAL AND TO BE CHIEF OF STAFF, UNITED STATES AIR FORCE**

General Schwartz: Mr. Chairman, thank you. I'd like to introduce my wife of 27 years, Susie. She's my best friend and there is absolutely no doubt that I would not be sitting here today were it not for her love and her support.

Chairman Levin and distinguished members of the committee: It is an honor to be nominated by our Commander in Chief and recommended by Secretary Gates to be the Chief of Staff of the United States Air Force. Their expression of confidence is humbling. For more than 35 years, I have been fortunate to serve the United States of America in uniform. It represents an Air Force that serves as the cornerstone of the Nation's defense, capable of delivering combat power and support to the joint warfighter any time, any place.

I fully understand and appreciate the enormous responsibility to lead and sustain those capabilities on behalf of the Air Force and the Nation. I will not lose sight of this responsibility.

The circumstances that have placed Mr. Donley and me here today have been difficult and I truly believe that the Air Force is still fundamentally a healthy organization, comprised of dedicated professionals. Mr. Chairman, if I am confirmed I will personally champion the active duty, National Guard, Reserve, and civilians, and all who serve the Air Force in defense of our great Nation around the world. These men and women are a national asset and together we will recommit ourselves to our core values and uphold the highest standards of excellence that have made our Air Force the best in the world. Our Nation deserves nothing less.

Furthermore, I will strive to improve and transform processes, organizations, and systems, and maintain the highest standards of performance to enhance the effectiveness and the efficiency of our service. We will be ready if called upon.

We will, at the same time, be mindful of cost, be good stewards of our country's treasure, and be worthy of the Nation's trust and confidence. All that I do will be based on the absolute knowledge that protection of our Nation and support of our joint warfighters is our number one priority.

If confirmed, sir, Susie and I will serve with dedication, with optimism, with enthusiasm, and a profound sense of purpose. I am grateful to you, Mr. Chairman, and the committee for allowing me to appear before you today, and I look forward to your questions. [The prepared statement of General Schwartz follows:]

Chairman LEVIN. Thank you, General.  
General McNabb?

**STATEMENT OF GENERAL DUNCAN J. McNABB, USAF, NOMINATED FOR REAPPOINTMENT TO THE GRADE OF GENERAL AND TO BE COMMANDER, UNITED STATES TRANSPORTATION COMMAND**

General McNabb: Chairman Levin, Senator Warner, distinguished members of the committee: Thank you. I am humbled and honored to be nominated by the President and recommended by the Secretary of Defense for the position of Commander of U.S.

TRANSCOM, to be considered by the Senate, and to be with you here today.

Mr. Chairman, I'd like to take the opportunity to introduce my wife Linda and son Duncan. Linda is the love of my life and I would not be here today without the joy that she brings to me every day. For the last 29 years she has been an Air Force family patriot, just like so many wonderful loved ones across our country who allow our great soldiers, sailors, marines, Coast Guardsmen, and airmen to serve. My son Duncan is a tremendous young man who is working on the ground floor of the biodiesel industry. I very much appreciate you allowing them to be here today.

From my earliest days flying C-141s in the Pacific to being the aide to the first Commander of U.S. Transportation Command, to recently serving as General Schwartz's air component commander as the Commander of the Air Mobility Command, I have been part of the great transportation enterprise. Sir, I believe our global mobility is one of our Nation's true crown jewels. It gives us the strategic ability to move. No other nation can match it, which gives us a true asymmetric advantage on the global stage, whether delivering our warfighters to the fight or our compassion to those in need.

I know U.S. Transportation Command's success depends on the strength of the total force and of our industry partners. Sir, if confirmed I will work to continue to strengthen and leverage these partnerships across the entire joint deployment and distribution enterprise.

Chairman Levin, Senator Warner, distinguished members of the committee: I fully understand and appreciate the enormous responsibilities and trust that goes with this command. If confirmed, I will never lose sight of these responsibilities and I will give you all I have to be worthy of that trust.

We are a Nation at war and supporting our warfighters will be my number one priority. I'm grateful to you, sir, and the committee for having me here today and I look forward to answering your questions. [The prepared statement of General McNabb follows:]

Chairman LEVIN. Thank you very much, General.

Let's try a 7-minute round for the first round. We have a vote I believe at 10:30.

Senator WARNER. 11:00 o'clock, I think.

Chairman LEVIN. At 11:00 o'clock. I think that's right. The vote is at 11:00 o'clock.

Senator WARNER. Mr. Chairman, could I ask an administrative question first? This committee under your leadership recently had a closed door hearing with Admiral Donald on the issues of the nuclear programs and the problems associated with the U.S. Department of the Air Force. Also we now have former Secretary of Defense Schlesinger working on that problem. It would seem to me wise that the chairman consider a closed hearing and that our members know that that will be available if they desire to pursue that or other issues that could be in the form of classified information.

What's the chair's disposition on that?

Chairman LEVIN. I thought I would ask a few questions about that that could be answered in an unclassified setting, and then if

any of us wish a classified continuation we would do that, of course we would consider that. But let's see if they're able to give us—let's start with a few questions that I'm going to ask about those reports, see if they can answer them in a way which is satisfactory, and then of course if you or any other member of the committee wishes to proceed in classified we could do that. Would that be all right?

Senator WARNER. Yes.

Chairman LEVIN. All right.

On that subject, let me address to Secretary Donley and General Schwartz. The Air Force nuclear program has suffered from a lack of oversight and attention, leading to a general devaluing of the mission within the service, according to several of the investigations and reports dealing with the Air Force. Whatever the political view one has as to the size of the stockpile or the appropriate role for nuclear deterrence, there can be no debate about the fact that nuclear weapons and all related components must be absolutely safe and secure.

Now, General Schwartz, Secretary Donley, have you had discussions with the authors of the various reports and investigations, including General Welch and Admiral Donald, as to what they see as the key problems that need to be fixed? Secretary Donley, let me start with you.

Mr. Donley: Yes, sir, I have. I've met both with General Welch and with Admiral Donald on their respective reports.

Chairman LEVIN. All right. Have you, General Schwartz, met with them?

General Schwartz: Mr. Chairman, I have not, pending confirmation.

Chairman LEVIN. Have you read their reports?

General Schwartz: I have read the portion of the Donald report which was made available to me, less chapter 7.

Chairman LEVIN. Let me ask you first then, Secretary Donley. Do you agree with their conclusions in the—do you agree with their conclusions?

Mr. Donley: I do.

Chairman LEVIN. General Schwartz, do you agree?

General Schwartz: I certainly do, sir.

Chairman LEVIN. Secretary, in the few weeks you've had what steps have you taken to fix the problems, if you can tell us in an unclassified setting?

Mr. Donley: If I can summarize, Mr. Chairman. When I arrived I received several briefings on the current status of Air Force actions, ongoing actions to address both the Minot-Barksdale incident and also the Taiwan nose cone issue. In being briefed on the status of those actions, it was apparent to me that the Air Force had been working on both of these for a number of months and had under way perhaps over 100 individual actions, first in response to the Minot-Barksdale incident, those were sort of under way, then in a serial fashion to address the Taiwan incident as the facts of that situation became known.

What I felt was appropriate and necessary to take the next step for the Air Force was to pull together this information and all these activities and pull them up to the strategic level to begin to address

the more systemic issues that were outlined in the Donald report. These individual incidents, as I think Admiral Donald alluded to, are evidence of some deeper systemic issues that need to be addressed by the Air Force.

So what I've asked from the Nuclear Task Force is that they prepare a strategic road map that will collate and synchronize all the individual activities under way, but pull them up to the strategic level so we can see all the training, all the procurement, all the personnel, all the leadership issues, all the doctrinal issues, all the sustainment issues that need to be addressed to ensure we are fully recommitted to our stewardship of the nuclear enterprise.

There must be no question about the Air Force's support for this fundamental national mission.

Chairman LEVIN. Secretary, chapter 7 of the Donald report deals with accountability. Secretary Gates has charged the Air Force leadership with the responsibility for implementing that chapter within the Air Force. Can you tell us what the schedule is for review and action?

Mr. Donley: I have set in motion a review of the accountability of officers associated with the Taiwan incident in particular, following the lead of the Donald report in these areas. I have asked for a report or advice in 30 days and expect to address appropriate action at that point.

I would also add that there already had been disciplinary actions taken in both of these incidents. Some 17 officers or officials had been relieved of their duties, 11 had been reassigned, and 5 received article 15s. So action had already been taken, but we are following—

Chairman LEVIN. Below a certain level, is that correct?

Mr. Donley: That's correct.

Chairman LEVIN. But there's a review at all levels; is that correct?

Mr. Donley: That's correct.

Chairman LEVIN. General Schwartz, in response to the pre-hearing questions regarding the Air Force's aircraft inventory, you said that the Defense Department's revised fiscal guidance for the fiscal year beginning in fiscal year 2010 authorized an approximately \$5 billion boost for our recapitalization efforts, and that will certainly help. You went on to say that "The additional resources that we receive will be used in part to increase the F-35s annual production rate."

Now, is increasing the F-35 JSF production rate the best way for dealing with the potential Air Force fighter inventory shortfalls, or should we continue to buy F-22A aircraft to deal with inventory shortfalls?

General Schwartz: Sir, it is the major strategy for addressing the inventory shortfalls as we go out toward 2025. That is, increasing the production rate from 48 per year to as high as 110 per year. That is the key strategy for achieving that outcome, sir.

Chairman LEVIN. Is there any less-than-key strategy which you would recommend in addition?

General Schwartz: Sir, it seems to me, first of all with regard to the F-22, that that is an essential part of the force mix. As you're aware, there are many who think that the F-22 is only an air-to-

air platform. In fact it has important capability for destruction of enemy air defenses in an era when surface-to-air missile threats are available from the commercial market and are increasingly lethal.

So for the F-22 in particular, there are a number of studies, sir, that talk about inventories in the range of 180 to 381. If confirmed, I will delve deeply into that analysis and the assumptions associated with that, and I will be happy and be able to come back to the committee with my best recommendation on the total procurement for F-22.

Chairman LEVIN. Do you have any current position as to whether we should continue production of the F-22? Are you awaiting those—

General Schwartz: Sir, the position of the Department—

Chairman LEVIN. I mean your personal position.

General Schwartz: Sir, my personal position is that I believe that 183 is not the ceiling on the low end, but that 381 is too high on the high end. So yes, I think we should preserve production at least for the near term.

Chairman LEVIN. My time is up. Senator Warner?

