

**HEARING TO RECEIVE TESTIMONY ON U.S.
EUROPEAN COMMAND, U.S. NORTHERN
COMMAND, AND U.S. SOUTHERN COMMAND
IN REVIEW OF THE DEFENSE AUTHORIZA-
TION REQUEST FOR FISCAL YEAR 2014 AND
THE FUTURE YEARS DEFENSE PROGRAM**

TUESDAY, MARCH 19, 2013

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

The committee met, pursuant to notice, at 9:39 a.m. in room SH-216, Hart Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Reed, Nelson, Blumenthal, Donnelly, Kaine, King, Inhofe, McCain, Chambliss, Wicker, Ayotte, Fischer, and Cruz.

Committee staff members present: Peter K. Levine, staff director; and Leah C. Brewer, nominations and hearings clerk.

Majority staff members present: Joseph M. Bryan, professional staff member; Jonathan D. Clark, counsel; Ozge Gozelsu, counsel; Richard W. Fieldhouse, professional staff member; Michael J. Kuiken, professional staff member; Gerald J. Leeling, counsel; William G.P. Monahan, counsel; and William K. Sutey, professional staff member.

Minority staff members present: John A. Bonsell, minority staff director; Adam J. Barker, professional staff member; Steven M. Barney, minority counsel; Thomas W. Goffus, professional staff member; and Robert M. Soofer, professional staff member.

Staff assistants present: Jennifer R. Knowles, Kathleen A. Kulenkampff; and Bradley S. Watson.

Committee members' assistants present: Jeff Fatora, assistant to Senator Nelson; Mara Boggs, assistant to Senator Manchin; Chad Kreikemeier, assistant to Senator Shaheen; Marta McLellan Ross, assistant to Senator Donnelly; Karen Courington and Mary Naylor, assistants to Senator Kaine; Steve Smith, assistant to Senator King; Christian Brose, assistant to Senator McCain; Joseph Lai, assistant to Senator Wicker; Brad Bowman, assistant to Senator Ayotte; Peter Schirtzinger, assistant to Senator Fischer; Craig Abele, assistant to Senator Graham; Charles Prosch, assistant to Senator Blunt; and Brooke Bacak, assistant to Senator Cruz.

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good morning, everybody.

This morning the committee continues its review of the missions and operational requirements of our combatant commanders in preparation for consideration of the fiscal year 2014 national defense budget request. We welcome Admiral James Stavridis, Commander, U.S. European Command, and Supreme Allied Commander, Europe; General Charles Jacoby, Jr., Commander, U.S. Northern Command, and Commander, North American Aerospace Defense Command, or NORAD; and General John Kelly, Commander, U.S. Southern Command. We thank you all for your service, your leadership, and please pass along our gratitude to the men and women who serve in your commands for their dedication to the Nation and for their sacrifices, as well as for the sacrifices of their families whose support is so essential to the success of our military and of our Nation.

Admiral Stavridis, at last year's EUCOM posture hearing I said that it was likely your last appearance before this committee, and I'm glad I included the word "likely." So now we can thank you again for your nearly four years now as EUCOM Commander and Supreme Allied Commander, Europe, which I believe makes you one of the longest serving EUCOM commanders in recent history. You've been a steady hand on the tiller during some very turbulent times and we all wish you the best in your retirement from military service.

The witnesses before us represent the United States' commitment to defend the homeland, to help our neighbors, and to come to the collective defense of our close allies in Europe. Yet our ability to meet these commitments has been put at risk by the arbitrary budget cuts called sequestration, resulting from the budget impasse here in Washington.

This committee is interested in hearing from each of you on how the continuing resolution and sequestration are affecting military operations and readiness in your areas of responsibility and what would be the effect if sequestration continues.

Last Friday Secretary of Defense Hagel announced changes to our homeland missile defense posture and plans, including plans to deploy an additional 14 ground-based interceptors in Alaska in order to stay ahead of the evolving North Korean missile threat. Two previous intercept flight tests of the GMD system using the latest model of the exoatmospheric kill vehicle, so-called CE-2, resulted in failures. Secretary Hagel made clear that we would not deploy the new missiles until we have confidence from testing that they will work as intended.

The Missile Defense Agency is taking steps to ensure that the CE-2 kill vehicle will work reliably and effectively before we produce or deploy more. They have already conducted a successful non-intercept test in January and an intercept test is planned for late this year. MDA is also planning an intercept test of the earlier interceptor with the CE-1 kill vehicle this summer to demonstrate that the system works as intended.

It is important that we take the time needed to make sure that we conduct adequate and operationally realistic testing so that we have confidence in the system, i.e., that we fly before we buy.

Friday's announcement also included a plan to increase our defenses of the United States against Iranian long-range missiles, with more interceptors deployed in the United States rather than in Europe. Secretary Hagel also emphasized that the U.S. commitment to the NATO missile defense remains ironclad. He said that: "The missile deployments the United States is making in phases one through three of the European Phased Adaptive Approach, including sites in Poland and Romania, will be able to provide coverage of all European NATO territory as planned by 2018."

We would be interested to hear from General Jacoby and Admiral Stavridis about the proposed changes in our missile defense plans and posture.

Our trans-Atlantic relationship with our European allies remains fundamental to our National security interests. Nowhere is our mutual—nowhere is our mutual commitment more fully demonstrated than in the NATO-led International Security Assistance Force in Afghanistan, where countries from the EUCOM region contribute 90 percent of the non-U.S. forces in our international coalition.

Despite some public weariness with the Afghan conflict and despite problems created for our troops and for our continued presence by the rhetoric of President Karzai, the coalition has demonstrated its cohesion, adapting an "in together, out together" approach through the 2014 end date for the ISAF combat mission in Afghanistan.

At the recent NATO defense ministerial, NATO members reconsidered an earlier proposal to reduce the size of the Afghan forces by one third after 2014. That was followed last month with the good news that alliance defense ministers agreed to change course and approved maintaining the Afghan security forces at their current level of 352,000 through at least 2018. This will send an important message of reassurance to the Afghans as we draw down U.S. and coalition forces. I understand at the NATO meeting several defense ministers also expressed a willingness to participate in a possible post-2014 NATO training mission in Afghanistan.

Another issue discussed at the recent ministerial was the appropriate role of NATO with regard to Syria. While Syria is not in EUCOM's area, its impact is being felt by key allies in the region, including Israel and Turkey. As the civil war in Syria continues to rage on, President Assad and his associates are resorting increasingly to the use of Scud missiles and other indiscriminate capabilities that terrorize innocent Syrians and increase further the flow of refugees out of Syria.

Former Secretary Panetta has discussed the possibility of more robust options for military support of the opposition last year and he agreed to bring this matter to his counterparts in Brussels. The recent decisions by the French and the British to provide lethal assistance directly to the Syrian opposition suggests that the position at NATO is by no means unified. Admiral Stavridis, I hope that you'll provide the committee with some context of our current thinking compared to that of our European partners as it relates to Syria and possible additional roles for the alliance beyond the deployment of Patriot batteries.

EUCOM's responsibilities include managing our military-to-military engagement and cooperation with Russia, including through

the NATO–Russia Council. This includes Russia’s cooperation with the movement of coalition equipment out of Afghanistan along the Northern Distribution Network through Russia and over 110 military-to-military activities between our 2 militaries last year.

I hope, Admiral, that you’ll provide us with your views of the value of and the prospects for further engagement with Russia.

U.S. Northern Command, which was established after the terrorist attacks of September 11, is responsible for the defense of the homeland and for providing defense support to civil authorities in response to domestic natural or manmade disasters, including those that could result from cyber events or attacks. We’d be interested in hearing how NORTHCOM and NORAD will contribute to the emerging domain of cyber security in the homeland and how they will work together with other elements of the U.S. Government in response to cyber threats.

My additional comments on NORTHCOM and on SOUTHCOM will be made part of the record, and again we thank you all for your attendance and for your great work on behalf of our country. Senator Inhofe.

STATEMENT OF SENATOR JAMES M. INHOFE

Senator INHOFE. Thank you, Mr. Chairman.

Admiral Stavridis, General Kelly, and General Jacoby, I appreciate the time that you’ve given me and the rest of the members of this committee to kind of fill us in on what is really going on. I guess this time, Admiral, this is going to be your final. I don’t know whether you’re going to go into perhaps education in some of these areas, but someone’s going to benefit from all the great experience that you’ve had and the contributions that you’ve made.

Now more than ever before, the threats in the AOR and around the globe are interconnected. What happens in Europe, Latin America, and the Middle East, the Asia Pacific, and Africa has the potential of directly impacting our security here at home, our homeland security that we talk about. This is particularly true with regards to Iran and North Korea. The new leadership in North Korea has escalated tensions in that region through provocative statements, military exercises, nuclear tests, and the development of a road-mobile missile delivery system.

But my major concern has been down in Iran. Our intelligence has told us since 2007 that they’re going to have the weapon and a delivery system by 2015. It just seems like we ignore that. Now, while I’m encouraged that the President has reversed his earlier decision from 2009 to reduce the number of ground-based interceptors by 14, I’m glad that it’s going back up by the same 14, however that doesn’t resolve the problem of the East Coast. We’ve talked about this several times, about a third missile site on the East Coast. The threat is very real and needs to be corrected—needs to be addressed.

Closer to home, violence continues to escalate throughout Central and South America and in Mexico as a result of increasingly capable transnational criminal organizations. Their multi-billion networks deal in drugs, weapons, bulk cash, and now span through West Africa, Europe, and even right here in the homeland of the

United States. Combatting them requires whole of government solutions and robust cooperation with international partners.

There has not been a time in my life when things are—the world has been as dangerous as it is today and the threats more diverse. And yet, due to the planned budget cuts and sequestration, we are poised to cut our defense budget by a trillion dollars over the next 10 years. We're talking about what's already come out of the budget, that \$487 billion. Another half trillion dollars would come through sequestration. It's kind of interesting. That is the only area where this administration has been actively cutting government.

This reality underscores the glaring need for a national military strategy that accurately reflects the global security environment we face. I am greatly concerned that, given the declining resources available to our military and the growing budget uncertainty, the current strategy is untenable. Starting with the strategic guidance issued in January of 2012, it seems that we're falling into a trap of creating strategies based almost entirely on how quickly we can cut the defense budget, rather than as a result of an honest assessment of the threats we face and the resources required to address these threats.

So I'm very much concerned. Maybe I'm a minority nowadays, but I always thought that the major mission of the Federal Government is to protect the homeland. We've got to get back to that mentality and recognize the threat is greater than any threat that we have ever faced before. You guys are in the right position to do that.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Inhofe.
Admiral.

STATEMENT OF ADMIRAL JAMES G. STAVRIDIS, USN, COMMANDER, U.S. EUROPEAN COMMAND AND SUPREME ALLIED COMMANDER, EUROPE

Admiral STAVRIDIS. Chairman, Ranking Member, and members of the committee:

Thank you very much for taking time to hear from myself, General Jacoby, and General Kelly. I always say I feel very safe when I'm with a big Marine General and a big Army General. It's probably the safest team I could be up here with. So thank you for having us and putting us together for this panel.

As the chairman mentioned, I'm rounding out four years in my current position. Before that I was lucky enough to be down at SOUTHCOM in General Kelly's position. So this is my seventh appearance in this run in front of the committee. I've always enjoyed the dialogue, the give and take, and the chance to express what our commands are doing.

I think that as I look at the challenges for U.S. European Command where I am focused at the moment is first and foremost our work in and around Europe, which includes a number of things mentioned by the chairman and the ranking member, including the missile defense system, NATO system which is coming on line. I'm very focused on Afghanistan, which is the key operational mission

for NATO at the moment, and I'll be glad to talk about that in some depth.

We are, of course, monitoring the situation in the Levant extremely closely. It's very close at hand to Europe and part of U.S. European Command's responsibility includes military-to-military relations with Israel. So we watch that area very closely.

We don't talk as much about areas like the Balkans, the Caucasus, the Baltics. All of those remain extremely important as well. As the ranking member mentioned a moment ago, there are a wide variety of other issues, from Special Operations to humanitarian disasters, countering terrorism, organized crime, cyber. So it's a very rich agenda.

If I had one overriding message for the committee today, I'd like to answer the question, why Europe? Why should we continue to be engaged in Europe? What's important about this part of the mission for the Department of Defense? I would say very quickly that, first and foremost, it's the values that we share with this pool of partners in Europe, the democracies who stand with us on freedom of speech, freedom of religion, freedom of the press.

Second, it's the economic bonds that bind us together. The United States represents about a fourth of the world's gross domestic product. The nations of Europe represent another fourth. NATO in toto is about 50 percent of the world's gross domestic product and it's \$4 trillion a year that crosses that Atlantic. So I think that trans-Atlantic connection has an important economic component as well.

Thirdly, geography matters. And sometimes people say to me, why do we need those bases in Europe? They're just—they're the bastions of the Cold War. I would counter by saying that they're not. They're forward operating bases in the 21st century and they allow us to extend support to EUCOM—from EUCOM to AFRICOM, to CENTCOM, and the Levant area as well.

Fourth, I'd say NATO itself is important, the alliance. We serve together around the world in a wide variety of missions that we can talk about this morning.

Then fifth and finally, nowhere else in the world will we find such a complete and capable group of allies who have the technology, the training, the force levels to help us. We need to encourage our European partners to spend more on defense. I do that consistently and I'm glad to talk about that today. But I do believe these connections are important for us and will be so going forward into the future.

So, members of the committee, I'll conclude by saying again thank you on behalf of the U.S. European Command. Thank you for the support of this committee. I'll pass your thanks on to them as well, and I look forward to answering your questions this morning.

[The prepared statement of Admiral Stavridis follows:]

Chairman LEVIN. Thank you very much, Admiral Stavridis.
General Jacoby.

STATEMENT OF GEN CHARLES H. JACOBY, JR., USA, COMMANDER, U.S. NORTHERN COMMAND AND COMMANDER, NORTH AMERICAN AEROSPACE DEFENSE COMMAND

General JACOBY. Chairman Levin, Senator Inhofe, distinguished members of the committee: Thank you for the opportunity to appear before you today. And it is a pleasure to be here with my friends and fellow combatant commanders, Admiral Jim Stavridis and John Kelly. I'm not as big an Army guy as John is a Marine, but we're here to protect you, Jim.

