

**DEPARTMENT OF DEFENSE AUTHORIZATION
OF APPROPRIATIONS FOR FISCAL YEAR
2014 AND THE FUTURE YEARS DEFENSE
PROGRAM**

TUESDAY, APRIL 9, 2013

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

U.S. PACIFIC COMMAND

The committee met, pursuant to notice, at 9:36 a.m. in room SD-G50, Dirksen Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Reed, Nelson, Manchin, Shaheen, Blumenthal, Donnelly, Hirono, Kaine, King, Inhofe, McCain, Wicker, Ayotte, and Graham.

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 S. Epstein, counsel; Ozge Guzelsu, counsel; Richard W. Fieldhouse, professional staff member; Jason W. Maroney, counsel; Michael J. Noblet, professional staff member; and Russell L. Shaffer, counsel.

Minority staff members present: John A. Bonsell, Minority Staff Director; Thomas W. Goffus, professional staff member; and Lucian L. Niemeyer, professional staff member.

Staff assistants present: Mariah K. McNamara, John L. Principato, and Bradley S. Watson.

Committee members' assistants present: Carolyn Chuhta, assistant to Senator Reed; Jeff Fatora, assistant to Senator Nelson; David LaPorte, assistant to Senator Manchin; Marta McLellan Ross, assistant to Senator Donnelly; Nick Ikeda, assistant to Senator Hirono; Karen Courington, assistant to Senator Kaine; Steve Smith, assistant to Senator King; Christian Brose and Brian Rogers, assistants to Senator McCain; Lenwood Landrum, assistant to Senator Sessions; Joseph Lai, assistant to Senator Wicker; Brad Bowman, assistant to Senator Ayotte; and Craig Abele, assistant to Senator Graham.

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good morning, everybody. We hope our speakers work here. This microphone I don't think is working. We're going to start without the mic. Okay, I have to get closer.

We're receiving testimony today on the posture of U.S. forces in the Asia-Pacific region, and on behalf of the committee first let me welcome Admiral Samuel Locklear, the Commander of the U.S. Pacific Command (PACOM). Admiral, the committee appreciates your long years of faithful service and the many sacrifices that you and your family have made for our Nation, and we would also greatly appreciate it if you would pass along to the men and women with whom you work our admiration for their service as well. We know this is a particularly busy time for you, Admiral, and for your staff. We appreciate your joining us today.

General Thurman, the Commander of U.S. Forces Korea, was originally scheduled to testify today as well, but the decision was made to keep him on the Korean Peninsula at this time and we understand and appreciate the reasons for that decision. We wish General Thurman well in his ongoing activities.

Today's hearing is a particularly timely one because of the events on the Korean Peninsula, which have intensified as the North Korean regime, which is a longstanding international pariah, has elevated its reckless rhetoric and its provocative behavior. Any guarded optimism about North Korea that may have accompanied the December 2011 death of long-time dictator Kim Jong Il has faded as the new regime has adopted many of the same destructive policies as its predecessors, stubbornly pursuing its nuclear weapons and its ballistic missile programs with callous disregard for the well-being of its own people and the region.

Earlier this month, the North Korean regime announced its intention to restart plutonium production at Yongbyon. In February, it tested a nuclear device that appears to have a yield greater than that shown in previous North Korean tests. In December of last year, the regime put a satellite in orbit using technologies associated with long-range ballistic missiles. Last April, it displayed a road-mobile missile launcher which may or may not be operational.

The North Korean regime's rhetorical threats appear to exceed its capabilities and its use of what capabilities it has against the United States or our allies seems highly unlikely and would be completely contrary to the regime's primary goal of survival. Nonetheless, its words and actions are not without consequences. Even China, despite its longstanding relationship with North Korea, has joined in United Nations condemnation of the North Korean regime's dangerous behavior and has supported new sanctions, including tighter financial restrictions and bans on luxury goods.

A few weeks ago, Secretary Hagel announced a plan to enhance our ground-based interceptor (GBI) capability in Alaska, and just last week the Department of Defense (DOD) announced the deployment of a Terminal High Altitude Area Defense (THAAD) ballistic missile defense system to Guam as a further precautionary measure.

The administration has responded to North Korea's bluster, not with hot rhetoric of our own, but with firm and confident resolve with our partners and countries in the region who want stability and calm, always looking forward to the time when the oppressive North Korean regime will come to an end.

I am puzzled by the delay of the long-scheduled intercontinental ballistic missile (ICBM) operational test following the North Ko-

rean rhetorical threats. Why was this delayed? Why was our test delayed? I would appreciate knowing, Admiral, if you agree with the decision which was made to delay that test.

The Republic of Korea remains one of the United States' most steadfast and reliable allies and we are working in close coordination to address the North Korean challenge. We look forward to hearing Admiral Locklear's views on recent developments on the Korean Peninsula and additional steps that can be taken.

We face many other challenges and opportunities in the Asia-Pacific region as well. China's continued rise in regional and global influence, coupled with its military modernization and growth, has drawn justifiable attention from DOD. China's pursuit of capabilities that extend the reach of its military raises concerns about Chinese intentions, particularly in the context of that country's increasing willingness to assert its controversial claims of sovereignty in areas of the South China Sea and the East China Sea.

In addition, China's lack of regard for the intellectual property rights of the United States and other nations remains a huge problem for the global community. China remains the leading source of counterfeit parts both in military systems and in the commercial sector. In addition, China appears to have engaged in a massive campaign to steal technology and other vital business information from American industry and our government. China's apparent willingness to exploit cyberspace to conduct corporate espionage and to steal trade and proprietary information from U.S. companies should drive our government and our businesses to come together to advance our own cyber security.

There are a number of other PACOM missions that warrant our attention as well, such as ensuring freedom of navigation and protecting the free flow of commerce through critical sea lanes of communication, strengthening alliances, and building on partnerships, providing expertise and support to countries committed to fighting transnational violent extremism, working to prevent the proliferation of weapons of mass destruction (WMD), and preparing for and assisting with humanitarian and disaster relief efforts.

To better meet these challenges, the administration continues to rebalance toward the Asia-Pacific. DOD has been working through substantial realignments of U.S. military forces in countries like South Korea and Japan and is also engaged in initiatives to position forces further to the south in countries such as Australia, Singapore, and, possibly, the Philippines. As we rebalance and realign our presence in the Asia-Pacific area, it is important that we get it right in terms of strategy, but also in terms of resourcing and sustainability.

This committee will continue to exercise its oversight responsibilities, to ensure that our forward presence in the Asia-Pacific and elsewhere in the world is affordable, sustainable, and operationally supportable. In this regard, the committee has recently approved the report of its inquiry into U.S. costs and allied contributions associated with U.S. military presence overseas and we anticipate releasing this report in the next few days.

With respect to the planned realignment of U.S. marines currently on Okinawa, Senator McCain, former Senator Webb, and I advocated changes for the 2006 U.S.-Japan realignment road map

plan to better support U.S. strategic goals in the region while also accounting for the fiscal, political, and diplomatic realities associated with long-term sustainability. The April 2012 joint U.S.-Japan announcement of changes to the 2006 plan reflected an appreciation by both governments of the need to make adjustments in order to support the goal of achieving a more viable and sustainable U.S. Marine Corps presence in Japan, on Guam, and elsewhere in the region.

DOD is currently working to develop the details of this new plan and the final construction schedule and total costs are not yet known. After we receive that plan, we will be in a position to judge it. But until that plan is forthcoming, the committee has deferred action on associated requirements until previously-adopted conditions are met. So while I support the concept of restationing marines from Okinawa to Guam, it must be done in a fiscally and operationally sound manner.

Of course, we must consider all these challenges and initiatives in the Asia-Pacific against the backdrop of the budget constraints of sequestration, and, Admiral, we'd be interested in your assessment as to the effects of sequestration on your ability to meet mission requirements in your area of responsibility (AOR).

Again, we very much appreciate all the work that you do for this Nation. We appreciate your joining us this morning. We look forward to your testimony.

Senator Inhofe.

STATEMENT OF SENATOR JAMES M. INHOFE

Senator INHOFE. Thank you, Mr. Chairman.

Admiral Locklear, you're on your own today, but I think that General Thurman made the right decision staying where he is. So I'm sure you can handle all of this today.

North Korea's recent actions highlight the historic disparity between the Obama administration's triumphant declaration that the tide of the war is receding and the reality. Old threats are being replaced by new, more dangerous ones, just like Kim Jong Il was replaced by Kim Jong Un. North Korea's new leader, Kim Jong Un, brutally represses his people and is engaged in provocative statements, military exercises, and nuclear tests that have pushed the region onto the brink of conflict. I just got back from there and I got the clear impression that he was doing that intentionally just to intimidate and to provoke people.

Both General Thurman and Admiral Locklear are implementing prudent steps that include continuing to train our South Korean partners in exercises like Foal Eagle, practicing strike missions with the F-22, the B-2, and the B-52 aircraft, moving Aegis cruisers closer to the Korean Peninsula, and installing the THAAD capability in Guam. Our increased military capabilities in the region are designed to deter North Korean aggression. Should deterrence fail, they also stand ready to punish aggression, to protect vital United States interests.

Though I'm encouraged by the President's reversal of his previous decision by acquiring the 14 additional GBIs, which is right after he got rid of the 14 GBIs, I think the decision to reverse that first decision was the right one. I think that doesn't address the

problem, though, that we would have, which is not really in your area, but the third site that we've been talking about, the regretful thing that we did in getting rid of the GBI capability in Poland 4 years ago.

China's growing defensive capabilities and aggression demand that we understand our capability to defend Taiwan and how PACOM intends to tailor—I took all of the stuff I had on China out of my opening statement because I agree with the statement that the chairman made and I think he covered it very well. We have to have a clear long-term strategy that details adjustments to our force posture, including a plan for Marine Corps presence in Okinawa, Guam, Hawaii, and Australia. It's been over a year since the administration announced the rebalance to Asia and I look to Admiral Locklear as the commander on the ground to provide the committee with a detailed description of what the rebalance means in military terms.

I also look forward to his frank assessment as to how the ongoing budget crisis will impact his plans and operations in the Pacific. I have some questions about that and I'm sure that you'll give us very straightforward answers.

I'm deeply concerned about the growing divide between what we expect our military to accomplish and the resources that we're providing them. I've often said, Admiral, that you do a great job with the hand you're being dealt; we need to deal you a better hand.

I can't recall a time in my life when the world has been more dangerous and, while the President naively sees the tide of war receding, I see the continued need for a strong, able, and well-resourced force that remains engaged in the Asia-Pacific and beyond. This insistence by this President to drastically slash the defense budget puts the future of such a force at risk. The Obama administration's plan to have DOD, which makes up only 18 percent of the budget, be accountable for 50 percent of the reduction is not responsible. Shortsighted cuts to defense capabilities will result in a weakened U.S. military and would embolden adversaries like North Korea.

The reckless course of action pursued by the regime in Pyongyang underscores the importance of our forward military posture in the Asia-Pacific. Our presence helps to shape events and underpin stability, in this case very concretely, through deterrence. But should deterrence fail, make no mistake, our military forces stand by, ready to defend the Nation.

Thank you very much, Admiral, and I look forward to your testimony.

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

**STATEMENT OF ADM SAMUEL J. LOCKLEAR III, USN,
COMMANDER, U.S. PACIFIC COMMAND**

Admiral LOCKLEAR. Good morning, Chairman Levin, Senator Inhofe, and distinguished members of the committee. Thank you for the opportunity to testify today and provide you with my perspectives on the posture of PACOM. I request that my written testimony be included in the record.

Chairman LEVIN. It will be.

Admiral LOCKLEAR. For the past 13 months or so, I've had the great honor to lead the 328,000 servicemembers and about 38,000 civilian employees and their families in the PACOM area. Our AOR is diverse and complex. It encompasses about 52 percent of the world's surface and over half the world's population. It's culturally, socially, economically, and geo-politically diverse. The nations are what I refer to as the Indo-Asia-Pacific, because that's the framework I see it in, includes 5 of our Nation's 7 treaty allies, 3 of the largest and 7 of the 10 smallest economies, the most populated nations in the world, including the largest Muslim-majority nation, the largest democracy in the world, and of course the world's smallest republic as well.

The Indo-Asia-Pacific is the engine that drives the global economy. The open and accessible sea lanes throughout the Indo-Asia-Pacific annually enjoy about \$8 trillion in bilateral trade, with one-third of the world's bulk cargo and two-thirds of the world's oil shipments sailing to and from the 9 of the world's 10 largest economic ports which are in the Asia-Pacific.

So by any meaningful measure, the Indo-Asia-Pacific is also the world's most militarized region, with 7 of the 10 largest standing militaries, the world's largest and most sophisticated navies, 5 of the world's declared nuclear-armed nations. So when taken altogether, these aspects, they present a region with a unique strategic complexity and a wide, diverse group of challenges that can significantly stress the security environment.

Now, effectively engaging in the Indo-Asia-Pacific requires a committed and sustained effort, and PACOM as a military component of this commitment, is clearly focused in our efforts to deter aggression, to assure our allies and our partners, and to prevent conflict should our national interests be threatened.

While the Indo-Asia-Pacific is relatively peaceful over time, I'm concerned by a number of security challenges similar to those that you've outlined, Mr. Chairman, that have the possibility to impact the stability of today's security environment. I'm sure we'll talk later about the Korean Peninsula, but it appears it will persist and an impetuous young leader continues to focus on provocation rather than on his own people.

The rise of China and India as global economic powers and their emergence as regional military powers will continue, and, with China specifically, we will focus our efforts on building relationships with them and doing all we can to assist them as they emerge into a security environment as hopefully productive contributors to global peace and prosperity.

We expect that the growing populations of the world will continue to be challenged by inevitable earthquakes and tsunamis and typhoons and flooding, as well as continued transnational threats like pandemics, pirates, terrorists, criminal organizations, human trafficking, and proliferation of WMD.

We will also, no doubt, see historic and emerging border and territorial disputes continue as the competition for water, food, and energy grow, and we expect that access and freedom of action in the shared domains of sea, air, space, and cyber will become increasingly challenged.

Finally, there's no single organization, mechanism, in the Indo-Asia-Pacific to manage the relationships when it's needed or to provide a framework for conflict resolution. So we have to rely on our allies and our growing partner relationships, including those that we're growing with multilateral organizations like the Association of Southeast Asian Nations (ASEAN), to ensure that we can maintain the peace.

The U.S. joint force has been heavily tasked in other AORs over the past decade and as a consequence in my AOR, in PACOM, in many key areas we have been resource-challenged and have assumed additional risk. Our rebalance to the Pacific strategy has given us a new opportunity to begin to solve these challenges and to reemphasize to our allies and our partners that we are committed to the Pacific, that we are a committed Pacific nation. It also reflects the recognition that the future prosperity will be defined largely by events and developments in the Indo-Asia-Pacific.

Over the past year, the rebalance has helped focus our planning and our resourcing decisions as we work closer with our allies and partners to ensure a security environment favorable to U.S. interests. However, the impacts of sequestration have created budget uncertainties, limited our flexibility to manage risk, and have the potential to undermine our long-term strategic rebalance momentum.

Nonetheless, PACOM will work with the Services to preserve, to the extent possible, our essential Homeland defense and crisis response capabilities, capabilities resident in our forward-deployed forces.

The Pacific Ocean does not separate the United States from Asia; it connects us. We are connected by our economies, our cultures, our shared interests, and our security challenges. We've been resource-challenged and we've been accepting risk in the Indo-Asia-Pacific region for some time. But our rebalance strategy is in place and we're making good progress.

Let me assure you that PACOM will continue to demonstrate to our allies, our partners, and others the U.S. resolve and commitment to peace and security in this important part of the world.

On behalf of our superb military and civilian members and their families, all of whom sacrifice every day to ensure that our country is well defended, I'd like to thank each member of this committee for your support. I look forward to your questions.

[The prepared statement of Admiral Locklear follows:]

PREPARED STATEMENT BY ADM SAMUEL J. LOCKLEAR, USN

INTRODUCTION: WHY IS THE INDO-ASIA-PACIFIC IMPORTANT?

Chairman Levin, Senator Inhofe, and distinguished members of the committee, thank you for this opportunity to present an update on U.S. Pacific Command (PACOM). For the past 12 months I have had the honor to lead over 328,000 servicemembers and 38,000 civilian employees as the PACOM Commander, and I look forward to sharing my thoughts with you on the strategic environment of this diverse and complex theater.

In 2011 the President directed his national security team to make America's "presence and mission in the Asia-Pacific a top priority." This testimony discusses the foundations of our strategy and how we plan to accomplish the President's directive by providing a candid assessment of the opportunities and challenges PACOM faces in this critical half of the world.

The Indo-Asia-Pacific stretches from California to India. It encompasses over half of the Earth's surface and well over half of its population. The Pacific Ocean is the largest physical feature on the planet. If all the world's landmasses were placed in the Pacific, there would still be room left over for additional North American and African continents. To give you an even better idea of its size, a Carrier Strike Group takes 3 weeks to transit from the U.S. west coast to the Philippines; 15 hours to get there in a C-17; and from Fort Lewis, WA, to the Maldives is 9,000 miles.

This region is culturally, socially, economically, and geo-politically diverse. The nations of the Indo-Asia-Pacific include five of our Nation's seven treaty allies,¹ three of the largest economies in the world,² and seven of the 10 smallest;³ the most populous nations in the world,⁴ the largest democracy;⁵ the largest Muslim-majority nation;⁶ and the world's smallest republic.⁷

The Indian Ocean is surpassing the Atlantic and Pacific as the world's busiest and most strategically significant trade corridor. One-third of the world's bulk cargo and two-thirds of its oil shipments now pass through the Indian Ocean. Nine of the world's 10 largest ports are here,⁸ and the Indo-Asia-Pacific is the engine that drives the global economy. China, Japan, and India are three of the world's largest economies. Last year alone, there was over \$8 trillion of two-way trade. Regional cooperation to ensure the safety and security of these vital trade routes will become increasingly important over coming decades.

By any meaningful measure, the Indo-Asia-Pacific is also the world's most militarized region, with 7 of the 10 largest standing militaries,⁹ the world's largest and most sophisticated navies,¹⁰ and 5 of the world's declared nuclear armed nations.¹¹ All these aspects, when you take them together, result in a unique strategic complexity. This complexity is magnified by a wide, diverse group of challenges that can significantly stress the security environment. To be successful, we must draw on the strengths of the entire U.S. Government, the U.S. economy, and the American people.

At a time when the region is experiencing such significant change, we must clearly communicate to our allies and partners our commitment by maintaining a credible, forward deployed, sustainable force.

SECURITY ENVIRONMENT

The Indo-Asia-Pacific has a myriad of security challenges, including rapidly growing military capabilities, nuclear developments, unresolved territorial and resource disputes, violent extremism, natural disasters, proliferation, illicit trafficking and more. This complex security environment continues to evolve with both positive and negative trends.

Overall, the region enjoys considerable political stability. In the past year, we have seen a series of peaceful leadership transitions, most notably in China, the ROK and Japan, which have reinforced existing succession processes. With the obvious exception of China, these changes have also advanced democracy and democratic principles. We've noted the positive changes occurring in Burma's Government and look forward to its continued progress. The Association of Southeast Asian Nations (ASEAN) continues efforts to provide leadership on regional security issues and to effectively address transnational challenges such as natural disaster, terrorism, transnational crime, climate change, while simultaneously working towards its goal of becoming a single economic community by 2015. We expect ASEAN to continue to grow in this role under Brunei's chairmanship in 2013. We have also seen encouraging examples of states using international bodies to address disputes peacefully, such as Bangladesh and Burma using the International Tribunal for the Law of the Sea to resolve their disputed maritime boundary in the Bay of Bengal and Thailand and Cambodia are awaiting a ruling later this year from the International Court of Justice on their long-disputed border region. We encourage all claimant states to seek peaceful means to resolve their disputes.

¹ Australia, Japan, Korea, Philippines, and Thailand

² United States, China, and Japan

³ Tokelau, Niue, Tuvalu, Futuna, Nauru, Marshall Islands, Palau

⁴ China, India, Indonesia

⁵ India

⁶ Indonesia

⁷ Nauru

⁸ Shanghai, Ningbo-Zhoushan, Singapore, Tianjin, Guangzhou, Qingdao, Quinghuangdao, Hong Kong, Busan

⁹ China, India, Democratic People's Republic of Korea, Russia, Republic of Korea, Vietnam, United States

¹⁰ China, India, Russia, United States

¹¹ Russia, China, India, Democratic People's Republic of Korea, United States

However, not all developments have been positive or stabilizing. North Korea's repeated violations of U.N. Security Council resolutions that forbid building and testing of nuclear weapons and long-range ballistic missile technologies, represent a clear and direct threat to U.S. national security and regional peace and stability. China's rapid development of advanced military capabilities, combined with its unclear intentions, certainly raises strategic and security concerns for the United States and the region. Continuing plans by violent extremist organizations (VEOs) to attack host nation and U.S. targets is another example of the issues in this vast region that are of concern not just to PACOM, but too many Indo-Asia-Pacific nations.

North Korea:

Kim Jong Un used 2012 to consolidate his power. Kim is the youngest head of state in the world and holds the leadership position in all significant North Korean institutions of national power—military, state, and party. We were cautiously encouraged in February 2012 when North Korea agreed to implement a moratorium on long-range missile launches, nuclear tests, and nuclear activities at Yongbyon. However, Pyongyang almost immediately broke its promise by attempting to place a satellite into orbit using proscribed ballistic missile technology and parading an alleged road mobile intercontinental range ballistic missile system. Pyongyang responded to the unanimous U.N. condemnation of its December launch with renewed rhetoric, threats and bluster. Just a few weeks ago, again in clear violation of U.N. resolutions, North Korea announced it had conducted its third nuclear test, which it claimed—without any evidence—was a “smaller, more powerful weapon.” North Korea's nuclear weapons and ballistic missile programs, its illicit sales of conventional arms, and its ongoing proliferation activities remain a threat to regional stability and underscore the requirement for effective missile defense.

North Korea maintains a significant percentage of its combat forces forward deployed along the demilitarized zone with the ROK. From these locations, they could threaten U.S. and ROK civilian and military personnel, as they showed in 2010 with the surprise attack on the ROK ship *Cheonan* and the artillery attack on Yeonpyeong-Do Island. The continued advancement of the north's nuclear and missile programs, its conventional force posture, and its willingness to resort to asymmetric actions as a tool of coercive diplomacy creates an environment marked by the potential for miscalculation that and controlled escalation could result from another North Korean provocative action.

Kim Jong Un's stated emphasis on economic development and promises of economic growth have so far yielded little, and are undermined by North Korean missile launches and nuclear tests that lead to further sanctions and international isolation. We remain concerned about the potential for peninsular and regional instability while North Korea continues to prioritize military objectives above economic recovery and reform, and thus remains unable to sufficiently provide for its own population, a concern shared by our allies and partners.

Proliferation:

We remain concerned by North Korea's illicit proliferation activities and attempts to evade U.N. sanctions. North Korea's acts defy the will of the international community and represent a clear danger to the peace, prosperity and stability of the Indo-Asia-Pacific.

PACOM's Counter Weapons of Mass Destruction (CWMD) program is a complementary multinational activity intended to support counter-proliferation interdiction operations. PACOM welcomes Thailand as a recent endorsee of the Proliferation Security Initiative (PSI) and looks forward to the new opportunities their active participation will bring. CWMD provides a voluntary framework through which PSI partner nations can improve operational capabilities and domestic legal authorities in order to interdict WMD, their delivery systems, and related materials. Participation in PSI is vital, as part of an interagency approach, to the reduction of WMD trafficking. The Defense Threat Reduction Agency, the Office of the Secretary of Defense and PACOM continue to synchronize a wide range of CWMD-related activities such as international counter proliferation with our allies and partners, and foreign and homeland consequence management. Additionally, PACOM is coordinating with the U.S. Department of Energy (DOE) to establish Centers of Excellence with both China and India to promote effective nuclear security and safeguards.

China:

China's military has benefited from many years of double-digit economic growth, which has helped fund a comprehensive military modernization effort. China's military is an increasingly trained and capable fighting force focused, in part, on denying U.S. access to the Western Pacific during a time of crisis or conflict. There are

a number of notable examples of China's improving military capabilities, including five new stealth and conventional aircraft programs and the initial deployment of a new anti-ship ballistic missile that we believe is designed to target U.S. aircraft carriers. China is producing great quantities of advanced aircraft, missiles, electronic warfare systems and other specialized military equipment, while its shipyards are currently building six classes of modern diesel-electric submarines, destroyers and frigates. These new systems augment or replace older platforms and are rapidly transforming the People's Liberation Army (PLA). China commissioned its first aircraft carrier a few months ago and is continuing efforts to integrate aircraft with the ship to achieve a nascent regional power projection capability within the next few years.