I made a mistake when I said there is a vote at 10:30. It's an 11:00 o'clock vote, I understand.

Senator WARNER. Secretary Donley, in recent years GAO protests by bidders have resulted in the reversal of a number of significant Air Force contract award decisions, including those of the KC tanker replacement, combat search and rescue helicopter replacement, and the C-130 avionics modernization program.

In your remarks on July 9 at a DOD press briefing with Secretary Gates, you stated that: "The underlying Air Force acquisition system is not somehow fatally flawed." Now, how do you square that conclusion with the facts?

Mr. Donley: Senator, the KCX announcement by the General Accountability Office was made just a few days before I was appointed Acting Secretary. As I looked at the facts associated with that particular decision, I did not see mismanagement by the Air Force. I did not see misconduct or gross incompetence in the acquisition process.

As GAO looked at the protests, they evaluated over 100 items that were brought to them and were at issue in terms of how the Air Force conducted its business. The Air Force was sustained on the majority, the vast majority of those items. But—

Senator WARNER. Let me cut to—you still stand by your statement, then, that you do not think there is any fatal flaws in the system?

Mr. Donley: No, sir. I think the Air Force acquisition system is the DOD acquisition system, it is the Federal acquisition system that we all have lived with, with its many complexities, for over 50 years. Generally speaking, my experience in this area is that we do not throw the whole thing overboard and start over.

Senator WARNER. No one's suggesting that. But it's a fairly tight statement you made, that it's not fatally flawed, and I think on reflection you feel that there's some strong—maybe it's a question of semantics. But to me when you make a statement that it's not fatally flawed against a background of a lot of problems, I find a dis-

connect. Now, maybe we respectfully have differences of point. But I think you've assured the committee this morning it's high on your agenda to get things straightened out.

Mr. Donley: It is, Senator. We do have lots of work to do and I have set that in motion with the acquisition community.

Senator WARNER. I mentioned that this committee had a briefing by Admiral Donald and I intend to go into that to some extent, Mr. Chairman. But I would first just ask you, General Schwartz. As I look through your very distinguished career pattern and assignments, you never had any real command authority over those areas of the Department of the Air Force that have been brought to the attention in the Donald report. Would I be correct in that?

General Schwartz: Senator Warner, in fact when I was the commander of the 36th Tactical Airlift Squadron at McCord Air Force Base in the State of Washington in the late 80s, we were the only C-130 unit that had the primary nuclear airlift force mission. That is, for transporting America's nuclear weapons and components. So I have had experience in terms of the rigor and the attention to detail required to transport nuclear weapons in that context.

Senator WARNER. So I presume at that time you felt that there were adequate checks and balances in the system, and I believe that to be correct because I think most of the problems outlined in the Donald report were subsequent to that period. But subsequent to that assignment you had, you had no direct responsibility?

General Schwartz: That is correct.

Senator WARNER. Therefore I just assume you were not aware of these problems, many of which are cultural, in that area.

Now, General McNabb, your career, pretty much I do not see any direct area of responsibility. Nevertheless, when you were Vice Chief—now, I have some familiarity with that position. That really is just as broad as the Chief's, and perhaps there are specific areas that the Chief and you work out together you'll handle. But you've got the Air Force across the board, wouldn't that be correct?

General McNabb: Yes, sir.

Senator WARNER. How do you feel about the Admiral Donald report with respect to the performance of your functions? Did you at any time encounter some of those problems, and if you did what did you do or not do to correct them as Vice Chief?

General McNabb: Yes, sir. As the Vice Chief I got to see specifically the blue ribbon panel recommendations following the General Welch review as well as the accident investigation board that General Corley did following the Minot to Barksdale movement. The consolidation of those findings and the recommendations that came out of that, I got to see how our Air Force—they would come and brief me on what they recommended and what they were doing. I got to see the Air Force as they tried to get at this problem.

I will say that since that time Secretary Donley as he came in, and after reading the Donald report, one of the things that there is no question is that, as we look deeper into these issues, there was in fact some cultural problems. There were some other problems, that every time you look in one place you would realize that from a cultural and oversight standpoint there were some very deep issues.

The Air Force was trying to get at that and I would say that the part that Secretary Donley has done, has said, let's bring all of that together and let's make sure that we look at all parts of it, and that's that integrated road map that he is asking.

Senator WARNER. Quite frankly, we're trying to sit here and judge your qualifications to take on your next important command. But bearing on the is that when you were Vice Chief these problems were out there, but you at this time represent to us that you were just not aware of them, they were not brought to your attention, and therefore you did not take any action remedial to correct them?

General McNabb: Senator Warner, in fact what we did was we looked at the 128 findings and when you regressively moved out on fixing those, those issues, I think that what we had to do is go in deeper. I think that that was ongoing. I just think that it wasn't as quick as we needed to do it.

Senator WARNER. Now, there's been a recent series of articles regarding these executive containers to be put into planes for various individuals to utilize or better utilize their abilities as they're in the air. I remember very well, Mr. Chairman, in our early days when we took CODELs we used the old Air Force tankers and there were no windows. Do you remember that? There was a little window in the back and that was about it.

We did have plywood encasements that were put into the plane. I remember vividly sharing one with old Hal Heflin. Remember him? He was 6 foot 3 and slightly large around the girth, and he was a big man to share a little compartment with, but he was a wonderful man. We all loved him a great deal.

Chairman LEVIN. A great man.

Senator WARNER. A great Senator.

So I've had some familiarity with this issue. But we also know only too well on this committee in the years that we've been on it—we had the very unfortunate history of the procurement of the comode situation, and then the hammer situation, whether it was a \$400 or \$500 hammer. So I mean, these problems have been out there, regrettably, through the years.

And along comes this one. And you had some responsibility, as I understand from the record, with regard to that program. I'd like to give you the opportunity now to clarify what your understanding of your responsibility was and, to the extent that you in exercising your official duties, took any corrective actions or in any way otherwise tried to avoid what is a very unfortunate story out here, which—these are the sort of stories that trouble the American public so greatly, when they give of their taxes to provide for the defense of this country.

I can tell you from long years of experience, and all of us on this committee know, that when we go back home we're not asked the complicated questions that we're covering here this morning. They just shake their fist at us: You're responsible and you're on that Armed Services Committee; how could you have let this happen?

This is your opportunity.

General McNabb: Yes, thank you, Senator. One of our most important missions is the movement of our National leadership, both military and civilian. We take that very seriously. We have two

ways of doing that. We have about 31 dedicated airplanes that we use to move our leadership around. Those are shared assets, so they're prioritized.

The other way that we do it, depending on the threat that we face, is we may put them on combat airlift airplanes or tankers, as you mentioned, and we will take them in because of the again nature of the threat, where we have to have a reduced signature or where the threat requires defensive systems or tactics, techniques, and procedures that are combat Air Force—

Senator WARNER. I don't question the advisability and the need for some sort of system. It's how this system was evolved and the trappings and so forth that were associated with it, which I think the public are just standing in awe as to how this happened. And to what extent were you personally responsible for those decisions, which now are under careful public scrutiny?

General McNabb: Yes, sir. I was the AMC Commander. I had been the J-4 on the Joint Staff, and as the AMC Commander I said that, given 9-11, given the tremendous additional need for our leadership to go to the theater and then come back out—what I ended up tasking was, let's come up with a prototype, a one to two-pallets, kind of much smaller capsule, that we could put on any of our airlift or tanker airplanes and therefore satisfy this requirement.

The idea was that the tanker—this little, this module, could be placed in theater as well, so that you could take advantage of any commercial opportunities available as well.

What we wanted to do is I asked them to make sure that it met the security, the communications, the work environment, and most importantly the safety, the FAA standards that need to be met. Sir, I believe that we have done that. Obviously, I left the AMC Commander about a year ago and I have not dealt with that since.

Senator WARNER. So in your capacity as Vice Chief you didn't look back on one of your responsibilities to see if it was moving along in a manner you felt was consistent with the best interests of the Department?

General McNabb: Sir, as the Vice Chief I did not deal with this issue.

Senator WARNER. Thank you.

Chairman LEVIN. Thank you very much, Senator Warner.

Senator Akaka?

#### **STATEMENT OF HON. DANIEL K. AKAKA, U.S. SENATOR FROM HAWAII**

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

I want to add my welcome to the nominees who are here and also to your families that are here.

I'd like to direct my first question to Mr. Donley and General Schwartz. Operations Iraqi Freedom and Enduring Freedom in Iraq and Afghanistan have developed into conflicts where the Army and the Marine Corps comprise the main effort. The Air Force has played more of a supporting role, yet critically needed, but a role in a very ground-centric counterinsurgency effort over the past 5 years.

My question is, do you believe that the Air Force should continue to build its capacity and capabilities in the counterinsurgency support mission, or do you believe that this kind of support-specific focus will be—would adversely affect the preparation for the future of the Air Force?

Mr. Donley?

Mr. Donley: Senator, this is a very good question and it strikes to the heart of what the Air Force leadership is responsible for addressing, and that is the balance of capabilities across the many warfighting missions that we support.

A couple of points of reference, if I might. The Air Force's contribution to OIF and OEF and the global war on terrorism is comprehensive. The Air Force is operating some 60-plus satellites that are supporting the communications, the weather, the intelligence, surveillance, and reconnaissance work. We're supporting the air bridge that General McNabb and General Schwartz are so familiar with, that links us so easily and so facily from CONUS and all the bases of the Army, Navy, and Air Force and Marines here in the continental United States and North America, all the way across the world to that theater of operations. That is a huge mission that we do seamlessly with the other services on a daily basis.

The Air Force is committed to this in the intelligence area. We are flying unmanned aerial systems that 10 years ago weren't hardly even in the inventory. We are fully committed on the Special Operations side. So the Air Force is contributing to the global war on terrorism to these operations across a range of capabilities.

In addition, we are also sending airmen, about 4 to 6,000 at any given time, to assist with convoy duty and other ground operations to relieve pressure on the Army and the Marines. So we are fully committed to this fight, and I believe Secretary Gates and I believe most members of this committee who follow military operations recognize those contributions.

That is our first priority right now as we build capability. We need to continue to make decisions about how we spread resources across these many, many mission areas that the joint warfighters need and balance the here and now with potential future threats. That is something that we have always done and we will continue to try to do to the best of our ability.

Chairman LEVIN. Senator Akaka, forgive me for interrupting, but we have a quorum now present and that gives us an opportunity to consider a list of 1981 pending military nominations. They've all been before the committee the required length of time. Is there a motion to favorably report these 1981 military nominations to the Senate?