On behalf of the men and women of U.S. Northern Command and North American Aerospace Defense Command, I appreciate this committee's continuing support of our important missions. In the case of U.S. NORTHCOM, our mission includes homeland defense and that's my number one priority mission. It's a mission in which we work very closely with Canada in our fully integrated binational command at NORAD.

Next, we remain active in conducting our core mission of defense support of civil authorities, for which the highlight last year was our participation in the interagency response to Hurricane Sandy.

Finally, alongside cooperative defense activities with our ally Canada, we continue to conduct security cooperation efforts with our close partners in Mexico and the Bahamas.

Now, our NORAD missions specifically include aerospace warning and control and maritime warning for the United States and Canada. Our command motto is "We Have the Watch" and that reflects the vigilance with which we approach our duties and commitment to both the American and Canadian people. We execute our NORAD missions principally through our well-honed and uncompromising 24-7 defense of our skies, and that's Operation Noble Eagle.

Our citizens have a high expectation of our ability to defend and support them here in the homeland, and rightfully so. In the event of a natural or manmade disaster, NORTHCOM meets those expectations by leveraging the tremendous capability and capacities of the Department of Defense to support a lead agency such as FEMA. Hurricane Sandy offered us glimpse of what a complex catastrophe which spans several States and regions could look like. We'll continue to mature the successful dual-status command construct provided in the 2012 NDAA so that we will be provided in the 2012 NDAA so that we will be ready to act swiftly and with unity of effort when the unthinkable happens and we are called.

We are facing an increasingly complex and dynamic security environment. Threats are adapting and evolving. Technologies advance and proliferate, creating greater vulnerability in the homeland than ever before and complicating the accomplishment of our mission sets, from cyber and ballistic missile defense to the disruption and defeat of transnational criminal organizations.

As such, as critical command priority is to advocate and develop capabilities in our core mission areas in order to outpace these threats. Yet, while we are confronted with this emerging threat landscape, the current fiscal environment adds uncertainty to the availability and development of the capabilities we will need to manage the risks these threats will pose.

Readiness concerns are sure to grow, as clearly described by recent service chief testimony. My most pressing of those will include unforecasted cuts to training and exercise programs, which are fundamental to building partnerships essential for responding to events in the homeland. Unexpected loss of service capabilities and readiness could also in the future erode our ability to conduct our critical homeland defense missions.

As we look forward, despite these challenges, our current layered partnerships and history of training, education, exercise programs for now leave U.S. NORTHCOM and NORAD postured to defend the Nation against a full spectrum of threats. But we will have to work hard with the services to sustain that posture as we deal with program and budget uncertainty.

Today and in the future, we will remain committed to deter, prevent, and defeat aggression aimed at the United States and Canada as two commands, oriented on the vision, with our trusted partners will defend North America, outpace and mitigate threats, maintain faith with our people, and support them in their times of greatest need.

We will need this committee's continued support to meet that vision.

I thank you for the opportunity to appear today and I look forward to your questions.

[The prepared statement of General Jacoby follows:]

Chairman LEVIN. General Kelly.

**STATEMENT OF GENERAL JOHN F. KELLY, USMC,
COMMANDER, U.S. SOUTHERN COMMAND**

General KELLY. Mr. Chairman, Senator Inhofe, distinguished members of the committee: Thank you for the opportunity to appear today and speak on behalf of not only the SOUTHCOM personnel, full, civilian, and military, but also the region known as Latin America.

I'm here today to talk primarily about the four primary missions of Southern Command: The first, countering transnational organized crime. This effort consists of both Title 10 responsibilities that I have and security cooperation activities as well. Our support to law enforcement includes very, very highly effective, efficient, and cost effective detention and monitoring operations, also sharing information and building the capacity of countries to combat drug trafficking and dismantle very powerful criminal networks.

On our second mission, partner engagement, we focus on building relationships with regional militaries to enhance the defense of the United States and the security of the region. Human rights play a very, very big role in everything we do, everything I do, from my engagements with regional leaders to our joint training teams that are working alongside partner nation forces in Central America, South America, and in the Caribbean, to the courses of instruction at WHINSEC at Fort Benning and in the Inter-American Defense College here in Washington.

Militaries in the region have made enormous strides in terms of professionalization and respect for civilian authority and human rights, thanks to a large measure to the role of the U.S. military over the years and our continued engagement.

The third mission, contingency response, involves planning for a wide range of possible crises in the region, including natural disasters, mass migrations, and the evacuation of U.S. citizens.

Finally, our most critical no-fail mission today is detention operations at Guantanamo Bay. I would just offer that I am concerned at this point in time that the facilities down there, the infrastructure down there, built to last two or three or four years, has now been in existence for eleven years. It's rapidly deteriorating and in large measure has deteriorated, and we have some initiatives that certainly in terms of infrastructure need to be taken seriously this year.

Mr. Chairman, members, I look forward to discussion of any of these issues. Thank you.

[The prepared statement of General Kelly follows.]

Chairman LEVIN. Thank you very much, General Kelly.

Let's try an eight-minute first round.

General Jacoby, let me start with you. Last week Secretary Hagel announced plans to deploy an additional 14 ground-based interceptors in Alaska to help stay ahead of an evolving missile threat from North Korea. He also indicated that we would not deploy these interceptors unless we have confidence from flight testing that they're going to work as intended.

Do you support the plan that Secretary Hagel announced last week?

General JACOBY. Senator, yes, I do.

Chairman LEVIN. And do you agree that before we deploy these interceptors that it is essential to demonstrate the correction of the CE-2 kill vehicle in an operationally realistic intercept flight test so that we can have some confidence that it will work as intended?

General JACOBY. Senator, yes, as a warfighter I do.

Chairman LEVIN. Now, General Jacoby, last Friday Secretary Hagel and the Vice Chair of the Joint Chiefs, Admiral Winnefeld, both said that the currently deployed GMD system, with its 30 interceptors in Alaska and California, currently defends all of the United States against long-range missile threats from either North Korea or Iran.

Do you agree that the current system protects all of the United States against those long-range missile threats from nations such as North Korea and Iran, including the East Coast as of now?

General JACOBY. Yes, Senator, we have coverage against both Iran and North Korea with the current system.

Chairman LEVIN. For the entire United States?

General JACOBY. That's correct.

Chairman LEVIN. Including the East Coast at the moment?

General JACOBY. That's correct.

Chairman LEVIN. Now, I asked you last year about the idea of an East Coast missile defense site and you said at that time we did not have a requirement for such a site and no plans to deploy one. Since then we have in our defense authorization bill required that there be an assessment, an environmental assessment of various sites on the East Coast. And of course, there's been a modification of the Phased Adaptive plan so that it's now Europe that is covered by that plan.

Is it possible in the future that we'll be able to defend all of the United States from an Iranian long-range missile threat without needing an East Coast missile defense site?

General JACOBY. Senator, as I testified last year, the condition is still the same. We currently can defend the entire United States from an Iranian long-range missile threat. The question is how do we stay ahead of an evolving Iranian threat and how do we keep our options open for the continued evolution of either Iranian or North Korean threats. The threat of ballistic missiles is not going down.

Chairman LEVIN. So that we don't know yet whether it will be possible in the future to have that kind of defense against an Iranian threat without an East Coast site? It may or may not be, is that your testimony?

General JACOBY. My testimony is that as the Iranian threat evolves we need to be prepared to continue improving the resilience, the redundancy, and the agility which I'm provided to defend the entire United States. That could include additional missile sites.

Chairman LEVIN. It could, but we don't yet know; is that correct? We just simply want to keep that option open, but as of right now we have protection for the entire United States and we may or may not be able to have that protection depending on the evolution of an Iranian missile threat without an East Coast site?

General JACOBY. That's correct, Senator.

Chairman LEVIN. Phases 1 through 3 of the Phased Adaptive Approach is going to protect all of NATO Europe against Iranian missile threats by 2018. Phase 1 was deployed at the end of '11, 2011. Phase 2 is due to be deployed in 2015, including a so-called Aegis Ashore site in Romania. And Phase 3 is planned to be deployed in 2018 with an Aegis Ashore site in Poland.

Will this plan and capability provide in fact better coverage of Europe than the previous plan, General?

General JACOBY. Senator, I believe that as rolled out, I think that we are making steady improvements in the plan.

Chairman LEVIN. Is this plan as far as you're concerned going to protect all of NATO Europe against Iranian missile threats you 2018?

General JACOBY. I would defer to the EUCOM commander.

Chairman LEVIN. I'm sorry. I really did intend this to go to Admiral Stavridis. Forgive me.

Admiral STAVRIDIS. That's fine. Yes is the answer.

Chairman LEVIN. These questions should have been addressed, these last two questions, to you, Admiral. I'm sorry.

Is this Phase 1 through 3 approach that is now the approach that has been adopted a solid approach and do you support it?

Admiral STAVRIDIS. Yes, sir.

Chairman LEVIN. And is it at least as good an approach as the previous one and perhaps better?

Admiral STAVRIDIS. Well, I think it fulfills the capability and the requirements, sir.

Chairman LEVIN. All right. So would you say it's at least as good an approach?

Admiral STAVRIDIS. Yes.

Chairman LEVIN. Do the Europeans like this approach?

Admiral STAVRIDIS. So far, so good. I will know more when I get back to Europe and have a chance to talk to them later this week.

Chairman LEVIN. Now, Admiral, let me ask you about Afghanistan. Are the Africa security forces on track to assume the security lead throughout Afghanistan later this spring?

Admiral STAVRIDIS. Yes, sir, they are. They currently have 87 percent of the population under their remit and that will go up to 100 percent this year.

Chairman LEVIN. Do you support the President's decision to draw down 34,000 U.S. troops from Afghanistan by February of 2014?

Admiral STAVRIDIS. From where we sit today, I think that looks like a good—looks militarily supportable.

Chairman LEVIN. Admiral, will NATO support—excuse me. Will NATO negotiate a status of forces agreement with Afghanistan applicable to any NATO forces participating in a post-2014 mission in the same way that we are negotiating a status of forces agreement to protect U.S. forces deployed to Afghanistan after 2014?

Admiral STAVRIDIS. Yes, sir, that is the intent.

Chairman LEVIN. Is this a parallel negotiation? Is it one negotiation?

Admiral STAVRIDIS. No, sir, it's going to be sequential. We're going to conclude the U.S. BSA, it's called, and then we will move forward with the NATO one after that, using the U.S. one as a basis.

Chairman LEVIN. Admiral, relative to Syria: In your prepared statement you outlined the impact of the civil war in Syria on certain parts of your AOR. Can you give us some of the NATO or European thinking as to whether or not the alliance should increase its involvement in Syria through direct lethal support to the opposition, possibly the creation of humanitarian buffer zones, and possibly the destruction of Syria's air defenses or part of Syria's air defenses?

Admiral STAVRIDIS. Sir, as we all know, the Syrian situation continues to become worse and worse and worse—70,000 killed, a million refugees pushed out of the country, probably 2.5 internally displaced, no end in sight to a vicious civil war. The alliance has taken a position that it will follow the same sequence that was used in Libya, which is to say prior to NATO involvement there would have to be a U.N. Security Council resolution, regional agreement, and agreement among the 28 nations.

So within NATO channels what we are focused on is defending that border with Syria and, as you alluded to, chairman, in your statement, we've moved Patriot missiles down to do that.

In terms of what else is happening, on an individual nation by nation basis there's a great deal of discussion of everything you mentioned—lethal support, no-fly zones, arms embargoes, etcetera. It is moving individually within the Nations, but it has not yet come into NATO as an overall NATO type approach. The NATO piece at the moment, again, is focused defensively, planning, being prepared, but the movement at the moment is in the individual national capitals.

Chairman LEVIN. Finally, does that movement include at least some countries that are thinking about the possibility of going after at least some of Syria's air defense?

Admiral STAVRIDIS. Yes.

Chairman LEVIN. Good. Thank you.

Senator Inhofe.

Senator INHOFE. Thank you, Mr. Chairman.

I sure want to get some clarification out of you guys on this thing, because I'm very disturbed over some of the answers that you just gave. I know that, General Jacoby, perhaps that would have been better asked of the Admiral. However, you're responsible for the homeland. And when we talk about the capability of Iran we're talking about both Western Europe and eastern United States. You both agree with that.

If you're saying that the ground-based interceptor in Poland along with the radar that was in the Czech Republic was something that—I think we all agreed at the time that was primarily for that protection, the eastern United States. Yes, we have ground-based interceptors. We all agree that we're glad we went back to 44 instead of 30. But that's still primarily—and I'm comfortable with anything coming from that direction.

We're talking about Iran now. Now, when you say that you're comfortable—I ask probably you, Admiral—with what we have in the place of what was taken down to accomplish that, is that depending upon the SM3-2A in any way?

Admiral STAVRIDIS. As I see the landscape for the European defensive piece of this, Senator, from Phase 1, 2, and 3, I think it will pace the Iranian threat through that period, and it would include therefore the SM3-2A as the 2018 weapon that would provide the coverage for Europe.

Senator INHOFE. Well, Europe and eastern United States?

Admiral STAVRIDIS. No, sir. I defer to Chuck on that, but Phase 1, 2, and 3 is strictly for European defense. And over to Chuck on how the homeland—

Senator INHOFE. All right, General Jacoby. You and I have talked about this before. Tell me, how do you assess the threat to the eastern United States with our capability right now?

General JACOBY. We have a plan that's based on limited defense of the entire United States and, given the threat that is represented by Iran to the eastern United States today, we can cover that threat. The question is making sure that we pace that threat as it evolves.

Senator INHOFE. Admiral, you say yes, you need the SM3-21, and yet our intelligence, as you heard me say several times and we talked about it in my office, would give us the system by—Iran would have a weapon and a delivery system by 2015. That's been in our intelligence estimate since 2007. We had General Kehler in here and he said, when I asked him that question—this is a quote now. He said: "I'm confident that we can defend against a limited attack from Iran, although we are not in the most optimum position"—"posture to do that today."