Chinese military operations are also expanding in size, complexity and geographic location. Last summer, the PLA-Navy conducted its largest ever exercise outside the first island chain and into the Western Pacific, demonstrating increasing proficiency and sending a clear message to the region. Chinese maritime intelligence collection operations increased in 2012 as well; with historic first such missions into the Indian Ocean and within the U.S. exclusive economic zones off of Guam and Hawaii.

Overall, China's intensive efforts to build, test, and field new aircraft, ships, weapons and supporting systems are of increasing concern to the region. Many Asian nations worry about Chinese current and future intentions, with many of them asking, "As China's military capabilities improve, will China's intentions change?"

Chinese naval and maritime law enforcement vessels have been active in recent years in trying to advance China's territorial and maritime claims in the South China and East China Seas. China's strong rhetoric about the indisputable nature of its claims, combined with active patrolling by civil and military ships and aircraft in the air and waters surrounding Scarborough Reef and the Senkakus Islands, has raised tensions with the Republic of the Philippines and Japan respectively. China has also used other economic and diplomatic tools to pressure those countries to accede to Chinese claims. These actions have resulted in U.S. partners and allies in East Asia seeking additional support and reassurance. I am particularly concerned that the activities around the Senkakus islands could lead to an accident and miscalculation and escalation between China and Japan. The close proximity of ships and aircraft from all sides of these disputes raises the risks of escalation. Elsewhere, in the South China Sea, periodic confrontations between Chinese and Vietnamese ships and Chinese efforts to pressure international companies to not explore for oil and gas raise tensions. China has consistently opposed using collaborative diplomatic processes—such as negotiations of a Code of Conduct or international arbitration—to address disputes in the South China Sea, instead insisting on bilateral negotiations.

China's relationship with Taiwan remains stable following the reelection of President Ma Ying-jeou in Taiwan. Cross-Strait tensions are at historic lows because Taiwan and mainland China have consistently pursued increased economic integration and people-to-people exchanges. However, the PLA continues to maintain a robust military buildup opposite Taiwan that contradicts Beijing's stated pursuit of a "peaceful development" of cross-Strait relations. Many of China's military developments appear specifically intended for use in a possible future conflict with Taiwan. Included in this growing arsenal are hundreds of short-range ballistic missiles and land-attack cruise missiles, high-speed patrol boats equipped with advanced anti-ship cruise missiles, naval mines suitable for blockading Taiwan's ports, and various types of electronic warfare and cyber attack systems. Cyber activity presents a significant and growing threat to PACOM.

China is rapidly improving its space and counterspace capabilities to advance its own interests, and presumably to challenge the United States' or other actor's use of space-based systems. China is expanding its satellite navigation, reconnaissance and communications capabilities through routine space launches. At the same time, we are concerned over extensive writings about—and apparent continued testing of—anti-satellite systems, including a purpose-built missile system, lasers and jammers.

One military development worth specifically highlighting is the advances being made across the Indo-Asia-Pacific to enhance or expand submarine forces, including in several smaller navies as a potential counter to stronger neighbors. From the northernmost part of our area of responsibility where Russia maintains attack and strategic capabilities in its Pacific Fleet, to the westernmost boundary where India is growing its submarine force, we see an emphasis on submarines throughout the region. The largest and most capable non-U.S. submarine force in the region is clearly China's, which continues to expand and modernize to complement China's increasingly capable surface fleet. Australia, Singapore, Indonesia, Malaysia, Viet-

nam and the ROK are nations that have recently launched—or soon will launch—new, modern submarines. Both Russia and China are expected to soon field new ballistic missile submarines capable of ranging the U.S. Homeland.

Violent Extremism:

Violence perpetrated by extremists, separatists, nationalists, and others of varied motivations remains a concern for PACOM and our partners. Improvised explosive devices (IED) are the asymmetric weapon of choice for many of these groups. We average over 100 IED incidents per month in South and Southeast Asia, the highest rate outside Central Command's area of responsibility. The overwhelming majority of these incidents are not linked to global transnational violent extremism, but some are. We continue to see periodic eruptions of sectarian/religious violence in a variety of places, to include Burma, India, Indonesia, the Philippines, and Thailand. There is also a strong correlation between criminal activities and violent extremism, which often manifests through extortion, kidnapping and other violent crime. Several countries, including Bangladesh, Indonesia, and Malaysia, are traditional focal points for extremist recruiting, fundraising, movement and other facilitation efforts. Extremists affiliated with Iran are active in PACOM's area of responsibility as well. Iranians with links to Hezbollah conducted both successful and disrupted attacks in India and Thailand in February 2012.

PACOM has made significant progress in countering terror through building partner capabilities and through counter radicalization programs implemented by Civil Military Support Elements and Military Information Support Teams in support of U.S. Embassies. We are encouraged by the persistent pressure that our partners and allies have applied against VEOs over the last 10 years and the marked success they have achieved in countering extremist ideology and terror plots. Continued success requires a consistent long-term effort to diminish the drivers of violence that al Qaeda and other terrorists exploit. These efforts to prevent terrorist radicalization, recruitment, and mobilization are critical to defeating this dangerous ideology and reducing strategic risk; neither we nor our partners can capture/kill our way to victory in this fight. Continued modest preventive efforts today will make expensive reactionary efforts far less likely in the future.

Our partners in Southeast Asia have made impressive strides in reducing the danger posed by violent extremists, but disrupted attack planning in Indonesia, the Philippines, and Thailand last year is testament to the remaining threat. Smaller, more fragmented groups continue to pursue their disparate agendas through violence and intimidation. Joint Special Operations Task Force-Philippines (JSOTF-P) continued to advise and assist Philippine Security Forces as they improved counterterrorism capabilities in combating the Abu Sayyaf Group and Jemaah Islamiyah in the southern Philippines. The improving security situation has supported the implementation of an initial peace framework agreement between the Philippine Government and the Moro Islamic Liberation Front. This agreement serves as a vehicle for ongoing negotiations to build lasting peace and improve security and stability in the Southern Philippines. Counterterrorism efforts, which have included improved information sharing and increased cooperation, have also had positive impacts on the related issues of piracy and crime. Piracy and robbery-at-sea in the Malacca and Singapore Straits remain low.

Lashkar-e-Tayyiba (LeT) remains one, if not the most operationally capable terrorist groups through all of South Asia. LeT was responsible for the November 2008 attack in Mumbai, India that killed over 160 people, including 6 Americans, and has supported or executed a number of other attacks in South Asia in recent years. Beyond the direct impact of these attacks, there is a significant danger another major terrorist attack could destabilize the fragile peace between India and Pakistan. Should the perpetrators of such an attack be linked back to Pakistan—as was the case in the 2008 attack—the Indian Government may face domestic pressure to respond and the resulting spiral of escalation could be rapid. For those reasons, and more importantly to protect innocent lives, we and our partners in the U.S. Government engage regularly with the Indians and Pakistanis to avert such a crisis.

India's relationship with Pakistan has gradually improved in recent years, thanks to a series of confidence building measures, growing economic ties and the absence of large-scale destabilizing incidents. However, we remain concerned the progress could be quickly undone by a major terrorist attack. Both sides maintain modern, trained militaries underpinned by demonstrated nuclear capabilities. A major war on the subcontinent is not likely, but could be catastrophic to both sides, as well as the region. In addition, while India has seen its bilateral economic ties with China expand in recent years, its unresolved border disputes with China have remained a source of friction. We do not think war between India and China is inevi-

table or likely, but unresolved territorial issues and regional competition could fuel incidents.

Elsewhere, South Asia is mostly free from direct conflict, but various, mostly internal, challenges remain. Despite Nepal's inability to resolve its many political issues, reintegration of former Maoist combatants into the army is now complete and the process has remained peaceful, with all parties and entities working within the framework of peace and stability. Bangladesh may struggle to contain political violence and turmoil as they face national elections early next year. Sri Lanka needs to work to move past its recent history and reconcile a nation divided by many years of civil war.

Indo-Asia-Pacific nations continue cooperative efforts to reduce illegal trafficking in drugs, persons and commercial products, an endeavor significantly challenged by the enormous distances and varied geography of the region. Through Joint Inter-agency Task Force West, PACOM partners with international and other U.S. Government agencies in this effort.

Typhoons, earthquakes, floods, tsunamis, and cyclones are all too common in Indo-Asia-Pacific. Increasingly severe weather patterns and rising sea levels threaten lives and property, and could even threaten the loss of entire low-lying nations. In 2012, almost 100 natural disasters struck Asia, causing nearly 4,000 deaths and affecting over 65 million people. Amazingly, this was actually below the 10-year average of over 6,600 people killed annually by natural calamities.

The illegal trafficking of people, animals and products poses a transnational threat. Counterfeit or substandard antibiotics can promote the introduction and spread of antibiotic resistant strains of diseases, such as malaria and tuberculosis. Water sanitation and global food security issues can divert resources and halt the flow of goods and services in the event of global pandemics. Illegal trafficking in animals and plants has the potential to spread organisms that destroy crops or food chain ecosystems. As we engage with the Indo-Asia-Pacific nations through Cooperative Health Engagement (CHE), we will enhance the region's ability to deal with these and other public health risks.

Based on PACOM's past humanitarian assistance/disaster response (HA/DR) experience, we have initiated changes to the planning and execution of health engagement in the Indo-Asia-Pacific. The focus has shifted from one-time provision of health care to an underserved population to CHEs which build sustainable, multi-lateral, capability, capacity and medical interoperability in support of the PACOM Theater Campaign Plan. CHEs tie directly to health security, homeland defense, and transnational threats. Some of our more successful efforts include Cambodia, Vietnam, and Laos Blood Product Safety projects. These interagency collaborations have built national civilian and military blood product capacity resulting in a national self-sustaining blood supply. Through the DOD HIV/AIDS prevention program (DHAPP), militaries of 10 Indo-Asia-Pacific countries are implementing HIV prevention programs to reduce the incidence of disease among uniformed international partners, and by extension, in the civilian communities in which they live. DOD overseas medical research laboratories have made great strides in developing countermeasures to many emerging diseases. The Armed Forces Research Institute of Medical Sciences in Bangkok, Thailand, has made important breakthroughs on the Hepatitis A vaccine, the Japanese Encephalitis vaccine, and the first HIV vaccine to show efficacy in human trials. All of these engagements serve to build health security in the Indo-Asia-Pacific region and contribute to a more stable global health environment.

Resource Competition:

Demand for water, food, and energy will only grow. Friction caused by water availability and use is evident between India and Pakistan, between India and Bangladesh, between countries in the Lower Mekong regions of Southeast Asia, between China and Southeast Asia, and even internally in China between the northern and southern regions of the industrialized east. Much of the Indo-Asia-Pacific is unable to adequately provide for their own food requirements, highlighting the need for stable, plentiful supplies available through international commerce. The same is true for energy supplies. Disruption to these supplies or unexpected price increases will quickly strain many governments' ability to ensure their population's needs are met.

Intelligence Support to Operations:

The challenges I've addressed all place a significant strain on our theater and national intelligence organizations. Still, these challenges, which necessitated our national strategy to rebalance to the Indo-Asia-Pacific, must be met head on by our military leadership and the Intelligence Community (IC). There are several key enablers that I believe will assist in this task. Key among these is the continuing

requirement for making “all sensed data” available to our analysts so that it can be quickly absorbed into our decision cycle and visualized in a way that assists our understanding of complex issues. As we reset the Intelligence, Surveillance, and Reconnaissance (ISR) force in the drawdown from Afghanistan and reprioritize our overhead sensors, we must ensure that those ISR sensors and accompanying processing, exploitation, and dissemination (PED) architectures and personnel that help us understand our unique operating environment are optimally positioned and outfitted to achieve this mission. Most importantly, I need to have effective command and control over ISR architecture in real-time through all phases of operations. We are making steady progress in all of these areas. Improving processes to rapidly share information with allies and partners creates a common understanding within the region and results in more effective and robust relationships. Maturing concepts for cloud architectures and initiatives to enhance access to those clouds have great promise to unleash knowledge from derived data in ways that we have not yet experienced. Significant advances in intelligence mission management are helping address my need for effective command and control, optimization and visualization of ISR. Still, we have much work to do to fully realize the potential advantage of a penetrating understanding of our key threats.

THE INDO-ASIA-PACIFIC REBALANCE

The Rebalance to the Asia-Pacific Strategy reflects the recognition that the future prosperity of the United States will be defined largely by events and developments in the Indo-Asia-Pacific.

While the Indo-Asia-Pacific region today is at relative peace, we remain concerned as we see stress points in territorial disputes and the threat that North Korea presents to the peace and security of the region. However, the credible and persistent commitment of the United States to the region through robust presence and partnerships has, and will continue to provide, an enduring, prosperous, and stable security environment for the region.

Fundamental to the rebalance is that PACOM actions align and synchronize with the diplomacy, policy, and economic confidence building measures of our U.S. Government partners. These coordinated efforts demonstrate an enduring resolve to show commitment to the Indo-Asia-Pacific across all facets of engagement. PACOM remains focused as the military component of this commitment, and we will continue to plan and conduct operations, actions, and activities that support this holistic governmental approach in building upon the peace and prosperity of the region.

The posturing and forward presence of our military forces is key to PACOM's ability to rapidly respond to any crisis or disaster. Due to the vast distances involved in our area of responsibility, it is imperative we continue to receive the support provided by our partners in the Services and through Congress to maintain the readiness of our forward deployed forces. PACOM manages the rebalance along four lines of operations that form the bedrock of our strategy. Those four lines of operations are: (1) strengthening alliances and partnerships; (2) improving posture and presence; (3) developing capabilities and concepts; and (4) planning for operations and contingencies.

Strengthening Alliances and Partnerships:

At the core of the rebalance, is an effort to renew, modernize and strengthen our alliances and partnerships in support of shared security interests. We are ensuring our alliances are adaptive so they can meet the challenges of the current security environment while capitalizing on emerging opportunities. Similarly, we are exploring innovative ways to expand cooperation through more effective strategic partnerships in order to address the complex problems presented by nontraditional security challenges. PACOM is working closely with the five U.S. treaty allies in our AOR, Australia, Japan, the Philippines, South Korea, and Thailand, as well as key partners, including India, Indonesia and Singapore.

Australia:

The U.S.-Australian alliance is an anchor of peace and stability in the Indo-Asia-Pacific, and promotes economic development and integration, good governance, and the rule of law. PACOM coordinates closely with our Australian partners to promote security in the region. This past fall in Sydney, we co-hosted PACOM's Pacific Chiefs of Defense annual conference, where 22 of 26 Chiefs of Defense attended. We engaged in a weeklong series of briefings and discussions on security cooperation. In addition, the Australian Chief of Defense and I attended the Australia-U.S. Ministerial (AUSMIN) Consultations in Perth in November where we jointly briefed on our robust military-to-military engagements.

We are continuing to implement the force posture initiatives announced by President Obama and Prime Minister Gillard in November 2011, which include U.S. marines who will rotate through Darwin to participate in bilateral training. In addition, access by U.S. aircraft to airfields in Northern Australia, which will provide significant training opportunities. The first rotational deployment of approximately 250 U.S. marines in Darwin was successful, and planning continues for the second rotation scheduled to begin in April 2013. We are working together to increase the USMC rotational presence in Darwin to approximately 1,100. This increase will require infrastructure improvements and we are currently in the process of identifying the details of those requirements. We are also working through the protocols and lift required to deploy these personnel in the event of a natural disaster as we did during the 2004 Indian Ocean tsunami. I am confident that our efforts will bear fruit, and we will continue to posture in a manner that supports our strategic objectives.

We also continue to seek better opportunities to advance bilateral and multilateral operations. For example, our biennial Exercise Talisman Saber 2013 is a combined U.S.-Australian exercise designed to train our respective military forces in planning and conducting Combined Task Force operations. We are further analyzing the benefits of expanding Talisman Saber to include other security partners.

We are also realizing increased value in the expansion of regional trilateral security cooperation engagements. The close relationship between Australia and the United States facilitates the inclusion of other countries to our combined security cooperation efforts, such as with Japan. This allows us to move forward together and support multilateral security exercises and activities with multiple nations focusing on Proliferation Security Initiative exercises, HA/DR operations, information sharing, intelligence, surveillance, and cyber security cooperation.

Japan:

The U.S.-Japan Alliance, supported by a robust U.S. military presence in Japan, continues to provide the deterrence and capabilities necessary for the defense of Japan and for the maintenance of peace, security, and economic prosperity in the Indo-Asia-Pacific. Over the last year, the Office of the Secretary of Defense and PACOM have worked with our Japanese counterparts to realize adjustments in the U.S. force posture in the Indo-Asia-Pacific. Significant achievements with realignment initiatives include: progress in the environmental impact assessment process for the Futenma Replacement Facility; the expansion of aviation training relocation programs to Guam; the relocation of the Japan Air Self Defense Force (JASDF) Air Defense Command to Yokota Air Base; and progress in the relocation of the Japan Ground Self Defense Force (JGSDF) Central Readiness Force Headquarters to Camp Zama.

These movements do not alter the fundamental goals of the Realignment Roadmap, which are to maintain deterrence and mitigate the impact of U.S. forces on local communities. In fact, the adjustments improve interoperability between U.S. forces and the Japan Self Defense Forces (JSDF) thereby strengthening the overall deterrent capability of the U.S.-Japan Alliance. Bilateral exercises, such as Keen Edge 2012 and Keen Sword 2013, do the same and continue to expand earlier set precedents for expanded U.S.-Japan operations. Likewise, the deployment of Marine Corps MV-22s to Okinawa replaces outdated equipment and brings enhanced capabilities to our forward deployed Marine forces.

In concert with the Joint Staff and the Office of the Secretary of Defense, we have begun to evaluate alliance roles, missions, and capabilities in order to fortify the alliance for the evolving challenges of the regional and global security environment. The United States and Japan continue to share common security interests such as containing the threats presented by the North Korea, providing humanitarian assistance and disaster relief (HA/DR), and supporting freedom of action in shared domains. In addition, we are cooperating to help allies and partners in the region build security capacity through training and exercises. These efforts will contribute to continued peace and stability in the region.

Philippines:

Our 62-year-old alliance with the Philippines remains key to our efforts to ensure the stability and prosperity of the Western Pacific, and we are modernizing the relationship to meet the challenges of the 21st century. High-level engagements including Secretary Clinton's visit to Manila in November 2011, when she signed the "Manila Declaration," the first "Two-Plus-Two" Ministerial Consultations hosted by Secretaries Clinton and Panetta in April 2012, and President Aquino's official visit in June 2012, have reinvigorated the U.S.-Philippines relationship. We are seeing a renewed interest to redefine our relationship with capability and capacity building be-

yond the CT effort; increased rotational access; and more sharing of situational awareness in the maritime domain.

We remain committed to our alliance with the Philippines as defined in the 1951 Mutual Defense Treaty. This past December, we co-chaired the annual Mutual Defense Board/Security Engagement Board in Manila, which remains the focal point of our expanding military relationship. As the Armed Forces of the Philippines (AFP) continue to transition from internal security operations to territorial defense, we will make adjustments to the military-to-military relationship in order to effectively mitigate perceived threats. We are currently discussing opportunities to increase rotational presence of U.S. forces in jointly identified priority areas to allow new training for Philippine and U.S. forces.

We use training opportunities to address short-term AFP capability gaps while helping them build long-term capability and capacity. Additionally, our security assistance is primarily focused on supporting the AFP maritime domain awareness and maritime security capabilities, but also includes information technology and cyber security. This past May, we transferred a second Hamilton-Class Coast Guard Cutter (Ramon Alcaraz) to the Philippines, and we continue to partner with the AFP to affect the necessary maintenance and training.

Operationally, PACOM engages the Philippines through the Joint Staff-sponsored exercise Balikatan and periodic Pacific Partnership missions that focus on humanitarian/civic assistance and civil military engagement as well as numerous Service component-led exercises. In addition, for the past decade, JSOTF-P has operated in a non-combat advisory and assist role in support of the AFP to combat and contain violent extremist organizations. We are currently assessing JSOTF-P's enduring requirements to align with the current security situation. A strong U.S.-Philippines alliance greatly enhances regional stability and helps the United States guarantee an environment that will help prevent miscalculation, promote regional cooperation, and protect vital Sea Lanes of Communication for all parties.

Republic of Korea (ROK):

2013 marks the 60th year of the U.S.-ROK alliance, which remains strong and essential to the success of our strategy. For over 6 decades, the United States and the ROK have collectively worked to provide peace and stability in Northeast Asia by deterring a North Korean regime committed to periodic provocations and overt threats to peace and stability on the peninsula and in the region. A major conflict in Korea could have unpredictable, long term, and far reaching impacts due to the central location of the Korean peninsula in Northeast Asia and the vital importance of Northeast Asian trade to the global economy. We have limited understanding of North Korean leadership intent, which remains a concern to long-term stability.

General Thurman and I are aligned in our efforts to do what is necessary for the United States and the ROK as this alliance undergoes transformation, a change that will ultimately assist the ROK to better meet security challenges both on and off the peninsula. Part of that transformation is the transition of operational control to the ROK military, which will allow it to take the lead role in the combined defense of Korea. Transition of operational control in 2015 is conditions-based and certification of key capabilities must be accomplished. The U.S.-ROK exercise program—which includes Key Resolve and Ulchi Freedom Guardian—is a key mechanism to certify that critical capabilities, such as C4I and command and control of combined and joint forces, are achieved. As we proceed through the transition process, USFK will seamlessly transform into U.S. Korea Command and will remain capable of executing future plans.

To address the growing threat posed by North Korean missile capabilities, the United States and ROK have been conducting close consultations through the Alliance Counter-Missile Capabilities Committee. Last fall, these discussions resulted in the adoption of a comprehensive Alliance counter missile strategy. ROK capability improvements under this strategy include the development of new ROK ballistic missiles that increase ranges from 300 kilometers (km) up to 800 km, strengthened missile defenses, improvements to command, control and communications, as well as enhanced ISR capabilities. All of this is to better achieve a fully-integrated and operational missile defense umbrella. As part of enabling these improvements, the Missile Guidelines governing ROK missile and unmanned aerial vehicle ranges and payloads were revised. These improvements in ROK capabilities are a smart and proportionate response to the growing North Korean missile threat.

Trilateral security cooperation between the United States, the ROK, and Japan has been evolving, although political and historical context moderates the pace at which it develops. The shared values, financial resources, logistical capability, and planning capacity to address complex contingencies make this trilateral partnership a relationship worth pursuing. PACOM and our counterparts within Japanese and

the ROK military staffs will continue to find ways to enhance trilateral cooperation with diplomatic assistance. During the April 2012 and December 2012 DPRK missile tests, PACOM coordinated closely with both our ROK and Japanese counterparts throughout the launches. We conducted a trilateral naval exercise in the Yellow Sea in June 2012 improving our naval forces' tactical interoperability in ballistic missile defense. U.S., ROK, and Japan officials issued a trilateral statement at the Defense Trilateral Talks in early 2013 stressing that we will closely coordinate to monitor a potential North Korean nuclear test and to respond to ballistic missile threats.

Thailand:

As the treaty relationship between the United States and Thailand enters its 180th year, our relations remain strong, vibrant, and essential. Thailand has demonstrated a willingness and capability to act as a regional leader in a number of areas, including HA/DR efforts. Thailand has also been a partner supporting reform in Burma, and invited representatives from Burma, as observers, to exercise Cobra Gold 13, which is the United States' largest co-hosted multilateral exercise in the world. Thailand is a demonstrated partner in counterterrorism and is the United States' oldest partner in the region.

Thailand will be increasingly important in collective security, peace, and prosperity in the region. PACOM remains committed to helping the Thai military further develop its already impressive capabilities so that it can assume even greater security responsibilities in the Indo-Asia-Pacific, particularly in counter-piracy and maritime security, humanitarian assistance and disaster relief, and peacekeeping operations.

India:

The U.S.-India relationship is the strongest it has been since India gained its independence in 1947. A strengthened U.S.-India strategic partnership is imperative to achieve U.S. national interests including ensuring regional security, strengthening the international trading system, protecting shared domains, countering terrorism, and bolstering international nonproliferation. We remain India's most frequent partner for security engagements. Our defense relationship is built around a robust program of dialogues and engagements, military exercises, personnel exchanges, and defense trade, which has grown from \$0 to \$9 billion in less than a decade. The Indians now operate a fleet of 6 C-130J cargo aircraft; they have taken delivery of their first of 8 P-8I Poseidon maritime patrol aircraft and their first of 10 C-17 Strategic Airlifters.