Senator WARNER. So moved.

Chairman LEVIN. Is there a second?

Senator BEN NELSON. Second.

Chairman LEVIN. All in favor say aye. [A chorus of ayes.]

Chairman LEVIN. The motion carries.

Now, one other, a couple other items. One is the vote is now scheduled for 11:20 instead of 11:00.

Second, I'm going to have to leave, so the following order would be followed: After Senator Akaka would be Senator Inhofe and then Senator Ben Nelson. And then are you going to be here for a few

minutes? Then Senator Warner can make any changes in that if necessary.

Excuse the interruption, Senator Akaka.

Senator AKAKA. Thank you, Mr. Chairman.

General Schwartz, would you comment on that?

General Schwartz: Senator Akaka, thank you for that question. Fundamentally, I do not believe it is an either- or condition; that the United States Air Force, like the other services, needs to be a full spectrum capability. At the moment, as Secretary Donley suggested, our focus obviously is in Iraq and Afghanistan. We have provided the kinds of capabilities on which the ground forces that you addressed depend: lift, resupply, strike, intelligence, surveillance, and reconnaissance, even evacuation of the wounded. Those are important missions.

We have people who are running detention facilities. There are members of Provincial Reconstruction Teams, and they are involved in transportation and ground convoys and so on.

The bottom line, Senator, is that we as an Air Force can provide both the kind of concentrated effort required by the joint team in Central Command today and posture ourselves for future potential adversaries at the same time.

Senator AKAKA. General Schwartz, the number five priority on the Air Force's procurement list is the development of the so-called Next Generation Long-Range Strike Aircraft. According to the Air Force, the plan is to have a three-pronged approach in modernizing the Nation's bomber fleet: first, upgrade our aging B-52s and B-1s; second, field a new bomber by the year 2018 with existing technologies; and third, develop a bomber representing a quantum leap forward in capability by the year 2035.

Ahead of this priority includes the new air refueling tanker, the new combat search and rescue helicopter, and F-35 fighter bomber, and upgrades to space systems.

My question to you, General, is what is the role of the 2018 bomber or the second pronged approach? What is that 2018 bomber supposed to fill, given that the kinds of missions it would carry out could also be fulfilled by the new F-35 fighter bomber scheduled to be fully operational in a few years prior to that time?

General Schwartz: Senator, they perform similar missions, strike missions, but the question is how do you access the target set. In some cases that is possible from relatively close in. In other cases it's much more desirable to be able to reach out from a distance. The new bomber will enable us to maintain the capability to engage targets at a distance, and recognizing again the threat environment is likely to become more complex and more demanding and thus we'll need an airplane that's properly designed to perform in that environment.

Senator WARNER. Thank you, Senator, for your questions.

Senator Inhofe?

**STATEMENT OF HON. JAMES M. INHOFE, U.S. SENATOR FROM OKLAHOMA**

Senator INHOFE. Thank you, Mr. Chairman.

General Schwartz, I think that was an excellent answer you gave and I think it points out the complexity of the various vehicles that we have.

Senator Warner in his opening statement talked about the B-52 situation, about the aging aircraft. I think we talk about it, we touch on it, and then we never seem—nothing ever seems to happen. Yet we've flown some 96,000 sorties in the last year. We've got—our equipment is old. We know what's happening in terms of the average age and the flight hours of fighter aircraft is 20 years and 5,400 hours; bombers, 32 years, 11,000 hours.

I've had numerous experiences over there. I look over and see my good friend Senator Martinez, who was with me when we had a little SAM problem coming out of Baghdad. This was one in an old beat-up C-130E model. Actually, the trip before we didn't lose one engine in an E model, we lost two engines in an E model. I keep telling them, work on some of these other guys, not on me. I want more and I want bigger ones and I want J models and H models.

But nonetheless, this is the problem. Now, we recalculated the problem that we had when Senator Martinez and a few others were taking off. It was about 7 minutes after takeoff. If we had been in even an H model, we would have been at an altitude where we would not have been vulnerable. I have to say, though, in that incident, with the flares and the way, the responses, you would have been very proud, Senator Warner, of our pilots and the way they conducted themselves.

But the bottom line is these are life-threatening things. There's something where someone could have been killed only because they're not performing as to the minimum expectations, at least of me and several others on this committee.

So we have these problems up there and we all seem to think, well, how do we get through the next 3 months? Well, I'm thinking on down the road.

What is your solution to what we're going to ultimately have to do to get rid of this aging aircraft problem that we've got, General?

General Schwartz: Sir, there is only one way that I am aware of to address this, and that is that you have to embark on a recapitalization profile that will reduce the average age of the fleet. As you suggested, the average age now is about 24 years. In order to sustain that level, you have to have about 160 aircraft a year in terms of procurement of the various kinds.

To drive that average age down could require somewhere toward 200 aircraft a year. We're currently purchasing about 110 or so. The way to address this is, number one, we have to, I think, identify what our priorities are. We have said that it's the tanker first that is the appropriate first priority. But I think we have to look across the fleet and dialogue with you, make sure that each of the members of the committee appreciates the risks and the opportunities, and then gain consensus on a program for recapitalizing that fleet.

Senator INHOFE. Well, and I want to get to a specific, a couple of specific vehicles in a minute. But in the mean time—and we saw this coming. At least I saw it coming. Many other members did. During the 90s when we had this euphoric attitude that the Cold War is over, we don't need a military any more, and during that

time we actually for all practical purposes reduced our procurement, our modernization, our end strength, by about 40 percent.

At the same time, the Chinese during that same period of time were increasing their procurement by 1,000 percent. So I'd like to get out of the mentality of just taking care of what's bleeding today.

What do you think, Mr. Donley, about the long-term future? What should we be doing now? Was Secretary Rumsfeld right in his first confirmation hearing when he said that we need to get back up to what we did during the 20th century, 5.7 percent of our GDP, as opposed to down to 3 percent?

Mr. Donley: Well, there's no question, Senator, that the recapitalization challenge for all the military departments is one of the most critical issues that we face, because it is not, as you appreciate, it is not just in one aircraft series or in one mission area. It is across a full range of activities. It is in some cases in the tactical airlift fleet, it's in the search and rescue fleet, it's in the tanker fleet, it's in the bomber fleet. And there are big numbers in the combat—in the fighter fleet as well.

So how to do this is going to be a neat trick. We need more resources to get it all done—

Senator INHOFE. We need more resources.

Mr. Donley:—in the time that we would be most comfortable getting it done. But I have been in this town for 30 years and we always live in a resource-constrained environment, where we have to make these tradeoffs. And we are not always able to choose and implement the most effective acquisition profile for every program at the same time.

Senator INHOFE. I'm sorry, my time is running out. And I agree with what you're saying. I think that that is a problem. But when you name all the missions and the vehicles to accommodate, to address these missions, we don't have any idea—in 1994 they testified that in 10 more years we wouldn't need ground troops. You're going to be relying on very smart generals, General McNabb and others, but you're going to be wrong in trying to anticipate what our needs are going to be.

It would appear to me that the American people do expect our guys going out there, and gals, that they're going to have the best of equipment. I want to specifically talk about the F-22. I think others are going to bring this up also. But when we had to ground some 600 of the F-15s after one broke up there—now I guess they're going back up; maybe the F-15Es were never completely grounded—you start looking at the numbers. The F-15s right now, 426; the E models, 224; the F-16s, 1214.

Now, if we were to cut this off with the F-22s right now that would be 183. I think you answered the question, General Schwartz, that that's not adequate and maybe something more than that is. When you look at the sheer numbers and if you remember—well, let me just ask you the question: Did all three of you agree with the statement that John Jumper made back in 1998 when he said that we have to do something about our modernization program because the Su-27, Su-30 vehicles in Russia that they're cranking out are better in some ways than our best strike

vehicles, which were the F-15 and F-16? Did anyone take issue with that? [No response.]

Senator INHOFE. Well, nonetheless, I guess what I'm saying is that we are going to end up with 183, as opposed to, just look at China alone. They have bought some 1744 vehicles from, Su series vehicles, from China. Does this concern you folks, that we'd only have 183 strike vehicles competitive with a potential adversary?

Mr. Donley: Senator, we have to be attentive to numbers, but the United States, and particularly the Air Force, has relied on technologies and operational concepts that we have been able to meld into giving us increased capabilities, even though we have been shrinking the number of airframes over the years. We have a smaller Air Force than we had in the past and in most cases it's much more capable.

But I share your concern to keep an eye on those potential threats that might develop around the world. Technology continues to move abroad both in Russia and in China in ways that we need to be attentive to.

Senator INHOFE. Thank you very much. Let me just ask one more. And I agree with you, Mr. Donley, in terms of the F-35 and the F-22; those are—they fall in the category that you're talking about. I'm just concerned that we stay ahead of the curve so that some other adversary—right now they're talking about a fifth generation Su series, I think it's the Su-35, and we don't want to wait until we find out we're in the same situation we were in 1998.

One last question to General McNabb. On the AFRICOM, we have made, in our authorization bill, we have made requests, transportation requests, vehicles, assets. Are you supportive of and on line to try to direct these assets to the AFRICOM?

General McNabb: Yes, sir, absolutely. General Ward actually came by and saw me early on. I know he talked to General Schwartz as well. But basically, as he outlines what he needs in AFRICOM, both from the standpoint of long-range airplanes that he can get his hands on, we talked about a C-37 and a C-40, but also so that we would make sure that we give him the ability to get to the long-range lift, given the distances in that country.

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

Senator WARNER. Thank you, Senator. An important line of questions and I think the record should reflect that you've had a distinguished career as a civilian aviator. You understand airplanes. How many hours have you got?

Senator INHOFE. A little over 10,000.

Senator WARNER. That qualifies you, my good friend.

Senator, you're up.

**STATEMENT OF HON. E. BENJAMIN NELSON, U.S. SENATOR  
FROM NEBRASKA**

Senator BEN NELSON. Thank you, Mr. Chairman.

And thank you, gentlemen, not only for your willingness to take on new responsibilities, but for your previous service. We appreciate it so much, and that of your families, and of course all the men and women in uniform here and abroad.

You take over the Air Force at a very critical point in time, not simply because of the manner of the change and the timing of the

change, but also because it's an opportunity to take a look at transformation and transition for the Air Force. As you consider the questions of the type of airframes and aircraft and the numbers of aircraft, aren't there going to be questions about when was the decision made establishing the number of required aircraft? And is that current today? Are we faced with an Air Force that is based on fighting the last war, the perceived next war, as opposed to the most likely war involving cyber space, involving terrorism?