Do you agree with him?

Admiral STAVRIDIS. I think today what we have is the Phase 1 system, which is the SM3-1A, a radar in Turkey, Aegis ship at sea.

I would agree with him that we are not optimally positioned, and the faster we can bring on the additional phases the better, absolutely.

Senator INHOFE. Wouldn't we be better off if we had stayed with a system that would give us that capability by 2015, which was what they were anticipating at that time? Not that it makes a lot of difference. That was done. It shouldn't have been done, but it was done four years ago. But nonetheless I don't want to put you in that position.

Admiral Stavridis, how will the budget cuts impact the EUCOM missile defense program called the European Phased Adaptive—now, I want to ask that question—you've partially answered it—I'd like to get that for the record, because I want all the detail in on this as I can get, because I've been deeply disturbed since the President's first budget came out 4 years ago when we did away with that system.

Now, by the way, it wasn't just that we did away with the ground-based interceptors in Poland and the radar in the Czech Republic. It was that we had told them that we were going to do that. I always will remember when Vaclav Klaus—and I was with him. This would have been back when they first agreed to do this. He said: You know, we're taking a lot of risk here. We're upsetting Russia. We want to make sure that you don't pull the rug out from under us if we agree to this.

And I said: Absolutely, that won't happen. And of course that's what did happen.

Let me—the situation that we have right now in Africa is very much dependent upon the command that has all the assets there. In my office, in talking about the Southern Command, you talked about the amount of drugs that are taking place right now and the proliferation of drugs. I remember when you had that command, Admiral, you said the same thing.

I'd like to have you share with us, with this panel, the seriousness of that drug problem that is down there and how the drug cartel—no one's paying that much attention to it now. But is that producing a lot of assets that are eventually going up into western, southern, and northern Africa? Right now they're getting the money from someplace, and I think you would probably share that that's one of the major areas of financing that activity in Mali and other areas.

General KELLY. Yes, sir. There's two aspects in—let's talk cocaine primarily here. There's cocaine that comes into the United States in large amounts and has a very adverse effect, obviously, and a very expensive effect on our country. And then there's a great deal of cocaine produced—and all of that cocaine that comes to the United States is primarily from Colombia. I have to give them a shout-out. They have done a tremendous job working shoulder-to-shoulder with us. They have tremendous appreciation for what the United States Government and its people have done for them over the years to defend against the traffickers and the insurgents that they've dealt with.

They are now—they have fallen, if you will, to the number three producers of cocaine in the world. Number one and number two are Peru and Bolivia. The vast majority, in fact I would say 100 per-

cent, of that cocaine goes into Brazil. Brazil is now the number two consumer of cocaine and also is the traffic path, if you will, to Africa and then further to Europe.

As I mentioned, Brazil is the number two consumer. When the cocaine gets to the west coast of Africa by various means, Africa is not a particularly big consumer of cocaine, but it's a trafficking route up to northern—to the north and to Western Europe, which is a very big consumer of cocaine. And everyone takes a little bit. All the cartels, all the bad guys along the way, take a little bit of a cut.

So an awful lot of what's going on in West Africa in particular and then up through the Maghreb, there is a fair amount of—

Senator INHOFE. So a lot of it is coming from there and is being channeled up there, because somewhere a lot of money is appearing on the scene in those areas around Mali and that portion of Africa.

General KELLY. Exactly. Exactly right, Senator.

Senator INHOFE. One last thing. This morning I was on a talk show with a rather liberal host, who was—we were arguing this thing, which we had a modest disagreement and hopefully it'll be cleared up by information on the record, about Iran. The response was: Well, they're not going to do anything because they know they'd be blown off the map immediately.

Well, he didn't use the term, but what he was talking about was the old relic that used to work, mutual assured destruction. Are the three of you as confident with the threat that would come from a party such as Iran, that mutual assured destruction has the deterrent value that it did back in the days of the Cold War, just real quickly?

Admiral STAVRIDIS. I think Iran is a very difficult nation to assess, so I think it would be less certain as a proposition.

Senator INHOFE. General Jacoby?

General JACOBY. I think they're very different, very different strategic contexts, and I think we have to be wide-eyed with how we approach Iran. As the commander responsible for the defense of the homeland, we are going to focus on the defend piece of this. That's not part of mutually assured destruction, and I think it's appropriate.

Senator INHOFE. That's a tool in the quiver, though.

General?

General KELLY. No.

Senator INHOFE. Thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Inhofe.

Senator Reed.

Senator REED. Well, thank you very much, Mr. Chairman.

Thank you, gentlemen, for your service. I particularly want to thank Admiral Stavridis for his extraordinary service in many different capacities. As you leave your command, thank you, sir, for your efforts.

Let me just begin with a question to Admiral Stavridis. Part of our long-term strategy with respect to Afghanistan, since it's a NATO operation as well as a United States operation, is continued support for the Africa security forces. Given the economic crises in

Europe today, what's your perspective about their long-term commitment to supporting these international efforts?

Admiral STAVRIDIS. Sir, I think the Europeans will stay with us in Afghanistan. Historically, they've provided about one soldier for every two of ours, so about 33, 35 percent of the total force. That holds true today. There's 68,000 U.S. and about 35,000, 40,000 Europeans there.

I think they will key on the United States' commitment in the post-2014 period. I think if the U.S. has 10,000 troops there, I think the Europeans would come in with 5,000 or even 6,000 troops. My sense is they want to be with us in this mission. They believe in it, and I think they, like us, are cautiously optimistic that, despite all the challenges, if we stay steady post-2014, we have a good follow-up mission there, that this can succeed.

Senator REED. Thank you very much.

Let me ask all you gentlemen the same question, but from your perspectives as commanders in different areas of the world. We had General Alexander here recently, who talked about cyber. It's a new dimension of warfare. It's evolving very quickly. From the perspective of EUCOM and from Northern Command and from Southern Command, can you just give quick impressions of what you think the biggest challenges are, starting with Admiral Stavridis?

Admiral STAVRIDIS. Sir, I think cyber is the area where we have the biggest mismatch between our level of preparation, which is relatively low, and the level of threat, which is relatively high. In other words, we talk a lot and think about terrorism, weapons of mass destruction, specific enemies around the world. We spend a lot of time preparing for those. In cyber I don't think we've done that level of preparation as yet, and you know that better than most from your conversations here with General Alexander.

The good news is, from a European perspective, here is a pool of partners who are quite advanced in this area. The British, the French, the Germans are all quite capable. NATO as a whole is seized with this. We've created a center for cyber security in Tallinn, Estonia, a nation that suffered a cyber attack.

So I think as we move forward with this, the ideas of partnership and linkages in NATO and in Europe are going to be a positive aspect of it, and I'm working with General Alexander on that.

Senator REED. Thank you.

General Jacoby, your perspective?

General JACOBY. Senator, from NORTHCOM's perspective, my principal role will be to respond to a cyber event, just as I do to any support to civil authorities. It's a very difficult challenge for us because it's more like an earthquake than it is a hurricane. It'll be in network speed, so it'll be probably unannounced, and we'll have effects rapidly.

So we're working closely with FEMA on modeling, along with Cyber Command. What could the effects be across various systems and critical infrastructure? Also, defending the homeland, I think there were important steps made with the executive order and the PDD that helps us start better defining roles and responsibilities of agencies and organizations within the homeland.

There's a lot of work to be done on that, though. It's complicated and we're going to have to continue exercising and training against that threat.

Senator REED. And your preliminary estimate is that for a reasonable sort of threat that exists today, the cost to the country could be staggering in terms of a—

General JACOBY. I think that we had a glimpse of the kinds of cascading effects that you can have from a cyber attack in Hurricane Sandy, when you saw the amount of power outages and the ripple effect that that had across not just the State, but a region, across not just people, but the economy. I think that was a glimpse of the kinds of effects that you could create with a cyber attack. So that's why it's got our attention.

Senator REED. And that's why in individual industries, given the potential catastrophic costs, preventive, preemptive action today would be more than cost justified in your—

General JACOBY. Senator, I think that the President's PDD sets some standards and some goals and identified the correct relationships between commercial, private, and government. But I think there's a lot of work that still needs to be done on the gaps and seams that could exist between those.

Senator REED. Thank you.

General Kelly, from your perspective in SOUTHCOM?

General KELLY. Senator, I'm not sure I could add that Jim Stavridis and Chuck haven't already mentioned. I will say this, though, to give some perspective. Throughout my AO, area of operation, it's probably the one single threat that every nation down there, whether they're particularly friendly to us or not, it's the one single threat they talk to us a lot about and ask for our help. We're trying to give them that, but don't have much in the way of that capability at SOUTHCOM right now.

Senator REED. Thank you.

General Kelly, too, one of your major efforts is counternarcotics, interdiction, etcetera. I presume that you're seeing huge pressures as naval forces are withdrawn because of budget pressures. But also, can you comment on the role of Coast Guard, because even though it's not the jurisdiction of this committee, I presume that it plays a very large role, too. And if they're not able to deploy ships into your AO that could degrade your ability to respond to narcotics.

General KELLY. Yes, sir. Senator, first of all, the Coast Guard plays a very big role in my life and I think I play a big role in their life down in that part of the world. We are partners joined at the hip and shoulder to shoulder. But as you say, even without sequestration I occupy a seat that is very definitely the economy of force seat of all of the combatant commanders. So we didn't get much then and we get just about zero now if sequestration stands.

What that translates to is last year roughly we got 150 to 200 tons of cocaine on the high seas, Coast Guard and U.S. Navy shoulder to shoulder. Next year all of that will make its way ashore and into the United States. So sequestration in particular—didn't have much before and we'll have just about nothing if sequestration stands.

Senator REED. Let me tell you, not much has changed. In 1969 I was with the 4th of the Tenth Infantry at Fort Gulick, the economy of force was quite obvious even then. So at least that's consistent.

One area that's been mentioned before is the foreign policy, if not the military role, of Iran and China in areas like SOUTHCOM. Have you noticed a significant increase in activity, not military activity, but diplomatic activity, economic activity, by both these countries?

General KELLY. The short answer is absolutely. One of the things I'm supposed to be doing down there is making sure the United States remains the partner of choice in Latin America. But a partnership is a two-way thing, I think you'd agree, and it's very one-way now. They very much want the United States in their lives, with the exception of the two or three of four of them, very much want the United States in their lives.

So we don't bring much any more. We have great trading relationships with them. We have great military- to-military contact. But when you have an organization like the Chinese come in there, just economically powerful, spending a lot of money, whether they're increasing infrastructure at ports, the Panama Canal, or just going in and buying everything that they want in large, large quantities—so that partnership with China is very strong.

They do the best they can to establish mil-to-mil partnerships and they do pretty well in that. So that's China.

On the Iranian side, we've seen a fairly significant increase in their desire to establish relationships. Obviously, Venezuela to date has been kind of the central core of that. But over the last several years they've done pretty well in other locations. They don't really need, now that Chavez is gone, regardless of what happens in Venezuela, they don't really need that support any more. They've got some positive relationships.

Some of these things, who knows where they're going? It's not a huge threat now. But I think anywhere they go, particularly when they go to a region that is completely different than they are culturally, religiously, and all the rest, I think they bear watching.

Senator REED. Thank you very much.

Thank you, gentlemen.

Chairman LEVIN. Thank you, Senator Reed.

Senator McCain.

Senator MCCAIN. I want to thank the witnesses for being here and their outstanding and dedicated work, especially you, Admiral. This is probably your last appearance before this committee and we thank you for your years of outstanding and dedicated service to the country.

I'd like to ask each of you as succinctly as possible if you could tell us the specific impact that it's having and will have on the morale and readiness, and including retention, of sequestration within your areas of responsibility. Maybe begin with you, Admiral.

Admiral STAVRIDIS. Yes, sir. It is obviously significant and negative in all elements that you mentioned. I want to begin by saying the particular area that I'm concerned about in morale and retention is in our civilian workforce, where we have these marvelous civilians who do extraordinary work, stand with us every single

day, and yet they are facing the possibility of furloughs, 20 percent pay cuts, and so forth.

My own headquarters is reduced by about 25 percent in terms of our efficiency and our ability to support our missions. Our actual operations in the Balkans, in the Levant, our ISR, intelligence, surveillance, reconnaissance, are all reduced at about that level. I'm cancelling about 140 security assistance programs that help us build this base of support I was talking to Senator Reed about in Afghanistan.

Indeed, even on the family side, the impact on our children, who are going to be facing school day cuts and furloughs of their teachers is significant and is part of this whole challenge for us.

Then as we look forward and we look at the cuts in force structure and platforms that are coming, overall it's a very difficult and challenging picture, sir.

General JACOBY. Senator, many of the same comments as Jim had. I would say that we're the command with the most civilian personnel assigned to the command. They work across all of my mission sets to defend the homeland and to support civil authorities and working with our partners in the region. So this is having a significant impact on them and their families as they look forward to some real uncertainty in what's the take-home benefit here.

I would also say from a soldier's point of view on this, Senator, you know we have a generation and a force out there that knows what right looks like and they know it's not right that they don't have the tools that they need to train and maintain readiness. Through '13 the services are very challenged to meet their readiness requirements and '14 is really unknown at this point.

I do not have a lot of assigned forces to defend the homeland. I count on trained, ready, and available forces from the services. So degradation in service capabilities to provide me from the F-16's that I do Noble Eagle with, to the mobile training teams that form the basis of our partnership with our Mexican partners. All of those things are under stress right now and are part of the sequestration bill on the force.

General KELLY. Senator, the immediate impact on SOUTHCOM is our counterdrug interdiction, detention, and monitoring operations will—

Senator MCCAIN. You just said that—

General KELLY.—go to zero.

Senator MCCAIN.—you would not be able to interdict the drugs next year that you were able to this year.

General KELLY. Exactly right.