Our relationship with India has room to grow, and we are optimistic and enthusiastic about its potential. India's legacy of non-alignment and commitment to a policy of "strategic autonomy" is often viewed as limiting the relationship. However, our shared values and commitment to democratic principles inevitably place us on parallel, if independent paths. Several of these parallel interests include cooperating in multilateral forums which address counterterrorism and maritime security, including anti-piracy and HA/DR issues. We support India's increased desire for regional leadership.

While U.S.-Indian relations remain on an upward trajectory, we recognize there are impediments that must be overcome in the relationship. Process issues in the Indian bureaucracy and Indian concerns about U.S.-Pakistan relations are examples of challenges to achieving the strategic partnership we seek. Deputy Secretary of Defense Carter's India Defense Trade Initiative, however, has great potential to overcome much of the inertia and institutional red tape that has hampered our ability to expand cooperation. Even though progress is incremental, PACOM continues to reinforce our desire for, and commitment to an expanded relationship that promotes a secure and stable South Asia.

Indonesia:

Since President Yudhoyono signed a comprehensive partnership between Indonesia and the United States in 2010, progress has been made in military relations. Following a decade of political, economic, and military reform, Indonesia has surfaced as a vibrant democracy, with an emerging economy and a strengthened PACOM—Armed Forces of Indonesia (TNI) relationship. We are working extensively with Indonesia in areas such as resilience and disaster risk reduction, counter terrorism, and, most recently, Indonesia and the United States were designated co-chairs of the Asia Pacific Intelligence Chiefs Conference. As co-chairs with Indonesia since 2011, we are now preparing to conduct the inaugural Counterterrorism Exercise (CTX) of the Association of Southeast Asian Nations (ASEAN) Defense Ministers' Meeting-Plus (ADMM-Plus) Experts Working Group (EWG) on Counterterrorism in 2013.

Following a 12-year hiatus, PACOM has reestablished security cooperation activities with the Indonesian KOPASSUS (Army Special Forces). The measured pace of this engagement includes key leader dialogue and small-scale subject matter expert exchanges in areas such as military decisionmaking, medical planning and law of war/human rights. More activities of this type are planned for 2013 and will gradually expand at a pace commensurate with the demonstrated progress in the TNI's transparency and institutional reform. Broadly speaking, we cannot afford to disengage just as we establish key partnerships in the Pacific.

Defense trade is also increasing as Indonesia grows its military budget. The United States is providing Foreign Military Financing and is in conversation with Indonesia on purchases of military equipment such as attack helicopters, fighters, and radar systems. The comprehensive partnership between Indonesia and the United States is strengthening ties between the two countries as well as bolstering our engagement with Southeast Asia and the region as a whole. The progress in this security relationship is very promising for both countries.

Singapore:

Our bilateral relationship with Singapore is extensive and continues to strengthen and broaden. Singapore armed forces comprise a small, but capable military, and the access to port and airfield facilities they grant the United States is key to our posture in the Asia Pacific. Their main focus continues to be security within the Strait of Malacca and Singapore Strait and they cooperate with Indonesia, Malaysia and Thailand in conducting security patrols within the Straits against piracy and other illicit activities.

Singapore's armed forces are also conducting counter-piracy missions in the Gulf of Aden. Both of our militaries are seeking to increase engagement across all PACOM Service components. Singapore's offer to host U.S. Littoral Combat Ships (LCS) at Changi Naval Station, the first scheduled to arrive in April 2013, will also significantly enhance PACOM's posture.

Engaging with Other Partners:

New Zealand:

In addition, PACOM has been working hard to promote our security relationships with our partners in the region. For example, U.S.-New Zealand bilateral ties are stronger than it has been in 3 decades. We have made historic improvements in our relationship as we advance diplomatic, economic, and security cooperation. The growth between our countries is exemplified by regularized strategic and defense consultations, joint efforts to protect Antarctica's maritime ecosystem, and strategic dialogues on the Pacific Islands. The Washington Declaration, signed by Secretary Panetta and Defense Minister Coleman in June 2012, has allowed for greater flexibility in terms of joint exercises, military liaisons, and military educational exchanges. In 2012, Secretary Panetta announced a significant policy change, modifying restrictions on U.S. military relations with New Zealand by allowing the Secretary of Defense to waive, on a case-by-case basis, the restriction on access by Royal New Zealand Naval vessels to U.S. military and Coast Guard facilities.

China:

The U.S.-China relationship has elements of cooperation and competition. The overall U.S. policy goal is to expand the areas of practical cooperation in addressing shared economic and security challenges, while preventing unhealthy and disruptive competition from undermining the relationship. In January 2011, President Obama and Chinese President Hu Jintao agreed to "build a cooperative partnership" that included a commitment to develop "continuous, stable, and reliable military-to-military relations." More recently, in 2012, President Obama and President Hu Jintao agreed to explore "building a new model of major power relations" in recognition of the fact that rivalry and conflict does not need to be inevitable between a rising power and an established power. Both Washington and Beijing are working towards these goals, as evidenced by the more than 60 formal dialogues a year including the Strategic and Economic Dialogue, which PACOM attended at the invitation of Secretary Clinton last year. Both nations recognize the importance of our bilateral relationship not only to the Indo-Asia-Pacific region, but also to the world, which explains in part why, in spite of many disagreements, the United States and China stress the importance of stability in the overall bilateral relationship.

For the first time in 4 years, the Commander of PACOM participated in a military-to-military engagement with China in country. To mature the partnership, I visited China twice in my first 6 months as a commander and hosted reciprocal visits at my headquarters.

The importance of stability presents opportunities in our bilateral military-to-military relationship. China's participation in regional multilateral and bilateral security dialogues, consultations and mechanisms has grown commensurate with its rising economic and military clout, and has provided greater potential for cooperative engagement with the United States and the region. Through those multilateral and bilateral activities, the United States is working with the Chinese to build a relationship that seeks to address regional security issues based on enhanced trust and convergent interests. Nontraditional missions such as HA/DR, counter-piracy, peace-keeping, and military medicine offer potential for growth. The Chinese received our invitation to attend the Rim of the Pacific (RIMPAC) Exercise in 2014 very positively, and it appears both sides view U.S. outreach and Chinese attendance as an important step in fostering greater trust and openness in the bilateral military-to-military relationship.

The seventh U.S.-China Defense Policy Coordination Talks in October 2012 featured substantive discussions on U.S.-China relations including maritime security and safety, as well as regional and global security issues. In early December, PACOM hosted a delegation of PLAN officers led by VADM Zhang Yongyi, Vice Chief of the PLAN. Discussions during the roundtable focused on PACOM's mission in the region and PACOM's thoughts on the U.S. Government's perspective on recent territorial and maritime disputes in the East China Sea and South China Sea. During the 13th U.S.-China Defense Consultative Talks in early December, both delegations reaffirmed the importance of a healthy, stable and reliable military-to-military relationship. We achieved a broad consensus on a number of areas of common concern and candidly discussed areas of disagreement. The U.S.-PRC 2013 Military-to-Military Planning Conference in Beijing expanded on these talks. Both sides agreed to a bilateral plan consisting of over 40 events, the largest number since China suspended military-to-military engagements in 2010.

Our bilateral military dialogues with China provide us with important opportunities to discuss our respective concerns as well as to explore areas of future cooperation. The Chinese characterize our rebalance as militarily heavy, aimed at containing them, and that it has "emboldened" regional actors such as the Philippines and Japan against them, generating regional instability. However, Beijing also questions the sustainability of the rebalance, pointing to sequestration and other looming fiscal issues.

A continuing point of friction between the United States and China and a key part of bilateral discussions involves Chinese efforts to impede our lawful military activities in international air and maritime areas. While we do not believe China seeks a repeat of the 2001 EP-3 incident, we still see instances where Chinese forces conduct unsafe or unprofessional maneuvers in proximity to legally operating U.S. forces.

Despite our many differences with the Chinese, we have areas of common interest, and both sides agree that 2012 was an especially positive and productive year for military-to-military relations. We furthered the relationship in line with DOD's long-term objectives of increasing cooperative capacity, fostering institutional knowledge and building a common picture of the security environment. The PLA became more amenable to conducting more complex engagements, and committed to events beyond the normal 1-year timeframe. PACOM will continue to develop this relationship focusing on our converging interests in counter-piracy, counterterrorism, protecting sea lanes, and humanitarian assistance and disaster relief.

Multilateral Relationships and Institutions:

While the United States is committed to strengthening bilateral alliances and partnerships, we also recognize the critical role multilateral relationships and institutions will play in enhancing regional security. Common challenges like natural disasters that strike with little warning require unified efforts to respond rapidly and effectively. Institutions such as ASEAN can serve as an organizing force to harness such efforts but can likewise serve as a unifying body in establishing principles that support responsible behavior by regional actors.

PACOM, working with the State Department and the Office of the Secretary of Defense, has supported U.S. engagement with ASEAN. I recently met with the newly-inaugurated ASEAN Secretary General and was encouraged by his desire to continue the progress made by his predecessor in addressing security-related matters in Southeast Asia. We are also participating in two major ASEAN Humanitarian and Disaster Response field training exercises in May and June 2013 reinforcing multilateral civ-mil and mil-mil cooperation as the ASEAN Humanitarian Assistance (AHA) Center comes online.

Engagement Tools:

Foreign Military Financing (FMF) and International Military Education and Training (IMET) are two of the top security cooperation engagement tools available to PACOM. With minimal continued increases to meet our requirements, we can truly address a broad range of challenges from border security issues, HA/DR, counterterrorism, and military-to-military engagement. PACOM countries receive between 0.1 percent–0.15 percent of the worldwide FMF. Specific PACOM considerations in making FMF budget recommendations include: Commander and Theater Campaign Plan priorities, coalition partner contributions or country priorities, and U.S. access objectives. The Philippines and Indonesia were the top beneficiaries of PACOM FMF aid in fiscal year 2012. IMET is a low cost, high impact program that has a longstanding track record of establishing valuable relationships with senior officers and leaders from critical partner nations.

Programs such as these contribute resources which PACOM can synchronize with other efforts to build right-sized capacity at the right time, ultimately strengthening our relationships, building interoperability, and maintaining our leadership role in the region. The sustained engagements these programs provide also help regional nations appreciate the value of maintaining an active U.S. presence.

Improving Posture and Presence:

The United States requires a more geographically distributed, operationally resilient and politically sustainable posture that allows persistent presence and, if needed, power projection. As many of you who have frequently visited Asia know, the tyranny of distance imposed by the size of both the Pacific and Indian Oceans and intervening landmasses requires the United States to operate forward in order to achieve rapid response. This rapid response hinges on flexibility and forward positioning of both permanent and rotational military forces and is essential in enabling us to influence the onset and unfolding of crises, prevail in conflict, and provide aid in the aftermath of disasters.

Some of the most visible results of the rebalance can be seen in the ground forces now returning to theater. After a dozen years supporting wars in the Middle East, PACOM's permanently-assigned forces are resetting to focus on the Indo-Asia-Pacific. Recently, the Army removed I Corps and the 25th Infantry Division from worldwide service rotation, permanently assigning them to PACOM and, at my request, subsequently elevated Commander, U.S. Army Pacific to a four star position. Likewise, the Marine Corps removed the III Marine Expeditionary Force from its worldwide service rotations, allowing them to once again concentrate on Pacific theater missions.

A large component of PACOM's permanent posture adjustment is the Defense Policy Review Initiative (DPRI), which is a product of an extensive force posture and footprint review conducted by PACOM and approved by the Secretaries of Defense and State in 2005. DPRI also remains a key transformational goal of the U.S.-Japan Alliance, and we are supportive of its implementation. A major element of DPRI is the significant reduction of Marine forces on Okinawa and relocation of approximately 8,000 marines to Guam and Hawaii. The resulting end state is a transition from a heavily-concentrated Marine force in Northeast Asia region to four Marine Air Ground Task Forces geographically distributed across the Pacific providing a more flexible and balanced capability throughout the entire Western Pacific. The implementation is in progress with the Environmental Impact Statement under development in Guam and land-use alternatives being studied to support a future Environmental Impact Statement in Hawaii. While we intend to leverage the use of existing infrastructure to the maximum extent possible, resource investments will be needed to support this realignment. Those investment decisions, as well as the timeline for making personnel movement decisions, will be informed by the impact studies that are underway now. It should be noted that the Government of Japan has also committed to providing \$3.1 billion to support the strategic realignment. It is recommended that a focused approach be adopted for the identification of required resources so that the strategic benefits of a balanced forward force presence across the entire Western Pacific can be realized as soon as is feasible.

Additional DPRI initiatives include the relocation of part of the Navy's air wing in Japan from Naval Air Facility Atsugi to Marine Corps Air Station Iwakuni as a result of encroachment issues. In large measure, DPRI remains on track due to the contributions provided by the Government of Japan (GOJ). In December 2012, the GOJ submitted the environmental impact statement for the Henoko-based Futenma Replacement Facility to the Okinawa Prefectural Government, moving the process one step closer towards completion. Meanwhile, U.S. forces will continue to operate from the existing facility at Marine Corps Air Station Futenma.

As previously mentioned, changes in rotational forces are already underway. These include the rotational presence of marines in Darwin, Australia, and the upcoming rotational presence of Littoral Combat Ships at Changi, Singapore. Further, PACOM is able to enhance the persistence of our rotational and forward deployed force presence through various operations such as those conducted in support of freedom of navigation, humanitarian missions, and civic assistance, to name a few. Pacific Air Force's Operation Pacific Angel and Pacific Fleet's Pacific Partnership are two examples that bring joint, combined and nongovernmental organizations together to deliver cooperative health engagements, engineering civic action programs and subject matter expert exchanges to many nations, specifically in areas like Oceania, Sri Lanka, and Laos—opening doors that would otherwise be closed to a U.S. military presence.

In addition to operations, exercises serve as a valuable means of augmenting presence in and around the region while simultaneously providing opportunities for robust and meaningful engagement. The PACOM exercise program is key to maintaining a credible defense posture, strengthening relationships with our allies, expanding our partner networks, and preparing to accomplish the full range of military contingencies. Congressional support for the Combatant Command Exercise Engagement and Training Transformation (CE2T2) program, therefore, is critical. CE2T2 directly impacts our ability to conduct joint training exercises and theater security engagement events in the Pacific region. PACOM's portion of this essential program is comprised of 18 major exercises and involves joint military forces, interagency activities, and 30 of our 36 partner nations. In support of the rebalance, the number of major exercises conducted will expand to include events with Malaysia, regional Proliferation Security Initiative (PSI) partners, and ASEAN.

The exercise program also provides important venues for joint experimentation to accelerate the development and fielding of new and maturing concepts, technologies, and procedures ahead of potential adversaries. This is essential to the development and application of innovative capabilities and concepts that comprise the third component of PACOM's rebalance efforts.

Developing Capabilities and Concepts:

Today's regional threats and potential contingencies necessitate PACOM be equipped with America's most advanced ships, aircraft, intelligence collection, logistics, and missile defense capabilities, thereby placing our finest forces forward. In order to outpace the rapidly evolving challenges of tomorrow, however, PACOM requires further investments in hardware, systems, and innovation. For example, the Indo-Asia-Pacific's unique challenges in terms of distance and threat require development of capabilities related to lift; long-range strike; ISR; sub-surface capabilities; and missile defense. We are also working with the Deputy Secretary of Defense's Deputy's Management Action Group (DMAG Asia Pacific) to determine the optimal mix of capabilities, given competing requirements.

PACOM is further working to improve cyber capability, capacity, and security through our recently activated Joint Cyber Center-Pacific. We believe the Joint Cyber Center is critical for synchronizing cyber operations with the other operational domains. In order to improve cyber operations with allies and partners, PACOM continues to advocate for implementation of a Joint Information Environment (JIE) that addresses coalition networks as an organic element of the design. As a result of our cyber planning, exercise, and engagement efforts, the United States has emerged as the partner of choice in the Pacific for collaboration in the cyber domain.

We must continue to progress in strengthening the collective cyber security capabilities of the United States and its allies and partners. Our bilateral and multilateral communications interoperability programs have improved the management of electromagnetic spectrum, tactical data link capabilities, communications security, and satellite management in the multilateral environment. We are working to meet increasing demand for cyber and information assurance partnerships, including requests from all nations with whom we have bilateral communications agreements as well as those from emerging partner nations.

Resilient cyber and space capabilities are critical to PACOM's ability to maintain communications, situational awareness, and command and control of forward deployed forces and coalition partners. PACOM is working with allies and partners to strengthen collective cyber security and those efforts have the collateral benefit of strengthening relationships as they build capacity. Still, a more defensible and secure cyber architecture specifically designed for joint and coalition mission partners as well as cyber defensibility is necessary to ensure our ability to communicate securely, share information, and conduct operations. Space assets also remain vulnerable to terrestrial and on-orbit threats. For example, China possesses a mature anti-

satellite (ASAT) research and development program. Expanding PACOM's organic satellite communications capacity will help mitigate this threat.

Because PACOM recognizes the resource constraints the United States faces, we also endorse and participate in the development of concepts that augment the efficacy of our capabilities. These include warfighting approaches such as the Joint Operational Access Concept, Air-Sea Battle, and efforts to deepen ally and partner capacity to prevent, respond to, and rebound from crisis.

PACOM further supports concepts that allow for creative and innovative funding mechanisms in order to accomplish our mission. The Global Security Contingency Fund (GSCF) is one such tool. Its broad-based authority has the potential to allow improved interagency security cooperation in support of U.S. Government strategic objectives.

Moving forward, to better deter and defeat aggression, PACOM is taking steps to improve in-theater critical munitions stockpiles. In the past year, U.S. Army Pacific and U.S. Forces Korea have seen tangible benefits from the rebalance, improving their ability to meet future requirements through enhanced prepositioned stocks. PACOM is working with the Office of the Secretary of Defense and the Joint Staff through the Munitions Requirement Process to ensure adequate resourcing of munitions, as well as other logistics enablers, such as the pier facilities at Military Ocean Terminal Concord, a next generation Offshore Petroleum Discharge System, our inland petroleum discharge system capability, and completion of required MILCON projects in support of our theater petroleum plan.

Planning for Operations and Contingencies:

The final aspect to PACOM's rebalance efforts is the planning we conduct for operations and contingencies. Just as innovative concepts allow us to maximize our resources, so too, does creative planning. An example of this is our approach to the PACOM Theater Campaign Plan (TCP). The TCP operationalizes our theater strategy and puts words into execution. Although the TCP has traditionally been used to generally guide command efforts for a 5-year period, planning has begun too late for our Service components to execute with anything but resources on hand. PACOM has now extended the TCP's time horizon by producing a Theater Campaign Order that defines component taskings for the current fiscal year. Planning for the next fiscal year occurs in conjunction with TCP planning for the next 5 year period, far enough out to allow our Service components time to influence their parent Service budgets.

Another example of a new approach to planning is our Theater Security Cooperation Plan. Developing mutually supported objectives and goals with our allies and partners is critical, and aligning a solidified U.S. position is crucial to building capability in the region. To support this effort we have developed Country Security Cooperation Plans to support the Theater Campaign Plan. These lay the foundation for our bilateral and multilateral engagements and allow us to be smarter in the application of our resources.

Additionally we have reassessed the efficacy of our theater-wide command and control efforts and have made the adjustments necessary to better respond to the dynamic security environment we find ourselves in.

REPERCUSSIONS OF SEQUESTRATION AND CONTINUING RESOLUTION

During the past decade the U.S. joint force has been heavily tasked in other AORs. As a consequence, the PACOM AOR, in many areas has assumed additional risk. Examples of areas of particular concern are ISR assets, regional and homeland ballistic missile defense capabilities, carrier strike group availability, undersea warfare capabilities, munitions availability and theater lift. The rebalance has given us a new opportunity to begin to solve this and to re-emphasize to our allies and partners that we are a committed Pacific nation. However, the impact of sequestration and shortfalls in operating accounts under the continuing appropriations resolution may begin to undermine our strategic rebalance initiatives, exasperate existing resource challenges, and result in increased risk.

Due to Service funding reductions, PACOM component training tempo will be drastically reduced; rotational forces in theater will be reduced, all leading to decreased ability to accomplish assigned missions, respond to crises, and support theater engagement objectives. These funding cuts will challenge our ability to execute both discreet operations and the broader Indo-Asia-Pacific rebalance strategy.

The net effect of sequestration will be a negative impact in the Indo-Asia-Pacific at a critical time as we look to stabilize our forward presence and increase engagement with our treaty allies and partners. Given the size of the PACOM AOR, Service contributions, especially lift capabilities that the Air Force and Navy provide, are crucial to engagement with Indo-Asia-Pacific countries.

Facilities maintenance is critical to sustaining essential infrastructure. In order to provide immediate savings, Services will be forced to forgo facilities sustainment. Due to lack of maintenance, issues that would have been inexpensive minor problems will turn into expensive projects in future years. The inability to conduct preventive maintenance will affect the lives of our servicemembers and will cause a bow wave of maintenance and infrastructure requirements in the out years. Degraded facilities put missions at risk and delayed MILCON projects endanger the implementation of international agreements.

Civilian furloughs and restrictions on hiring are of special interest. Civil servants represent a noteworthy portion of our capability and capacity. If furloughs occur, every aspect of PACOM's warfighting readiness will be adversely affected. Overseas schools, hospitals, and warfighting staffs will be impacted. Of particular concern, more than half of those who support our ISR architecture are civilians. The current budget restrictions and hiring freeze also puts at high risk the Joint POW/MIA Accounting Command's (JPAC) ability to meet the NDAA 2010 required 200 identifications per year by fiscal year 2015.

The impact to each of these civilians will be significant—22 unpaid days equates to 20 percent less pay for nearly half the year. On a personal level, it breaks faith with a skilled workforce. Much of what they do simply cannot be picked up by others in their absence.

As we work through the near-term resource implications of funding reductions and assess the increasing risk, I will continue to work with the Services to preserve, to the extent possible, our essential homeland defense and crisis response capabilities . . . capabilities resident in our PACOM forward deployed forces. We will also continue to demonstrate U.S. resolve and commitment to peace and security in the Indo-Asia-Pacific.

CONCLUSION

The Pacific Ocean does not separate the United States from Asia; it connects us. We are connected by our economies, by our cultures, by our shared interests, and our security challenges. We have been accepting additional risk in the Indo-Asia-Pacific region for some time. Our rebalance strategy is in place, and we are making progress. Implementing and sustaining the strategic rebalance will require long-term, sustained commitment and resources.

On behalf of our military members and civilian employees that work every day to ensure that our country is successful in this effort, I would like to thank the committee for their support, and I look forward to answering your questions.

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

We're going to try to use the technology we've been provided with here today. Senator Inhofe said the other day: How come we don't use timers like every other committee? My answer was: I don't have the vaguest idea why we don't use timers. So we're going to find out whether they actually have an impact on us. Instead of a card being handed in front of us, now you have to keep your eyes on the timer. So let's see if it works.

We're going to start with 8 minutes.

Senator MCCAIN. A quantum leap.

Chairman LEVIN. A quantum leap, right. A small step for the committee, major step for mankind.

So, Admiral, let me start. Over the weekend, DOD announced that they were delaying a routine reliability test of a Minuteman III ICBM that would have been from Vandenberg Air Force Base to an impact site in the Marshall Islands 4,300 miles away. The test was apparently delayed so it would not be misconstrued by North Korea.

Now, I know you're not in the chain of command here, but basically do you agree with that decision and do you know what the basis for it was?

Admiral LOCKLEAR. I do agree with the decision. I assume that the basis of the decision was to look at the strategic communica-

tions, at all the events surrounding this particularly tenuous time with North Korea, and the impacts of the totality of those. So it is my sense that through this period of the last few weeks that we have demonstrated to the people of the region, we've demonstrated hopefully to the leadership of North Korea, and we've demonstrated to our own population back here, our ability and our willingness to defend our Nation, to defend our people, to defend our allies, and defend our forward-deployed forces.

So I did agree with the decision.

Chairman LEVIN. What are some of the things that we've done in response to the bellicose rhetoric of North Korea?

Admiral LOCKLEAR. We do a series of exercises each year with all of our allies. In particular with North Korea, about this time of year we do an exercise called Key Resolve.

Chairman LEVIN. With South Korea?