So based on that, are you in a position to go back and evaluate all of those assumptions about the number of aircraft, the type of aircraft? Because that's going to be very helpful to us in deciding what we help fund for the present and the future. If we always do what we've always done, we'll end up right where we are today tomorrow, trying to replace aircraft without asking the question, do we need all those, do we need others, what do we need?

Mr. Donley, could you respond to it first, and then of course General Schwartz?

Mr. Donley: Senator, that's a very astute observation, I think, in the sense that the numbers that we look at now in terms of what's required going forward are built on study after study, which have attempted to assess what the new requirement is for a given airplane. As we get to critical decisions on F-22, critical decisions on C-17 and other airframes which we have built out—

Senator BEN NELSON. There certainly are some airframes that we know what the future is going to be required for lift and for transportation. We certainly know that. But when we get to some of the other aircraft, would that be the same?

Mr. Donley: I would take slight issue, sir, in the sense that the requirements for these airframes continue to change. They continue to change in the operational environment, and they also change in our assumptions about what kind of threat we might need to face in the future. The assessments that are put together to evaluate individual airframes are often not as helpful as those assessments that look at airframes in combination.

So the combination of the F-22 and the F-35 together are the right kinds of things to look at, I think. And then the combination of that combat air fleet with ISR assets in comparison. Those are the kind of good tradeoffs that help us find the right balance across different kinds of capabilities, whether it be attack aircraft, the ISR that goes with it and informs air to ground decisions, or even air to air engagement decisions.

We're developing comprehensive capabilities, systems of systems, not just one airframe at a time.

Senator BEN NELSON. I understand that and I'm not trying to talk the Air Force out of airplanes. I don't want you to have to change your name, among other things. But aren't there new emerging areas that are critically important, such as unmanned aerial vehicles?

Mr. Donley: Absolutely, and this is—

Senator BEN NELSON. Is that on an accelerated level or can you tell us something about that?

Mr. Donley: It is, I believe—and I would stand corrected by my colleagues, but I believe half of the airframes requested by the Air Force in this year's budget are for unmanned aerial systems. That

is a trend that as I understand it is probably going to continue. This has been one of the most thoroughgoing and remarkable evolutions I think since I was Acting Secretary in 1993, the introduction of unmanned aerial systems and their use, not just in an ISR capacity, but also in an attack capacity, in a strike capacity.

So this is a new and growing area for the Department of Defense and the United States Air Force, and we are smack dab in the middle of that.

We're also growing and getting more serious about the cyber threats to this country, which is clearly an area of concern. So the Air Force has been working on that. We need to recapitalize and add new capabilities in space. So these are the new and growing areas which offer opportunities for transformation. They're based on sort of new demands coming from the warfighters based on our current experience and also what we forecast going forward as providing the best balance of capabilities across this attack, situational awareness spectrum of activity.

Senator BEN NELSON. Well, has there been any change in assumptions as to the number of F-22s required in the last 20—the last, let's say, the last 10 years? Or is it the same number?

Mr. Donley: Sir, I would defer to my uniformed colleagues, but I believe there are at this point probably six or seven different studies on the table over the last roughly 10 years that have spoken to sort of what is the right number for the F-22.

Senator BEN NELSON. General Schwartz?

General Schwartz: Sir, clearly I think it is important for any new leadership team in any discipline needs to come in and look at an organization and sort of revisit all the assumptions, the sort of business model, if you will, to assure that it's viable going forward. If confirmed, I commit to you and to the committee to revisiting those assumptions on all those things that drive requirements. It needs to be done. As I suggested, certainly in the F-22 area there are other, other studies that we need to nail down.

But Senator, absolutely correct, and I think your notion of transformation and looking at new ways of doing things suggests that the old way of sort of packaging is not correct. I think the Secretary has it exactly right. There is trade space between strikers and ISR. There is trade space between air and surface lift. This is what we have to become more sophisticated at, and if confirmed you certainly will see me endeavoring to do that.

Senator BEN NELSON. My time is up, and I hope that you'll take a look at what your predecessor said, General Schwartz, when I think he said that even with the budget that was submitted for authorization that it was \$100 billion short that had to be made up over the next 5 years. I assume you'll have a sharp pencil to tell us how we're going to be able to do that as well.

Senator WARNER. Thank you very much, Senator.

Senator BEN NELSON. Thank you.

Senator WARNER. Thank you, Senator, very much.

Senator Thune?

**STATEMENT OF HON. JOHN THUNE, U.S. SENATOR FROM  
SOUTH DAKOTA**

Senator THUNE. Thank you, Mr. Chairman.

Secretary Donley, General Schwartz, General McNabb, thank you very much for your distinguished service to our country and to your families. Thank you all for your sacrifices that you make and for all that collectively you've accomplished for our country. You've all served with distinction and we appreciate very much your service.

General Schwartz, I want to come back to some questions that Senator Akaka touched on regarding long-range strike and the bomber and ask you if you are committed to long-range strike and bomber roles in terms of the missions of the Air Force?

General Schwartz: I am, sir, absolutely.

Senator THUNE. And are you committed to fielding a new bomber by 2018, which is right now what the—

General Schwartz: That is the plan and if that is physically achievable we will do so.

Senator THUNE. Could you talk a little bit about the role that the current bombers have played in the conflicts in Iraq and Afghanistan?

General Schwartz: Certainly, sir. As you're aware, we have operated with bombers in the theater since 2001, and in fact it was bombers that began the strike operations in Afghanistan in October of 2001 and in the days that followed. The bottom line is that these are very important platforms for reaching out, as I suggested earlier, to engage target sets. We have done that in Afghanistan repeatedly. We continue to have long duration, long dwell platforms above the battlefield in both Iraq and Afghanistan for on-call delivery of precision munitions in support of the joint team, and that certainly will continue. That has been extremely useful and I am certain that will continue, sir.

Senator THUNE. I assume that, because of that continued need for that sort of requirement, the next generation bomber obviously is going to have to step in and fill that role for the current generation?

General Schwartz: That is certainly my view, Senator.

Senator THUNE. This with regard to Air Force energy matters. Just last week the Air Force asked to reprogram \$72 million to buy more jet fuel due to increased costs that were not foreseen. Could you discuss the impact of higher fuel costs on the Air Force and your views on the Air Force's current synthetic fuels program?

General Schwartz: Senator, I know there is much here that the members of the committee are concerned about our Air Force. One of the areas, though, that I think represents the excellence and the genius of our people is the effort to find alternative ways to operate. Certainly in the area of fuel, this is the case.

There is no question that the Air Force and air forces generally are the largest consumer of hydrocarbons in the Department of Defense. In our case, it's a difference in terms of \$600 million or more associated with the change in the price of oil. So there are three components to it, sir. One is the basic operational approaches that we take. There are ways, just like driving our cars more slowly, there are ways to operate aircraft more efficiently and we have to do that in order to conserve resources.

Second is to look at alternatives, such as Fisher-Tropé and other ways to enable use of alternative fuels. As you are aware, we have

the B-52, the C-17, and the B-1 have all been tested with blended alternative fuels successfully and the B-52 has been certified to operate in that fashion.

Then finally, there is a longer term issue of platforms that are more fuel efficient than the current generation. This is something that we need to keep in our technology focus, which is thinking about ways that machines can do the job and be less hydrocarbon intensive.

Senator THUNE. I appreciate the answer to that, and I might ask maybe Secretary Donley to react to that as well. I want to follow up with a question regarding the Air Force's goal to have all aircraft certified on synthetic fuels by 2011 and to acquire 50 percent of its domestic aviation fuel requirement from a domestically sourced synthetic fuel blend by the year 2016, if that continues to be the goal. The Air Force being the biggest user of fuels in this country, if we are going to break this dependence on foreign sources of energy, it really starts I think with a lot of the procurement that we do for the government. So I'm just curious to know what your thoughts are with regard to that, at least what has been a stated goal of the Air Force.

Mr. Donley: Senator, I'm currently reviewing the Air Force's energy policy. It's been on my desk for just a few days now. I am, like General Schwartz, impressed with the ingenuity and the scope of this effort after 3 or 4 years of work. It's gotten great attention in the Air Force and I do believe it is a success story.

I think we ought to remain fully committed to getting all our air frames certified for blended synthetic fuels by 2011. So I intend to follow through with that if confirmed.

Looking ahead, one question I have going forward that I believe requires a little bit more discussion, collaboration with this and other committees of Congress, is figuring out how we're going to—where this change and reshaping of Air Force demand is going to be met, where is the supply going to come from for synthetic fuels in high volume, probably commercially connected, in ways that will drive down the cost, because as we approach this problem going forward synthetic and blended fuels, even at the higher costs per barrel that we're experiencing today, as I understand it will be higher yet per gallon for us to operate with these synthetic fuels. So we need a market-based solution across the government and across the commercial aviation sector that will help drive that change and push down the cost.

Senator THUNE. My time has expired. Could you react quickly, though. One of the things that in the years since September 11th that we've really seen is the Guard and Reserve provide an incredibly important part of our National defense capability. Could you just discuss briefly your views on the Air Force's total force initiative?

Mr. Donley: My colleagues I know are well versed in this as well, but I would just like to say that this—as I come back to the Air Force after being gone for 15 years, this remains a real strength of the Air Force and the collaboration across the active, guard, and Reserve components in associating themselves with each other in progressively more collaborative and creative ways is bringing joint warfighting capability to the table in ways that we had never imag-

ined before, and doing it in a fairly seamless way. So I'm impressed with what I have seen thus far.

General Schwartz: Senator, I certainly agree. As you know, the Air Force for 50 years has been using associations with the Guard and Reserve and maintaining the identical levels of readiness. I think that's exactly the way to go forward. We are capitalizing on the experience and the community association of the National Guard, for example, and bringing active duty personnel in an associate arrangement, so that we get the benefits of the National Guard experience and community setting as well as the productivity that comes with full-time active duty—important principle. Thank you, sir.

Chairman LEVIN. Thank you, Senator Thune.

General McNabb: If I could—I'm sorry, sir.

Chairman LEVIN. No, that's all right, if you have a quick comment to add.