On the engagement piece, I've had to cancel probably 50 percent of my engagements. These are small-term engagements. These are training exercises that might involve 12 or 15 soldiers, sailors, airmen, Marines or something like that. There's a sense, however, as we go down this road—and I certainly can talk to the Latin American countries. There's a sense that they have that we are withdrawing. Partnership is important, but it's got to be a two-way street. They've got to believe we'll stay engaged. I don't think, increasingly I don't think they believe that, which changes a large part of the strategic equations, I think, for our country.

Then on the morale issue, Jim Stavridis talked about his civilians. I would ditto that. Our civilians are great folks.

Senator MCCAIN. What about the desire of the uniformed military, the real good ones, to stay in?

General KELLY. Well, I think the Senator knows—

Senator MCCAIN. I notice that all three are—

General KELLY. I've got time in the ranks. I was a former enlisted Marine. I admittedly look at a lot of these things through a sergeant's eyes and I'm proud of that. They're wondering what the heck's going on. Less than 6 or 8 months ago they were "Thank you for your service" and "You guys are the greatest" and "You fought the wars." The families, the Gold Star families, they're confused now because it's now dollars and cents. I think there's a sense that we've begun to turn our backs on them, is how I see it.

Senator MCCAIN. So we are—I think from what the witnesses said we're doing them a grave disservice. For the record, would you speak—

Admiral STAVRIDIS. Yes, sir.

General JACOBY. I concur, Senator.

General KELLY. Yes, sir.

Senator MCCAIN. Thank you very much.

Admiral Stavridis, last year at this hearing I asked if the North Atlantic Council had directed NATO to do any contingency planning whatever for possible NATO involvement in Syria. Is NATO doing any military planning now for any potential Syria contingencies?

Admiral STAVRIDIS. Sir, we are. We are looking at a wide range of operations and we are prepared, if called upon, to be engaged, as we were in Libya.

Senator MCCAIN. As you know, NATO has deployed Patriot missile batteries to southern Turkey to defend Turkey against contingencies in Syria. Are those Patriot missiles capable of shooting down aircraft?

Admiral STAVRIDIS. Yes, sir, they are.

Senator MCCAIN. Are they capable of shooting down Scud missiles?

Admiral STAVRIDIS. Yes, sir, they are.

Senator MCCAIN. Are they effective in a 20-mile range?

Admiral STAVRIDIS. Yes, sir.

Senator MCCAIN. Can they be positioned in southern Turkey in such a way they could shoot down some of Assad's aircraft?

Admiral STAVRIDIS. Depending on range and altitude, yes, sir.

Senator MCCAIN. Would you agree that shooting down a few Syrian aircraft would serve as a powerful disincentive for pilots to fly in that area?

Admiral STAVRIDIS. I think that whenever aircraft are shot down that is a powerful disincentive.

Senator MCCAIN. Is it your opinion, Admiral, that it is time that we help the Syrian opposition in ways that would break what is a prolonged civil war?

Admiral STAVRIDIS. I think that that option should be and is being actively explored by all the Nations who are looking at this.

Senator MCCAIN. But could I ask your personal opinion?

Admiral STAVRIDIS. You can. My personal opinion is that would be helpful in breaking the deadlock and bringing down the Assad regime.

Senator MCCAIN. I thank you.

General Kelly and General Jacoby, as you know, we are engaged in comprehensive immigration reform. Obviously, coming from a southern, a southwestern State, the issue of border security is very important. The focus is on immigration of illegal people crossing our border illegally, but both of you have pointed out that a primary reason for border security is the flow of drugs.

Isn't it true—I think, General, you told me that the majority of drugs, cocaine, that comes into the United States comes across our southern border? Maybe you could talk a little bit about the challenges that we face in securing this Nation from the flow of drugs, as well as that of people who come to this country illegally?

General JACOBY. I'll start with that, Senator. The Northern Command supports civil authority on the southwest border, principally law enforcement agencies and DHS, through Customs and Border Patrol. We do that by fulfilling requests for support and provide some unique military capabilities to do that. It's to our mutual benefit to do that.

It's my opinion that borders should be the best part of the relationship between two countries. We have a tremendous trading relationship across that border, so there is a tension between the security and the economic piece of this.

I think that, as well as we do in security across the border, we will always be in a position of needing to improve it, because we are dealing with an adaptive, ruthless, relentless criminal organization. So in the end our experience has been—or I'll speak for myself. My experience has been we're going to have to take on the network on both sides of the border and in all of the areas of responsibility to really have an effect on security.

Senator MCCAIN. You would agree that technology is really the answer? People are important, but the lessons and technology we've developed in Iraq and Afghanistan in the form of drones, in the form of sensors, they are really key elements, I think. Is it your view—do you agree?

General JACOBY. I absolutely agree that all of our partners should be leveraging every technical capability we can. We've seen that be effective across a number of borders that we've worked.

General KELLY. I'll comment on any you want, obviously, Senator, but on the technology issue—

Senator MCCAIN. Flow of drugs first. You mentioned to me—

General KELLY. Flow of drugs. In the so-called transit zone, the drugs come up from South America in very large—talking cocaine here—in very, very large, multiple ton packages. Once it gets ashore in Honduras and starts to flow through Guatemala—and by the way, the Hondurans, these are great partners. They are really with us in this fight, to the tune of tens—many, many thousands of deaths a year.

But once it gets ashore in Guatemala, in Honduras, and starts to flow through Guatemala, gets up into Mexico, which is again outside of my zone but a tremendous partner, it essentially enters a distribution system that is at least as effective as Federal Ex-

press. I mean, it is moved, broken down into packages, and makes its way across our southern border.

As I mentioned yesterday in an office call with you, virtually all of the heroin that comes into the United States is produced in Mexico, makes its way across the border, and that applies to methamphetamines as well. It's almost all produced outside the country and makes its way across the border.

On the technology issue, there's a time—and this wasn't Kelly's idea. My predecessor put this together. Rather than have U.S. Navy ships and Coast Guard cutters just meandering their way across the ocean looking for people, they've got it down to such a science down there now, basically using ISR, electronic intercepts, and a lot of other means, highly technical means, essentially they can tell a U.S. Navy ship, we can tell a U.S. Navy ship or cutter, to go to a certain location on the ocean, kind of look off the starboard bow, and you see that guy going 40 knots, stop him. He's got 4-1/2 tons. And oh, by the way, they can almost always give the name of the driver.

So the technology piece is huge. In my AO it resulted in 150, 200 tons that we know of of cocaine taken off the market.

Senator MCCAIN. Could I just say, but the flow of cocaine into the United States of America has not appreciably decreased. Is that correct?

General KELLY. There is plenty of cocaine on the streets of Boston, Chicago, and L.A. So we get a lot. The shout-out again to Columbia; they get a lot on our behalf. Honduras, Guatemala, they get a lot, El Salvador. But we could do a lot more, but there's enough getting through, obviously, Senator, yes, sir.

Senator MCCAIN. Thank you, Mr. Chairman.

Chairman LEVIN. Senator Blumenthal.

Senator BLUMENTHAL. Thank you, Mr. Chairman.

Just the follow that question, General Kelly, what more can and should the United States do in your command and potentially others?

General KELLY. If you're speaking, Senator, about drugs, just more assets. As I say, we're very, very good at locating—we understand the network certainly south of Mexico, and I can only speak to that. We understand the network very, very, very well. We can vector airborne ISR assets, all sorts of airplanes, any airplane, to look for them. Once we identify them, we can then tell surface ships to pick up, whether they're go-fast boats or whatever.

A key point here, if I could. If we get the—if we get the drivers of the boats, we can very quickly turn that, because they enter our legal justice system. Honduras, Guatemala, places like that are extremely helpful to us, but if they get the drivers of the boats or the pilots of the airplanes, we don't get the same turnaround in intelligence just because of the nature of the network.

But they're with us. More assets equal more tonnage. Less assets equal less tonnage.

Senator BLUMENTHAL. Let me pursue the illegal drug trafficking question with a question about human trafficking, that is the flow of people, in effect, who are exploited either with bad working conditions, substandard working conditions there or in this country,

sex exploitation and so forth. To what extent has that been a concern and what measures can be taken against it?

General KELLY. Let me—

Senator BLUMENTHAL. And I'll ask all three of you that question, if I may.

General KELLY. We watch an awful lot of flow that come in from the Middle East, come into the traffic pattern, if you will, in Latin America, and then they disappear up into the United States. So it's a network. It's highly efficient. Anything that gets on that network, if you can pay for it, has got a pretty good chance of getting through.

So I look at high-value, high-interest people. You don't pay a lot of money to come from, say, Pakistan, fly to Latin America, and then get up into the United States. We're not talking about the kind of people who are economic refugees. They have other business, if you will.

And I think Chuck Jacoby probably has an answer on the other part of this.

Senator BLUMENTHAL. General Jacoby.

General JACOBY. Senator, I think the thing that all of this illicit activity has in common, whether it's people, drugs, money, weapons, is this complex criminal network now that has grown in size and capacity and ruthlessness and the ability to find the vulnerabilities across our broad frontier, and within nations that are good partners with us, Central, South America, Europe, and Mexico.

So they are exploiting weak institutions or just vulnerabilities that exist. So in my view, after looking at this closely—and John and I talk about it a lot—more steps that we take to put pressure to disrupt and defeat this network is I believe the really high pay-off activity in terms of all of the illicit activity, whether it's people, whether it's drugs, whether it's money or weapons. A very powerful organization that really hasn't been taken on in the way it should.

Senator BLUMENTHAL. Admiral?

Admiral STAVRIDIS. Could I, two quick points on that. One is, in addition to everything Chuck just reeled off that moves on these networks, we need to remember the truly dark edge of the spectrum is weapons of mass destruction. These routes, the ability to move ten tons of cocaine in a mini-sub, well, if you can move ten tons of cocaine you can put a crude nuclear device in that and move it into the homeland. So that's what I really worry about as the SOUTHCOM commander, and I think it is also very pertinent today when you look at proliferation.

The second point, to the drug question. We talked a lot about cocaine. There's also a heroin issue. Heroin of course comes from opium, from poppy, 80 percent of which is produced in Afghanistan. So there's another narcotic flow, if you will, that comes up through the Balkans, across Europe, and into the United States, that is worth considering as we discuss this trafficking point.

I completely agree with my fellow combatant commanders here that these trafficking routes are crucial elements of 21st century security that don't get enough attention.

Senator BLUMENTHAL. Are these—

General KELLY. Senator, if I could just comment.

Senator BLUMENTHAL. I'm sorry. Go ahead.

General KELLY. The fact that an awful lot gets onto this traffic pattern and into the United States, I think we have to acknowledge the fact that we have hundreds and even thousands of very, very, very dedicated law enforcement personnel. I have them. I think we probably all have them in our headquarters—DEA, FBI, DOJ, Treasury, Border Patrol agents.

These people are hugely dedicated people that are fighting this fight shoulder to shoulder with us. So we have to acknowledge, I think, the fact that we have—they're not in uniform, or at least they don't wear military uniforms. We need to give them the credit that they're due, a very, very tough job. But they're overwhelmed by the, as Chuck points out, the intricacy and the efficiency of this networking, the ruthlessness of it. But we need to remember they're true heroes in every sense of the word.

Senator BLUMENTHAL. These networks really are not only ruthless, they're also relentless, because the amounts of money are so huge. I agree with you that our civilian law enforcement authorities, which at a prior point in our history would have been relied on completely to combat these networks, now has been outgunned and outmanned and outresourced by those criminal networks.

So we've relied increasingly on the great work that you and the men and women under your command have done. I wonder whether you feel that either more resources to them or more coordination with you is perhaps an answer to dealing with these networks?

General KELLY. If I understand the question, Senator, I'm a believer in the away game. I go back to the efficiency of what we do in Southern Command with the United States Coast Guard and all the inter-agency, whole of government partners that we have across the U.S. Government, not to mention our partners. So when I talk in terms of what we do in the South, I talk in terms of multiple tons at a time, 10 to 20, in that range.

Once it gets ashore and gets into this landward trafficking network, the efficiency of it is just unbelievable. These large amounts are broken down into very small amounts and smuggled across the border in thousands of trunks, floorboards, containers. In my opinion the place to get it is before it ever gets ashore.

Senator BLUMENTHAL. Do you share that view, General Jacoby?

General JACOBY. Senator, yes, I do. The border itself is not the optimum place to stop this, where it's in small loads, it's in tunnels, it's in ultralights, it's in Panga boats that are going around the coast. So the industrial work that can be done, larger than that, though. I believe that these are global networks that we need to treat as threat networks, that threaten our security, and we need to come up with the policies and the partnerships to put pressure on this network and this network of networks, the financiers, the leaders, the logistics, the operators, all the folks that we've learned how to go after in our threat network work that we've done in the past.

Admiral STAVRIDIS. Could I just add, one thing we've done, speaking of the away game, in the U.S. European Command is put together a joint inter-agency counter- trafficking center, kind of modeled on JIATF South, the one down in Key West. Very low-cost, whole of government, bring in the partners and try and find and

get at these routes, land, sea, and air. It's that whole of government inter-agency approach that will succeed.

Senator BLUMENTHAL. Thank you.

I want to thank you all for your very helpful testimony and for your extraordinary service to our Nation. I think, General Kelly, your testimony about morale and the need to make sure that we maintain what attracts the best and brightest and bravest to our military is very much on point at this time in our history.

Thank you all for your service and your testimony today. Thank you.

Chairman LEVIN. Thank you, Senator Blumenthal.

Senator Chambliss.

Senator CHAMBLISS. Thanks, Mr. Chairman.

Gentlemen, to each of you, thanks for your service, thanks for your leadership. To all the men and women that serve under you, please convey to them our heartfelt thanks for their great commitment to freedom.

Admiral, I'll echo what the chairman said to start with. We're going to miss you. You've been such a great asset to our country. You've also been a good friend. So we're sorry to see you go, but we're very thankful for your service.

There's a press report today that there may have been the use of chemical weapons in Syria. There are allegations being thrown from both sides, the rebel side and the government side. Any information you can tell us about that with respect to the use of chemical weapons, particularly in the Aleppo area where it's alleged?

Admiral STAVRIDIS. Sir, I think I'd best take that for the record and provide that at a classified level.