Admiral LOCKLEAR. With South Korea, we do Key Resolve and Foal Eagle. Those exercises are to build our alliance capabilities together, our defensive capabilities together. Many of the activities that you've seen play out over the last month are a result of an exercise that we would do annually anyway.

So normally at this time of year you will also see in North Korea that they will go into their winter training cycle and they will conclude that winter training cycle about the time that Foal Eagle finishes. So we have those two events happening at the same time.

So when you lay on top of that the bellicose rhetoric that has come out of North Korea and the follow-up from the nuclear test and now the poor decisions that it appears that he's making, each of these events that were rolled out at Foal Eagle start to take on a more significant strategic context. But they all, I think, demonstrate the strength of the alliance, demonstrate the defensive capabilities we build in the alliance, and demonstrate the deterrence capability of the forces that we bring together.

In addition, we pursued a long-range B-2 demonstration as part of Foal Eagle that came from the United States here. It was a good opportunity for my forces in PACOM to coordinate with the U.S. Strategic Command (STRATCOM) and for us to be able to demonstrate that capability. I believe the fact that it was visibly demonstrated was done at the right time to indicate the capabilities that the United States has to ensure the defense of our allies and of our Homeland.

Chairman LEVIN. I believe we also moved a missile defense system, is that correct?

Admiral LOCKLEAR. Yes, sir.

Chairman LEVIN. To Guam, I believe.

Admiral LOCKLEAR. Yes, sir, we did. At my request, I asked the joint force to be able to produce for the defense of Guam the THAAD asset and that request was supported and we're doing that to ensure that we can adequately defend our U.S. territories as well.

Chairman LEVIN. I understand that President Obama talked to Chinese President Xi recently regarding the actions that we have taken following this North Korean spate of rhetoric. Have you had any conversations with your military counterparts in China in the last couple of weeks?

Admiral LOCKLEAR. I have not.

Chairman LEVIN. A widespread attack by North Korea, conventional or otherwise, seems highly unlikely, but nonetheless there is a prospect, based on history, for a limited military action of some type from North Korea. If there were such an event, that would, I presume, draw a military response from South Korea.

The United States and South Korea have reportedly finalized something called a Combined Counter-Provocation Plan in an effort to get in place the terms and type of any such response to a limited military action from North Korea. Can you describe for us in general terms what the parts of that agreement are and are you satisfied that the plan that we have entered into with South Korea strikes the right balance between enabling South Korea to respond and to defend itself, at the same time ensuring that the United States is involved in any decisions that might widen a military action to include U.S. forces?

Admiral LOCKLEAR. Yes, sir. You know we've been planning with our ally, joint planning together, for many, many years. We have plans that we've worked together and we continually revise them. This particular plan that has been talked about is basically what I would call a branch from our normal day-to-day planning we have there to take a look at how things have changed. This is a recognition of a better understanding of the cycle of provocation that we see from not only this leader, but his father as well, and how best to deal with it.

I won't go into the details of the plan here because I don't think that's appropriate. But I do think that it is a good planning effort. I think that it has provided us, General Thurman, and his counterparts there the opportunity to ensure that the right command and control and the right coordination is in place, to ensure that as we were to approach future provocations that we do so in a predictable way that allows us to be able to manage those provocations without, hopefully without, the unnecessary escalation that none of us want.

So I am supportive of the plan, I think it's a good one, and we will continue to revise it as time goes on.

Chairman LEVIN. Are you satisfied that we would be ready if there were such a limited military action from North Korea?

Admiral LOCKLEAR. I am satisfied that we're ready today, yes, sir.

Chairman LEVIN. Thank you.

Can you give us briefly the impact of sequestration on the PACOM?

Admiral LOCKLEAR. There's no doubt that sequestration is having an impact on near-term operational readiness. By nature of the way that sequestration is put into the budget, particularly in this year, in the execution year of 2013, there's only so many places that we can pay that size of a bill, and most of the places that the Services have to go to are in readiness and operational accounts.

So I would say that for us to be able to deal with what we have done, what the Services have done, is that we've prioritized our assets globally as well as inside the Asia-Pacific to be able to ensure that our most pressing problems are properly addressed with the

right force levels and the right levels of readiness. So today I think we have managed that inside the PACOM AOR.

Now, where I have concerns is in the mid-term, as our overall readiness of our force starts to decline because of the impacts of the way that sequestration has been implemented. So you're seeing things like cancelling large-scale exercises that we've done to ensure the future readiness of our force, because we don't have the flying hours, or the transportation, or the fuel supplies to do that, or the fuel money to do that. So we're having to prioritize those things towards those things in PACOM's theater which are most pressing, and today that most pressing situation is what's happening on the peninsula in Korea.

Chairman LEVIN. Thank you very much.

Senator Inhofe.

Senator INHOFE. Thank you, Mr. Chairman.

Admiral, as you and I have talked about before, I'd like to get clarification on one statement that was, I think, misrepresented. It was in the Boston Globe, reported that you indicated—and I'm quoting now from the Boston Globe—"The biggest long-term security threat in the Pacific region is climate change."

Now, I'd like to have you clarify what you meant by that because I want to follow up with a couple of things here.

Admiral LOCKLEAR. Thanks for asking that question. I'm happy to have the opportunity to clarify.

Senator INHOFE. I say that because a lot of the people who are trying to use that and use your statement are the very people who think we're spending too much money on defense and that that money should be spent in other areas. Some of the environmental extremists don't really believe we need to have that strong of a military, as strong as we have right now, in spite of the hit that we've taken militarily.

But go ahead.

Admiral LOCKLEAR. As you might expect, I gave 100 or so interviews over the last year. During those interviews, I can assure the committee that I always start by talking about the most pressing military threats that we have—North Korea, the rise of powers in the region, transnational threats, all the things that Chairman Levin laid out in his opening remarks quite well.

In this particular case, I did the same. Then we started to talk about the long-term, the long-long-term, and what are the implications of it. I would clarify my perspective this way. In the Indo-Asia-Pacific region, projections are we're going to go from about 7 billion people in the world to about 9 or 10 by the century, and about 70 percent of them are going to live in this part of the world.

About 80 percent of them today live within about 200 miles of the coast, and that trend is increasing as people move towards the economic centers which are near the ports and facilities that support globalization. So we're seeing that trend of people moving into littoral areas.

We are also seeing—if you go to the U.S. Agency for International Development and you ask the numbers for my PACOM AOR how many people died due to natural disasters from 2008 to 2012, it was about 280,000 people. Now, they weren't all climate change or weather-related, but a lot of them were due to that.

About 800,000 people were displaced and there was about \$500 billion of lost productivity.

So when I look and I think about our planning and I think about what I have to do with allies and partners and I look long-term, it's important that the countries in this region build the capabilities into their infrastructure to be able to deal with the types of things that—

Senator INHOFE. I'm sorry to interrupt you here, because you've now used up half my time and we didn't get around to it. Is it safe to say that in the event—that the climate is changing, which so many scientists disagree with—in fact, when the Boston Globe, coming out of Massachusetts, made that statement, perhaps arguably one of the top scientists in the country, Richard Lindzen, also from Massachusetts, MIT, said that was laughable?

Let me just put it this way: CRS has told us that we could be totally independent from all other countries in terms of providing our own energy if we just develop our own resources. I believe that to be true. Wouldn't it be a more secure world and, specifically in your area, if we not only were totally independent, but were able to supply our allies in your jurisdiction with their energy so they don't have to depend on other sources?

Admiral LOCKLEAR. Absolutely.

Senator INHOFE. Okay. Let me say something about China. China, I understand right now—this is fairly new stuff—that they're talking about increasing their defense budget by 10.7 percent in 2013. I remember back in the 1990s when they increased their defense spending during that decade by 300 percent at the same time that we reduced ours by about 30 percent. This is not a partisan thing. This was after the Cold War. A lot of people felt that we could afford to reduce and we did.

We went down 30 percent in that decade. They went up 300 percent. Now, we're facing the same thing. My concern is could it be that we will cease to become the partner of choice to our allies if this trend continues? Does this concern you with the amount of increase that China is making and how it's affecting your region?

We see this in Africa. It's our experience in Africa that every time we have any type of a void that takes place in Africa, China moves in, and they seem to have the resources to do that. I just want to know how that might affect our relationship with our allies in your jurisdiction?

Admiral LOCKLEAR. It is concerning, and I think one of the aspects of the rebalance is to ensure that we have the right force posture, the right force mixture for the future in the Asia-Pacific so that we can reassure our allies, that we can reassure our partners, we can reassure the American people that our interests are protected over there. I think we do have to watch very carefully how China's military rises, what they do with that military, and how that military is integrated into the security environment.

Senator INHOFE. In our trip over to Guam, we were looking at that controversial hangar and the fact that you'd made a statement that maybe that should be hardened. There's a big expense to that. That's a controversial thing over there. I would agree with your statement. However, with the resources that we have, I would think that others would say, these need to be hardened also.

Would you address that issue in terms of the scarce resources and the advantages of hardening those facilities?

Admiral LOCKLEAR. Yes, sir. First, we're acutely aware of the significance of the resources that we'd be asking for. It really boils down to resiliency. It's not just about hardening. It's resiliency of forward bases as you look to the future, where in this case you are looking at Guam. It is a significant strategic hub for us in any scenario I think that I would see in the Asia-Pacific for the next number of decades as far as I can see forward.

So when you look at resiliency, there's really a number of components. There's offensive counter-air and how you use that. There's offensive methods to protect it. There's defensive measures to protect it. Then there are things that you might do to harden, and then there's command and control over it. We're looking across all of those.

So when you look at the things we're talking about hardening, I think, those are things that would allow you to be able to quickly, as quickly as possible, recover Guam if it ever were to be attacked by someone. It's not hardening everything, but it's hardening those things that would allow you to have that resiliency with some expectation you could return it to service quickly.

Senator INHOFE. I think it would be a good idea, just for the record, to elaborate on that, in what areas that should take place, give us some ideas of some priorities. I know it's not of a lot of interest to this committee right now, but it was during our trip over there.

It might also be true on this. Taking the 9,000 marines from Okinawa going to Guam, and I think some of them to Australia and some to Hawaii, there is some issue there in terms of the real estate that that would free up for the Japanese. Is there any brief comment you can make about that move of those marines?

Then I'd like to have for the record some of the detail in terms of where the remaining, I guess about 10,000 marines, would be, where they'd be moved to, how that affects the value of the real estate there, and how we might be addressing that.

Admiral LOCKLEAR. Let me begin with the question of resiliency in Guam and you said some more detail on that. I think generally I would say when you look at fuel supplies and how you would regenerate fuel supplies and whether those fuelheads would need to be hardened or not, is one we look at; whether you have the right runway recovery equipment if the runways were ever damaged by someone who decided to attack Guam and how fast you could recover them. So those are a couple of things we're looking at.

We're also looking at how you would command and control the dispersal of assets so those assets might go to different places in times of crisis and conflict. So we're looking at a broad spectrum and these are just things that fit together in that patchwork.

Senator INHOFE. Because of the timing, if you can just go ahead and answer the other one for the record, that would be fine, Admiral.

[The information referred to follows:]

In April of this year, the Secretary of Defense released the Okinawa Consolidation Plan which established three categories of return: immediate facilities and areas upon completion of necessary procedures; additional areas following construction of

replacement facilities; and remaining areas after marines relocate to Guam and Hawaii. Under the plan, the remaining ~10,000 marines will be consolidated in order to reduce impacts on some of the most populated parts of Okinawa. Potential effects on the value of real estate will be addressed through Environmental Impact Assessments, part of the 'necessary procedures' specified in each return category. When complete, approximately 1,000 hectares will have been returned to the people of Okinawa.

Admiral LOCKLEAR. Aye, sir.

Senator INHOFE. Thanks so much.

Chairman LEVIN. Thank you very much, Senator Inhofe.

Senator REED.

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

Thank you, Admiral, for your service. I was struck in your testimony at page 9 where you describe the growing number of nations adopting the submarine as an enhanced weapon system. You point out the Russians in the north have both attack and ballistic missiles, indeed that India is growing its submarine force, the Chinese seem to be the ones who are expanding the most. Australia, Singapore, Indonesia, Malaysia, Vietnam, and the Republic of Korea have launched new submarines.

This seems to be the class of weapon systems or ships that they are actively trying to compete with the United States; is that a fair judgment?

Admiral LOCKLEAR. I don't know that I would say they were actively competing with the United States. I think globally you have well over 300 submarines and that number's growing. People recognize that they have a significant anti-access, denial, or anti-access capability, that there remains an asymmetric ability in undersea warfare in the ability to remain covert, in stealth; and that technology is allowing very quiet submarines to be built that can be sustained at sea for longer and longer periods of time.

So I don't know that they're necessarily competing with the United States because 300 submarines is a lot, but they certainly are, I think, re-emerging into the security environment in a way that we should be very thoughtful about.

Senator REED. But in terms of our fleet, which is clearly because of technology and also the skill of the men and women who operate these vessels, is far superior, but no longer do we have in one sense an open field. We are now beginning, and you're beginning, to note an increase in submarines that are being developed and deployed by Asian powers. That's the sum of your testimony?

Admiral LOCKLEAR. First of all, let me say that we have the very best submarines in the world, so I'm not concerned about the capabilities of our submarines or the crews that operate them. I am concerned about—numbers matter, and where you have them matters, and the types of missions. Our submarines do a variety of missions across the broad spectrum of things, and there are places in the world where an asymmetric advantage from undersea warfare is important.

Senator REED. It seems to be important, on the basis of your comment, in the context of the anti-access doctrine. Is that what you're perceiving to be the major emphasis now in Asia, particularly the major powers like China and others being in line, to be able to deny access to our fleet?

Admiral LOCKLEAR. I would say the general trend around the globe is that people want to be able to control what happens in their economic zones and in their territorial seas. Then there are those powers that like to project power even beyond those areas, and submarines provide them viable alternatives for doing that in a way that's sometimes asymmetric.

Senator REED. One other, shifting gears slightly, is that the Littoral Combat Ship, the *Freedom*, I believe, has been deployed to Singapore, which is in your AOR. We're going to have issues with respect to budgets and the capability of different ships. How do you—do you intend to monitor the operation of the *Freedom*, or how are you going to employ it, since it's in your AOR?

Admiral LOCKLEAR. First, the *Freedom* is the first of the class of the Littoral Combat Ship. It's a concept ship, something that started out to build it and then to grow the research and development in it as you build it. The Chief of Naval Operations, I think, has wisely decided to push it to PACOM and to rotationally deploy it out of Singapore.

It is a ship that was designed for littoral operations because of its speed, its shallow draft. It has the ability to be, over time, reconfigured. It has mission module packages that you are all aware of. What it does for me out there, number one, it provides a visible presence of the United States in the littorals. It allows us to cooperate and participate with a key strategic partner out there, our partners in Singapore. It provides my Seventh Fleet commander and my Pacific Fleet commander, Admiral Haney, another tool in the toolkit to be able to deal with peacetime events as well as those in crisis. So I'm anxious to get it out to the theater and to see what it can actually do.

Senator REED. In that context, do you have a conscious plan to evaluate its capabilities, to make recommendations with respect to both its design, its function, and its operational capacities?

Admiral LOCKLEAR. We do. The *Freedom* will be there for about 10 months in this first rotation to the area. During that time, my understanding is that we will concentrate on how we move the mission module packages around, how do we employ them in the littorals, how do we integrate them into the operational fleet, the Seventh Fleet.

So it's a good thing because it gets it into the real world. It gets it to having to see what it can do and how it can best perform and how it can best be used.

Senator REED. Just a final question. When you're doing your planning for a range of operations from noncombatant evacuations all the way up to a main fight or a forced landing, will you think in terms of where the Littoral Combat Ship fits in those missions and what missions it may or may not be adequate for?

Admiral LOCKLEAR. Absolutely. I think they are, from my other components, all looking very carefully at what they can use, how they can use the Littoral Combat Ship, because of its reconfigurable capability, because of the amount of cargo and types of things it can carry, the flexibility that it has with airframes. So we'll be looking at that.

We'll also be looking carefully at its mine countermeasure mission, which is an integral part of, I believe, the Navy strategy for

next generation mine countermeasures, and we're going to ensure that those technologies are looked at as carefully as we can.

Senator REED. Finally, with the remaining minute or so, can you comment about the amphibious capability that you have in the Pacific now? Because of the Marine Corps' deployment in Afghanistan and their service there, the frequency of amphibious operations from ship to shore have been curtailed over time. Have they been reinvigorated? Are you conducting them on a regular basis, and what are the problems you see?

Admiral LOCKLEAR. They have been reinvigorated. I think one of the initial impacts of the rebalance was to see the Marine Corps forces, that many of them had been deployed into Afghanistan and the Middle East over the last decade, returned to the Pacific. So General Amos, the Commandant of the Marine Corps, and I have had extensive conversations about how do we bring back the marines, reintegrate them back on the amphibious ships that we have there, what are the types of missions that we need to pursue, what is the level of training, what are the exercises we need to be incorporating.

So we have a good plan. I've asked the Navy to look at increasing the amount of amphibious lift that's in the AOR because of the geographically distributed operations that marines have to do. I think there's a need for more lift in the PACOM area and that has been, I believe, positively received and we'll look at options on how best to do that.

Senator REED. Thank you, sir.

Chairman LEVIN. Thank you, Senator Reed.

Senator McCain.

Senator MCCAIN. Thank you, Mr. Chairman.

I thank you, Admiral, for being here. You mentioned the effect on sequestration and you were making certain adjustments to it. Are you going to be able to, in your view, adjust adequately to carry out your assigned missions in the medium- and long-term if sequestration continues on the path that it's on?

Admiral LOCKLEAR. I would say that we'll have to closely assess globally the types of things that our military's being asked to do, and then we'll have to decide—

Senator MCCAIN. I'm asking for PACOM.

Admiral LOCKLEAR. I think it would depend on how, over time, if the resources were reprioritized to the rebalance. I think at the end of the sequestration we'll still have the most powerful military in the world, I expect. So it will depend on how we're going to reprioritize that and whether that comes back to the Pacific. But it will be a challenge.

Senator MCCAIN. My question is not whether we will still have the most powerful military in the world. My question is, will you be able to carry out the assigned missions that the PACOM has now in a sufficient manner to ensure our national security if sequestration continues on the path that it's on.

Admiral LOCKLEAR. I hate to give you this, but I think it depends on—

Senator MCCAIN. You know what the numbers are, Admiral.

Admiral LOCKLEAR. Yes, sir.

Senator MCCAIN. You know what the numbers are and you know then that those numbers in some way or another are going to have to be put into effect. My question again is: Will you be able to ensure the American people that you will carry out your assigned security requirements to defend this Nation if sequestration continues the path that it's on?

Admiral LOCKLEAR. I'd have to give you the answer. It depends on how the resources globally are prioritized and if they're prioritized to the Pacific.

Senator MCCAIN. So I guess the answer is that sequestration is okay as long as we prioritize in the proper fashion. Is that the answer you're giving this committee?

Admiral LOCKLEAR. No, sir. I've been consistent in saying that sequestration would have a catastrophic effect on our ability to do the type of global operations we're doing today. To tell you that sequestration is something that I would be supportive of in general, I would say no, I have not said that. But now that sequestration appears to be heading in that direction, at least in the near term, then there will be decisions that DOD will be forced to make.

I believe Secretary Hagel and Secretary Carter are moving in that direction to start to look at what are those strategic choices that have to be made. If the strategic choice is that we cannot—that we're not going to be able to provide the force levels that we have today in the PACOM, then the answer to your question is I can't do it. The answer is if they're going to reprioritize to the Asia-Pacific, then I'll have to see, sir.

Senator MCCAIN. Thank you very much. Thank you.

I was thinking this morning, I don't know of a time of greater tension since the end of the Korean War that exists today between North Korea, South Korea, and us. Would you agree with that?

Admiral LOCKLEAR. I would agree that in my recollection I don't know a greater time.

Senator MCCAIN. Do you believe that we have the ability to intercept a missile if the North Koreans launch a missile, as it is widely reported they would do in coming days?

Admiral LOCKLEAR. I believe we have a credible ability to defend the Homeland, to defend Hawaii, to defend Guam, to defend our forward-deployed forces, and to defend our allies.

Senator MCCAIN. Do we have the capability to intercept a missile if the North Koreans launch within the next several days?

Admiral LOCKLEAR. We do.

Senator MCCAIN. Would you recommend such action?

Admiral LOCKLEAR. If the missile was in defense of the Homeland, I would certainly recommend that action. If it was defense of our allies, I would recommend that action.

Senator MCCAIN. My question is would you recommend that we intercept a missile if it is launched by North Korea, no matter where the intended target is?

Admiral LOCKLEAR. I would not recommend that.

Senator MCCAIN. Until you were sure what the target is?

Admiral LOCKLEAR. I think if you look at the architectures that we have, we will be able to sense and be able to understand pretty quickly where any launch from anywhere in the world, but in this case, from this particular site, where it would probably—where it

would be going and what we would need to do about it. So I am confident that we would be able to make that decision for the defense of our allies and our Homeland.

Senator MCCAIN. So in the event of a missile launch, you would wait until you could determine where the missile was aimed?

Admiral LOCKLEAR. We should hopefully have—if we have any predetermined indications and warning (I&W), we'll have a good—we should have a sense of where it's going to be aimed. If we don't, it doesn't take long for us to determine where it's going and where it's going to land.

Senator MCCAIN. We see that China made some rather cautionary remarks about North Korea. We identified a building in Beijing from which cyber attacks emanate. We also see continued confrontational behavior on the part of China as far as its assertion of sovereignty over the South China Sea. Would you agree with me that the only really restraining force on North Korea would be at this time the Chinese?

Admiral LOCKLEAR. I would say that they would play—will play a key part in any restraint. I don't know the only one, but I would say they are a significant factor.

Senator MCCAIN. Do you think they have played a sufficient role of restraint of North Korea yet?

Admiral LOCKLEAR. I think that they could do more.

Senator MCCAIN. So are you concerned about this combination of factors about Chinese behavior, that they certainly are not behaving in many respects as a world power should behave, especially again in light of the military buildup that Senator Inhofe has already described?

Admiral LOCKLEAR. I do have some concerns.

Senator MCCAIN. How serious are those concerns?

Admiral LOCKLEAR. I think that as the Chinese military evolves, which I think it will evolve, it doesn't surprise me that they're investing in their military. They're getting global aspirations because of their economic growth. The question is, for me, about transparency and what they're going to do with that military and how they integrate that military into the rest of the security environment.

So it does concern me. They know my concerns. I voice them when we meet together, and we continue to have dialogue on those concerns.

Senator MCCAIN. Do you have adequate missile defense resources to defend the Homeland, including Guam, Hawaii, and Alaska?

Admiral LOCKLEAR. The Secretary of Defense has announced some additional missile buys for the GBIs. But today we have the capacity, the capability, and a limited capacity to be able to defend against the type of threat that we're seeing from North Korea.

Senator MCCAIN. Isn't it true that this concern about North Korea is exacerbated by the fact that artillery at the demilitarized zone (DMZ) could strike Seoul and cause horrendous casualties?

Admiral LOCKLEAR. It is very much exacerbated by that because of the legacy of the DMZ and how that has progressed for the last 50 or 60 years. That amount of artillery, through a miscalculation

or a provocation from the north, would put Seoul at risk and it is a primary concern of U.S. Forces Korea and mine.

Senator MCCAIN. This committee noted with interest the announcement that the Governments of Japan and the United States announced for Okinawa movements, that has already been mentioned by the chairman and Senator Inhofe. We are awaiting a master plan for the movement and what's required and the costs required, including environmental impact assessments. When do you think the committee and Congress would receive this master plan?

Admiral LOCKLEAR. I don't have a date to give you for when OSD would present that to you. I've been providing the information to them, as required, from my perspective and I think I've responded to the committee on a number of issues that you've asked me about, including the lift requirements necessary to move marines around, and I submitted that to the committee within the last 2 weeks.

Senator MCCAIN. Thank you. I thank you, Admiral.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator McCain.

Senator Blumenthal.

Senator BLUMENTHAL. Thank you, Mr. Chairman.

Thank you, Admiral, for your service, your extraordinary service over many, many years and for being here today and for your excellent testimony.

I am concerned as much about the threat that North Korea poses in terms of nuclear proliferation over the long-term as the immediate tension and potential threat in the short-term. You have briefly discussed it in your testimony. We have discussed it barely at all here today. So I wonder if you could elaborate on your testimony to describe what you see as the extent of the ongoing, and I underscore the word "ongoing", aid that North Korea is providing to other nuclear-arming countries, such as Iran, around the world? Then I'm going to ask how we can stop it more effectively, as you've described, through the counter-WMD program and what can we do to bolster it?