General McNabb: Sir, I was going to add that I think the Air Force does total force better than anybody. I believe that we continue to look for innovative ways. Especially if I think about the Transportation Command and AMC, obviously that's something that I would really push across the board. I think the total force is what gives us that great synergy to meet those needs at a reduced fraction of the cost of what it would do to have active duty to do all of this. The sharing of airplanes in the associate relationship that General Schwartz mentioned is one of the best ways. As we bring new aircraft on, it is something that's worked for many years in the mobility world and now we're doing the same thing in the other, the combat air forces and so forth. We think it's absolutely essential.

Senator THUNE. Thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Thune.

Senator Bill Nelson?

#### **STATEMENT OF HON. BILL NELSON, U.S. SENATOR FROM FLORIDA**

Senator BILL NELSON. Good morning, gentlemen.

General Schwartz, the Washington Post is reporting that Russia has stated that they would consider basing their nuclear-capable bombers in Cuba if the U.S. installs a missile defense system in Eastern Europe. What would be your recommendation if that were to occur?

General Schwartz: I certainly would offer best military advice that we should engage the Russians not to pursue that approach, and if they did I think we should stand strong and indicate that that is something that crosses a threshold, crosses a red line for the United States of America.

Senator BILL NELSON. General Schwartz, in an 8-month period between March of 2003 and October of 2003 you testified to this committee over a number of times in closed classified sessions regarding issues that were happening in Iraq before the war started and all the way up to October after the war had started. Do you want to share with the committee, do you feel that you were ade-

quately forthcoming with the committee during those classified sessions?

General Schwartz: Senator Nelson, it is painful to know that one or more members of the committee feels that I didn't measure up with my testimony in 2003. I fully appreciate the necessity for committees of the Congress to receive answers that are crisp, responsive, and that are serious answers to serious questions.

At the time I attempted to do my best to be loyal to the needs of the committee and to my own reluctance to speculate on matters in which I did not have personal or professional experience. I am well aware, sir, of the gravity of the position for which I have been nominated and your need and the committee's need for crisp military advice and answers to your questions.

Sir, I ask you to judge my performance since 2003. I have grown since that time and I ask you to accept my assurance that, if confirmed, I will provide answers and best military advice worthy of a chief of service.

Senator BILL NELSON. Do you feel like that you were not adequately forthcoming with this committee in that testimony over that 8-month period?

General Schwartz: Senator Nelson, I did not answer your questions directly and by definition that is not sufficiently forthcoming.

Senator BILL NELSON. By "your questions," you're referring to several members of the committee's questions?

General Schwartz: That is correct, sir.

Senator BILL NELSON. Mr. Chairman, under your guidance we will pursue this in executive session. Do I still have some time remaining?

Chairman LEVIN. I think you do. There has been a request for an executive session on a number of issues and so there will be an executive session following this.

Senator BILL NELSON. Mr. Donley, you and I had visited when you were kind enough to come by about the deplorable situation in the housing for airmen at Patrick Air Force Base and other bases, basically where the government has been fleeced, where the government has given away 100 acres of oceanfront barrier island land worth \$17 million, and now where the government is about to give away its remaining interest in another 200 acres that was supposed to be housing for airmen and their families, 560 some units, and the only thing that has been built is about 160 units.

Of course, I've raised a fuss about this. Since we spoke about this, that issue, why don't you reflect on what you think we can do to straighten it out.

Mr. Donley: Senator, I have had one meeting with the environmental office, the Installations and Environment Office, to discuss this matter. We have not been able to resolve completely your concerns and I continue to work this issue, as I pledged to do.

Senator BILL NELSON. What are the other options other than going through with this give-away that the Air Force has proposed and which we have as a part of our defense authorization, we have included a part in there there needs to be a cost-benefit analysis before the Air Force would move? What do you think are the other options that the Air Force could exercise?

Mr. Donley: I'm looking at—I'm trying to uncover what the options are. I'm also trying to uncover what the fact base is here, because I believe we may have a disconnect with your office on what the facts are. So I'm trying to get that straight.

You have sent a letter on this subject and I've asked the staff to begin drafting an answer. So I do not have all the answers I need to be responsive today, but will continue to work this issue.

Senator BILL NELSON. Well, I certainly strongly suggest that we come up with some answers that will fix the problem for Moody Air Force Base and Little Rock, but would also get more housing for the airmen at Patrick. Otherwise they're left holding the bag 400 less units and a give-away of all of the remaining 200 acres there on oceanfront barrier island, and no recovery of damages from the defaulting developer.

So I have been handed the card, Mr. Chairman, that my time is up. I will pursue this later.

Chairman LEVIN. Thank you very much, Senator Nelson.  
Senator Wicker?

**STATEMENT OF HON. ROGER F. WICKER, U.S. SENATOR FROM MISSISSIPPI**

Senator WICKER. Thank you, Mr. Chairman.

Senator Warner mentioned the age of the B-52 aircraft. Of course, it's also a fact that the KC-135 is also an aging aircraft and needs to be replaced. I just want to comment briefly about the tanker rebid. Mr. Secretary, I understand and fully agree with your statement in your testimony about rebidding these eight items that need to be looked at. But I would also state that the Congress should not intervene in the process of setting the requirements for the Air Force tanker program. We're not experts on the military requirements. There are professional military men and women who are and they know how best to satisfy those needs.

I want to quote Secretary Young's recent, Under Secretary Young's recent comments before the House Armed Services Committee, where he said: "Grounded in the warfighter's requirements and the pursuit of best value for the taxpayer, the Defense Department is the only organization that can fairly and knowledgeable conduct this competition."

I want to associate myself with those remarks, to say that I hope that the process will move quickly. Of course, if the Northrop Grumman bid eventually succeeds I'll be delighted. I suspect that Senator Sessions will be delighted. But we want it called straight and called by the numbers, and we want the best aircraft for our troops, and we need to move forward quickly because it's an old aircraft.

Having said that, I want to move to a matter in my own State of Mississippi. I have the honor of representing many military installations. But I want to call the attention of the committee and the witnesses to the 186th Air Refueling Wing of the Mississippi Air National Guard in Meridian, Mississippi. The 186th's mission has included training, maintenance and operation of the KC-135R.

By way of background, Key Field, home of the 186th in Meridian, is the birthplace literally of air-to-air refueling. It is the site of Al and Fred Key's 27-day refueling flight in 1935, which still stands

as a record. I will say to the witnesses that I recall as an advanced Air Force ROTC cadet at Old Miss having the opportunity to hear Al Key come and speak at our dining inn on the Old Miss campus.

Now, the problem is this. The 2005 BRAC decision removes the KC-135s from the 186th and from Meridian. We're slated to receive a warfighting headquarters in the near future and possibly a JCA mission. But I'm concerned about a potential gap of 3 to 5 years that would exist between the tankers leaving Meridian and the arrival of a follow-on flying mission. This would be devastating to the facility and to the community of Meridian, and I don't think it would be in the National interest.

I understand there are discussions concerning a bridge mission. I hope we can find an answer which will maintain the 186th's high level of proficiency.

Also in that regard, I would like to take this opportunity to invite all three of you to visit this impressive installation with me. It has a great history, as I've said. Its physical assets are impressive and are a tribute to the leadership over some 30 years of my late colleague, Representative and Chairman Sonny Montgomery.

The 186 houses a plus-85,000 square foot maintenance hangar. I believe it to be the only double-bay hangar in the Air National Guard. It has ramp capacity to accommodate 18 KC-135s. I think it's worth a visit, gentlemen. We could combine that with a facility that I know General McNabb is familiar with, the 172nd flying C-17s in Jackson, Mississippi. So I hope each of you will work with my staff and with me in seeing if we can schedule a visit and a solution to this potentially devastating gap.

Having said that, let me move on. Mr. Chairman, you can now begin my 7 minutes of questions.

Chairman LEVIN. You're already at 8 minutes. [Laughter.]

Senator WICKER. Well, then I've said my peace.

Let me follow on with Senator Thune on the synthetic fuels, Mr. Secretary. By the year 2016, how much of a component of that is coal to liquid, and would you comment about your understanding so far of the cost effectiveness of that component of the new synthetic fuels?

Mr. Donley: Senator, I'm—first of all, thank you for the invitation and the piece of history on the 135s and aerial refueling.

Senator WICKER. It's a remarkable achievement for 1935.

Mr. Donley: It sounds to be so.

I'm not familiar with the liquid coal piece of the synthetic fuel options, just have not gotten into that level of detail, but I'd be happy to do so.

Senator WICKER. Okay. Are either one of you other witnesses able to comment on that?

General Schwartz: Senator, likewise I do not have that readily available. I'd be happy to report that for the record. [The information referred to follows:] [COMMITTEE INSERT]

Senator WICKER. All right. Then I thank the chair for his indulgence.

Chairman LEVIN. Thank you very much, Senator Wicker.

Senator Pryor, you are next and I understand you, graciously as always, yielded a bit of your time to Senator Conrad. We welcome Senator Conrad, chairman of our Budget Committee.

**STATEMENT OF HON. KENT CONRAD, U.S. SENATOR FROM  
NORTH DAKOTA**

Senator Conrad: Mr. Chairman and members of the committee: I just very briefly wanted to come by and put in a word for General McNabb. As you know, we have two very large Air Force bases in North Dakota at Grand Forks and Minot. General McNabb was head of Air Mobility Command and in that role we had a relationship with him, and I just want to report how impressed our entire delegation was with General McNabb and how he conducted himself in that position.

I also want to say that Secretary-designate Donley enjoys a very fine reputation, as does General Schwartz. I graduated from high school from American Air Force Base in Tripoli, Libya, North Africa, Wheelus Air Force Base. I've had a long association with the Air Force, and we are very lucky to have people of this quality and character who are willing to serve. I just wanted to have a chance to make that statement.

I thank the chairman. I thank very much the members of the committee, and special thanks to Senator Pryor for his allowing me this time.

Chairman LEVIN. We thank you very much for your comments, Senator Conrad.

Senator WARNER. I'd like to join the chairman in thanking you for coming up to speak. I judge that your father was then in the Air Force?

Senator Conrad: Actually, I lived with a family. The family I lived with, the man was the vice president of Mobil Oil in Libya when that was the hot spot in the world, and I was allowed to, as were all American dependents at that time, allowed to go to the Air Force base high school.

Senator WARNER. Well, that's very interesting. Thanks for joining us.

Chairman LEVIN. Thank you so much.  
Senator Pryor?

**STATEMENT OF HON. MARK PRYOR, U.S. SENATOR FROM  
ARKANSAS**

Senator PRYOR. Thank you, Mr. Chairman.