Senator CHAMBLISS. Okay. With regard to Benghazi, Admiral, I know you were put on high alert during the course of the attack that took place at the mission and the annex. There were lots of failures, it looks like, from an intel standpoint as well as some issues of leadership regarding what should have been done. Can you give us your look-back now from the perspective that you had then with what you were being told and give us a lessons learned on Benghazi?

Admiral STAVRIDIS. Sir, I think my job from U.S. European Command was to serve, if you will, as the back office for Carter Ham. I know Carter has been up and testified and I understand he's going to provide a detailed classified for-the-record kind of ticktock of how this unfolded.

What we did and what I saw was immediately after the attack we started chopping assets to General Ham, starting with ISR, so we could get Predator coverage up overhead. We began moving, at General Ham's request, the Commander's In Extremis Force, which was under his and my joint OPCON. He took control of that, moved it from Croatia to Sigonella.

He requested and we moved two FAST teams, these Marine quick response teams, from Rota to Souda Bay in Crete. We spun up all of our C-130s and C-17s. We tried to, from a U.S. European Command perspective, to just push forces south and forward to General Ham.

I think to the degree there are lessons learned here, you alluded to the intelligence piece, which I think is really the critical thing,

because we have to defend hundreds of these critical locations all around the world. We need to ensure that as the intelligence breaks we are reacting as quickly as we can. Time and distance are a tyranny of their own.

I think the bottom line from this particular incident from a EUCOM perspective is the value of having these bases in Europe so that we can move these forces forward, and even within the European area we can move them from the north to the south and get as close to the action as possible to support the combatant commander who's in charge, in this case Carter Ham.

So that's a quick overview, sir. I can provide a little bit more on the record from a classified perspective as well.

Senator CHAMBLISS. Okay. Well, we'll ask that you do that on both of those questions, relative to Syria and any additional classified info on this.

General Kelly, during the SOUTHCOM budget hearings for fiscal year 2013 General Fraser commented on the capability of the Joint STARS platform in the region that was successfully being utilized to interdict drug trafficking and detection and monitoring of wide-area surveillance. Currently the 116th from Robins flies two Joint STARS missions per month in support of your operation at SOUTHCOM from a counternarcotics standpoint.

Can you enlighten us as to the use of Joint STARS and what future plans you have to leverage this asset, as well as other ISR platforms in your region?

General KELLY. Senator, JSTARS is very, very important in what we do in the counterdrug effort. We're probably going to lose our JSTARS support because of sequestration, so that's essentially off the table. But they're hugely effective in that wide-area look as we begin the process of identifying the drug traffickers as they come up out of the northern tier of—well, Colombia, primarily Colombia and Venezuela.

If we lose that, it makes it harder. But that's the reality. All ISR—and we use anything—much of the ISR we use is—an example, are ISR that are just out on training missions. We have like bombers as an example, that are going to go up and train anyways. U.S. Air Force will vector them down to the Caribbean area. They get their training, they get their flight time, and they help us out.

So a lot of it was whatever fell off the table or whatever I or General Fraser, better than I am at it, what he could beg out of the services. That basically is going away, so it'll make it infinitely more difficult to identify the patterns in the not-too-distant future.

Senator CHAMBLISS. Well, I hope with maybe some flexibility that we're giving to all of your commands in the CR that hopefully will get completed in the next couple of days, maybe we can figure out a way to continue to utilize some of those platforms.

General Kelly, again, with the demise of Hugo Chavez, what can you tell us about the future leadership in Venezuela, plus relationships with the United States? Is it going to improve, is it going to denigrate? Which way is it going to go?

General KELLY. Senator, I think it's safe to say essentially the rising stars now that Chavez is gone are from the same point of view, same old crowd, if you will. The expectation is that the vice president will win the election in April.

But I think the Senator knows this. The economy there, the oil production infrastructure, all of that is really on the edge. It's a very, very violent country. So the vice president when he wins that election or is likely to win that election is going to inherit all of the problems that already existed there, and they're pretty critical.

The one difference is he does not have the charisma that Chavez had with at least 51 percent of the country. So he's got his hands full. But we don't anticipate—it's really a State Department question, I think. But from my perspective, we don't anticipate any real change between our country and the Venezuelan government, at least in the short term.

Senator CHAMBLISS. Admiral Stavridis, I was not a proponent of the START Treaty, primarily because it did not address tactical nuclear weapons. Now, the Russians we know have continued to, if not increase their arsenal, certainly modernize their inventory of tactical weapons. What information can you give us relative to the continued production of nuclear weapons or the modernization issue relative to tactical versus strategic by the Russians?

Admiral STAVRIDIS. Sir, at an unclassified level, you are correct that the Russians continue to have a significant inventory of tactical nuclear weapons. They are maintained, they are upgraded. It's part of their planning and their theory.

I would like to come back again with a classified answer that would give you a little bit more detail. But it is a concern and I watch it closely from a NATO perspective.

Senator CHAMBLISS. Again, if you will follow up with us on that in a classified setting.

Admiral STAVRIDIS. Aye-aye, sir.

Senator CHAMBLISS. Thanks, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Chambliss.

Senator Donnelly.

Senator DONNELLY. Thank you, Mr. Chairman.

I want to thank all of you for your service. Admiral, thank you so much. General, thank you. General Kelly, thank you so much. Especially if you would pass that on to all the men and women who are in harm's way every day, because they don't always hear it, but they sure are the ones who protect our freedom.

General Kelly, you had talked about the criminal networks, all of you have, that we're facing. It is our law enforcement combined with our military facing these criminal networks. Are there nations who are working with the criminal networks on the other side, who are partners with them in a number of these efforts? And what can be done in regards to that? General Kelly or whoever wants to take the first crack at that?

General KELLY. With the exception of a couple possibilities in SOUTHCOM, I'm confident that there are no governments—in fact, I would say across SOUTHCOM there's no governments that are supportive. But there are high officials within governments that are supportive, many of them for just their own personal corruption purposes, but I think many of them—a few of them to make life a little bit more difficult for the United States. I'll let it go at that. I wouldn't want to get into the detail in an open hearing.

Senator DONNELLY. Sure.

Admiral STAVRIDIS. I think John is absolutely correct, and this points to another real concern about these networks. It's not just the impact on our populations, our youth that are using the narcotics. The profits are used to corrupt officials, exactly as John is saying, and that undermines these fragile democracies.

I do agree with John, I'd be hard-pressed to name a state that was an identified narcostate. But there are high officials throughout the region and in certainly Afghanistan that are involved in this. So it's extremely pernicious.

Senator DONNELLY. Do countries like Iran or North Korea ever work in coordination with them?

Admiral STAVRIDIS. Not as—I'll speak to Iran. Not as—not as a matter of state policy. In fact, Iran has a very strong and reasonably effective counternarcotics effort. I know that because it's on the border with Afghanistan and we have opportunity to understand what's happening over there. And I think you'd find, if you asked the DEA, that Iran can be very effective in counternarcotics.

On the other hand, in all of these states in the region I think there are high officials that are not adverse to being part of that process for financial gain.

Senator DONNELLY. Admiral, in regards to Syria, is there a fear or is there planning as to if and when Assad falls, fears of ethnic cleansing, religious cleansing—

Admiral STAVRIDIS. Yes.

Senator DONNELLY.—and the danger that shows us?

Admiral STAVRIDIS. Sir, there is a great deal of danger in the end game scenario in Syria. Of course, I'm not a Syria expert. That's really General Mattis and U.S. Central Command. But I watch it closely because of my NATO hat. The closest analogue I could give you, sir, is think back to the Balkans in the 1990's, when we had competing ethnic, demographic, religious groups that really turned the Balkans into a nightmare for the better part of ten years.

We saw in the Balkans 100,000 killed, a million people, two million people pushed across borders, two significant wars, one in Bosnia-Herzegovina, one in Serbia-Kosovo. I think, unfortunately, that's probably the future in Syria. It's going to be—after the Assad regime falls, I think there is every potential for a great deal of revenge killing, inter-religious conflict between various segments of the population. It's very difficult to see the pieces of Syria going back together again very easily.

Senator DONNELLY. General Kelly, this is a little bit of an overall general question, which is: What do you see as, other than the cyber discussions that we had, what do you see as the greatest threat coming out of SOUTHCOM to our Nation?

General KELLY. Clearly, in my mind it's the network, the trafficking network that drugs ride on, certainly people ride on, and potentially weapons of mass destruction that could ride on. As I mentioned a little earlier, the concern on the part of many of our Latin American friends and partners is that we're withdrawing, that there's a lack of interest on our part to continue doing what we're doing. They want us in their lives for the most part. Even the countries that are not so friendly to us get great benefit just from what we're doing there, in not only the drug trade, but in trade in general. So those are the kind of two issues, I guess.

Senator DONNELLY. Admiral, as we look forward in EUCOM, you know, one of the discussions on the budget end is, are all the facilities in EUCOM necessary as we look at where danger is coming from in years ahead? Do you believe our partnership-building efforts will result in a smaller U.S. footprint, or is that something where—would having the flexibility to make those decisions as to where changes are made, would that be of assistance to you?

Admiral STAVRIDIS. Yes and yes are the two quick answers. I think, just to put perspective on it, if you recall, 20 or 30 years ago, Cold War, we had 450,000 troops in Europe, 1,200 bases. We've come down 85 percent since then. So we have taken a great deal of infrastructure out of Europe. As we've talked about at the hearing this morning, what remains are really forward operating bases that we need for access into Africa, the Levant, the near Middle East, and into Central Asia.

Having said all that, we should continue to look at the basing structure. We have a study that's in progress by the Department, which will report out at the end of this year. I think we conceivably could over time draw down a bit further. It'll depend, exactly as you said, Senator, on partnerships, on our confidence in access, and how we move within the NATO alliance.

So I think there is room for continuing analysis of it. I feel we're positioned about right for the moment in time in which we find ourselves. But I believe that that downward trajectory over time will probably continue.

Senator DONNELLY. General Jacoby, a little bit of the same version of what I had asked General Kelly. What do you see as the greatest threat in NORTHCOM as we look forward, other than again the cyber piece that we deal with every day?

General JACOBY. I think today, as I said in my opening statement, we've got increased vulnerability in the homeland, and it's because I think there's a closer relationship between the home game and the away game than there's ever been before. To that end, I worry about my area of responsibility, but I have interests in all of the other COCOM's as well. For instance, weapons of mass destruction. A weapons of mass destruction getting into the homeland is any NORTHCOM commander's nightmare. So where would that come from? What route would it ride? What organizations would sponsor it? What threat would seek to deliver a device like that?

That means I have to be closely connected with all the other, all the other COCOM's and the intelligence agencies. So I would say that I'm also—you know, we cannot take our eye off the ball on the terrorist threat and Al-Qaeda. I think they still remain determined to attack the United States.

So the terrorist threat has changed over time. It's manifested itself in different places and different ways. And we've had success against it. But I still believe that they're intent on attacking the United States.

Finally, the no-notice catastrophic event in the homeland and making sure that Department of Defense is not late to need is something that increasingly occupies my attention. In just the year and a half I've been the commander, we've had three major hurricanes, two major wildfires, and Hurricane Sandy being the worst

of those. Those really are times where the expectations of our people are that the Department of Defense is going to provide assistance.

So that's kind of the panoply of things that keep me up at night.

Senator DONNELLY. Thank you all for your service and for what you've done for our country.

Thank you.

Chairman LEVIN. Thank you, Senator Donnelly.

Senator WICKER.

Senator WICKER. Thank you, Mr. Chairman.

Admiral Stavridis, let me do a little follow-up. Senator Donnelly just asked if and when Assad falls and you discussed his question about ethnic cleansing. If and when Assad falls, does EUCOM or NATO have contingency plans to deal with the Syrian stockpile of chemical weapons?

Admiral STAVRIDIS. EUCOM does not. That would fall under General Mattis in U.S. Central Command.

Senator WICKER. Can you tell us anything about that?

Admiral STAVRIDIS. Not at an unclassified level. But I'm happy to take that for the record back to General Mattis.

Senator WICKER. Okay, thank you very much.

Now, then to follow up on Senator McCain. He had an interesting line of questioning with regard to the placement of Patriot batteries in Turkey. Who put those Patriot batteries there, Admiral?

Admiral STAVRIDIS. Those are on NATO mission. They were assigned by the NATO alliance. There are three nations that have contributed batteries. The United States is in a place called Gaziantep. Germany is in a place called K-maras and the Dutch are in a place called Adana. All of these are located in southwestern Turkey along the border, Senator.

Senator WICKER. Was this a decision that was reached by the NATO leadership or did we do that individually with those, with those two allies of ours?

Admiral STAVRIDIS. It was a NATO decision and this is a NATO mission. In fact, although those are the three nations that have contributed the actual batteries, the entire 28 member nations have people that are part of this mission. For example, the command and control is made up of people from all the different countries, connected back through the operational chain and the headquarters. So it's very much a NATO mission.

Senator WICKER. What did it take within NATO to make that decision?

Admiral STAVRIDIS. We had to bring it into the NATO Council, which is 28 nations. They're represented by ambassadors in Belgium. It was discussed there. Then those ambassadors went back to capitals, got approval for it, and then the operational task began.

I would say that sounds like quite a process, but—

Senator WICKER. It does.

Admiral STAVRIDIS. Well, but we did it in about a month. In other words, from the time the Turkish nation asked for the Patriots to be emplaced to the time the first Patriot batteries were in place was just about a month.

Senator WICKER. What level of unanimity was required within NATO to do that?

Admiral STAVRIDIS. All 28 nations had to agree.

Senator WICKER. So do I take it then from the tone of your answer that you're comfortable with our having to rely on that level of required consensus in our past dealings with the Libyan issue and currently with Syria? Or has that been cumbersome and has it stood in the way of us making efficient decisions?

Admiral STAVRIDIS. As I look back on four years as the NATO commander for operations, I look at all the things we've done—Afghanistan, counter-piracy, the current Syria mission with the Patriots, the Balkans. We've typically got 150,000 people out doing five or six operations around the world at any given moment. All of those decisions have been done by consensus.