Admiral LOCKLEAR. North Korea's proliferation of weapons systems, including potentially missile technologies or nuclear technologies, very much concern me. We know that, over a period of time, North Korea goes through cycles of provocation. One of the things they rely on to fund their ability to do what they do is through proliferation and movement of arms sales around the world.

I don't have any direct knowledge that there's been, in this near-term case, that there's been collusion between Iran and North Korea, but it doesn't mean it hasn't happened.

Senator BLUMENTHAL. Isn't it a fact that Iran would be greatly disadvantaged if North Korea were not helping it?

Admiral LOCKLEAR. I think that Iran would be greatly advantaged if North Korea helps them.

Senator BLUMENTHAL. Is that help ongoing?

Admiral LOCKLEAR. I can't give you a verification of that in this forum, but I'd be happy to—

Senator BLUMENTHAL. Perhaps in another forum or for the record?

Admiral LOCKLEAR. Yes.

Senator BLUMENTHAL. Thank you.

[The information referred to follows:]

[Deleted.]

Senator BLUMENTHAL. What can we do to help stop that kind of proliferation even more effectively than we are right now through the counter-WMD program?

Admiral LOCKLEAR. I think first the international community has to bring pressure, continued pressure, to bear on North Korea. We have to tighten our ability to sense and see what is being proliferated and where it's going, and then we have to be able to ensure that we have the ability to interdict it before it is proliferated.

Senator BLUMENTHAL. I will just say, Admiral—and I know you are focused on this problem, as evidenced by your testimony here—but for me some of the most chilling testimony this year before our committee came from Admiral Stavridis, who told us, and I'm quoting: "Remember, the truly dark edge of the spectrum is WMD and the proliferation of these weapons." Then he said that "the ability to move 10 tons of cocaine in a mini-sub, if you have that ability you can also move a nuclear device."

So the seas are a ready means of proliferating nuclear arms that can do destruction beyond what we have seen so far through weapons of terrorism, isn't that correct?

Admiral LOCKLEAR. Certainly the seas, and particularly in my AOR, are the highways for a lot of these types of activities. Some don't recognize just the size of the Pacific Ocean. If you took all the land masses in the world and put them together, they'd all fit in the Pacific Ocean.

Senator BLUMENTHAL. You stated that well in your testimony, the sheer physical extent of your challenge. With that in mind, and I didn't mean to cut you off, but I do hope that we can be rebriefed, perhaps with your guidance as well as others, on the threat of proliferation particularly as it concerns Iran going forward.

Let me just shift to a subject that Senator Reed raised, submarines. This goes really to the end of your last question. There are 300 submarines out there now and they can't compare to the United States in terms of their technological capability or the ability of the personnel who man them, I agree with you totally.

But don't we need to continue our sub-building program at the rate we are now of two-a-year to keep pace with what's happening in the rest of the world?

Admiral LOCKLEAR. That's been my recommendation.

Senator BLUMENTHAL. Nothing has happened to change that recommendation, has it?

Admiral LOCKLEAR. Nothing's happened to change that recommendation.

Senator BLUMENTHAL. In fact, arguably, the urgency of that recommendation is all the more prescient now in the world with the increased building of those submarines by other countries around the world.

Admiral LOCKLEAR. I would—it's not only about the submarines. Our submarine force does a lot of other things, from intelligence and reconnaissance to special operations support. So it's a wide array of things that need to be addressed in the security environment that can be addressed very well by a competent submarine force that has the capability and the capacity to be able to address the growing challenges we see in the world today.

Senator BLUMENTHAL. Thank you.

Finally, you mentioned in your testimony, just very briefly, the challenges posed by human trafficking in the region under your command. I wonder if you could elaborate a little bit on that, particularly focusing on whether it's increasing or not, human trafficking, sex exploitation, particularly affecting children, young women, the range and increasing extent of it.

Admiral LOCKLEAR. I have a slide that somebody gave me the other day. I don't know if it's accurate or not, but it said that the slave trade in the world today, that it's about \$30 billion a year. So in my particular AOR, my guess is that there's a fair amount of that trafficking coming from that part of the world.

So we do look at this. We try to work with our partners, our allies, to look at where the sources of this type of trafficking might be coming from, what are the security mechanisms they may have in place to be able to help deal with it. But it is a problem and I think a much larger problem than we often want to think about.

Senator BLUMENTHAL. Isn't the Republic of North Korea a primary contributor to this problem?

Admiral LOCKLEAR. I don't have the knowledge of that.

Senator BLUMENTHAL. My information is that, in fact, they are a primary contributor to human trafficking of women and girls, both within that country and the industry, particularly through Mexico and Canada. Are you aware of information that would corroborate that?

Admiral LOCKLEAR. I'm not aware of it, but I'll certainly look into your numbers. But I wouldn't be surprised.

Senator BLUMENTHAL. I apologize, I don't have numbers. But if you have some, I certainly welcome any additional information that you might be able to provide.

My time has expired, but I really want to thank you for your very informative and helpful testimony here today. Thank you, Admiral.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Blumenthal.

Senator Ayotte.

Senator AYOTTE. Thank you, Mr. Chairman.

Thank you, Admiral, for your leadership and for all that serve underneath you. I wanted to ask you, what is the relationship between China and North Korea, and how does North Korea depend upon China?

Admiral LOCKLEAR. China is, I think de facto, the only real, so to speak, ally that North Korea would have. They are on their border. They share a common border. I believe that China economically supports North Korea through food and fuel and water. I think that there are diplomatic ties between North Korea, unlike—they are much more robust than what we may have ever experi-

enced with North Korea. So I think their influence in North Korea is and can be significant.

Senator AYOTTE. Wouldn't it be—as I understand it, in fact, China is North Korea's biggest trading partner, their main source of food, arms to some extent, and fuel. So it seems to me that North Korea would have a difficult time continuing economically, even at their lower economic development pace as they are now, given the starving that many of the North Koreans experience, if they didn't have China's support. Would you agree with me with that?

Admiral LOCKLEAR. I would have to agree with that. The North Korean economy is about 2 percent of the South Korean economy.

Senator AYOTTE. So one thing that—when you look at what's happened in the last couple of weeks with the new leader of North Korea and his bellicose actions, which seem to go beyond their typical cycle of provocation that we've seen in the past with his father, couldn't China play a key role in getting North Korea to stop their actions?

Admiral LOCKLEAR. I would think that China could play a key role in influencing the bellicose rhetoric and restoring some more sense of calm to the peninsula. Of course, I believe sometimes the Chinese, in the way they approach it, are more nuanced than we are. I believe there's been some reporting and some indication that the leadership in China has made some statements about the issue. I can't tell you what's going on behind the scenes between Beijing and—

Senator AYOTTE. One thing that troubled me is that when you were asked by Chairman Levin about your conversations with your Chinese counterpart in the military you said during these past 2 very dangerous weeks that we've had with North Korea that you have not had contacts with your military counterpart. It seems to me that we need to be, I would think, clearer with China as to what our expectations are because this is a danger to them, and also, if there is a provocation between North and South Korea and we are required to engage, or North Korea engages us, that is to the detriment of China's security as well.

So I'm wondering why you haven't had those conversations.

Admiral LOCKLEAR. I believe our Secretary of Defense has had those conversations. The nature of our military-to-military with China is growing and is progressing and I believe that over time we will progress to a state where the PACOM commander can talk to the chief of defense or the Chairman can talk there in real time. We're not there yet. We'd like to get there with them.

But I can't tell you—I'd have to refer you to the Department of State. I know that there's a different flow of information at the diplomatic level than at the military level because of the way the PLA is structured.

Senator AYOTTE. I'm sorry to interrupt, but do you know what conversations that Secretary Hagel has had with his counterpart in China to get them to stop this? It seems to me that the Chinese could get North Korea to back off tomorrow.

Admiral LOCKLEAR. I don't know the specifics of it, but I believe that there has been outreach at that level. I believe there has.

Senator AYOTTE. I think that's particularly important, given that North Korea relies on China essentially for its economic existence almost.

I wanted to ask you, with the thought of stopping the proposed Minuteman, which is a preplanned ICBM test that we had, you had said you agreed with that decision. Was there any thought to the fact that if we stopped a proposed test that we were planning on doing anyway that North Korea might interpret that as their actions having an impact on us backing off, meaning that his belligerent actions were actually getting us to stop actions with our own ICBM testing? What was the thought process there about the other side of stopping?

Admiral LOCKLEAR. I'm sure that entered into the discussions about when the decision was made. I would just say that we have many tools available that demonstrate U.S. power and resolve and that we use those selectively, particularly as we're trying to make sure that we don't end up with a situation that spirals out of control on the Korean Peninsula.

So I think there's no question that we have the capability to demonstrate at will, when we want to, the ability to defend our own people, defend the peninsula. So I was supportive of the decision at the time it was made.

Senator AYOTTE. At some point we're going to have to go forward with our regular testing, though, because this isn't something that we just planned for this. It's something that we do regularly, isn't that right?

Admiral LOCKLEAR. Absolutely.

Senator AYOTTE. Can I ask you about the 14 GBIs that are now being placed, replaced. The prior administration had planned to put those interceptors in place in Alaska to make sure that we had the missile defense capability that was needed. How long will it take for that to be put in place?

Admiral LOCKLEAR. I don't have an answer for you. I can refer to STRATCOM and get you one, though.

[The information referred to follows:]

We defer to Missile Defense Agency for response as this is still in the planning phase and not in contract.

Senator AYOTTE. Is that a matter of years, though, to build those, to get those in place?

Admiral LOCKLEAR. I would assume that it's longer than days.

Senator AYOTTE. Right. So obviously, not having gone forward, this administration, with what the prior administration had planned, in 2009 has delayed some capacity that we now believe we need; is that right?

Admiral LOCKLEAR. I don't really have a comment on that.

Senator AYOTTE. Okay, thank you.

I wanted to also ask you about, in particular, the importance of the *Virginia*-class submarine. I know that Senator Blumenthal had asked you about the need to continue the current build, payload schedule. Is that payload schedule under threat with sequestration?

Admiral LOCKLEAR. I think that as we look at sequestration that they're going to look at—as the Secretary of Defense has said, we have to look at all options and all things that are out there, and

to see what's affordable and within the context of what the American people want to provide us for defense. So I think it will get looked at and it will stand on its own merits as far as what we expect our submarine force to do in a sequestered budget.

Senator AYOTTE. Is there any doubt, though, that we need that *Virginia*-class attack submarine capability in light of, obviously, what's happening in the Asia-Pacific region and in other regions around the world, including obviously what is happening in the Middle East?

Admiral LOCKLEAR. In my mind there's no doubt that we need the *Virginia*-class submarine and we need it to be able to employ a wide range of capabilities. They are all important. In my particular AOR I have to look at what are the capabilities that are most important, and we'll be doing that.

Senator AYOTTE. I appreciate it.

Thank you, Admiral, for your testimony and I appreciate your being here today.

Chairman LEVIN. Thank you, Senator Ayotte.

Senator Donnelly.

Senator DONNELLY. Thank you, Mr. Chairman.

Admiral, thank you for your service. The North Korean missile that's been moved to their east coast, what is the capability of that? What parts of American territory are under threat from that, if any, and what countries are under threat from that?

Admiral LOCKLEAR. We believe, as has been widely reported, that there's been a Musudan movement to the east coast. A Musudan has a range of roughly 3,000 miles, 3,500 miles, has a minimum range of about 400 or so miles, is what we think. So you can just extrapolate that out. It doesn't put the Homeland, the mainland of the United States, at risk. It doesn't put Hawaii at risk. It could put, I assume, if it was pointed in that direction, Guam at risk.

But let me reiterate again, we have the capability in place to be able to monitor and be able to protect the Homeland, protect Guam, and protect our forces that are fielded there, as well as our allies.

Senator DONNELLY. How quickly are you aware if a launch occurs?

Admiral LOCKLEAR. This is complicated, the scenario, over time. In the past we had significant I&W to be able to understand the direction of the launch, where it was at. So the introduction of road-mobile systems creates a problem for our intelligence, and the world knows this. This is not just a North Korea problem. This is a global issue with road-mobile systems.

So it puts pressure on our ability, a premium on our ability to sense and understand what's going on and to see it and to be able to respond to it. We would like from a military perspective to be able to sense it and be able to, if we have to, deal with it before it ever launched. But in this case, in the scenario we're in, we're probably looking at being able to see it being in the general location and then to sense a launch and then to do what's necessary to defend if that was required.

Senator DONNELLY. At what point do you have to launch to protect our allies and our own territories?

Admiral LOCKLEAR. That would be speculation, Senator. It would depend on the location of the launch. It would depend on the geometry of where it was going. It would depend on where the assets were located. So we will position our forces to optimize our capabilities in that area.

Senator DONNELLY. Do you feel confident we'll be able to protect all of our territories and our friends.

Admiral LOCKLEAR. I feel confident, I do.

Senator DONNELLY. In regards to the decisionmaking in North Korea with their new leader, what is—what differences do you see from his father to him?

Admiral LOCKLEAR. I think first the similarities. I think he's taken the playbook probably from his "Military First." It's a government that's organized around the military, and he's played that hard to the people of North Korea. He has indicated that he was going to do economic reform, which we haven't seen anything of.

He has brought from that playbook from his father a recognition of a cycle of provocation, where they go through—they do an event, there's bellicose rhetoric, it builds and it builds until the international community says, "I've had enough," and they go into some dialogue, he asks for concessions, the concessions are either given or not, and then it kind of hangs out there for a while, and then starts back up again.

Over time, I believe that that cycle of provocation has been a fairly successful strategy for them. They're still in power.

Now, where they differ is that I think our observation is that he's unpredictable, more unpredictable. His father and his grandfather as far as I can see always figured into their provocation cycle an off-ramp of how to get out of it, and it's not clear to me that he has thought through how to get out of it. So that's what makes this scenario I think particularly challenging.

Senator DONNELLY. Is there a tipping point for the Chinese with the North Koreans? What I mean by that, is there a point where they will look or speak to the generals of North Korea and say: Look, this is a point we don't want you to go past. Do they have that kind of influence?

Admiral LOCKLEAR. I think that they have that kind of influence, and I think there will be a point, would be a point in time where you would see more of that probably visible than you might have seen to this point in time. But we share with the Chinese similar interests. We don't want—we want peace and security on the peninsula. There's no benefit to the Chinese of having this type of activity occurring on their borders. There's no possible benefit that I can see from this.

So they will, I believe, in time, work this problem to their national interest, just like we do and the South Koreans do.

Senator DONNELLY. Do they have the ability—obviously, they have the physical ability to do it, but do they have the will or desire, do you think, if the North Koreans go past a point we would have expected them to go past in this, do the Chinese have the ability to force a change in North Korea in the leadership there?

Admiral LOCKLEAR. I don't know that they have—that they would say they have the ability to force a change. My sense is that they will look after their national interest and that they would at

some point in time, if North Korea is not in the best interest—activity is not in the best interest of their national interest, they will act to preserve their national interest, as we would.

Senator DONNELLY. Outside of the Korean Peninsula, what do you see as the biggest challenge in your region? What is the situation that concerns you the most outside of the Korean Peninsula?

Admiral LOCKLEAR. Certainly as we look at the rise of regional powers, the rise of China—and I've said this before in testimony in other forums—it's looking to a future where the U.S. interests are protected, that our allies are protected in the Asia-Pacific. But we have to also expect that China will integrate into that security environment. They have to. There's really not another good option.

So how we do that and how we are able to assist where we can—"assist" is a pretty soft word—how we can help China assume the regional role, a regional role in the security environment, which I think they will at some point in time, that is consistent with U.S. interests there and the interests of our allies is a concern to me of how we get there and the road we're on to that.

Senator DONNELLY. Do you see the contesting of islands, of territories, not only with Japan but with other countries as well in regards to China, do you see that as getting worse or is that situation getting worked out better? How do you see that moving forward?

Admiral LOCKLEAR. You know in the South China Sea the Philippine Government filed an international tribunal under the United Nations Convention on the Law of the Sea, which I thought was—I was supportive of that when they did that. I believe that, first, we don't take sides. That's our U.S. policy on territorial disputes. But we do have an opinion and the opinion is that they should be resolved using normal standards of international rule, that they should be done peacefully, without coercion, and that in the end it should be in the best interests of all the partners in that region.

So in the South China Sea I think we have—we are at a, I would say, kind of a low boil, is probably the best way I'd put it, is that we're watching carefully what happens as each of these peripheral countries look at how they're going to secure their interests.

In the East China Sea with the Senkakus, we're clear as well there. We don't take sides on territorial disputes. But we do recognize that the Senkakus fall in the administrative boundary of Japan and that falls under our alliance and our treaty responsibilities with them. So we are hoping again that over time this scenario can play out to the benefit of both Japan and China, to the degree they can ever get there, because they do have many, many interests together that I think over time may eclipse this event, but they have to get through it. Hopefully that's done peacefully.

Senator DONNELLY. Admiral, thank you for your service and for your testimony today.

Senator NELSON [presiding]. Thank you, Senator Donnelly.

Senator Graham.

Senator GRAHAM. Thank you, sir.

Admiral, again, thank you for your service.

If you looked out over a 10-year window and sequestration was fully implemented, we would have 232 ships left in the Navy a decade from now. Is that a wise thing?

Admiral LOCKLEAR. Not a wise thing.

Senator GRAHAM. Would it severely restrict our ability to deal with the threat that you face today in your backyard; do you agree with that?

Admiral LOCKLEAR. Unless you put them all in my AOR. I'd probably be okay if you put them all there.

Senator GRAHAM. But somebody else wouldn't be.

Admiral LOCKLEAR. But somebody else wouldn't be.

Senator GRAHAM. Fair enough.

Admiral LOCKLEAR. Yes, sir.

Senator GRAHAM. Now, what percentage of North Korea's GDP is dependent on their relationship with China?

Admiral LOCKLEAR. I don't have that at my fingertips, but I imagine a fair percentage, and I can give you a number.

[The information referred to follows:]

Over 15 percent of North Korea's gross domestic product (GDP) is dependent on its relationship with China. The vast majority of this contribution is from direct trade. A smaller portion, likely less than 1 percent of total GDP, comes from other Chinese-related sources such as private entrepreneurial investments and remittances from North Koreans working in China. China also indirectly supports the 2 percent of North Korean GDP coming from other trade partners, via air/ground transport links, telecommunication links, and banking support. Further, North Korea relies heavily on China for petroleum, machinery, and textiles, all critical for domestic and export production.

Senator GRAHAM. Okay, I'd appreciate that. The point I'm trying to make is that basically North Korea's a client state of China and they could stop this if they chose to in my view.

We're ready for the fight with North Korea if that day ever comes?

Admiral LOCKLEAR. We're ready.

Senator GRAHAM. South Korea and Japan, do they believe we have their back?

Admiral LOCKLEAR. In my sessions with my counterparts, the answer to that is yes.

Senator GRAHAM. The politics in South Korea has changed, would you agree, where the tolerance by the South Korean Government and people to accept any more attacks against South Korean interests is much lower than it was 2 years ago, do you agree with that?

Admiral LOCKLEAR. I would agree that their toleration of a significant provocation towards the South is much lower than it has been in the past.

Senator GRAHAM. If there were an incident where a South Korean naval vessel was sunk by North Korea, a South Korean island was shelled where South Korean citizens were killed, or a South Korean plane was shot down by the North Koreans, it would be almost impossible for the South Koreans not to respond in some fashion; do you agree with that?

Admiral LOCKLEAR. You'd have to ask, to get a real answer, the South Koreans. But my sense is, and I think General Thurman would probably agree, is that there is a growing sense in South Korea that future provocations of the level you just described would require them to respond in some way.

Senator GRAHAM. From our own national security interests, a nuclear-armed North Korea sharing technology with terrorist groups is a real concern; do you agree with that?

Admiral LOCKLEAR. One of the greatest concerns.

Senator GRAHAM. We should be concerned about a missile attack coming from North Korea and I applaud the administration for showing resolve. I think all the things you have done under Secretary Hagel's direction have been good, the right signal to send.

But it is more than just getting hit by a North Korean missile that I'm concerned about. A North Korea with an advanced nuclear weapons program is probably a nightmare for this country, because they have shown a propensity to share the technology with terrorist groups. Is that a fair statement?

Admiral LOCKLEAR. A fair statement.

Senator GRAHAM. Do the North Koreans have a rational bone in their body?

Admiral LOCKLEAR. I would say that over time that you could, if you look at—the armistice was in place the year before I was born, so over time they're still in power. So there must have been some rationality from their perspective of what they're doing.

Senator GRAHAM. I think from their perspective this is rational if you live like kings and most people are starving to death. When you get to the bottom of a North Korean problem you have to go back to China in my view, because this North Korean regime could not last 6 months under the current construct without support from China. Do you agree with that?

Admiral LOCKLEAR. I believe that North Korea is highly dependent on China for a lot of its resources. I don't know how long they would survive.

Senator GRAHAM. Not long.

Do you agree that China must have a plan for propping up this crazy regime?

Admiral LOCKLEAR. I don't know that—

Senator GRAHAM. They're not doing it by accident. They know who they're giving the money to, right?

Admiral LOCKLEAR. They do, they do. It's a long—

Senator GRAHAM. What is their plan? Tell me the best you can. You're one of our eyes and ears in that part of the world. As briefly as possible, tell me, why does China continue to do this? How does this fit into their plan for the planet?

Admiral LOCKLEAR. I would say that, speculating on China, my perspective of China's position on it is that over the last—

Senator GRAHAM. Have you ever asked them?

Admiral LOCKLEAR. We've talked about the situation on the peninsula—

Senator GRAHAM. Have you ever asked them, why do you support this crazy guy? Why do you do this? What's in it for you?

Admiral LOCKLEAR. My sense is that over time that they've developed this relationship with North Korea as a buffer to U.S. presence in South Korea on the peninsula.

Senator GRAHAM. Don't you think it's a little deeper than that, that they worry about a unified Korea, another democracy in their backyard?

Admiral LOCKLEAR. I don't know that I would agree that they are—you'd have to ask them. I don't know that I'd agree that they're worried about a democracy. They have a pretty vibrant relationship with South Korea, actually a strategic relationship economically.

Senator GRAHAM. So you think North Korea is a buffer?

Admiral LOCKLEAR. My sense is that they, again, that they may—

Senator GRAHAM. Okay. Why do they engage in cyber attacks against American business interests?

Admiral LOCKLEAR. They do that so that they can get the technological advantage.

Senator GRAHAM. Why do they object to efforts to control the slaughter in Syria?

Admiral LOCKLEAR. I don't have a comment on that.

Senator GRAHAM. Why do they not support us more in terms of controlling the ayatollahs in Iran?

Admiral LOCKLEAR. I couldn't comment.

Senator GRAHAM. I'll give you a comment. I think this is a communist dictatorship that fears individual expression. They fear freedom of thought. They fear freedom of religion. They fear anything not controlled by the state. It is now time to deal with these people more directly.

Do you consider China a friend or a foe?

Admiral LOCKLEAR. I consider them at this point in time, in the terms of those two terms, neither.

Senator GRAHAM. With friends like this, do you agree we don't need many enemies?

Admiral LOCKLEAR. I consider them at this point in time someone we have to develop a strategic partnership with to manage competition between two world powers.

Senator GRAHAM. I'll be a little more direct. I know you're a military officer and I appreciate your service. Their behavior is not only provocative, it's obscene. They're stealing American intellectual property. They're attacking us every day through cyber space. They're propping up one of the most dangerous regimes in the world that directly threatens our interests. They're one of the groups having Assad's back, one of the last real vicious people on the planet—not one of the last, but certainly one of the major.

So you live in a tough neighborhood and I just wish you would share with the Chinese that there's a growing frustration here in Congress with the way they behave and we would like to have a more mature China as part of the international community, a China that would bring out the best in the world, not reinforce what's dangerous about it. I think I'm speaking for a lot of Republicans and Democrats.

Thank you for your service.

Chairman LEVIN. Thank you, Senator Graham.

Senator HIRONO.

Senator HIRONO. Thank you, Mr. Chairman.

I'd like to join my colleagues in welcoming you, Admiral Locklear, for the very important hearing today. Thank you for your leadership, and of course I want to thank the men and women who serve with you at PACOM. I visited with many of our leaders this

past week and so I know how hard they work. The fact that they are very much a part of the community through volunteering and particularly with our schools.