Let me pick up, if I may, where Senator Nelson of Florida left off, and that is on the military housing on the bases. It was recently announced that the Air Force has reached an agreement in principle for the sale of a renegotiated housing privatization contract for Little Rock Air Force Base, for Moody, Hanscomb, and Patrick. As this issue has progressed, I just want you to know I've spoken with Secretary Wynne, met with Secretary Anderson, sat down with bondholder representatives and the current project owners involved in this initiative, and I look forward to working with you on this. I know Senator Chambliss and I have been working on this for a long time, but we look forward to working with you to get this over the finish line, and I just stand ready to help in any way that I can.

You don't have to comment on that, but it's something that's very important to the men and women in uniform in those bases that we get that right.

Let me talk about something very briefly that the Armed Services Committee heard on June 3 of this year. That is relating to DOD acquisitions of major weapons systems. The GAO reported to us at that time that there's a current portfolio of 95 major defense acquisition programs that has experienced a cost growth of \$295 billion. That's 95 programs that are \$295 billion over budget. Many of these are overdue as well in terms of they're behind schedule.

So I would like to hear your thoughts on what you can do to try to fix this acquisition problem where we see these cost overruns and where timetables seem to chronically slip. I will note that of the 95 programs, not all of them are in the Air Force. Those are systemwide. So I know only a portion are Air Force. But I would like to hear from you what you can do to try to rein in the spending and get us back on track.

Mr. Donley: Certainly, Senator, I would bring no silver bullets to this longstanding issue. To me, I have some experience in this area. To me, the core of the issues are back to basics: making sure that we understand and can justify the requirements that we are setting for these systems; that we are proceeding with technologies that are mature and well understood; that we are using reliable cost estimates that reflect the true scope of costs as best as we can understand them; that we've got the acquisition work force in place that is bringing the experience, properly trained in the right areas, to not only prepare but evaluate proposals, and to push these programs along, keep them on schedule.

So it's basics. I think it's basic blocking and tackling. I think the Department's record is when those things occur we get capability, we're more likely to get capability on cost and on schedule.

General Schwartz: Senator, and there are some good examples of that occurring. The Joint Direct Attack Munition is a case in point. The Global Positioning System 3 is a case in point. It is back to basics. I would only add to what the Secretary said that I also believe there is some merit perhaps in assuring that there is sufficient uniform representation in the acquisition process as well, and that is something that, if confirmed, he and I certainly will work together.

Senator PRYOR. I'm glad to hear you say that, General Schwartz, because that's one thing I picked up on, is that apparently in some branches of the service they're having trouble recruiting and retaining the right mix of people there because of the way the overall system works. So I would love for you to spend some time and maybe address that if it makes sense inside the Air Force.

But we really have to get control of spending. Again, it's not just the Air Force. It's the other branches of service as well.

Let me change gears if I can and ask about close air support in Afghanistan. I guess this might be for you, General Schwartz. But do you believe we have adequate close air support assets in Afghanistan to complete the mission we have there?

General Schwartz: Sir, I believe we have adequate close air support in theater. And by the way, this is not just Air Force assets. This is the joint team, naval aviation and so on. And it's not just fighter aircraft. As we spoke earlier, it also includes the bomber platforms that support the mission.

Importantly, there's a ground component to this. These are the folks that guide the weapons onto targets, and they're an unsung part of our Air Force.

So in short, Senator, I believe we have the resources that are required at this time, and if more are requested more will be provided.

Senator PRYOR. Thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Pryor.

This is the current schedule, after consulting with Senator Warner. First of all, we're going to try to work right through the vote, see if we can do that, so people, Senators who haven't had a chance to ask questions can hopefully arrange it so they can ask questions, vote, or go vote and come back and ask questions.

Second, if we finish this open session by noon, if we do, we'll go directly into executive session and hope to finish by 12:45 or so. If we don't finish it by noon, we'll begin our executive session immediately after the caucuses, and we'll do that at 2:15. Or if we begin the executive session before caucus, but can't complete it, then we would come back and complete the executive session after the caucuses.

Senator Sessions?

**STATEMENT OF HON. JEFF SESSIONS, U.S. SENATOR FROM  
ALABAMA**

Senator SESSIONS. Thank you, Mr. Chairman. I appreciate your leadership in moving us through these issues.

Certainly the Air Force is facing many challenges. I think we've had some difficult times in recent months. I know each one of you are going to be faced with some difficult choices. So we would expect that within the constraints of budgeting you give us the kind of priorities that are critical for the Air Force, and we'll do our best in the Congress to fund that, what you need, in the right way. There's just not an unlimited source of money, as you well know.

I would also note that Secretary Gates has proven to be an exceptionally fine leader. I believe he has unusual support throughout the Congress on both sides of the aisle. We've had some criticism in the past that when errors have occurred higher level people have not been held to account, and Secretary Gates has made some decisions that I'm sure people could disagree with. But he made some decisions and as a result you're here today.

I guess I would say to my colleagues that I do believe that the decisive action that Secretary Gates has undertaken puts us in a position of being—fulfilling our responsibilities decisively, which means we need to finish these hearings and get you people I believe into place. I just don't think it's good in these months, with the war going on and all the challenges the Air Force faces, that we go weeks and weeks without getting you fine nominees into place. We'll examine any questions and Chairman Levin will ensure that that occurs, and then if you meet the standards I think you should be confirmed, and I hope that we will.

General Schwartz, you have mentioned I believe the tanker being the number one priority for the Air Force. We're already maybe 5

or 6 years behind schedule. Do you believe it's important that that competition go forward promptly and not be unnecessarily delayed?

General Schwartz: Absolutely, Senator. Few disagree with the essentiality of the modernization program and it is my view that we have to keep the timeliness of this foremost in our minds as we go forward.

Senator SESSIONS. Senator Donley, do you share that view?

Mr. Donley: I do, sir.

Senator SESSIONS. You know, Congress mandated this be bid by statute after the Air Force had quite a difficult time and the top civilian procurement officer actually later went to jail. But we wanted a competition. We asked for a competition. I guess you understand—I'll just ask you plainly: If you have a competition, should not the best aircraft be the one selected, General Schwartz and Secretary Donley?

General Schwartz: Absolutely, sir.

Mr. Donley: Yes, sir, we want the best tanker for the warfighter and the best value for the taxpayer.

Senator SESSIONS. Well, I think that's what we told you to do and that's what we'll have to expect. I hope and trust that you will make that on a meritorious basis and not any pressure or anything else that would come up, although in truth this decision now will be above the Air Force's level. It will be at the Secretary of Defense level, is that right, Mr. Donley?

Mr. Donley: You're correct, Senator.

Senator SESSIONS. But I guess your information, technical information, will be shared with the Defense Department?

Mr. Donley: Yes. Secretary Young will have all the support he needs and wants from the Air Force in the course of his work.

Senator SESSIONS. With regard to the fuel question, I was very proud of the Air Force. They had taken steps to utilize synthetic fuels from energy sources, particularly coal, and seemed to be on track to utilizing a substantial portion of jet fuel from synthetic fuels, proving that it works already in most aircraft. I think you've already tested and proven that.

I guess my concern is that Congress intervened, has it not, and that Congress—language was slipped in the energy bill that barred the Air Force from long-term contracts, which is the kind of long-term contract that would be necessary for this fuel to be manufactured at a commercially feasible rate. And I was told by the Air Force procurement officer that they expected the costs to come in below the current world price of jet fuel.

Would either one of you comment on that first? Are you now being stopped in that program essentially by being denied the right to a long-term contract, and do you expect the price to be competitive?

Mr. Donley: Senator, I need to take that for the record. I'm not familiar with the provision that you have cited that may be out there.

Senator SESSIONS. Well, I just feel like it's another example of denying ourselves domestic energy, putting us on the world stage of having to buy from the world market at high prices, which may continue to go up, who knows. And I really think the Air Force de-

serves a lot of credit for being innovative and creative in looking to do that.

General Schwartz, you have previously noted that you hope that this tanker aircraft would be the kind of aircraft that would be a game-changer and that you believe it should have the capability that—its capabilities with regard to personnel, transport, and cargo are important factors in that evaluation; is that correct?

General Schwartz: Sir, its primary mission will be air refueling, but we can no longer afford to have platforms that are sort of single mission, point mission focused. So the versatility that being able to carry passengers and cargo is also important.

Senator SESSIONS. In fact, the fuel is in the wings, with the main cargo compartment available for cargo and personnel in these aircraft; is that generally correct?

General Schwartz: That's generally correct, sir.

Senator SESSIONS. Mr. Secretary, with regard to the Air Force Air War College, I'm extremely impressed with that institution and believe that for the Air Force to meet its future, which is uncertain, it requires constant study and evaluation. I guess I would agree. Don't you—how do you see the role of the Air War College at Maxwell in Montgomery, Alabama, in the future of helping to establish the kind of doctrine and to identify the capabilities we need for the future?

Mr. Donley: Senator, Air University is a great asset to the Air Force and it provides not only the good training to officers as they're coming up through the ranks, but it also provides a research arm for us to address future innovative ways of doing business, new mission areas, in a research environment. So I view it as a great resource for Air Force leadership, as well as a teaching institution.

Senator SESSIONS. I agree.

Mr. Chairman, my time is up.

Chairman LEVIN. Thank you, Senator Sessions.

Senator Clinton, would you when you're completed, if there's nobody back, recess us until somebody is back, because there is a vote on.

#### **STATEMENT OF HON. HILLARY RODHAM CLINTON, U.S.**

##### **SENATOR FROM NEW YORK**

Senator CLINTON. Yes, Mr. Chairman.

Chairman LEVIN. And there's only 6 or 7 minutes left.

Senator CLINTON. Would you mind telling them I'm on my way as soon as I finish my questions.

Chairman LEVIN. I will do that, sure.

Senator CLINTON. I appreciate that.

Thank you, gentlemen. I'm looking forward to your leadership. I think that in fact the Air Force and the country are looking forward to your leadership.

I'd like to take just a minute to run through quickly the New York installations. the Niagara Falls Air Reserve Station, home to the Reserves 914th Airlift Wing and the Air National Guard's 107th's Aerial Refueling, survived the last base closing round, but a recommendation was made to convert the 107th to an airlift wing that would be associated with the Reserves wing at the base. Thus

far, four C-130s have been identified for the 107th, but I'm eager to work with you to identify additional aircraft for the 107th or additional ways to keep the 107th viable going into the future.