There have been times when that has been frustrating and there have been times when it takes consensus-building, just like it does in any deliberative body. But as I look back on four years, I would say that it is reasonably effective at delivering operational capability. Having said all that, there are always going to be times when each nation must Reserve to itself the right to act immediately. The United States has done that. I think we will continue to do that. We're not bound by NATO, but when we want to bring NATO along we go into this process. And again, looking back on four years, it's been reasonably successful in delivering capability for operations.

Senator WICKER. The United States has not done that, though, with regard to Syria policy.

Admiral STAVRIDIS. It has not done that with regard to Syria, that's correct. It did it with regard to Libya, for example.

Senator WICKER. In what respect?

Admiral STAVRIDIS. In the sense that the Libyan operation began as a series of unilateral coalition of the willing operations, initially the French and the British. The U.S. jumped in, the Italians came in. At that point, after about ten days to two weeks of that coalition of the willing operation, NATO stepped up and took over that operation and then ran the Libyan operation for the next nine months.

Senator WICKER. Now, with regard to Senator McCain's specific question about those Patriot batteries being used to knock down Syrian military aircraft, at this point our position is that that would require this type of NATO consensus decision?

Admiral STAVRIDIS. That's correct. That is correct.

Senator WICKER. And we're far from that—

Admiral STAVRIDIS. That is correct.

Senator WICKER.—at this point?

How is the Syrian issue impacting our relationship with Ankara and what is your current assessment of our military relationship with Turkey?

Admiral STAVRIDIS. Our current U.S. to Turkey mil-to-mil relationship is extremely strong. We operate with them in a wide variety of missions and they are very capable partners. Within a NATO context, they are equally strong. Turkey, just for example, has a couple of thousand troops that are the bulwark of Kabul's train, equip and organize mission. Turkey's participated in every mission

since I've been the Supreme Allied Commander. They continue to be very, very strong.

Senator WICKER. How has the——

Admiral STAVRIDIS. Oh, the Patriot piece.

Senator WICKER. How has the Syria issue affected our relationship?

Admiral STAVRIDIS. It has made it stronger.

Senator WICKER. Really?

Admiral STAVRIDIS. It has, because Turkey correctly feels as though there's a great deal of danger and difficulty in the south and therefore they came to NATO and have come to the United States. I think they're very positive about the response both from NATO and the United States in both of those scenarios.

Senator WICKER. I think your answer is with regard to our military to military relationship.

Admiral STAVRIDIS. Right.

Senator WICKER. Is there any difference between that and our government to government relationship?

Admiral STAVRIDIS. Obviously, State Department would be the right people to ask. But I have a fair amount of contact with the minister of defense, the minister of foreign affairs of Turkey. My impression is that we are in a strong position government to government. But my area is mil-to-mil and I can testify to that.

Senator WICKER. Let me quickly shift just a bit to the 2012 Secretary General's annual report with regard to NATO. Secretary General Rasmussen makes clear his concerns with the growing disparity not only between U.S. and European contributions to defense, but also the growing disparity among European nations to this contribution.

Let me quote the Secretary General's report: "The effects of the financial crisis and the declining share of resources devoted to defense in many allied countries have resulted in an overreliance on a few countries, especially the United States"——

Admiral STAVRIDIS. Correct.

Senator WICKER. And we certainly know that.

"——and some significant deficiencies in key capabilities, such as intelligence and reconnaissance."

So what I'm concerned about is that there seems to be a lack of emphasis by some of our NATO allies on defense, to the point where they may actually be participants in name only.

Do you agree with Secretary General Rasmussen's assessment and, if so, what needs to be done to correct the problem?

Admiral STAVRIDIS. I do agree with his assessment, and the quick fix is for the Nations of NATO to meet their self-described 2 percent of GDP spending goal. Today only a handful of nations, including of course the United States, spend more than 2 percent. The majority do not and that's not right and all of us should be continuing to talk to those nations who are not meeting that goal so they can increase their spending.

Having said that, the good news is the Europeans collectively spend about \$300 billion a year on defense. That number surprises people sometimes. It's a very significant amount of spending. But it still does not rise to the goal that they have set and therefore

it's disproportionate for the United States and that's not right and it should be addressed.

Senator WICKER. Other than talk about it, there is very little else we can do; is that correct, Admiral?

Admiral STAVRIDIS. I think there are other pressure tools that can be brought to bear. But I think principally—

Senator WICKER. What suggestions would you have?

Admiral STAVRIDIS. Well, I think that it would entail the United States withholding some of its assets or deciding to take positions in NATO that would effectively put pressure on nations in operational kinds of ways. We hope not to get to that point. We are continuing—and as we come out of this financial crisis, especially in Europe, I'm hopeful that our allies will step up and get us up into that 2 percent spending range.

Senator WICKER. Thank you very much.

Admiral STAVRIDIS. Yes, sir.

Chairman LEVIN. Thank you, Senator Wicker.

Senator KAINE.

Senator KAINE. Thank you all for your testimony today.

I'm going to hop-scotch around a little bit. I'd like to start with General Kelly to follow up on a conversation we started to have yesterday. You earlier talked a little about the interdiction efforts that have been successful to a degree, but there are likely challenges as a result of sequestration. I just want to make sure I've got this right.

So last year the interdiction efforts under Southern Command were responsible for taking, did you say, 150 to 200 tons of cocaine out of circulation?

General KELLY. Yes, sir. And the interdiction effort, it's a whole-of-government interdiction. It's not just U.S. military. So we're talking Department of Justice, Department of Treasury, DEA, FBI. I mean, it's all of government, to include all of the police officers and agents in the United States.

But in the neighborhood of 200, 150 to 200 tons either taken, we actually have it in our hands, or it was thrown over the side. Those are the estimates, yes, sir.

Senator KAINE. Do you believe that that is about 20 percent of the cocaine that would get into the United States from South America?

General KELLY. By some numbers that's about 20 percent.

Senator KAINE. Right. We talked yesterday you thought to really be disruptive in terms of the drug markets and the dollars raised for it you'd have to take about—you'd really want to interdict about 70 or 80 percent of the cocaine coming in.

General KELLY. Our President's given us a goal, again the entire government goal, of 40 percent. The thinking there is that if you took that much cocaine out of the flow that the network just wouldn't have the profits that it has enjoyed for so many years and it would begin to come apart. The network itself would suffer because of the profits.

Senator KAINE. And it would also drive up prices—

General KELLY. It would drive up prices.

Senator KAINE.—such that a lot of people couldn't afford it.

General KELLY. I believe we could do much—given the ISR assets and the surface assets, more takes more off the market. Less takes less off the market. But yes, sir, I think we could take much more than even the 40 percent that the President has tasked us to take off by 2015.

Senator KAINE. A key component of this interdiction is the use of ships, I guess primarily on the Caribbean side, maybe a little bit on the Pacific side. You have about six ships that you currently use that would be part of your normal interdiction force?

General KELLY. Surface vessels. The Coast Guard plays big into this, both in the Pacific and on the Caribbean side. The way we see it, about 14 ships a day would go a long way to crippling this effort in that initial part of the transit zone. On average we get five or six. We still get tremendous amounts of tonnage off the market. But again, SOUTHCOM being very much the economy of force area of operations, for many years now we've only gotten a relatively small number of Coast Guard cutters and U.S. Navy ships of all types.

Senator KAINE. And the five or six now is significantly jeopardized by sequester. It would drop it down to zero or one potentially?

General KELLY. Yes, sir, zero or one.

Senator KAINE. And while drugs are interdicted other than by the surface ships, the surface ships are really the key component to the interdiction effort?

General KELLY. Overwhelmingly. The example I would give you is the product that's flown out of primarily Venezuela by small aircraft carry—typically go into the ungoverned spaces, the wide-open spaces of Honduras. It might carry a ton, sometimes less than that, but roughly a ton. Again, the profits are so lucrative they land and then they take the drug off the airplane, they just burn the airplane. So it's not even worth making the return trip to them, the profits are so high.

The Hondurans and the Guatemalans tremendously, and the Belizeans and the El Salvadorans, tremendously helpful in this effort. But the vast majority of the tonnage is taken off the high seas.

I have to point out, with again partnerships—the French are involved in this, the Brits are involved in this, small numbers, but they are involved. I cannot say enough about the Colombians and what they do.

Senator KAINE. And that has dramatically improved, obviously, with the current government, ongoing negotiations to potentially resolve the civil war with the FARC. Colombia is getting to be a stronger and stronger partner every day.

General KELLY. They are that, yes, Senator.

Senator KAINE. One of the things you mentioned, and I put quotes around it is, a concern by some in the hemisphere as they see kind of an upscale of activity from China, maybe somewhat of an upscale from Russia, an upscale of activity from Iran, a sense that we are kind of pulling back.

We talked yesterday about just a small example of it, the Inter-American Defense College here in Washington that for 50 years has trained military officers from the hemisphere, who have often gone back and assumed key positions militarily or even in civilian

political leadership. That is a very small line item, but it's something that's definitely jeopardized by our current budget woes?

General KELLY. Yes, Senator. I think in the last 50 years the Inter-American Defense College, which is here in Washington, doesn't work for me, but they've graduated something on the neighborhood of 2500 graduates. Many of them have become general officers, admirals, down south. Many of them have become presidents, ministers of defense. It's a very, very effective program.

It's all about civilian control of the military. It's all about the right relationship between the military and the people of their countries. It's all about human rights. Very, very, very effective.

And they may go under if we don't find them \$800,000, which I don't have, but that's not—

Senator KAINE. \$800,000.

And the Chinese are starting to bring the military leadership from the hemisphere to China for military training now, correct?

General KELLY. They do. They have kind of a wide-open program, much as we have, but for the Chinese it's much easier. If you want to go, you can go. As I mentioned yesterday, a lot of the officers from Latin America go. They don't get much out of it, but it's a year abroad and it's very easy, where we have similar programs in the United States and they're very popular down south.

The example I would give you, today the president of Peru is a former graduate as a military officer from the old School of the Americas. That's gone now and we now have the WHINSEC program down in Fort Benning. But he found it to be so useful to him, the old program, that he is buying up every seat he can get in the Western Hemisphere course of instruction down in Fort Benning. The dividends are immense, but there are a few hurdles, money being one of them, in order to get students up into our programs.

This includes attendance at schools that the Marines run at Quantico, the Army at Leavenworth, the Air Force at Maxwell Air Force Base. So it's just not those schools. It's all of the schools in the United States. The relationships are key.

Senator KAINE. I just don't believe we can afford to send the message that we're pulling back, and that's important testimony.

General Jacoby, just real quick, kind of staying in the same part of the world. Talk a little bit about the mil-to-mil relationship with Mexico?

General JACOBY. Senator, I'm happy to report we've got a strong mil-to-mil relationship with Mexico. It's a relatively recent phenomenon. I've been involved with Mexico over the last decade or so, and it's really in the last three to four years that our mil-to-mil engagement has become a rich exchange between equals. We're developing a great partnership.

We changed administrations in Mexico and I know the two gentlemen that became the head of Sedena and the head of Semar, tremendous professional officers, very eager to sustain and grow the mil-to-mil relationship. So it's very, very beneficial to both countries to do that and I'm proud of what we've accomplished.

Senator KAINE. Great.

Thank you very much.

Chairman LEVIN. Thank you, Senator Kaine.

Senator Fischer.

Senator FISCHER. Thank you, Mr. Chairman.

Thank you, gentlemen, for being here today. I thank you for your service and I hope you will extend my appreciation to the men and women that you represent as well.

General Jacoby, according to certain reports Iran could have a ballistic missile capable of striking the United States in 2015. Earlier this morning Senator Levin had a conversation with you about the threat to the East Coast and you discussed that. You also said later on in some testimony that the closer relationship between home game and the away game—or we have a closer relationship between the home game and the away game than ever before.

How long would it take to construct a missile defense site on the East Coast?

General JACOBY. It's a pretty complicated proposition, from the studies required, the environmental impact statements, and then, depending on the site, this could be an issue of years to get another missile site done, whether it's on the East Coast or wherever it might be. So it's quite a proposition, and to that end we are happy to be conducting the study that was directed in the NDAA and provide us decision points along the way to make sure that we're outpacing the threat.

Senator FISCHER. I know in my home State in highway construction an environmental impact statement can take five to seven years sometimes. Would that apply to a missile site as well?

General JACOBY. I think these things—and I do have experienced them. They can take years to get an environmental impact statement, and of course that could be affected by the urgency of an increased threat. But I think it's safe to say that this is a question of years and getting the study started is a good and important step.

Senator FISCHER. But if the Iranians are able to have a system that can reach this country, reach the East Coast, by 2015, are we already behind?

General JACOBY. Currently, as I testified, we're able to provide the defense of the entire United States from an Iranian threat. Currently that threat—we don't think that threat has resolved itself yet. But I would say that it's my belief that Iran is actively pursuing an ICBM capability and so I think it's prudent to be taking steps to hedge against the evolution of that threat.

Senator FISCHER. Will the SM3 Block 2A missile be deployed by 2015?

General JACOBY. I'll defer to—that won't be part of the homeland defense, the Block 2A.

Admiral STAVRIDIS. Senator, it will be. That is the current plan, and it'll be deployed in Europe.

Senator FISCHER. Correct. Would that help with defense of the homeland?

Admiral STAVRIDIS. No. No, Senator, it would not. It's strictly for defending our allies in Europe.

Senator FISCHER. Thank you.

Admiral, also on Friday we learned that the Pentagon has made a decision to eliminate the deployment of those interceptors in Europe. Is that correct?

Admiral STAVRIDIS. Yes, Senator, that was announced on Friday.

Senator FISCHER. So how does that affect Europe and how would that affect the United States as well? Does it make the East Coast more vulnerable? You said it doesn't apply to the United States, but would it make the East Coast more vulnerable?

Admiral STAVRIDIS. The theory of the Phase 4, which is what we're talking about, was that it would defend, help defend, the United States. What has happened, as General Jacoby knows better than I, they have—the OSD, the Secretary of Defense, has moved this capability to the ground-based interceptor site that you were just discussing with him. It will not affect Europe. Phases 1, 2, and 3 are the phases that are to defend Europe, Senator.