I have a question regarding Pearl Harbor Naval Shipyard. With the new strategy to rebalance our forces with a focus on the Asia-Pacific, the need for a strategically located maintenance facility such as the Pearl Harbor Naval Shipyard appears even more critical to the readiness of our fleet. When I visited Pearl Harbor, one of our attack submarines was in a drydock and I saw the huge effort and the hundreds of people who have to work to maintain our submarines.

Do you foresee any adjustment to the role that you see Pearl Harbor Shipyard playing with this rebalancing, as well as the importance of continuing the modernization efforts at the shipyard, because I know that we need to modernize that shipyard in order for them to work on these very highly sophisticated submarines in order to support the fleet in the future? Can you share your thoughts with us on that?

Admiral LOCKLEAR. Yes. I know of no plans to change the strategic direction we're headed with Pearl Harbor Naval Shipyard. In this AOR we have to have geographically distributed capabilities. They have to be operationally—you've heard this term—operationally resilient, and they have to be able to respond in crisis. But they also have to be affordable.

So I assume that the changes we're going to make in the Pearl Harbor Naval Shipyard will continue to make it competitive in nature. But certainly what they produce for us from a military perspective, from the PACOM perspective, is important and will continue to be important.

Senator HIRONO. I hope that means that you will continue to support the efforts to modernize that shipyard so that they can conduct the kind of highly technical work that they do there.

Admiral LOCKLEAR. For them to remain operationally resilient, they have to be able to do the type of work that I would need them do. If that requires them to modernize, then we'll need to do that.

Senator HIRONO. They do need to modernize. Some of the equipment seems to be under tents.

When we talk about the importance of the Asia-Pacific area and the rebalancing to that area—I just participated in a tea ceremony with Dr. Sen of the Urasenke tea group and their focus is peace through the way of the tea. So our relationship with Japan is very important. Can you talk about the current status of our alliance with Japan, which is a critical alliance in light of everything that is happening in the Asia-Pacific area?

Admiral LOCKLEAR. Yes, it is a cornerstone alliance, at least from the security perspective. Our relationship with Japan is equally as important today as it ever has been in the past and maybe more important. The strength of our military-to-military relationships and the strength of our military alliance and training together is as strong as it's ever been and it's getting better.

Their capabilities both from a joint command and control perspective, their capabilities to participate in high-end things like ballistic missile defense of their own territories, is growing. I see

a continued good way ahead with our military-to-military relationship with Japan.

Senator HIRONO. Would you say that one of the areas that we need to continue to focus on is the Futenma situation in Okinawa?

Admiral LOCKLEAR. Yes. We've had recent good news where the Government of Japan provided to the governor of Okinawa the landfill permit and they're having that under consideration. So that's the next step to go forward to be able to realize the Futenma replacement.

Senator HIRONO. I know that this committee has had numerous hearings on how we can facilitate and ensure that movement of marines happens in a way that is of benefit to both of our countries, not to mention what we need to do regarding Guam.

One of the areas that I've focused my questioning with other leaders from the military is your need to reduce your energy consumption, which DOD is the largest user of energy of all of our departments. So regarding your implementation of the DOD's operational energy strategy, I'm curious to know how this is progressing and what have been some of the successes of your implementation efforts? What have been the biggest challenges in your operational energy strategy efforts, and any lessons learned from the implementation of the strategy being integrated into PACOM's decisionmaking?

Admiral LOCKLEAR. I'd like to give you a more complete answer if I can later on in writing.

Senator HIRONO. I welcome that.

[The information referred to follows:]

U.S. Pacific Command (PACOM) is aggressively pursuing operational energy and energy security goals. Given PACOM's extensive area of operations, it is imperative to ensure energy limitations do not become an Achilles' heel.

First, we created a Joint Energy Security Working Group which includes representatives from each of the command directorates. This Working Group integrates energy considerations into all command functions: plans, engagement strategies, innovation efforts, exercises, intelligence, and operations.

Second, we are completing a Pacific Command Energy Security Strategy. The strategy's main themes are: decreasing energy consumption through waste elimination and efficient technology; pursuing distributed generation; hardening our electrical grids; and engaging with our allies and partners to share energy technology, enhance interoperability, and more efficiently share the energy burden. As always, we will not sacrifice operational capability for energy efficiency.

Third, as we update our family of plans, we consider operational energy at every step, thus creating a lasting legacy in our capstone planning documents.

Finally, we are collaborating with the Office of the Assistant Secretary Defense for Operational Energy Plans and Programs to ensure energy readiness is regularly reported in our logistics system. By capturing this data, we can identify our largest energy-consuming activities, eliminate waste, target areas for material and non-material improvements, and better understand the costs associated with our operational tempo.

Admiral LOCKLEAR. But to the larger perspective, inside of DOD, PACOM is the largest user of energy resources. The vastness of the AOR requires me to continuously think about where the energy resources are and where they're going to come from. I have to think about how they're going to get refined, the quality that I need to put into the airplanes and the ships. I think about, have to think about how I'm going to move it around or get it moved around in this vast AOR. I have to look to ensuring that the energy is going to be reliable when I get there, when I need it.

I also have to consider that I have locations throughout this vast area, that many of them are remote, and more remote locations that might be available to look at alternative energy supplies. So it remains a critical aspect of the way we think through the strategy and we are following OSD's lead on looking at renewable energy sources, and you're familiar with many of them, and I think there has been some success in that area.

Senator HIRONO. Thank you. I think that's a very important strategy—for us to pursue energy, lessening the energy usage in DOD.

Very briefly, I know that Senator Graham asked you some questions about China vis-a-vis North Korea. There's some indication that perhaps China is not too happy, perhaps displeased, with North Korea's rhetoric and actions. Do you foresee some action on the part of the Chinese either publicly or behind the scenes to stop or at least reduce the level of provocations from North Korea?

Admiral LOCKLEAR. I think there've been statements by both Xi Jinping and by their minister, I believe of foreign affairs, in the last day or 2 that would indicate that they have some concerns about any disruption, continued provocations or disruptions in this part of the world or anything that would put a potential negative situation on their border.

So I think these are maybe not as direct as what we like to see here, but I believe that there are indications that the Chinese Government is engaging. I think I'd have to refer you to the State Department to get more specifics on what the diplomatic channels are. But my sense is that they will consider their national interest, just like we do, and they will move to protect those national interests when the time comes.

Senator HIRONO. Thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Hirono.

Senator KAINE.

Senator KAINE. Thank you, Mr. Chair.

Admiral Locklear, welcome. I'm going to pick up on a theme. There's been a lot of questions about the relationship between China and North Korea and I just would like to associate myself with comments made by others. I wouldn't have wanted to answer that question that you were posed by Senator Graham, is China a friend or a foe. It reminded me, I was once in Israel and asked the foreign minister of Israel the same question about the relationship between Israel and Russia. He groaned and he said: "It's a friendship, but it needs an awful lot of work."

We have extensive ties with China commercially and in many multilateral venues, obviously, and the relationship is probably just about the most important relationship between two nations in the world. But when you list those items of controversy that Senator Graham mentioned—the Chinese position vis-a-vis Syria, the completely flagrant cyber-security attacks that can be testified to by any governmental agency, financial institution, or technology firm in this country will tell you about it occurring day after day after day, along with Chinese Government denials of the obvious reality, and then the situation in North Korea, it is clear that, while we

have a friendship and an alliance and it's a very strategic one and it's important for the world, it needs a lot of work right now.

I just would like to associate myself with the comments of the Senators who have said, I think the North Korean nuclear program would come to a grinding halt as soon as China demands that it happen. They have the capacity to. They have the ability to. They have the leverage to. I think you're right that the Chinese interest is in seeing North Korea as a buffer, but an unsafe, unstable buffer isn't much of a buffer.

At some point, other nations in the Pacific region—South Korea, Japan, and others—will start to, because of the logical illogic of nuclear proliferation, will say: We don't want nuclear weapons, but if an unstable neighbor has them then I guess we're going to need to get them, too. It would be the worst thing for China to face the prospect of additional nations in the area with nuclear weapons. Ultimately, that is going to be what other nations will be compelled to do unless the North Korean program is stopped.

So this is a comment, but it's to give you a sense of what we are thinking here as you deal with your counterparts in PACOM, Chinese counterparts, and others. We feel like China can bring it to a stop. We feel like they have not chosen to do so. The day is coming where they will need to do that or they will face other nations with weapons that they'll not be happy to have near their borders if they do not act in the role that they should.

I just, having heard similar rounds of questioning in hearings before this one from Senator McCain and Senator Ayotte, Senator Graham, others who've asked these questions, this is the emerging consensus, I believe, of this body, this committee, many members of the committee, about China's responsibilities and where we will likely go. So I hope you would just take that in the "for what it's worth" category.

A question, you've been asked a couple of things about sequester. I visited Joint Base Langley-Eustis last week in Virginia and that is the home of the Air Force's Air Combat Command. I talked to the men and women who maintain F-22s on the very day the United States had deployed F-22s to Osan Air Force Base in South Korea as part of these joint military exercises.

We've had a remarkable show of force of both F-22s and B-2s to demonstrate that we're serious about the North Korean threat. But, as we were doing that, I was also being told, and I'm concerned about, Air Force plans to cut flying hours by 18 percent as a result of the sequester. Air Combat Command informed us that as of this week it will enter what they called a tiered readiness status. One-third of its flying units will cease flying or stand down for the remainder of fiscal year 2013.

How will that stand down or cessation or that tiered readiness of flying units affect your important and critical missions in PACOM?

Admiral LOCKLEAR. As I indicated earlier, the fact of sequestration at PACOM in the near mid-term will be the degradation, potential degradation of readiness of our forces that would have to follow on. So what we've done in the near term is to ensure that we're able to manage the scenarios that are most important to us,

in my case North Korea, manage that, to manage our homeland defense.

But as the sequestration starts to move downstream we start to see more and more negative impacts on the readiness of our force. So what it means to Air Combat Command is that the forces that are back here, that are going to be training to get ready to come and relieve the ones that are on station, will not have adequate flying hours, will not have adequate training, potentially not have it. That's the world that we're in right now.

Senator KAINE. I think it is important. Many of us were very pleased when we did the defense appropriations bill to carry forward through year end to replace the CR. But even with that, the notion that a third of our air combat units are standing down from now to year end is something that should cause us some significant anxiety. I know it worries me.

You talked a little bit and there was also some information in your testimony about the combined counter-provocation plan, which is a South Korea-led, U.S.-supported contingency plan for challenges in the region. I know that was just signed within the last couple weeks, I think March 22. Could you share a little bit more about that contingency plan and what are some of the strategies for dealing with contingencies, including miscalculations or threats over skirmishes or threats that escalate in ways that we obviously wish they wouldn't?

Admiral LOCKLEAR. In all of our bilateral planning with our allies there, which we've been doing for years with them, and we continually evolve it based on the scenarios that we see in North Korea—this particular plan that you've heard about is just a follow-on iteration of our robust planning that we have. It's a look at the recognition that North Korea has established a cycle of provocation and then, following the Cheonan and the Yeonpyeong Island shelling a number of years ago, is that how do we best ensure that, as this cycle of provocation were to occur, how do we together as allies communicate, how do we understand the situation, how do we share intelligence, how do we posture ourselves to be able to ensure that we can manage those scenarios?

I can't go into the details of it, but it's a good—from our perspective, it's a very good effort. It's an indication of a maturing of the alliance and I'm very supportive of the efforts that General Thurman and his counterpart in Korea have undertaken.

Senator KAINE. Thank you, Admiral.

Finally, your testimony discusses the continued challenge faced by the region because of typhoons, earthquakes, floods, tsunamis. What is PACOM doing to plan humanitarian assistance and disaster response with other nations and also with multilateral agencies and nongovernmental organizations?

Admiral LOCKLEAR. Certainly the military aspects of Humanitarian Assistance and Disaster Relief (HADR)—that's not why you have militaries. You have them to do other things. But they certainly can provide assistance in these areas, particularly early on in those type of events. So, as we saw in Tomodachi in Japan, we saw where the readiness of military assets to kind of step in at the early stages of a huge crisis, a huge natural disaster, and to kind of get in front of the problem and get command and control set up

and to give the people on the ground the will and the help they need to kind of get them jump-started to go solve it. Because, in the end, Tomodachi was not solved by the U.S. military or any other allies. It was predominantly solved by the people of Japan. But it needed to get them started.

There's other areas that we can support. We have technologies and we have know-how that are in developed countries that we can share with developing countries. So in PACOM, I'm able to bring together many interagencies from our U.S. Government and we can transport some of that knowledge into these growing HADR scenarios that we do and exercises that we do with other countries.

So for instance, in Bangladesh, over time, they have been able to develop warning systems and places where people go during large storms that have significantly decreased the damage and cost in human life. So we can do some of those things in our multilateral planning together. Plus the whole idea of HADR is—many times in this large area we have to look for places where our interests converge to be able to participate with each other. In this case everybody can converge on HADR—the Chinese, the United States, everyone can. So you will see exercises where we're operating with the Chinese, we're operating with others, the Indians, other people in the area, because we're going after a common cause. These things build trust and over time I think make us a stronger region.

Senator KAINE. Thank you very much for your testimony.

Chairman LEVIN. Thank you very much, Senator Kaine.

Senator King.

Senator KING. Thank you for your thoughtful answers today. Are there treaty obligations between China and North Korea that we know of, a kind of mutual non-aggression or something like that?

Admiral LOCKLEAR. I understand that there is an alliance of some mechanism there. I don't know the specifics of how it would be implemented, but I believe there is, that it's been widely speculated that North Korea is an ally and vice versa of China.

Senator KING. Here's the scenario that keeps me up at night. The North Koreans torpedo a ship, a South Korean ship. The South Koreans, as you've testified, seem to have a higher level of intolerance for this kind of activity than they have in the past, so there's a response from the South Koreans, some kind of strike in North Korea. There's then a response from North Korea of more severity in the South.

What happens next? What's worrying me here is the "Guns of August" phenomenon, Barbara Tuchman's famous study of the beginning of World War I, where we stumbled into a world war because of a series of alliances based upon what could be considered insignificant incidents.

What is next in that scenario? Let's posit an attack on Seoul or some large population area in South Korea. What happens next?

Admiral LOCKLEAR. First, I share your concern about the seriousness of a provocation that would lead to a miscalculation or an escalation that would go kind of up and out pretty quickly. The timeline from when you would go to where you would see a miscalculation that went kinetic, let's say, to the time that you could see significant combat activity from the North is a very short

timeline, primarily due to the proximity of Seoul and the South Korean rising economic state, a great ally there.

So, it's hard for me to speculate exactly how those scenarios would play out. But what we have in place is the ability for the alliance to have—we've planned and thought through some of these events, in fact a lot of the events, and we have the ability to quickly consult with each other and to quickly bring the forces that would be necessary to hopefully—the idea would be to get it under control and to de-escalate it as fast as possible, so that in the end, the best thing we as militaries can do is to preserve the peace, to get it back to peace so that diplomacy can work. We would hope that that could be done in North Korea.

But it is a very dangerous situation. I'm not going to go where Mrs. Tuchman went on the scenario and extrapolate that because I don't think it has to go there. But it is something we have to watch and it could be quite volatile.

Senator KING. It seems to me that the key to the situation is our relationship with China, which has come out over and over, in terms of their ability to be a partner here in restoring peace, as opposed to an enemy.

Let me ask a general question about China. Why are they arming? Why are they building their military? Why are they diverting more resources? We've been attacked. We know that there are people around the world plotting against this country. Do they have any serious fear of someone attacking their homeland? What's driving them to militarize?

Admiral LOCKLEAR. First, they have a large standing army for internal security and border security issues that have worried them over time, is my guess. Then, over the last number of decades, as they have become a more economically powerful nation and they have money and resources to do it, they have increased their emphasis in cyber, increased their emphasis in space, increased their emphasis in maritime capabilities, which I think, if you pragmatically look at it, we shouldn't be surprised by that.

They have growing global economic and national interests that are concerning them, and any nation-state that has those needs to be able to ensure the security of them. In many ways, you do that with navies and things that can deploy. So, building an aircraft carrier, does that concern me? To the degree that—first of all, aircraft carriers are hard and expensive to operate. But to the degree that they get one, it would seem kind of a natural progression to me for a power that was rising.

The real key is that they need to be—and we've talked about this—there's a need for transparency. There's a need for them to build trust between their neighbors, which happen to be our allies. As they evolve this military capability, what are they going to do with it? Is it there to pursue their own interests at the expense of others in this kind of tightly-controlled, tightly—small sea space part of the world? Or is it to be a contributor to a security environment where the global economy and all the peace and prosperity can continue?

So that's what we have to contemplate.

Senator KING. Using the word "transparency" in connection with China strikes me as something of an oxymoron.

I also would like, Mr. Chairman, to associate myself with the comments, particularly at the end, of Senator Graham's remarks about on the one hand we have this commercial relationship with China, on the other hand they have some opportunities to really assist in peace around the world and aren't doing so. I think Senator Graham put it quite well.

To change the subject entirely, General Kelly from Southern Command, when he was here last month, talked about non-state actors, transnational criminal organizations, pirates, if you will, smugglers, human smugglers, drugs, weapons. Is that a serious issue in your command and are we equipped to deal with it effectively, particularly given the size of your jurisdiction?

Admiral LOCKLEAR. It is a concern and it's a growing concern. I think that transnational organizations will, in the current security environment we're in, continue to proliferate. We've done some—I think the joint U.S. forces and the United States of America have done some really magnificent work over the last decade or so to help curtail, particularly, al Qaeda activity globally.

But where you have disaffected populations and you have all these things that enter into frustrations of peoples, there's a potential for that. We don't see a significant terrorist threat today. There's pockets of it that we deal with. We work carefully with our Filipino partners in the Philippines in some operations that we help train and assist in there. Of course, in India there is always the concern about the transition of terrorists basically from the West into India that we discuss and talk about.

But what we're doing mostly in PACOM to try to stay ahead of this is we're working to ensure our information-sharing, so that as these networks develop either internal to countries or transnationally across countries, that we're able to sense and understand with each other what they're doing, how they're doing it, and being able to interdict them before this becomes a larger problem.

Senator KING. I know my time has expired. One very quick question. In the Cold War there was the famous hot line between Moscow and Washington. Is there a similar kind of direct communication link between Washington and Beijing to your knowledge?

Admiral LOCKLEAR. There is, and there's also—if necessary there would be one between me and Beijing as well. We exercise that on occasion. But as I've said to my Chinese counterparts, we need to get better at this, because I don't have the same relationship I have with maybe the chief of defense of Japan or of Korea or of the Philippines, where we understand each other, we meet routinely, we talk through security issues. We need to move that forward with our relationship with China, because we have many things that are friction points and we also have many, many things that we have in common with each other, and we need to understand those better.

Senator KING. It's nice to have a relationship before the crisis.

Thank you, Admiral.

Chairman LEVIN. Thank you very much, Senator King.

Senator Nelson.

Senator NELSON. Admiral, good morning.

Admiral, going back to sequestration, in a big AOR such as yours, to be ready you have to do a lot of exercises. Is there any

capability of using our increasingly enhanced ability in simulation to keep your troops ready as a substitute for actual exercises?

Admiral LOCKLEAR. Senator, I think you'll find that we have—that we have spent an awful lot of money and time on developing simulations that help us. So I see simulations that help us across all of the joint force today that are critical. Many of what we used to fly in airplanes are now done in simulators and so there's a huge, huge cost savings there. Our highest-end ships today do most of their training via simulators because the cost to actually fire the weapons and very expensive missiles and things are prohibitively expensive. Even at the joint force command level, we do synthetic training where we bring in synthetic exercises to pulse the force and make it work.

Should there be more of this? Absolutely. The down side to it is that it is expensive to get into it. There's a cost to have to get into it. So we have to weigh that, that cost of asking the Services to buy it, versus whether or not it can be realized.

Senator NELSON. Let me ask you about, going back, to the North Korean nuclear program. Recently they said they were going to reopen their mothballed Yongbyon reactor, weapons-grade plutonium. They had shut it down, as far as we know, in 2007 and people have testified that it would take at least 6 months to get the reactor up and running.

Do you agree with this kind of assessment? Let me just stop there.

Admiral LOCKLEAR. First, I think it's a bad decision by North Korean leadership to do it. It's in direct contradiction of the U.N. Security Council resolutions and the agreements that have been made in the past. It's certainly provocative in nature.

The timeline that you discuss is what I have seen roughly approximates that. But it's just an approximation at this point in time.

Senator NELSON. Okay, so that's 6 months. Now, it's another thing taking a nuclear weapon and then integrating it on a delivery system. Presumably, they have the ability to integrate it on short-range delivery systems. What about the long range? We've heard testimony from senior officials that they have not produced the ability of mounting nuclear weapons on long-range.

Can you share your thoughts in this open forum or does that need to go into closed forum?

Admiral LOCKLEAR. I would say that to get into the specifics of it, we'd probably need to go into a more closed forum. However, as a general rule, I would say that we have not seen them demonstrate that capability yet. Now, they have indicated to us that they have it, which makes us—we're going to take it seriously when someone indicates it, and I think we've done prudent due diligence steps to ensure the defense of the homeland and our allies and our forces forward. But we haven't seen them demonstrate that capability.

Senator NELSON. For the American people to understand our capability with this bellicose nature of this new young leader in North Korea, can you state for the record here that between the United States' ground-to-air, sea-to-air capability of knocking down

one of his threatening missiles from North Korea, that we have that capability?

Admiral LOCKLEAR. I can confirm we have that capability.

Senator NELSON. Yes, sir, that we do.

Now, what about the F-22s? They were at Kadena going to be sent back to the United States and that was a plan that was in process until all of this bellicosity started by the Korean young leader. So then we sent our F-22s in some kind of exercise with South Korea. Do you think we ought to continue on that long-planned process of sending those F-22s out of Japan back to the United States?

Admiral LOCKLEAR. We rotate—we have two types of forces in my theater, one that are forward-deployed all the time, which is forward naval deployed forces and the air components that are there in both Japan and Korea; and then we have rotational forces. So I use a blend of those to maintain the capacity of the theater to deal with what we have to.

Some of those are perfectly useful being deployed from the States here. So, over time we've used force packages, F-22s are one, where we rotate them in and out. It lets them go back and get the high-end training they need and those types of things.

The decisions we made recently, I won't talk about specifically why we made those. But I think it was a prudent decision that we made, on General Thurman's behalf, to maintain stability of the force that we saw in Korea just in case we saw a contingency that we hadn't anticipated.

What I have more concern about is not so much our ability to rotate them, but our ACC's capability to sustain them through sequestration in a readiness status that allows them to get to me in time to be trained and ready.

Senator NELSON. Finally, Admiral, you have a lot of terrorist activity going on in your AOR and you've had some stunning successes over the years—catching the Bali bomber, the success that we've had in the southern Philippines, Zamboanga. But terrorism continues throughout the AOR, including Mumbai, et cetera.

If you would provide, in a classified setting for the committee, what you are doing with regard to an attack not only of the terrorism, but all of the other illicit activities that go along with terrorism, such as transfer of drugs, money laundering, and other terrorism-related activities, I would appreciate that for this committee in a classified process.

Admiral LOCKLEAR. All right, sir. I will take that and provide it.

Senator NELSON. Have that, of course, sent to the chairman, but make sure that part of it is directed to me.

Thank you.

[The information referred to follows:]

[Deleted.]

Chairman LEVIN. We will ask staff when this is received in a classified form to notify the members of the committee that it's available for members. Thank you for raising that, Senator Nelson.

Senator Shaheen.

Senator SHAHEEN. Thank you, Mr. Chairman.

Admiral Locklear, thank you very much for being here and for your stamina in responding to our questions.

I want to—forgive me if I re-cover some ground that you've already responded to. Assuming that we continue to operate on heightened alert with respect to North Korea, is there any indication that sequestration has limited your ability to respond to a crisis there?

Admiral LOCKLEAR. It has not limited my ability to date.

Senator SHAHEEN. That's really the question that I have, because you have indicated that sequestration will have an impact over time in the operational capability of PACOM and, obviously, other parts of our military. So at what point are we going to get to that tipping point where it is going to have an impact on our ability to respond, and how do we know that, and how can you convey to members of this committee and to Congress when we've reached that tipping point?

Admiral LOCKLEAR. We're continually looking at our readiness capabilities in the AOR, in my area, particularly of the forward-deployed forces. So I have certain priorities that I maintain as we go through any kind of budget decision process. One is, I have to be able to sense what's going on in my AOR. So there's a continuing high demand for intelligence and reconnaissance type of activity so we know what's going on. It gives me the ability to understand what's happening. It gives me the ability to coordinate with our allies. So we do that.