Second, Hancock Field Air National Guard Base in Syracuse is transitioning from the 174th Airlift Wing to a Predator mission. Again, I'm eager to work to ensure that the transition is smooth and that the base does not experience any gaps in service during the transition.

Stratton Air National Guard Base in Schenectady is home to the 109th Airlift Wing, which has the Polar Ski Bird mission. I think these pilots do remarkable work on their skis on the ice and the snow, and I think there are additional capabilities for search and rescue that should be explored.

The Stewart Air National Guard Base in Newburgh is home to the 105th Airlift Wing, which currently has aging C-5As. Now, Stewart itself is a modern, well-equipped installation, and again I'd like to work you to make sure that the mission assigned to Stewart can be performed to the highest level of capacity.

Dublinski Air National Guard Base in Westhampton, Long Island, is home to the 106th Rescue Wing. We successfully obtained funding for the first phase of a new pararescue training facility in last year's military construction appropriations bill. We're in the process of obtaining the second phase. But this is so critical along the East Coast, not only for search and rescue at sea, but also for homeland security and weather incidents in terms of providing that capacity.

Now, we also are home to the Air Force Research Laboratory in Rome, New York, and the Northeast Air Defense Sector Air National Guard unit, also in Rome. The work that is being done at the lab in Rome is absolutely amazing in respect to the cyber security and support of our men and women in uniform, and I look forward to working to develop a very close relationship between the research lab and the newly created Cyber Command.

So I would invite each of you to visit with me New York's Air Force installations as your schedule permits and to make sure that we meet these tremendous opportunities and resolve any of the challenges that we face.

Second, when the Air Force announced its tanker refueling contract award to Airbus A-330 last February, I was struck when the spokesperson indicated that the Air Force could not and did not take into consideration the impact of the award on the U.S. industrial base. Yet Title 10 of the U.S. Code requires the Secretary of Defense to do just that for "each major defense acquisition program."

If you look at Title 10, which is in our laws for a purpose, I have to ask you to please respond both now and perhaps in writing how you will comply with Title 10 in regards to the tanker refueling contract process that the Secretary has put into motion. Could I start with you, Mr. Donley?

Mr. Donley: Thank you, Senator. I appreciate your listing the Guard installations in New York. I've had a conversation with the Director of the Air Guard, who's briefed me on the Air Force's overall plans in response to BRAC to pursue total force initiatives and associate units in some of these cases. So while I'm not familiar

with all the details, I have gotten a first cut at that, and in fact I have been invited to Niagara already.

Senator CLINTON. Good.

Mr. Donley: So thank you for that.

With respect to KCX, I would defer to the acquisition experts on the issues of foreign content. But I would just note as a general observation that we live in a global economy, in which most of these international—national companies that we regard as U.S. companies have international connections. So attempting to go with U.S. sources only in particular situations where it seems to advantage one company over another is really sort of a temporary perspective on I think where all of these companies are headed. This is an international—aerospace is an international business.

Senator CLINTON. Well, Mr. Donley, it won't surprise you to hear that I disagree. But more importantly than my disagreement are the very specific requirements within Title 10, subtitle A, part 4, chapter 144, section 2440, which reads: "The Secretary of Defense shall prescribe regulations requiring consideration of the National technology and industrial base in the development and implementation of acquisition plans for each major defense acquisition program."

So I would appreciate receiving in writing from each of you the specific answer to my question in relation to Title 10. I'm very well aware that we live in an international economy, but I'm also extremely conscious of the impact of decisions made by our government with taxpayer dollars that undermine our competitiveness for the long run and eliminate jobs and thereby undermine technical skill acquisition in a way that I think will come back to haunt us. So this is something that I take very seriously.

In addition, I will submit some other questions for the record. [The information referred to follows:] [COMMITTEE INSERT]

Senator CLINTON. I ask that we now stand in recess until someone else returns to continue the questioning, and I thank each of you for your willingness to serve. [Recess.]

Senator Warner [presiding]: We'll continue our questions here. Chairman Levin is anxious to have us work right through the vote, and I believe—has he announced the fact that we're going to have the executive session? Senator Levin and I have discussed it. We're going to try and hold an executive session following this open session, and that way hopefully wrap up this hearing today. But I'll leave to the chairman the specifics on that.

General Schwartz—staff will invite me if a member comes and I will stop—one of the most difficult aspects of military life is the permanent change of stations, and TRANSCOM is in charge with contracting with movers who pack and deliver household goods. We're here talking about weapons systems and so forth, but we've got to focus on family issues. I think you've had a well-deserved contribution to making this happen when you were TRANSCOM Commander. You devoted a great deal of your personal time and energy to ensuring that promises for improved moves made by the predecessors in the TRANSCOM Command and the "Family First" program were delivered. In doing so, you kept the promise you made when you were confirmed, and we're grateful for the progress you led in that regard.

Now, General McNabb is subject to confirmation as the future commander. Will you devote similar emphasis on the quality of life in the moving?

So first a comment from General Schwartz, to be followed by General McNabb's observations.

General Schwartz: Senator Warner, you are absolutely correct that one of those activities that happens in any military family every so often is relocating. And ways that we can make that relocation less stressful, less costly to our personnel, and to raise the level of performance of those who provide this service to the Department of Defense is an obligation. With the Senate's and the Congress's assistance, we found a way to go about doing that, and we'll be rolling it out this fall, something I think we can be proud of.

Senator WARNER. Briefly, General McNabb?

General McNabb: Senator Warner, absolutely, sir. It's one of those real plusses as I watched General Schwartz and TRANSCOM do this, really take it on on the Family First, full replacement value, those kinds of initiatives. There's no question that we recruit the individual, but we retain the family, and this is very important to all of our DOD families to make sure that they can continue to serve.

Senator WARNER. Momentarily I'll recognize Senator Chambliss, but I want to say that I will provide for the record a series of questions to follow up on this issue of the executive package. There was the famous compartment to transport senior officers and civilians. We need to have that record tightened up and have clarity of some of the issues, because they're important issues, and we're going to do it by way of putting in questions for the record for you to respond.

Senator Chambliss? [The information referred to follows:] [COMMITTEE INSERT]

**STATEMENT OF SAXBY CHAMBLISS, U.S. SENATOR FROM  
GEORGIA**

Senator CHAMBLISS. Is this microphone yet?

Senator WARNER. Why don't you move to a box that would have one, Senator? Why don't you do that.

Senator CHAMBLISS. There we go.

Gentlemen, first of all, to each of you, thank you for your service. Secretary Donley, the first time you and I had an opportunity to meet was when you came by my office, but obviously, General Schwartz, General McNabb, I've known both of you for many years and I appreciate the service of each and every one of you.

Secretary Donley, we've had some questions asked to General Schwartz about the F-22, but I want to see where you are on this issue. Have you had a chance to look and see with respect to the number of tactical aircraft that we have, where the F-22 comes down, and formulate an opinion as to what you think with respect to the total number that we ought to have in inventory?

Mr. Donley: Sir, I have not had an opportunity to formulate a particular number. I am aware that this is an active issue and I do support Secretary Gates' decision to kick this over, essentially, to the new administration for their consideration as well.

In the mean time, I'm focused on the potential need to provide bridge funding between the '09 and the '10 years that are at play here, that will look to providing some bridge capability for suppliers to leave this option open. In general, if we delay a decision on the future of the F- 22 too far into next year or even late next year and we have not provided for this bridge funding, it'll be sort of almost a cold start for many of the sub-tier suppliers, and that would be a more expensive option for restarting the line if somebody wanted to do that.

So I'm focused for the next few months on getting the bridge funding in place.

Senator CHAMBLISS. Well, I appreciate your comment relative to the potential increase in cost that might occur if we don't have this bridge funding and, frankly, if it doesn't get spent. I look back on some testimony by General Hoffman before Senator Lieberman's subcommittee on the 9th of April of this year. At the conclusion of that hearing Senator Lieberman said to General Hoffman: "So what you're saying is is that there is time and money to be saved by doing the advanced procurement in November of this year"—which is the bridge funding you're talking about —"and that's your understanding of Secretary Gates' position about giving the next administration an option, basically meaning that they can stop the process if they choose."

General Hoffman said: "Yes, sir. Depending on what the next administration would form as a team to build and get that decision through the Congress as well."

So my question to both you and General Schwartz is: Do you agree with the concept that if we don't have this bridge funding and if we don't spend the money—and it's about \$550 million that will have to go to the subcontractors out there—that that will immediately increase the cost per copy of the F-22 and will in effect mean that we're operating with a cold line versus an operating line if we don't spend that money during this period of time going into the next administration?

Mr. Donley: Yes.

General Schwartz: Yes, sir.

Senator CHAMBLISS. I don't want to get into much detail relative to the issue at Patrick and at Little Rock and at Moody Air Force Base, except, Secretary Donley, to say that this has been a very difficult process. It's obviously been a very sensitive process. In my case at Moody, for example, we're going to have a significant increase in men and women coming to Moody beginning next year. The housing, the privatization housing initiative, was supposed to have a certain number of houses available for those men and women coming. Now that's not going to be available. There's no way under the best scenario it can be.

I think that the way that the issue has been handled by the Air Force was very poor initially. I think some very bad decisions were made by the Air Force. But to the credit of the Air Force, since this issue has been elevated to the top level I think the issue has been addressed very appropriately. I think there has been an agreement reached that what's in the best interests of all the men and women that wear the uniform of the United States Air Force ought to be

taken into account and housing provided, better housing across the board at all four of these installations that are in question.

I applaud the Air Force for moving, for entering into an agreement that we hope will be completed by September of this year. So you're going to have this on your plate initially and we may have some disagreement within this committee from a parochial standpoint, but I think that the sales agreement that is proposed is fair and reasonable across the Air Force and will work.

General Schwartz, let me just get into a little bit with you an issue which you and I have talked about in my office, because I don't want there to be any misunderstanding or anything left on the table, either from your perspective or our perspective. It regards some conversations that you as the J-2 had back in the '03, '04 time frame relative to certain ammunition sites that were located in Iraq and action taken by you relative to the securing of those sites.

First of all, as the J-2 what was your responsibility with respect to activities going on inside of Iraq during that time frame of '03, '04?

General Schwartz: Senator, I actually was serving as the J-3 at the time.

Senator CHAMBLISS. I'm sorry. J-2—J-3.