Senator FISCHER. Thank you.

General Kelly, in your opening statement you said that China is attempting to compete with U.S. military activities in the region. And Senator Reed asked you about the Chinese influence and you mentioned the economic influence. Can you elaborate on that?

General KELLY. Yes, Senator. The Chinese first and foremost are very, very active in Latin America commercially. When they want to buy something, they buy it in very, very large numbers, whether it's soybeans in the far south of the Southern Cone, oil from Venezuela. They're in there in a big way buying up commodities primarily.

They also are very good at building things like ports and running things like ports, so they're very involved in the running of the Panama Canal, as an example, as a commercial interest. I don't personally see a threat there. So they're doing that commercially and economically.

They deployed—on the military-to-military context, they deployed a hospital ship to the region, much like our own hospital ship, and it saw tremendous goodwill, visited large numbers of ports, did thousands of medical procedures on people that have never seen a doctor, again much as we do in that part of the world every other year or so with our own hospital ship.

Obviously, they want to sell their military hardware to any nation that will buy it. It's much easier. You know the frustration that our friends and partners around the world have with our military sales. It's very complicated, takes a long, long, long time. I would offer that many of these countries certainly that I deal with just get tired of waiting. They'd rather buy American stuff because it's better. It's better maintained. It comes with better support packages. But they get tired of waiting for it, so they go elsewhere, either to the Russians or to—the other big players to the Russians are the Chinese.

So they're down there trying to sell their equipment. We already mentioned the training. They have training programs where they'll pay for officers particularly to go to China and do a year in their staff colleges.

So they're trying in a big way. What's the ultimate goal? I think the ultimate goal certainly commercially is just they're huge, powerful, and they're going to penetrate any market they can penetrate. That's not a bad thing necessarily. It's a good thing for most of the Nations that I'm talking about.

They're also looking to the U.N. and influencing the U.N. As you know, they have certain agenda items that if they could get more

votes in the U.N. they might be—they might get those agenda items. So that's where they are on this.

I don't see it as a huge threat, but as we back away or it's harder and harder for people to buy or military equipment, they go to other, easier to deal with countries, and China is certainly one of them.

Senator FISCHER. Specifically which countries are being most affected by the Chinese influence in this way?

General KELLY. Well, economically, any country down there. They're all now big trading partners. And again, it's primarily commodities, farm products, things like that. I don't think there's a soybean safe in Latin America that isn't going to be scooped up and sent to China. Oil, as I say, from Venezuela and some of those countries.

But they're all, I think, good trading partners with a country that is willing to trade and undercut things and make it happen. Again, not a threat in that regard, but certainly if we want to remain the partner of choice, we the United States of America, we're certainly doing that at the mil-to-mil level for the most part. We're doing that in the law enforcement level, as we help them, many countries, deal with their drug problems and their money-laundering problems. But there are other aspects of military or national instruments of power that other countries have replaced us or certainly are enjoying success in replacing us.

Senator FISCHER. If I could just ask, are our private businesses, private industry, picking up the, I guess the slack there in maintaining the influence and being good trading partners with those countries? And so would that diminish the threat of the Chinese then?

General KELLY. Our private business partners are very active. We have tremendous trade relationships. In fact, we are, the United States, the biggest trader. But there are still restrictions on what U.S. private businesses can do, hula-hoops they have to get through, hurdles they have to jump. It's much easier when you deal with a country that has absolutely no restriction and will do business with anyone for any reason.

Senator FISCHER. Thank you, sir.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Fischer.

Senator King.

Senator KING. Thanks, Mr. Chairman.

Gentlemen, welcome. Admiral, I'm sorry that you're leaving as I'm coming in and we don't get a chance to work together.

One thing, General Kelly, you just mentioned that sort of perked my ears up. What's the Chinese involvement in the management of the Panama Canal?

General KELLY. They have commercial managers, companies, that work either end, particularly either end, the port facilities on either end of the Panama Canal.

Senator KING. So they in effect, Chinese personnel are in effect managing it? Are there Chinese personnel there?

General KELLY. They have managers and personnel. There are many Panamanians that are involved in the process as well, but

they do have contractual arrangements with the ports on either end of the canal.

Senator KING. Thank you.

The second question. Admiral, on the question of sequester, there has been a lot of discussion around here, as you can imagine, about it. One of the potential cures, if you will, or at least ameliorations, is greater flexibility to the Department of Defense in terms of how it's going to be achieved, not reducing the overall amount, but how it's going to be achieved.

To all three of you, would that help or are the amounts so significant that that would not be a great boon to your ability to respond to this issue?

Admiral STAVRIDIS. I think that would be very helpful. I'm not the right person to declaim on that and neither are my fellows here. That really is a question for our budgeteers in the Department. But speaking as an operator, I can see where it would be very helpful and it would allow the movement of funds across various accounts so we could better prioritize, which I think is what you would want us to be able to do.

Senator KING. You gentlemen would agree?

A different question. Again Admiral Stavridis: Benghazi and forces in Europe in a time of fiscal austerity, reducing footprints. Is there a middle ground that would allow the positioning of smaller strike forces, if you will, to respond to a situation like Benghazi, as opposed to maintaining a large footprint generally? Do you see what I'm getting at?

Admiral STAVRIDIS. Yes, sir, I do. You know, life is not an on and off switch. It's not we have to have a huge infrastructure or nothing. Certainly life is a rheostat and you kind of dial it in.

As I testified earlier, I'm generally satisfied with the current level of infrastructure that we have in Europe, which has come down 85 percent since the height of the Cold War. But there are studies in progress this year and I think by the end of this year you'll see reported to the committee and to the Congress ideas for how we can get the best balance on that rheostat.

Senator KING. One of the issues that we discussed in Benghazi is response time. If you move everybody to Fort Benning, it's going to be hard to get them there.

Admiral STAVRIDIS. Exactly. I would certainly not recommend coming out at that level. We need these forward operating bases in this 21st century because of all the things we've talked about today.

Senator KING. Part of what I'm suggesting is not a full-blown base, but a much smaller, as I say, a kind of strike force in the neighborhood. Is that a feasible option?

Admiral STAVRIDIS. I think all of those ideas could be explored. It would of course depend on our partners. If we don't have the infrastructure that we do now, we would then rely even more on the Italians, on the Greeks, on the Spanish, and so forth. Personally, I'm comfortable at the moment with the arrangements we have. But it is certainly worth considering all options as we look forward to get the best balance, the best position on that rheostat for taxpayers as well as for security.

Senator KING. Again changing the subject, trying to hit a lot of areas, several of you—you all have mentioned the criminal network. I was interested. How organized and unified is it? Is it a criminal network? This is reminding me of the old James Bond movie, books in the seventies, where there was this criminal network that was organized, that had a boss and a set of underlings and a structure. Is that what we're dealing with, or are we dealing with a whole bunch of random bad guys?

Admiral STAVRIDIS. It's somewhere in the middle. There are large cartels that operate in a variety of different ways around these criminal networks. This is, Senator, if you will, this is the dark side of globalization. If we're in a world in which there's much more connection and much more ability to move information and people quickly, that's generally a good thing, but there are going to be entities, both individuals, mid-sized groups, and big cartels, that take advantage of this.

Some of the estimates, if you think of the global economy as being about \$70 trillion, some estimates are that about \$6 trillion, about 10 percent of the global economy, is invested, if you will, in narcotics, human smuggling, cyber crime being the largest of all these areas, as well as the other things we've talked about, arms, cash, etcetera.

Senator KING. I know you've mentioned cyber crime and we don't have time to get into it in detail, but I view that as the next Pearl Harbor risk. You'd share that concern?

General JACOBY. Senator, yes, I would. Former Secretary Panetta spoke about it in just those terms—tremendous opportunities in the network, but there's also vulnerabilities that could have catastrophic consequences for us.

Senator KING. One further question about the criminal cartels. One of the things that scared me about your testimony is the idea of one of our state enemies, if you will—perhaps I shouldn't use that term—people who don't wish us well, working with the criminal cartel as a conveyor, for example, of a weapon of mass destruction. That to me means that the work you're doing, General Kelly, in the Southern Command on the high seas is not only a drug issue or a criminal issue, but it's a very serious national security issue.

General KELLY. You won't get an argument from me, Senator. I think you're exactly spot on.

Senator KING. Thank you.

Thank you, gentlemen, and thanks again for your service.

Chairman LEVIN. Thank you very much, Senator King.

We're going to have a brief second round. I think one of our colleagues is on her way here also, so she can have her first round, of course, when she gets here.

Admiral, let me ask you some questions about Syria. I think the administration has shown some caution, real caution, about getting more deeply involved militarily in terms of supplying arms particularly to the opposition in Syria. I think the fear has been that we want to make sure who those arms are getting to, first of all, and second that when Assad falls—I won't say if and when because it's when as far as I'm concerned Assad falls—there needs to be in place or ready to be put in place by the Syrians some kind of an interim government, which would avoid chaos and anarchy in Syria

so that it doesn't fall apart, it doesn't disintegrate, and that progress needs to be made in that direction prior to the provision of more lethal arms.

That seems to have been the feeling of the administration. I understand that caution and basically share it, with a couple caveats. One is that if Turkey were willing to provide a safe zone or to assure a safe zone, with NATO support, along the border with Syria, but inside Syria, if Turkey were willing to do that, that I think that we ought to support that.

Second, I favored at least consideration of going after some of Syria's air defenses and possibly some of their air capability itself.

We heard an interesting idea today, probably not from his mind for the first time. I think Senator McCain is probably further along in this line than perhaps most of our colleagues. I thought it was a very intriguing set of questions of his when he asked about the capability of the Patriot missiles, as to whether or not they essentially could defend a zone along that border perhaps 20 miles wide from Syrian aircraft, from Turkish territory with the Patriot missiles.

Your answers were very, it seems to me, illuminating, that yes, there could be that kind of protection of a, I think you indicated or he indicated, a 20-mile wide zone. I think that really is subject to some very serious consideration myself, because I think we have to step up the military—our military effort against Assad in some ways, whether it's some kind of a safe zone that we help protect along the border inside of Syria, whether it's going after their air defenses, or whether it's going after some of their air force.

Would Turkey, do you believe, support the use of the Patriot missiles in that manner, to help protect a safe zone in Turkey—I'm sorry, in Syria, along that border?

Admiral STAVRIDIS. Again, I'm not the expert on Syria. From the perspective of our Turkish colleagues, whenever they have talked to us about the use of the Patriots they have been very emphatic that they would be defensive. That's the role they have continued to say is paramount in their view, because I think they are loathe to be dragged into the Syrian conflict by an inadvertent incident of some kind.

Having said that, as I told Senator McCain, the capability is there. It would have to be first and foremost a Turkish decision since it's their sovereign soil. If it were to be a NATO mission, it would then need to come into NATO for dialogue and so forth. And as I was discussing with Senator Wicker, that will require 28-nation consensus. So it would be a complicated process.

But I think this range of options are certainly under discussion in a lot of the capitals.

Chairman LEVIN. Would you take back that option, if it isn't already under consideration, to our NATO allies, starting with Turkey? Turkey has suggested, I believe, that she would be willing to help create and then protect a zone, a narrow band inside of Syria along the Turkish border, where Syrians could go for safety, instead of all flowing across the border. So it would be I think an interesting, obviously important and essential, but interesting to find what Turkey's response would be to such a proposal.

And if there is a positive response there or a willingness to even consider it, can you take that up with other NATO countries, the possible use of those Patriots?

Admiral STAVRIDIS. Yes, sir.

Chairman LEVIN. Because I think it's kind of a real possibility that we ought to explore.

Are you familiar with the man who was chosen in the last few days to head up the exile opposition coalition, a man named Ghassan Hitto?

Admiral STAVRIDIS. No, sir, I'm not.

Chairman LEVIN. All right. He's apparently a Syrian-American who's lived in Texas that the Syrian opposition coalition has voted to lead that coalition politically, to help form an interim government. It's an interesting article in today's Times about him. It was a close vote and there's obviously some skepticism as to whether he's the right person. That's always the case in close votes. In fact, sometimes it's even the case in unanimous votes, sometimes unexpressed concern about who got the nod.

But nonetheless, anything that you learn about him, if you could provide for the record—

Admiral STAVRIDIS. Yes, sir.

Chairman LEVIN.—we'd appreciate it.

And I will stop right there. Senator Inhofe.

[The information referred to follows:]

[COMMITTEE INSERT]

Senator INHOFE. Thank you, Mr. Chairman.

Since I was disappointed in your responses to my line of questioning, let me just get a couple of things in here just for clarification. When we put in the Poland site, ground-based interceptor, when we were planning to do that, that was for protection of both eastern United States and also Western Europe; is that correct?

General JACOBY. Senator, I believe that was the idea.

Senator INHOFE. Yes, I think that was the idea. And I believe you said that in terms of the eastern United States, the SM3-2A is not something that would work, not fast enough and so forth. However, that would have application in Europe. Is that correct?

Admiral STAVRIDIS. Exactly, exactly.

Senator INHOFE. All right, it would have application in Europe. And I know that something less desirable, less effective, would be the SM3-1B, which is ready now or pretty close to it, is that correct?

Admiral STAVRIDIS. Yes.

Senator INHOFE. But the 1B does not have the protection that the 2A has, is that correct?

Admiral STAVRIDIS. Yes, sir.

Senator INHOFE. I guess what I was trying to get to is, the 2A—right now we're still looking, we're looking at 2018. Our intelligence still says that they're going to have, Iran would have that capability by 2015. Now, it's that time frame in there in terms of Europe that I am concerned about. So I ask the same question in terms of what is your concern over that three-year period between 2015 and 2018 in Europe, not in the United States?

Admiral STAVRIDIS. We are concerned about it. We'll need to continue to analyze the Iranian movement, and if it continues to move

we'll need to go back and see if we can accelerate our own capability. It is of concern and we'll track it very closely, Senator.

Senator INHOFE. Now, in terms of the United States, the East Coast site, we've all talked about it. Everyone talks about how expensive it is. Are you—I read the comment that was made, the statement that was made by General Kehler, he said: "I am confident that we can defend against a limited attack from Iran, although we are not in the most optimum posture to do that today."