The second thing is I need to make sure that, at least in the near term right now, in fact in the long term too, that the forces on the Korean Peninsula, that they're ready to do what we call a "fight tonight," if something happens there that we're able to respond in ability to protect the interests of the alliance and the interests of the United States, as well as the soldiers, sailors, and airmen that are on the peninsula. So keeping those forces attuned and ready to be able to respond is something we're doing and that I've done now.

Then, finally, my concern is as those forces need to be replaced over time, are those forces that need to replace them, are they agile, are they trained, are they able to get there? Is there the money to do the training to keep those skill sets up? This is where I think the impacts of sequestration start to make the choices very difficult for the Services. The Services do have some leeway in where they make their decisions, but not a lot, particularly in the near term.

Now, as you go further down into the planning cycle into the out years, you might be able to start looking at different ways of doing it. But, in the near-term and the mid-term, it's going to have an impact on us.

Senator SHAHEEN. So, I missed the part where you said there was a mechanism to notify Congress when you get to that point.

Admiral LOCKLEAR. I didn't mean to skip over that part. We keep a very formatted reporting system that's monitored by the joint force. The Chairman then takes from me, about once a quarter, my assessment of the risk that we're assuming in the theater, and that risk then gets reported to the Secretary of Defense. My guess is that through the dialogue at that level that our readiness levels are well-reflected.

There's no secret here. We won't hide readiness that we don't have. We're very upfront about it. It's a matter of kind of a—I put it, like a math equation. What you put in is what you get out. When we can't meet those readiness requirements, then that becomes risk and that's risk that I have to manage as a combatant commander. When my risks get too high, where they go from risks to being potentially worse than risk, then my responsibility is to tell my leadership and you that those risks are too high.

Senator SHAHEEN. As chair of the Readiness and Management Support Subcommittee, I hope you feel like you have a direct line in to me when you get to that point. I certainly hope that we will have addressed sequestration before we get to that point. I think it's critical to our national security.

Let me follow up on a line of questioning that Senator Kaine was going after, relative to the potential for what's happening in North Korea to set off a nuclear arms race across Asia. I understand that India continues to develop nuclear-capable ballistic missile submarines, that Pakistan has indicated an interest in doing that because of India's capability. So, how do we combat the risk that, whether it's those nuclear ballistic missile technologies, whether it's the technology that North Korea now has and we know already has shared with other non-state actors in a way that is dangerous, how do we keep that from proliferating?

Can you also talk, if you would, the extent to which the effort to address arms control has an impact on the thinking of actors about this question?

Admiral LOCKLEAR. First, let me give you my position from the PACOM commander. First, I support the nuclear triad from where I sit.

Senator SHAHEEN. Right.

Admiral LOCKLEAR. I support, as long as there are nuclear weapons in the world, that we have a safe, reliable, and secure nuclear deterrent. But also the father in me says that I'd like to see a world that didn't have nuclear weapons, because—will we ever realize that? I don't know, but it would be nice some day if the world could see themselves to that. But I'm not predicting that that's going to happen any time soon.

So to the question of the proliferation among what I would call state actors that are building a nuclear deterrent, that's really not something—that has to be dealt with above my level. But when you talk about a North Korea that is potentially going to proliferate nuclear technology to irresponsible actors, and particularly maybe to transnational threats or to actors which you could extrapolate that to, this becomes a very real concern for me.

Now, so it gets to the issue of how do you monitor it, how do you interdict it, how does the international community enforce the U.N. Security Council resolutions that forbid all this, so it all fits together, my part of that is on kind of the monitoring and interdiction side of it.

Now, so the question then of how does the nuclear proliferation or a discussion of nuclear weapons in the theater, which I think is what you're kind of getting at, we have an extended deterrence policy for our allies in this part of the world, and it works. There are occasionally discussions about, well, would our actions here in this,

what we're doing here, would it create a desire by our allies or other partner nations to want to proliferate their own nuclear systems?

First of all, it would not be beneficial. It's unnecessary. I'm confident that the U.S. extended deterrence policies are adequate and substantial enough to do what's necessary. But deterrence isn't just about nuclear weapons. It's also about conventional capabilities and how those conventional capabilities are applied and how they're viewed.

So this is what makes it important for our forward presence, our exercises that were talked about here, that build that confidence in the alliances that we've had over the years, that make it—in any scenario, you want to handle a contingency through conventional means. You just don't want to go the other direction. So ensuring that the conventional side of our deterrent is strong deserves equally as much discussion as the other side of it, in my view.

Senator SHAHEEN. Thank you.

Chairman LEVIN. Thank you.

I just have one additional question. Then I'll call on others to see if they might for a second round just have an additional question or two.

Admiral, I think you've heard from this committee, to a person, some very strong feelings that China could, if it chose, put an end to the provocative, blustering kind of comments that are coming from North Korea and thereby help to avoid a miscalculation and a possible spinning out of control of military actions on the peninsula. We all, I think, have very strong feelings that China creates all kinds of problems for us in terms of what they do in cyber, in what they do in other areas. I mentioned some of those in my opening statement and others have mentioned them very powerfully as well.

But, in this interest, our interests are the same. It's clear to me that China, at least in their vote at the U.N., is indicating some willingness now to take some action to try to prevent the kind of spinning out of control that could lead to serious military confrontation on the Korean Peninsula.

I asked you whether or not we are ready to respond appropriately and proportionately should North Korea take some action against our ally South Korea or against us, and you indicated that we are ready. You also indicated that there is a hotline between you and your counterpart in China that you could use and that you at least are able to communicate with them should you choose.

I guess my question and my request would be the following: that the military-to-military contact sometimes is the best way to show a seriousness of purpose on our part with China, and their military has a major influence, obviously, in their government. Would you explore the possibility, after talking to the Secretary of Defense, the Chairman of the Joint Chiefs, and the, perhaps, Secretary of State—the Secretary of Defense could do that—would you explore the possibility as to whether it might be useful for you to contact your equivalent person in the Chinese defense establishment, your counterpart, and express to them, your counterpart, the great desirability of China weighing in with North Korea before this—these incidents grow in seriousness, and make it clear to the Chinese

that we and the South Koreans want them to act to put an end to the North Korean provocations, and that we and our South Korean allies are prepared to respond in an appropriate way should North Korea take any action against the South or against us.

Would you explore the possibility of that, whether you should, at this point, make that military-to-military connection with your counterpart in China, with your superiors at the civilian, at the Secretary of Defense level, and also with the Chairman of the Joint Chiefs? Could you explore that?

Admiral LOCKLEAR. Absolutely, Senator, I will explore it. We'll look at it in the context of the benefit, which I think there are—obviously, I have advocated for this with my counterparts in China. There is benefit to establishing those types of links. In this particular scenario, I think because of where we are it will have to be tied in with the other communications that are happening through other forms of our government, which I'm sure there are those that are going on with their Chinese counterparts as well.

Chairman LEVIN. I agree that all ought to be coordinated and linked. But it could add a very important element if this military-to-military communication occurred with your Chinese counterpart.

Admiral LOCKLEAR. Yes, sir.

Chairman LEVIN. So that's something you could take on?

Admiral LOCKLEAR. I will explore it, yes, sir.

Chairman LEVIN. That's what I mean. Thank you.

Any other question? I don't need to call in order. I'll just see if anyone raises their hands at this point. Senator Shaheen.

Senator SHAHEEN. I just had one follow-up to the question about should we need to respond to North Korea. What would China—can you suggest what you think China's reaction might be should the United States respond to an act of aggression by North Korea?

Admiral LOCKLEAR. Again I'd be making hypotheticals, but I would again go back to what are their enduring interests there. One is their own border security. I think they would be concerned about refugee flow, uncontrolled refugee flow. There's 25 million people there that will be affected by something like that, and how would that be controlled.

I think they will have a similar concern as we have about WMD, not only particularly fissile material but all other WMD that we know that he has the capability and the capacity to have in the country, and how that would be managed at the time. We're contemplating all that and are thinking through how that would be done with our allies in the South as well.

So I think—how would they respond beyond that and how they would do it, I can't speculate on that. But I think again they would move to secure their national interests, just like we would—will.

Senator SHAHEEN. Thank you.

Chairman LEVIN. Thank you.

If there's no other questions, then we thank you very much, Admiral. As always, you've been very direct and very helpful, and we greatly appreciate your presence here this morning and all the great work you and those who work with you are doing in PACOM.

Thanks again and we will stand adjourned.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR CLAIRE McCASKILL

JAPAN

1. Senator McCaskill. Admiral Locklear, we have seen an enormous increase in our costs while host nations are paying less in spite of the agreements we have with them. For example, in Japan, U.S. nonpersonnel costs have doubled since 2008 while the Japanese have contributed less every year since 2000. Last week it was announced that the United States and Japan agreed on a new timetable for the return of Futenma and other military bases on Okinawa. In your prepared testimony you state that the Government of Japan (GoJ) has committed to providing \$3.1 billion to support the strategic realignment. What measures are in place to ensure that the Japanese Government fulfills its share of this \$3.1 billion commitment and what is being done to change the course of our increasing costs while theirs are decreasing?

Admiral Locklear. In support of the Defense Policy Review Initiative, the GoJ agreed to provide funding for the reposturing of U.S. forces throughout Japan, particularly the relocation of ~8,000 marines from Okinawa to Guam. Under the original terms of the agreement, the GoJ committed \$3.1 billion to this effort. Unfortunately, continued congressional funding restrictions undermine the realignment of forces in the PACOM area of responsibility (AOR). This situation prevents the Department of Defense (DOD) from spending the nearly \$1 billion in GoJ funding that has been transferred to the U.S. Government and hinders the further funding of projects by the GoJ.

Any concerns regarding the equity of cost sharing will be addressed during the next round of Department of State (DOS)-led Special Measures Agreement negotiations that will take place in 3 years.

2. Senator McCaskill. Admiral Locklear, in Europe we have seen numerous issues with in-kind payments being accepted instead of pursuing cash settlements associated with consolidation and relocation. As we conduct the Pacific Pivot, will all payments be in the form of cash settlements?

Admiral Locklear. No. The Status of Forces Agreements in Japan and Korea do not provide for the host nation to make residual value payments when we return facilities or areas. In turn, the United States is not responsible to cover the costs of the restoration for returned facilities.

3. Senator McCaskill. Admiral Locklear, will Congress receive advance notice and justification of any intent to accept in-kind payments?

Admiral Locklear. No. Since the host nation does not have an obligation to make residual value payments for the returned facilities or areas, we will not be in a position to accept either cash payments or in-kind payments for such returns.

JOINT STRIKE FIGHTER

4. Senator McCaskill. Admiral Locklear, the Navy is currently projecting a strike fighter shortfall due to continued delays in the Joint Strike Fighter (JSF) program. The Navy is attempting to mitigate this shortfall by extending the life of older aircraft. However, we don't yet know whether this effort will be successful. Currently, the Navy has no plans to procure the F/A-18 Super Hornet beyond fiscal year 2014. As a combatant commander, you depend on the Services to fulfill your mission requirement needs, and I imagine carrier-launched strike fighter aircraft play an important role in the Pacific Command (PACOM) AOR. So, the Navy's strike fighter shortfall becomes your strike fighter shortfall. As a commander, how does this shortfall and lack of reliability affect PACOM's ability to conduct operations?

Admiral Locklear. My expectation is that we will continue to maintain Forward Deployed Naval Forces (FDNF) and deployed carrier strike group strike/fighter squadrons at fully-equipped levels, thus supporting our operational requirements. However, continued operations in overseas contingencies has resulted in the Navy's F/A-18 Super Hornet fleet flying at a higher operational tempo than planned, aging the fleet faster than anticipated when the timeline for introduction of the follow-on F-35 JSF was established. In addition, as the total force Super Hornet numbers come down, operational tempo of individual units will increase, further exasperating the shortfall in the strike fighter community. While this will not directly affect my ability to operate on a day-to-day basis, it will impact nondeployed squadrons will likely reduce our surge capacity in the event of contingency operations.

NORTH KOREA

5. Senator MCCASKILL. Admiral Locklear, last month DOD publicly announced the participation of two B-2 stealth bombers in a practice bombing run over South Korea. While Secretary Hagel stated publicly that the use of the B-2s was not intended to provoke North Korea, this appears to be the first time B-2s have been used in this way on the Korean peninsula. Why was the decision made to publicly disclose the use of the nuclear-capable B-2 bomber at time when tensions with North Korea are so high?

Admiral LOCKLEAR. [Deleted.]

6. Senator MCCASKILL. Admiral Locklear, was the use of the B-2 in a practice bombing run requested by allies in the region, and did we inform our allies that the B-2s would be used in this way?

Admiral LOCKLEAR. The B-2 training sortie was not requested by our allies. However, the B-2 training sorties were routine in nature and coordinated with the host nation and appropriate regional allies and partners in a timely manner.

7. Senator MCCASKILL. Admiral Locklear, were our ambassadors in our allied nations in the region given notice that the B-2s would be used and publicly disclosed?

Admiral LOCKLEAR. Yes, the ambassadors in the region were notified of the participation of B-2s in Exercise Foal Eagle. Their participation was acknowledged in response to questions from the media after the B-2s had achieved their training objectives.

8. Senator MCCASKILL. Admiral Locklear, was the decision to use the B-2s in this manner coordinated with U.S. diplomatic efforts being led by DOS?

Admiral LOCKLEAR. Yes. The Office of the Secretary of Defense led the coordination between the DOS and the DOD.

9. Senator MCCASKILL. Admiral Locklear, how did our allies in the region react to the use of the B-2s?

Admiral LOCKLEAR. The response from our allies was generally very positive. These flights, along with our force posturing, reassured our allies and demonstrated our commitment to the defense of the Republic of Korea and Japan and to regional peace and stability. They also demonstrated our commitment to the nuclear deterrence umbrella.

10. Senator MCCASKILL. Admiral Locklear, I am aware that North Korea often acts aggressively when recognizing significant events, such as commemorating the ascent to power of past leaders. Does PACOM have lessons-learned from past bellicosity of North Korean leaders during events like we are currently experiencing and, if so, how is it applying them?

Admiral LOCKLEAR. Yes, PACOM has lessons-learned from the past bellicosity of North Korean leaders during events like the tensions we are currently experiencing and is applying them. For example, prior provocation cycles have informed the timelines we use to deploy ballistic missile defense assets to the theater. We are currently monitoring Kim Jong Un's actions to evaluate whether he will continue the patterns of his father and grandfather or whether he will establish his own approach to confrontations with the United States and Republic of Korea.

11. Senator MCCASKILL. Admiral Locklear, you stated that our missile defenses have the ability, "to defend the Homeland, to defend Hawaii, defend Guam, to defend our forward-deployed forces, and defend our allies." I'm concerned about U.S. forces and their dependents living in South Korea and Japan. North Korea is reported to have more than 1,000 missiles. Do we have adequate early warning capabilities and missile defenses in the region to protect them?

Admiral LOCKLEAR. [Deleted.]

12. Senator MCCASKILL. Admiral Locklear, are there emergency action plans in place to safeguard and evacuate U.S. dependents located in the region?

Admiral LOCKLEAR. [Deleted.]

13. Senator MCCASKILL. Admiral Locklear, should we consider moving dependents from the region now?

Admiral LOCKLEAR. No. PACOM continuously consults with the DOS, U.S. Forces Korea, and U.S. Forces Japan regarding force protection posture. After weighing

historical trends and current intelligence, I do not assess that we should remove dependents from the region.

QUESTIONS SUBMITTED BY SENATOR JAMES M. INHOFE

CLIMATE CHANGE

14. Senator INHOFE. Admiral Locklear, following up on your response regarding your analysis of the long-term threats facing your region, you cite numbers from the U.S. Agency for International Development (USAID) on the impact of natural disasters on civilian populations, most of whom will live within 200 miles of a coast and the impact of climate change. Yes or no, do you believe climate change is the most urgent long-term threat facing your command?

Admiral LOCKLEAR. No, not the most urgent.

15. Senator INHOFE. Admiral Locklear, can you characterize which natural disasters you reviewed since 2008 were, in your opinion, the result of climate change?

Admiral LOCKLEAR. PACOM does not analyze or categorize the root cause of natural disasters. However, since 2008 humanitarian assistance and disaster response (HADR) events have increasingly consumed PACOM resources in terms of planning and operations.

16. Senator INHOFE. Admiral Locklear, is it your position that humanitarian assistance and disaster response operations should be the primary PACOM mission for long-term planning?

Admiral LOCKLEAR. The frequency and magnitude of extreme weather events and natural disasters around the world will continue to be a concern. Responding to these events is not a primary PACOM mission; however, when directed, and in coordination with U.S. lead agencies, PACOM has responsibility to support foreign government authorities when they request military support through the U.S. Ambassador. Additionally, PACOM plays an important role in assisting partner nations to build their capacity to respond.

Natural disasters also have second and third order impacts on security. These impacts include adversaries exploiting the instability created by a natural disaster, and internal unrest caused by food shortages and other domestic pressures. PACOM seeks to consistently shape the Asia-Pacific Theater and foster regional security cooperation. Therefore, we must continue to work closely with partner nation militaries and governments, U.N. agencies, and international nongovernment organizations (NGOs) to prepare for and respond to humanitarian assistance and disaster response operations.

17. Senator INHOFE. Admiral Locklear, how much of the PACOM budget is set aside for humanitarian assistance and disaster response operations?

Admiral LOCKLEAR. Humanitarian Assistance funding for PACOM is provided by the Defense Security Cooperation Agency (DSCA) as part of the Overseas Humanitarian, Disaster and Civic Aid (OHDACA) Program. OHDACA is 2-year funding and PACOM received \$18.8 million in fiscal year 2012/fiscal year 2013 and \$6.0 million in fiscal year 2013/fiscal year 2014.

Disaster-response funding is also provided by DSCA as needed for Office of Secretary of the Defense-approved relief operations in the PACOM AOR. PACOM received \$10.0 million for disaster relief operations in Thailand in fiscal year 2012 and \$5.0 million for disaster response operations in the Philippines in fiscal year 2013.

18. Senator INHOFE. Admiral Locklear, which U.S. agency do you consider to be the lead for humanitarian assistance and disaster response operations overseas?

Admiral LOCKLEAR. The USAID's Office of U.S. Foreign Disaster Assistance (USAID/OFDA) is the lead agency for humanitarian and disaster response operations overseas.

19. Senator INHOFE. Admiral Locklear, are you developing any plans to address climate change? If so, can you describe those plans?

Admiral LOCKLEAR. PACOM does not have any plans that specifically address climate change, but we do recognize the threats of extreme weather events, natural disasters, erosion of littoral areas, and other global effects associated with climate change as security challenges within the region. PACOM plays an important role in assisting allies and partners' capacity and capability to assess and address these threats and respond to HADR events. Building relationships with allies and part-

ners through HADR capacity building efforts is an integral part of PACOM Theater Strategy. Additionally, PACOM has and will continue to work by, through, and with interagency (e.g., DOS and USAID) international, and nongovernmental organization partners to improve regional resiliency, stability and security in confronting climate change challenges.

20. Senator INHOFE. Admiral Locklear, in your testimony you said “... it is important that the countries in this region build the capabilities into their infrastructure to be able to deal with the [natural disaster] types of things ...” Is it PACOM’s primary responsibility to ensure that partner nations build the proper infrastructure to deal with climate change?

Admiral LOCKLEAR. No, it is not PACOM’s primary responsibility to ensure that partner nations build the proper infrastructure to deal with climate change. However, in the interest of underpinning regional stability, it is important for PACOM to engage in ways that build partner capacity (BPC), promote resiliency and set the theater for operations across the spectrum of military operations. Humanitarian assistance and disaster relief is one area where broad consensus drives increased cooperation. The second order effect of BPC, which is a powerful yet inexpensive engagement tool, is increased access and forward presence for U.S. forces. BPC across a variety of areas, from terrorism to human trafficking, maritime security to disaster response, is a key enabler of our forward military posture strategy in the theater.

RESOURCES FOR ASIA REBALANCING

21. Senator INHOFE. Admiral Locklear, in recent press coverage of a speech by the Deputy Secretary of Defense, Ash Carter, at the Center for Strategic and International Studies, reaffirmed that “the U.S. rebalance towards Asia is durable and will persist and grow regardless of automatic, widespread budget cuts this fiscal year and lower overall spending levels in future years.” I know DOD is currently in the process of undergoing a Strategic Choices and Management Review to assess the impact of reduced budgets on the Defense Strategic Guidance issued in January 2012. In your testimony, you expressed concern about the impact of budget cuts on the Asia rebalancing. From your perspective, what items contained in the budget request for fiscal year 2014 are critical for you to carry out the rebalancing?

Admiral LOCKLEAR. All of them are critical at some level. Over the past decade, the United States has been focused on conflicts and challenges in the U.S. Central Command AOR. As the United States begins to transition out of Afghanistan, it is imperative that we follow through with the President’s commitment to re-engage in the Indo-Asia-Pacific.

In order to deter and, if necessary, defeat aggression, we must have the capability and capacity to decisively defeat any opponent. This requires the correct mix of systems to counter both large-scale and high-end offensives. Additionally, we need to have the ability to move personnel and equipment, and protect them, across vast stretches of ocean.

All of the weapons systems, personnel, and transportation will mean nothing if we cannot maintain a high standard of training. Readiness is the glue that holds our forces together. An inadequately trained force is a liability, not an asset.

To single out a specific item in the budget as critical to carrying out the rebalance would be difficult as they are all linked together in support of our strategy.

22. Senator INHOFE. Admiral Locklear, what specific U.S. force posture changes, other than increased exercises, removing I Corps, the 25th Infantry Division, and the III Marine Expeditionary Force from the worldwide service rotation, elevating the Commander of U.S. Army Pacific to a four-star position, relocating 8,000 marines to Guam and Hawaii, and rotating marines through Australia and Littoral Combat Ships through Singapore are part of your rebalance plan over the next 5 years?

Admiral LOCKLEAR. PACOM’s force posture efforts over the next 5 years aim to address rapidly-evolving threats to forces in the theater while encouraging partner nation contributions to their own defense and pursuing assured access to rotational and small footprint locations for engagement and crisis response.

We will continue to advocate for more investments in resiliency, including protecting critical defense infrastructure in Hawaii and forward operating locations. We will also seek to field new systems and capabilities, such as the F-35 JSF, to maintain a credible regional deterrence.

Additionally, we envision a significantly Increased Rotational Presence (IRP) in the Philippines. Increased access to Philippine ports, airfields, and training areas will be foundational to our rebalance to Asia. We intend to accomplish this IRP by partnering with the Armed Forces of the Philippines to determine host nation locations which are currently capable of supporting U.S. forces or require minimal infrastructure development.

Special Operations Command Pacific, in order to fill longstanding and critical capability gaps, anticipates gaining additional theater-assigned forces and continental U.S.-based rotational forces. These additional forces may include fixed wing, CV-22 tilt-rotor, rotary-wing aviation, Intelligence, Surveillance, and Reconnaissance assets, SEAL Platoon and boat detachment, military information support teams, civil-military support elements, and Marine Special Operations teams. Forces will utilize intra-theater lift platforms to move to specific operating locations to conduct activities.

We will also seek to increase amphibious lift capabilities and make infrastructure improvements in Japan, Guam, and Australia (pending access agreements) in support of the relocation of marines to Guam and Hawaii. Providing these supporting lift capabilities and infrastructure improvements is essential to ensure PACOM maximizes opportunities to exercise, train, and operate with partner nation militaries, while maintaining quality of life standards for our forward-deployed forces.

23. Senator INHOFE. Admiral Locklear, have you identified requirements for fiscal year 2014 that are not currently included in the budget request?

Admiral LOCKLEAR. No. The President's budget has supported efforts to begin a rebalance to the Indo-Asia-Pacific. Our immediate concern is the potential for further cuts due to sequestration which could negatively impact the rebalance. Continued sequestration, as well as yearly continuing resolutions, imposes significant uncertainty on our planning ability.

24. Senator INHOFE. Admiral Locklear, what is the impact of sequestration and budget cuts on your plan to increase exercises in the Pacific as part of the rebalance?