General Schwartz: Yes, sir. But I had no operational responsibility inside Iraq at that time. As the J-3, I acted on behalf of the Chairman, who was General Dick Myers at the time, and worked in my channel with the J-3 at Central Command and the counterpart at the time at the Combined Joint Task Force 7. But I had no directive authority, if you will, for activity that occurred on the ground in Iraq.

Senator CHAMBLISS. You became aware of the ammunition sites that were unsecured in Iraq during the course of that period of time, early '03, I believe; is that a fair statement?

General Schwartz: It was post-major combat operations, so it was in the summertime of '03 onward.

Senator CHAMBLISS. And the issue was obviously very sensitive. It was discussed within this committee both in classified settings as well as otherwise with you and with other members of the Joint Chiefs of Staff. What action did you take to ensure that the information relative to the fact that there were a number of sites that were unsecured were in fact going to be secured so that there could not be pilferage of the ammunition sites and the consequences of that being that insurgents would have the munitions with which to make IEDs, which in fact they did?

General Schwartz: Senator, we received information from a member of the House of Representatives on the existence of caches that were—that had pilferable munitions. We devoted analytical resources to that information to try to confirm the locations and what have you, and in fact much of that information did prove valid.

I provided that information to my counterparts at Central Command and Combined Joint Task Force 7 and expressed our view that those sites which were pilferable, in other words small arms and such, that were more easily carted away, rather than other locations that had larger weapons that were more difficult to move, should be addressed first.

We passed that information. We passed the intelligence work that we had done and certainly encouraged the commanders that had tactical control of the battle space to accord that, those locations, appropriate priority for what, how, and how much to protect.

Senator CHAMBLISS. Did you follow up to see that the information that you passed on to Central Command was in fact acted upon?

General Schwartz: Sir, I confirmed that the information was received and understood and that the commander was aware and again had made a judgment based on the resources at his disposal what he was going to do.

Senator CHAMBLISS. As the J-3, did you have any chain of command control over any officers on the ground in Iraq during that period of time?

General Schwartz: No, sir, I did not, Senator.

Senator CHAMBLISS. Mr. Chairman, I think the remainder of my questions will be for executive session.

Chairman Levin [presiding]: Thank you. There will be questions asked for the record, public session additional questions. Senator Warner has an additional question or two. We're going to I think be able to conclude in the next 5 minutes, and that means that, although it's not strictly—we do have another Senator on her way, which means we may not be able to get to executive session. Let me withhold that comment about executive session and see if Senator McCaskill is able to get here.

Senator Warner?

Senator WARNER. Thank you, Mr. Chairman. Mr. Chairman, this is a subject that the two of us have worked on for many years. In fiscal year 2001—I think I was the chairman; we've gone back and forth—we put into law a framework that established goals that within 10 years one-third of the U.S. military operational deep strike aircraft would be unmanned. I'm sure that each of you are familiar with that. I look back on that with a sense of pride at what the committee did at that point in time, because it really energized a lot of the systems that are being utilized today in both Iraq and Afghanistan, the unmanned surveillance vehicles and the like.

So I'd like to have your comment, Mr. Secretary. Do you support that goal that Congress established and will you take affirmative actions to implement your Department to achieve them? This is a subject I think Secretary Gates—again I commend him for specifically expressing his concerns about the Department of the Air Force and their emphasis on the unmanned vehicle program.

First you, Mr. Secretary. Then we'll have General Schwartz.

Mr. Donley: Thank you, Senator. This is a very important issue and I think a very laudable goal that the committee has laid out in front of the Department. I have not had a chance to look specifically at where we stand in terms of meeting the specific numerical goal established by the committee. But I can tell you that the Department is pushing in this direction and I think you have seen that in the last couple of years with the growth in the requests for unmanned aerial systems in the Air Force budget. I believe this year it's 50 percent of the air frames that have been requested are

for unmanned systems, and I think you will see that trend generally continuing.

Exactly where we are on the road to the committee's, meeting the committee's goal, I'm sorry I can't say right now. But this is an important development for the Department of Defense, not just the Air Force, but for the joint warfighters, in both the air-to-ground attack modes and also in the ISR modes. Those areas are working very closely together. The joint warfighters have been signaling demand and the military departments have been responding with more supply.

Senator WARNER. Thank you.

General Schwartz?

General Schwartz: Sir, it is clear that that's the path we are on, and in fact we have migrated from the Predator now to the Reaper, a more capable, multi-mission platform for either the strike or the surveillance mission. In fact, the first Reaper mission was executed yesterday in Central Command AOR, and that clearly will continue.

Senator WARNER. Thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. On the UAV question, are there adequate—are there adequate UAVs in both Iraq and Afghanistan to meet the requirements in each country, do you know, Secretary?

Mr. Donley: Sir, I would defer to my military colleagues on the specific requirements. I will say my understanding is the requirements have been increasing because as the capability gets there the commanders ask for more. We've been working hard with the Office of the Secretary of Defense to put together an ISR task force, challenging the Air Force and the other military departments to deliver more capability more quickly to the theater.

Chairman LEVIN. General?

General Schwartz: Mr. Chairman, we currently have 26 orbits of unmanned capability in theater, growing to 31 by the end of this year. The truth of the matter is that there is more demand than we are able to provide supply. But my sense is, based on what I know, we're acting aggressively in that regard, and if confirmed I will continue to do so.

Chairman LEVIN. Well, we need you both to look to make sure that we are going 24-7 on this production of these capabilities. They're absolutely essential and we're still short. Senator Warner's leadership back in the early 90s should have led to a much greater capability by this time. But without that leadership, we wouldn't even be as advanced as where we are. So that was an important initiative of his and this committee's, and it is something that we're proud of because there was a lot of foresight involved in it. But again, we're going to keep the pressure on you folks to come across with the capability that we need to meet the requirements.

Senator McCaskill is now here and I've already announced that—now I've got to make a judgment as to—that we would go into executive session if we could get there by noon. We obviously won't be there by noon now and I'm wondering whether Senator McCaskill—will you be using your full 7 minutes, so I can make a judgment?

**STATEMENT OF HON. CLAIRE McCASKILL, U.S. SENATOR  
FROM MISSOURI**

Senator McCASKILL. I probably can do it in less than 7.

Chairman LEVIN. All right. Let me then say that—I don't think there's any additional. Do either of you have additional questions?

Senator WARNER. We'll submit it for the record, Mr. Chairman.

Chairman LEVIN. All right. The record will be kept open for questions. Then when Senator McCaskill finishes we will go to executive session, even though it'll be about 12:15. Would all the staff notify members who want to participate. We'll try to finish that in a half an hour. If we can't do it, we'll have to continue after the caucuses.

Senator McCaskill?

Senator MCCASKILL. Thank you, Mr. Chairman. I appreciate the committee showing the courtesy of allowing me to run over here as quickly as possible.

I want to not let this hearing conclude without sounding a note of contract accountability and contract overruns. As you are very aware, General Schwartz and Mr. Donley, your predecessors, there were some significant questions about a contract that was let for the PR contract for the Thunderbirds.

General McNabb, for you, I was embarrassed about changing the color of the leather in the comfort pods. Blue leather doesn't show less dirt than brown leather. I'm a mom; brown leather is your best friend. I would like to start with you speaking to a culture that would take funds from the global war on terror and think it was appropriate to spend money changing the color of the leather on the comfort pods for the highest levels of the Air Force from brown to blue.

General McNabb: Senator, I am not aware of that decision to change brown to blue, other than what I've read in the Post. The part that I would say is that the whole idea of the comfort pod was to save money versus dedicated airplanes. It was directly to try to get to something that we could put on our 900 sorties a day that we have in airlift airplanes and be able to take advantage of that, to include in the theater, but also to the theater, for our senior leaders. And it's military and civilians, it's all services.

As the discussion has gone through and we've developed the prototype, there have been decisions made. I left Scott last August and so I would just say that as this prototype has developed there have been additional decisions that have been made.

Senator MCCASKILL. Well, this decision was made while you were there. This was a decision that was while you were there. And this wasn't as if we're picking it ahead of time. They'd already been done in brown and someone decided it was appropriate to rip off the brown leather and go to the expense of changing it to blue.

This is just one little thing, but it speaks to a culture, and that's what strikes fear in my governmental accountability heart, that there was a culture that said: Rip off the brown leather, take off the brown seat belts; there's not a pocket in the side for our reading material. And we would spend money on that kind of item. That's what I'm trying to get to.

Maybe, General Schwartz and Mr. Donley, you can speak to this and to that culture. That is offensive to the American taxpayer. It

seems capricious. It seems arbitrary. It seems like folks up there have lost touch with the fact that this isn't monopoly money. And I know it's a little bit of money compared to a tanker. It's a little bit of money compared to the budget. But it is in fact a culture that shows that there is not the level of accountability that I think the American taxpayer and our men and women in uniform deserve.

General Schwartz, Mr. Donley?

General Schwartz: A strong ethical culture in the United States Air Force is a personal priority, ma'am. And if confirmed I will deal decisively with identified deviations, ethical lapses, if you will, while strengthening education and training related to ethical conduct. If confirmed, ma'am, I will make it clear to all commanders and senior noncommissioned officers and civilians that they have an obligation to live an ethical lifestyle each and every day in our Air Force.

Mr. Donley: Senator, I am firmly of the belief that accountability at all levels is essential for the daily operation of the Air Force in all the missions that we do. So none of this makes sense to me as a taxpayer. I will say that, to just echo General McNabb's point and to elaborate just briefly on the cost effectiveness of this approach overall, the Air Force does operate a fleet of 30 aircraft to support the executive operations of this government 24-7—the President and the Vice President, the members of the Cabinet, the Department of Defense leadership, and members of Congress. This is a mission that we have, that we will continue to perform.

These pallets are a very cost effective way of going about that mission for a fleet that is tightly controlled and in high demand.

But this color issue, none of this makes sense to me.

Senator McCASKILL. Right. I've got no problem with the pallets if it's going to make it more cost effective and I'm assuming there was a cost-benefit analysis that was done that bore that out. And I certainly get it that you guys have to fly around all the muckety-mucks, including us, and that's understandable.

But I will tell you, if there's anybody that's going to complain about the color of the leather on the seat and if we're going to change and spend taxpayer money to change the color of the seat, they don't deserve to be in that airplane.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator McCaskill.

What we'll do now is we're going to adjourn and we will in executive session go to our regular committee room, Russell 222, and take 5 minutes to do it. So we'll start right at 20 minutes after 12:00.

We thank you, we thank your families, and we will stand adjourned.

[Whereupon, at 12:14 p.m., the hearing was adjourned.]