I think I asked you if you are in agreement with his statement.

General JACOBY. Senator, I am in agreement that we have the capability, a limited defense right now. And I think that it's not optimum and I think that we've made some important steps forward in what was rolled out, and I think that we need to continue to assess the threat and make sure that we stay ahead of it and not fall behind it. So I think that that is a process that we are committed to. In terms of Iran, I remain concerned about Iran.

Senator INHOFE. Well, I hope you remain concerned about Iran. I don't want to put you in a position of comparing what we would have had as opposed to what we could have right now in terms of the United States.

We're talking about the homeland missile defense site, which would include both radars and interceptors on the East Coast. I think we all agree that that would improve the posture that we're in, in response to the question I just now asked you from General Kehler; is that correct?

General JACOBY. Certainly exploring a third site is an important next step. What a third site gives me, whether it's on the East Coast or an alternate location, would be increased battle space. That means increased opportunity for me to engage threats from either Iran or North Korea.

Senator INHOFE. So the people who were saying that from the West Coast site, a threat coming from Iran or a missile coming from Iran to the East Coast, it would take away—now, several have testified to this—your capability of shoot, look, and shoot, and leave a capability of shoot. Do you agree with that?

General JACOBY. I think that right now we are making it a priority to see how we can improve our tactics, techniques, and procedures. And shoot-look-shoot is something that I'm very interested in continuing to evolve. So there are a number of things that would contribute to shoot-look-shoot: GBI reliability, EKV upgrades, battle space, increased number of missiles.

So all of those things are at play for shoot-look-shoot and I think it's a very important tactic for us to continue to pursue.

Senator INHOFE. So I think then that all of you pretty much would agree with General Kehler, his responses?

General JACOBY. Specifically that we're not optimum, yes, that's correct.

Senator INHOFE. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Inhofe.

Senator Shaheen.

Senator SHAHEEN. Thank you, Mr. Chairman.

Thank you to all of our panelists for being here and for your service to the country. I'm sorry I missed your testimony earlier.

Admiral Stavridis, I want to start with you because I had the pleasure of chairing the European Affairs Subcommittee over the last 4 years in Foreign Relations and have very much appreciated your openness and willingness to work with us, and we will miss you.

I wonder if you could give me an update on how the new strategic concept for NATO is working. I had a chance to attend the summit last year and follow the adoption of the new strategic concept and am very interested, given the changing role of NATO, how you think that's going and any concerns or any areas where you feel good about what's happening?

Admiral STAVRIDIS. Thank you, Senator. And thank you also for your work on the NATO parliamentary committee in Europe as well. You're one of the experts in this field in this Congress and we appreciate all you do.

Let me start with a concern and it's one we discussed and we talked about it this morning with several of your colleagues. It's the failure of NATO, almost all of the Nations, to meet the 2 percent spending. This creates a disproportionality between U.S. defense contribution and the rest of NATO.

That concerns me over the long term in NATO because I think it will create a sense here in the United States that our European colleagues are not pulling their weight. So I think we need to continue to put a lot of pressure, particularly as Europe comes out of the current crisis, that they raise their defense spending to the 2 percent level. That's extremely important even as we are reducing defense spending here in the United States, so we get the resources back in balance between both sides of the Atlantic.

Now, that's the challenge. On the positive side, in terms of the strategic concept, it's now been in place for almost three years. I think NATO is living up to the strategic concept, which is to say we are doing crisis management operations in places like Afghanistan, where we still have 100,000 troops, on piracy off the Horn of Africa, where we typically have four to six ships operating, and we've seen piracy go down by 70 percent, the Balkans, where we have 6,000 troops, 90 percent of them Europeans, our operations in Libya a year ago.

I think NATO has answered the call when requested to go forth and be part of creating security outside of the borders of Europe.

The second pillar of the strategic concept, of course, is collective defense. Here I think as well our capabilities, our integration, our Baltic air policing—Balkan air policing, our series of exercises, one of which, we'll conduct a big one in Poland this year, all of that is very contributory to collective defense.

As far as tackling the new challenges, I think we've made some progress in cyber. We've stood up a special operations center. We're working very hard on unmanned aircraft, the air surveillance ground system that you're familiar with.

So I think overall we're making a lot of progress in fulfilling that strategic concept. My one worry going forward is disproportionality in spending and there our European allies need to step up to the plate.

Senator SHAHEEN. How much—I think we all appreciate the financial situation that Europe has been in over the last four years.

How much of your concern is related to a commitment to the burden-sharing and how much of it is concern that once they come out of the financial situation that that commitment may not be there?

Admiral STAVRIDIS. Senator, my own sense—and this is simply a personal intuition—is that as they come out of the financial crisis they will in fact increase their defense spending. I base that on conversations I have with my interlocutors, ministers of defense, chiefs of defense, heads of state and government. There is a commitment to this alliance.

I think as we look at the long throw of the European economy, it's going to be strong. Let's face it, Europe is one-fourth of the world's gross domestic product, \$15 trillion, comparable to the United States in every sense. They spend \$300 billion a year now on defense. That's a significant amount, but it doesn't quite rise to the level that it should.

My sense in my conversations, what I can read and see and feel after four years in Europe, is that the commitment to the alliance remains strong.

Senator SHAHEEN. Good.

You mentioned the Balkans. I think we've seen some real progress between Serbia and Kosovo on addressing some of their tensions. However, there are still issues that remain. So I wonder if you could give us an update on the situation there, and also what you see in the future for the KFOR force?

Admiral STAVRIDIS. I can. I'd actually start by looking back for a moment. If we look back, 10 to 15 years ago we saw a disaster in the Balkans comparable to what we see in Syria today. In that period of time we saw 8,000 men and boys killed in Srebrenica in a matter of days. We saw genocide. We saw 100,000 people killed, millions pushed across borders, two major wars.

Flash forward to today. Instead of reaching for a gun to resolve a dispute in the Balkans today, the Nations are reaching for the telephone. They are, under the auspices of the European Union, as you allude to Senator, we see Kosovo and Serbia at the table, their prime ministers at the table, their presidents at the table, led by Baroness Catherine Ashton, the European Union's head of foreign affairs, if you will.

I think we're very close to a real settlement between Kosovo and Serbia. That will allow us to draw down our forces in KFOR, Kosovo. Today we have about 6,000 there. When I came into the job four years ago we had 15,000. That's in and of itself a sign of real progress. If the talks bear fruit, I think we'll be able to drive that force down as early as late this year. So stay tuned. I think there's more progress ahead in the Balkans.

Senator SHAHEEN. That's very encouraging. It's also encouraging to think that hopefully, if we're 15 years out from the current crisis in Syria, that we might see some similar progress.

Admiral STAVRIDIS. Hopefully faster, but yes, I agree.

Senator SHAHEEN. That would be great.

I'm not sure who would like to answer this next question, but I think, Admiral Stavridis, you talked about how critical our relationship with Poland is. I wonder if you could elaborate a little bit on that, given our military relationship?

Admiral STAVRIDIS. I'd be glad to, Senator. Poland is one of the absolute pillars in the alliance. They're the most capable military in Eastern Europe. They are full participants in all of the NATO missions. Their troops fight very bravely and take significant casualties in Ghazni Province, where they maintain a full brigade, the White Eagle Brigade that both of these two gentlemen know quite well. They are continuing to improve their military and they're one of the few nations that is actually increasing defense spending. They have a strong economy, and the soldiers and sailors and airmen that they send around the alliance are leading elements of the intellectual capital of the alliance as well.

They will be the host for the European missile defense system that we've talked about. I think in every context they're a very strong ally and someone that we the United States should maintain a very strong bilateral focus on.

Senator SHAHEEN. Good. Thank you very much.

My time is up, but I just want to close, General Jacoby, by talking about, very briefly, about the positive partnership that the New Hampshire National Guard has with El Salvador. It's been very positive both for our National Guard and for El Salvador, and I just wanted to commend that to you because I know it's one of the areas that you are looking at.

General JACOBY. On behalf of General Kelly, I'll say thanks.

Senator SHAHEEN. Oh, I'm sorry. General Kelly. That wasn't aimed for you. I just misread my comments.

General KELLY. Well, I'll say thanks then.

Senator SHAHEEN. Thank you.

Admiral STAVRIDIS. Chairman, may I make a comment on the state partnership program?

Chairman LEVIN. Sure.

Admiral STAVRIDIS. Because I was both SOUTHCOM and EUCOM, I've had over the years 60 of these state partnership programs and they are all extraordinary bang for the buck for the Department of Defense. For very low dollars, they go into a wide variety of countries and help in very fundamental ways to build partnership. I think that exists today in SOUTHCOM and I assure you it does in EUCOM.

Senator SHAHEEN. Thank you.

Thank you, General Kelly.

Chairman LEVIN. Thank you, Senator Shaheen.

Senator Kaine for your second round.

Senator KAINE. Thank you.

Admiral Stavridis, I just have one topic that I wanted to raise with you and didn't get to you in the first round, and that is there's been a lot of testimony today in response to many questions about the importance of Turkey, whether it's with Patriots, whether it's their role in NATO, support for our NATO operations, support for the U.S. efforts to hopefully counter the Iranian nuclear threat.

This is a very important partnership and all the testimony I would have a strong accord with. But there is this concern that you raised in your written testimony, that I know concerns many of us, and that's the eroding relationship between Turkey and Israel. What is your command doing or what can the European Command

do to begin to try to make that better, at least on the military to military level?

Admiral STAVRIDIS. You're absolutely right to be concerned about it. We are very concerned about it, both from an Israeli friend perspective and a Turkish friend perspective. This was a very strong relationship three years ago before this tragic incident that caused the two of them to split apart.

What we're doing to try and bring them together has both a NATO component—we're encouraging Israel to be part of the Mediterranean Dialogue, which is a program in NATO that could potentially allow some interactions military to military—and then in a bilateral context, whenever I, for example, go to Israel or go to Turkey, I work very hard to try and at least create some connectivity between the senior militaries, so that if, God forbid, there's another incident at sea, for example, people can be reaching for their cell phones and not spinning up their defensive nets.

So I think the relationship, Senator, is very slightly, marginally better than it was a year or so ago, but it's an area where we, both NATO and the United States, would like to see an improved set of relationships. We'll continue to work those. I'm traveling to both Turkey and Israel in the next 45 days and that will be on my agenda.

Senator KAINE. Great. Thank you very much.

Admiral STAVRIDIS. Yes, sir.

Chairman LEVIN. I just have—you haven't had a second round, so, Senator Shaheen, you could have a couple minutes before I ask a third-round question, if you like.

Senator SHAHEEN. Okay. I just have two follow-up questions. One is on Georgia. Admiral Stavridis, as you know, there's been a lot of discussion with Georgia about potential future NATO membership, and I just wondered where you think they are in terms of the prospects. I know many of us have watched their election with some concern in the post-election period and we're looking to see that they continue the democratic reforms that have been started there.

But I wonder if you could give us an update?

Admiral STAVRIDIS. I can. Georgia is a terrific partner for NATO. Today Georgia is the highest per capita contributor in Afghanistan. They are pushing up toward 2,000 troops. They have more troops there than any other non-NATO nation. So they are absolutely with us in combat. I frequently go over here to Bethesda Hospital to visit with Georgians who are amputees, veterans. They stand with treasure and blood with the NATO alliance.

Their membership program, if you will, is moving along. We continue to interact with them in a wide variety of NATO contexts. Of course, the United States is very involved. Our Marine Corps has taken on working with the Georgian military, to wonderful effect, and has very much improved the Georgian capabilities from a technical and a tactical kind of standpoint.

You're correct to focus on the political element of this. That will be very important to NATO moving forward. I'm headed over to Georgia in about two weeks and I'll have a chance to meet the new leadership team over there, as well as the continued president.

So I think overall they are moving in the right direction and that they are certainly very strong NATO contributors and that is well regarded and well known within the Nations.

Senator SHAHEEN. Well, thank you. I'm glad to hear that assessment. Hopefully, you will convey to the new leadership there, as well as to President Sakashvili, our continued interest and scrutiny of what's happening there.

General Jacoby, you mentioned in your testimony the key role the National Guard has played in the success of NORTHCOM missions. I wonder if you could talk a little bit more about how important that relationship is and that the Guard is to our success in those missions?

General JACOBY. Thank you. The National Guard is a great partner across all of my mission sets. So from homeland defense, where principally Guard units fly the Noble Eagle mission in defense of our skies 24-7, our missile defense, where the 100th Brigade mans the command and control facilities for our missile launch capabilities, and then of course in defense support to civil authorities, where every day the Guard not only meets the needs of the citizens in the States, but it's also available to support regionally through their emergency management capabilities.

So we're a great consumer of Guard capability. I rely on the total force to meet the needs of the Nation, but on an everyday basis the National Guard steps up and meets a tremendous number of my mission requirements.

Senator SHAHEEN. Well, thank you. We're very proud of our National Guard, General Kelly, not just in terms of their partnership with El Salvador, but all of the other great work that they do. So thank you all very much.

General KELLY. Senator, if I could, since we're talking about the Guard, I do want to mention that we lost some Guardsmen this year fighting fires, brave men and women of the North Carolina Air National Guard, 145th Airlift Wing. It just reminds us that even supporting our citizens in the homeland can be a dangerous activity—

Senator SHAHEEN. Absolutely.

General KELLY.—and we really appreciate the sacrifices that those airmen and their families made on that behalf.

Senator SHAHEEN. Thank you very much for pointing that out.

Chairman LEVIN. Thank you very much, Senator Shaheen.

I just have one additional question. Admiral, I asked General Jacoby about whether he supports the new missile defense approach which was recently announced and he said he did. Do you support the—

Admiral STAVRIDIS. I do.

Chairman LEVIN. Any additional questions, colleagues?

[No response.]

Chairman LEVIN. If not, we thank you all for your service. We appreciate your testimony, very forthcoming, very helpful. And do thank everybody that you work with and their families for us if you would.

Thank you.

[Whereupon, at 12:15 p.m., the committee adjourned.]