Admiral LOCKLEAR. The direct impact of sequestration on the PACOM fiscal year 2013 Joint Exercise Program (JEP) is a decrement of \$13 million (approximately 20 percent) to joint exercises conducted through the remainder of fiscal year 2013. The realization of this fiscal decrement will be taken from a combination of the Joint Exercise Transportation Program used to provide Strategic Lift to components for unit participation in exercises as well in the Service Incremental Funds used to offset Service component costs for participation in Joint Exercises. The attached table outlines current impacts to the JEP. Two of three planned iterations of Commando Sling have been cancelled due to Service component cost mitigation measures and reduced flying hours. Northern Edge 13 was cancelled due to priorities of participating units and flying hours. Talisman Saber 13 and Ssang Yong 13 were rescoped to meet both JEP decrements as well as Service sequestration guidance. Terminal Fury 13 was rescoped partially due to internal reorganization and in part to sequestration cuts.

Our exercises are increasingly focused on strengthening our alliances and partnerships, enhancing our presence, building regional relationships, while simultaneously achieving the highest level of readiness for our forces. Training underpins and strengthens PACOM's military preeminence; it achieves and sustains force readiness, develops capabilities and confidence, fosters cooperation, both within PACOM forces and interoperability and capacity building with allies and partner nations. Exercises demonstrate PACOM's clear sustained commitment to a secure and peaceful Asia-Pacific region.

PACOM continues to adjust to the effects of sequestration on our JEP. In support of PACOM priorities, preliminary adjustments have been made to the JEP to enable us to execute our program in the AOR. Projected participation reductions are not expected to significantly impact the readiness of our forces or our obligations to our allies and partners. Our long-term effort will be adjusted based on funding availability and prioritized in accordance with readiness and rebalance goals. As part of our strategy, we recently introduced two new JEP exercises for fiscal year 2014: Association of Southeast Asian Nations (ASEAN) Defense Ministers Meeting/ASEAN Regional Forum Disaster Relief Exercise, and Proliferation Security Initiative. These events are not as large as some of our other exercises. However, their introduction highlights our expanded approach to promoting cooperation and understanding.

The strategy to rebalance to the Asia-Pacific has not changed, but what is affected in the near term is the tempo. The levying of both the sequestration and Continuing

Resolution bills so late in the fiscal year impacted the Services' ability to provide the assets and forces necessary to fully leverage in the rebalance strategy. For example, fiscal year 2013 exercise support, partnership activities, and engagements are reduced due to Service component cost mitigation measures. Limited flying hours, ship steaming days, and travel funding have reduced some of our engagement activities.

Event	Status	Notes
KEY RESOLVE/FOAL EAGLE (MAR-APR13) – ROK	No Impact	
SSANG YONG (MAR-MAY13) – ROK	Impact	30% cost reduction by MARFORPAC
BALIKATAN (APR13) - Philippines	No Impact	
NEA Vietnam (APR13) – Vietnam	No Impact	
5x CARATs – IDN, THA, MYS, PHL, SGP	No Impact	
COMMANDO SLING (3x Iterations) – Singapore	Cancelled	USAF canceled 2x iterations due to flying hours
PACIFIC PARTNERSHIP (MAY-JUL13) – Oceania	No Impact	
YUDH ABAS (MAY13) – India	No Impact	
TERMINAL FURY (MAY13) - Hawaii	Impact	Scope changed due to reorganization and sequestration cuts
MALABAR (JUN13) – India	No Impact	India may shift dates
3x ADMM+ Exercises	No Impact	
NORTHERN EDGE (JUN13) – Alaska	Cancelled	Canceled due to flying hours.
TALISMAN SABER (JUL13) – Australia	Impact	JETP decremented \$4mil PACAF/MARFORPAC force reductions
ULCHI-FREEDOM GUARDIAN (AUG13) – ROK	No Impact	
TEMPEST WIND (SEP13) – Guam and Hawaii with FVEY	No Impact	
KEEN EDGE (NOV13) – Japan	No Impact	

25. Senator INHOFE. Admiral Locklear, you mentioned the lift requirements necessary to move the marines around your theater in testimony to Senator McCain and in what you have submitted within the last 2 weeks to the Senate Armed Services Committee. Can you identify which of these lift requirements are included in the budget request for fiscal year 2014? Given the possibility of defense budget cuts, are you concerned about having the strategic air and sealift to support the annual deployments?

Admiral LOCKLEAR. Yes. The presidential budget for fiscal year 2014 requests \$24 million to continue the lease of High Speed Vessel, MV Westpac Express. Additionally, \$3.5 million is requested for Joint High Speed Vessel steaming days in support of the Marine Rotational Force-Darwin. However, I am concerned that the net effect of sequestration will negatively impact the Indo-Asia-Pacific. Specifically, given the size of the PACOM AOR, the lift capabilities provided by the Air Force and Navy, which are critical to our engagement with our allies and partners, our presence and our ability to execute our plans must be preserved.

26. Senator INHOFE. Admiral Locklear, when do you expect to have submitted all of the necessary information to the Office of the Secretary of Defense for a master plan for the movement of marines from Okinawa?

Admiral LOCKLEAR. DOD is conducting a Supplemental Environmental Impact Study (SEIS) for the new Marine Corps main cantonment area and live-fire training area complex on Guam. We anticipate the draft SEIS being available in 2014, with a final record of decision in February 2015. This study will inform the master plan which we project will be submitted to DOD in 2015.

AUSTRALIA

27. Senator INHOFE. Admiral Locklear, in your written statement regarding Marine Corps deployments to Australia, you noted that: "We are working together to increase the Marine Corps rotational presence in Darwin to approximately 1,100. This increase will require infrastructure improvements and we are currently in the process of identifying the details of those requirements." What is the status of progress on the agreement with the Australian Government?

Admiral LOCKLEAR. We expect the Australian Government decision on approval of 1,100 USMC personnel sometime this summer. Once approved, we will commence negotiations on required arrangements, including infrastructure improvements, after we have secured Circular 175 authority through the DOS.

28. Senator INHOFE. Admiral Locklear, what is the total number of marines planned for annual deployments to Australia?

Admiral LOCKLEAR. We currently have about 200 Marine Corps personnel in Darwin from April to September 2013. We plan to increase to 1,100 in 2014, contingent on Australian Government approval that we expect this summer. Our overall goal is a fully-manned Marine Air Ground Task Force of 2,500 personnel by 2017–2018 timeframe, contingent on Australian Government approval.

29. Senator INHOFE. Admiral Locklear, when will the details of the infrastructure improvements required in Australia to support Marine Corps deployments be available for congressional review?

Admiral LOCKLEAR. Upon completion of negotiations with the Government of Australia projected to begin this summer, details of infrastructure improvements required will be available for congressional review.

30. Senator INHOFE. Admiral Locklear, from your interactions with counterparts and defense leaders of allies and partners in the region, what is their perception of the rebalance and if budget cuts prevent you from executing the strategy, what do we risk in terms of our relationships with them?

Admiral LOCKLEAR. Asia is a complex region that exhibits a wide range of opinions; nevertheless several themes have recurred during our engagements in the region.

The rebalance has generally been welcomed by ASEAN countries. Southeast Asian nations appreciate our enhanced regional focus and generally understand our rationale for the rebalance. Additionally, they are highly appreciative of increased U.S. support bilaterally and to the ASEAN organizations (e.g. ASEAN Defense Ministers Meeting Plus; ASEAN Regional Forum.)

Regional nations seek a more detailed understanding of what the rebalance means for them and how the United States will execute it. Some believe the rebalance has not been effectively communicated in regard to its specific purpose, strategy, and details. Most see the rebalance as focused on Northeast and Southeast Asia, and do not appreciate the South Asia and Oceania dimensions. Some believe there has been too much emphasis on the military dimension of the strategy. We must work across the U.S. Government to better communicate the rebalance strategy, particularly the nondefense aspects. This will help counter China's narrative that the rebalance is a military effort to contain their rise.

The rebalance is seen, at least partly, as a response to China's rapid rise in regional affairs. This is generally regarded as appropriate, though with significant reservations. Some leaders have opined the rebalance is an effort to contain China and express concern it could increase tension with China or place them uncomfortably in the middle of the United States and China. Continued messaging is necessary to emphasize that the rebalance is not containment, that we welcome China's rise, and that the region can enjoy good relations with both the United States and China simultaneously.

Countries are watching the U.S. budget process closely. ASEAN nations will weigh their relationships carefully in light of China's ascendance and questions regarding U.S. commitment. Allies and partners desire reassurance that the rebalance is sustainable. They insist the rebalance will be validated by actions, not narrative.

CHINA

31. Senator INHOFE. Admiral Locklear, how have your Chinese counterparts reacted to the concept of rebalance?

Admiral LOCKLEAR. [Deleted.]

32. Senator INHOFE. Admiral Locklear, you have said we are going to “pursue a lasting relationship” with China. What are the primary components of that pursuit and is this similar to the Russia reset?

Admiral LOCKLEAR. A “lasting relationship with China” is one in which the security component of our bilateral relationship grows into one that is healthy, stable, reliable, and mature enough to withstand the friction generated by policy disagreements that exist between our two countries. This relationship would exist in the context of our existing alliances and partnerships—not at their expense—and be based upon pragmatic cooperation in areas of shared interest, such as disaster response, counter-piracy, countering proliferation, peacekeeping, and military medicine. Our military relations with China develop from different pressures, motives, and imperatives than our relations with Russia. PACOM does not seek to “reset” relations with China, but rather seeks to mature the security component of an already robust, and largely cooperative, bilateral relationship. Therefore, I would not characterize it as similar to the Russia reset.

33. Senator INHOFE. Admiral Locklear, you have indicated we will invite the Chinese to our Rim of the Pacific exercise. Are you also going to invite the Taiwanese to participate? Why or why not?

Admiral LOCKLEAR. [Deleted.]

34. Senator INHOFE. Admiral Locklear, what effects are China's significant increases in defense spending, foreign military sales, and soft power having in the PACOM region?

Admiral LOCKLEAR. [Deleted.]

35. Senator INHOFE. Admiral Locklear, if we don't deliver on the rebalance due to budget constraints on the military, how much will that erode our influence in the region?

Admiral LOCKLEAR. [Deleted.]

36. Senator INHOFE. Admiral Locklear, given the expected growth in Chinese missile capabilities over the next 10 years, how do you envision the evolution of the Phased Adaptive Approach to missile defense in the Pacific?

Admiral LOCKLEAR. [Deleted.]

NORTH KOREA

37. Senator INHOFE. Admiral Locklear, do you think our current strategy of diplomatic isolation and economic sanctions will stop Kim Jong Un from acquiring nuclear weapons capability?

Admiral LOCKLEAR. No. The Democratic People's Republic of Korea has already demonstrated the ability to construct and detonate crude nuclear devices. However, PACOM is confident that our defense posture, military capabilities, deterrence, and counter-proliferation strategies can protect the U.S. Homeland, forward-deployed U.S. forces, and our regional allies and partners.

38. Senator INHOFE. Admiral Locklear, we know that missile defense is an important but expensive capability. What allies and partners are helping us with regional missile defense efforts and what capabilities are they developing?

Admiral LOCKLEAR. [Deleted.]

OPERATIONAL RESILIENCY

39. Senator INHOFE. Admiral Locklear, you mention in your written statement regarding Pacific military forces that “the United States requires a more geographi-

cally distributed, operationally resilient, and politically sustainable posture that allows persistent presence and, if needed, power projection.” Can you explain the concept of operational resiliency and your plans to improve it?

Admiral LOCKLEAR. Operational resiliency refers to a force posture that has active and passive defenses as well as the offensive capacity and capability to meet war-fighting requirements. A resilient posture assures access for U.S. forces in a contested environment. In short, an operationally resilient posture is the foundation of our ability to respond rapidly and prevail in crisis.

With regards to missile defense, the concept of resiliency includes dispersal, active missile defense capabilities, operational deception, and, when appropriate, hardening. This concept is a key tenant to safeguarding U.S. assets and critical defense infrastructure in the PACOM theater. The resiliency efforts already underway or planned for Guam (missile defense and hardening of critical infrastructure) remain a top priority.

Additionally, PACOM continues investments in dispersal initiatives to ensure we have a range of options for rapidly responding to crises across the Indo-Asia-Pacific. Areas where PACOM is looking to increase our presence include Northeast Asia, Australia, the Philippines, Southeast Asia, Micronesia, and the Marianas. In this way, operationally resilient posture underpins our persistent presence and power projection, essential tenets of the rebalance.

40. Senator INHOFE. Admiral Locklear, given the strategic importance of the military resources stationed in your command, including the aircraft carrier USS *George Washington* in Japan, what are your priorities to improve operational resiliency? Are the Marine Corps, Navy, and Army going to harden their facilities as well, in other words, will this resiliency concept be applied across PACOM?

Admiral LOCKLEAR. Operational resiliency goes beyond the hardening of critical defense infrastructure. It denotes a force posture that has the flexibility and depth to respond to a broad spectrum of crises, whether tsunamis, earthquakes, humanitarian crises, or major contingency operations. To this end, we seek a diverse mix of capabilities across the theater.

With regards to missile defense, the resiliency concept of hardening, dispersal, active defense capabilities, and deception is a key tenant to safeguarding U.S. assets and critical infrastructure throughout the PACOM theater. The resiliency efforts already underway or planned for Guam are a top priority.

As forward deployable forces, the Marine Corps, Navy, and Army have different and unique resiliency requirements, of which hardening is just one aspect. As the threat evolves we will continue to study and apply the appropriate resiliency pillar for specific facilities and services across PACOM.

41. Senator INHOFE. Admiral Locklear, given the recent provocations of North Korea, have you identified significant risk or vulnerabilities for our forces stationed in Korea and Japan? If so, can you describe them and what measures you are undertaking to mitigate those risks?

Admiral LOCKLEAR. [Deleted.]

42. Senator INHOFE. Admiral Locklear, last year you wrote a classified letter to the Senate Armed Services Committee advocating for the funding of a hardened aircraft fuel cell maintenance hangar on Guam and noting that “to reduce the operational vulnerabilities of our forces, we should selectively invest in force protection enhancement now.” In an era of declining defense spending, is the construction of hardened facilities on Guam to protect certain assets during a contingency your highest priority for the operational resiliency of forces in your AOR? If not, what higher priorities do you have?

Admiral LOCKLEAR. [Deleted.]

43. Senator INHOFE. Admiral Locklear, do you support the hardening of facilities on Guam to preserve a second strike capability and increase the targeting complexity for adversaries?

Admiral LOCKLEAR. [Deleted.]

44. Senator INHOFE. Admiral Locklear, given the large numbers of Chinese missiles projected in 2020, what makes you believe that you can protect enough infrastructure to be able to launch a second strike?

Admiral LOCKLEAR. [Deleted.]

45. Senator INHOFE. Admiral Locklear, hardening approximately doubles the cost of a facility—can we afford that cost in this budget environment?

Admiral LOCKLEAR. [Deleted.]

ARTICLE 60 MODIFICATIONS

46. Senator INHOFE. Admiral Locklear, commanders in the military are given great responsibility, literally over life and death. Decisions they make send men and women into battle where they may die or be severely wounded. This special trust and confidence is given to no other position in our government. In line with this responsibility, commanders are given the autonomy to discipline, train, and reward their units so that they can establish a cohesive, mission-ready unit capable of fighting and winning the Nation's wars. While we trust you with our sons' and daughters' lives, the proposed modifications to Article 60 of the Uniform Code of Military Justice (UCMJ) seem to suggest that we do not trust your discretion when it comes to UCMJ offenses. Do you, as a commander, consider the UCMJ as it is currently structured, to be a viable tool to help you maintain and enhance the cohesiveness and fighting capabilities of your combat units?

Admiral LOCKLEAR. Yes.

47. Senator INHOFE. Admiral Locklear, have you seen any evidence that commanders are abusing their discretion as the convening authority to adjust sentencing?

Admiral LOCKLEAR. No.

48. Senator INHOFE. Admiral Locklear, the Secretary of Defense has announced that he intends to recommend changes to the UCMJ. How would the proposed changes to the UCMJ impact your effectiveness as a commander?

Admiral LOCKLEAR. I support the Secretary Defense's recommended changes to the UCMJ.

QUESTIONS SUBMITTED BY SENATOR KELLY AYOTTE

MISSILE DEFENSE

49. Senator AYOTTE. Admiral Locklear, from your perspective as the Commander of PACOM, what is the requirement for effective missile defense in your AOR?

Admiral LOCKLEAR. [Deleted.]

50. Senator AYOTTE. Admiral Locklear, what is the difference between our current missile defense posture in PACOM and the missile defense posture required to protect our interests in the region?

Admiral LOCKLEAR. [Deleted.]

F-35 JOINT STRIKE FIGHTER PROGRAM

51. Senator AYOTTE. Admiral Locklear, is China developing a fifth generation fighter?

Admiral LOCKLEAR. [Deleted.]

52. Senator AYOTTE. Admiral Locklear, how would these Chinese fifth generation fighters match up against our current fourth generation fighters?

Admiral LOCKLEAR. [Deleted.]

53. Senator AYOTTE. Admiral Locklear, in order to maintain U.S. air dominance, deter potential adversaries, and assure our allies, how important is it that the United States finalizes development of the JSF and begin to dramatically ramp up procurement of the F-35?

Admiral LOCKLEAR. In order to maintain air dominance, deter potential adversaries, and assure our allies, it is extremely important to procure the F-35. To this end, the President's fiscal year 2014 budget specifically requests \$8.4 billion for the continued development of the JSF.

VIRGINIA-CLASS SUBMARINES

54. Senator AYOTTE. Admiral Locklear, what capabilities and what strategic value does the *Virginia*-class submarine provide you as the PACOM Commander?

Admiral LOCKLEAR. [Deleted.]

55. Senator AYOTTE. Admiral Locklear, from your perspective, how is the *Virginia*-class submarine performing?

Admiral LOCKLEAR. [Deleted.]

56. Senator AYOTTE. Admiral Locklear, what percentage of your combatant commander requirements for attack submarines were met in fiscal year 2012?

Admiral LOCKLEAR. [Deleted.]

57. Senator AYOTTE. Admiral Locklear, as *Los Angeles*-class submarines retire in the coming years and we fail to replace them quickly enough with *Virginia*-class submarines, our number of attack submarines will drop from 54 today to 43 in 2030. As a result, our undersea strike volume will decline. In order to at least partially address this decline in undersea strike volume, how important is it that we go forward with the Virginia payload module?

Admiral LOCKLEAR. [Deleted.]

JOINT POW/MIA ACCOUNTING COMMAND

58. Senator AYOTTE. Admiral Locklear, can you give an update on the Joint POW/MIA Accounting Command's (JPAC) operations?

Admiral LOCKLEAR. Thus far in fiscal year 2013, JPAC has identified 38 individuals: 4 from the Vietnam War, 27 from the Korean War, and 7 from World War II.

JPAC's plan to increase capacity and capability to fulfill the National Defense Authorization Act (NDAA) 2010 mandate continues to progress in some areas, but is hindered in others. We expect Full Operational Capability (FOC) of the JPAC Continental U.S. Annex (JCA) at Offutt Air Force Base, NE, in June 2013. Physically, this annex will significantly improve laboratory capacity to enable additional identification capabilities. However, the current civilian hiring freeze is preventing the proper scientific staffing of the JCA beyond the one anthropologist who relocated from Headquarters, JPAC. Construction of the JPAC Headquarters Building at Joint Base Pearl Harbor-Hickam has experienced a delay, but is projected to be construction-complete in spring 2014. However, the continued lack of funding for the communications and computer infrastructure will delay occupancy of the building to spring 2015. JPAC will be requesting reprogramming of available excess MILCON funding to fund this facility requirement.

Within the past year, additional challenges have manifested in JPAC's ability to contract and pay for services in austere locations which can negatively impact mission success. While a Joint Field Activities (JFA) in Cambodia had to be deferred and others adjusted, a country-by-country comprehensive review has ensured the proper fiscal authorities and contracting mechanisms are in place for JPAC teams to operate in these countries.

59. Senator AYOTTE. Admiral Locklear, how can Congress help support JPAC's mission?

Admiral LOCKLEAR. The recently-introduced POW/MIA Accounting and Recovery Support Act of 2013 (H.R. 1520), if passed, would help reduce disruptions to JPAC field operations, if civilian furloughs were to go into effect. It would allow JPAC's deployed civilian scientists a temporary exemption from the requirement to take 1 furlough day off each week. The bill would permit them to support the 4 to 6 week mission, otherwise lacking an anthropologist to deploy, the recovery missions would have to be cancelled. The deploying civilians would make up the accumulated furlough days upon their return to JPAC Headquarters.

JPAC would greatly benefit by having a dedicated, "fenced" funding line separate from PACOM. Currently JPAC's budget is embedded with PACOM's budget which means that every time the combatant commands (COCOM) are hit with a budget cut, JPAC assumes a large portion of the PACOM share since they have the largest budget that is not in direct support of our warfighting mission. With a "fenced" line item in the budget, JPAC would better weather the budget challenges and uncertainties we face, and in doing so build and sustain the capacity and capabilities to meet Congress' mandate in the NDAA for Fiscal Year 2010.

60. Senator AYOTTE. Admiral Locklear, can you provide more detail on the impact of sequestration and furloughs on the ability of JPAC to perform its important mission?

Admiral LOCKLEAR. The extended Continuing Resolution Authority (CRA) reduced JPAC's programmed budget by \$21 million, thus lowering JPAC's fiscal year 2013

planned Joint Field Activities (JFAs) from 30 to 19. Sequestration forced PACOM to levy an additional \$15 million mark against JPAC's already-diminished CRA budget line which further reduced JPAC's operational capacity from 19 to 14 JFAs, 6 of which were also reduced in scope. Total net loss to JPAC budget due to CRA and sequestration is \$36 million. Total net loss in operational capacity was 16 JFAs. With the allocation of the fiscal year 2013 appropriations, JPAC hopes to buy back some cancelled JFAs (difficult this late in the fiscal year) or enhance some of the remaining scheduled JFAs.

CRA and sequestration also combined to result in a civilian hiring freeze. fiscal year 2013 was JPAC's high watermark in the Fiscal Year Defense Plan for programmed growth to increase capacity and capability to meet the NDAA for Fiscal Year 2010 mandate. However, the hiring freeze left JPAC unable to bring aboard 86 civilian hires, a large percentage of which had already been selected for the new positions. This impedes JPAC's requirement to add key anthropologists, historians, and other key personnel to its ranks.

NUCLEAR MODERNIZATION AND PROLIFERATION

61. Senator AYOTTE. Admiral Locklear, as North Korea has developed its nuclear weapons program, what are you and General Thurman hearing from our allies in Japan and South Korea?

Admiral LOCKLEAR. North Korea's rhetoric, recent nuclear tests, and missile launches have only strengthened our alliances with Japan and South Korea. We continue to conduct annually scheduled combined joint military exercises with South Korean Armed Forces and the Japanese Self Defense Force. Kim Jong Un's continued threats and provocations encourage more trilateral cooperation with Japan and South Korea, particularly with regards to regional Ballistic Missile Defense.

62. Senator AYOTTE. Admiral Locklear, do you believe North Korea's nuclear program could encourage some of our allies to move closer to a nuclear weapons capability?

Admiral LOCKLEAR. No. While elements in Japan and the Republic of Korea periodically advocate for independent nuclear weapon programs, both governments have a mature understanding of the diplomatic, political, and economic costs of developing nuclear weapons. Specifically, they recognize that the U.S. extended deterrence commitment comes with the understanding that they will forego their own nuclear weapons development and remain within the Nonproliferation Treaty. As long as our allies see our extended deterrence commitment as credible, PACOM is confident they will not pursue nuclear weapons.

63. Senator AYOTTE. Admiral Locklear, what role does a reliable and credible U.S. nuclear triad play in not only deterring North Korean aggression, but in also discouraging the proliferation of nuclear weapons programs among our allies?

Admiral LOCKLEAR. A reliable and credible U.S. nuclear triad assures a second strike capability and guarantees the capability for an overwhelming response in retaliation to any employment of nuclear weapons by North Korea. While Kim Jong Un may be young and bellicose, PACOM assesses that he is a rational actor and can be deterred.

The existence of a reliable U.S. nuclear triad is essential to maintaining the credibility of the United States' extended deterrence commitments. Extended deterrence is a key consideration for our allies, providing a credible defense without them having to develop their own nuclear programs.

SEA LEG OF OUR NUCLEAR TRIAD

64. Senator AYOTTE. Admiral Locklear, how important is the sea leg of our nuclear triad?

Admiral LOCKLEAR. The sea leg is the most survivable part of the U.S. Nuclear Triad and is thus an essential component of our strategic nuclear deterrence.

65. Senator AYOTTE. Admiral Locklear, what unique role do our *Ohio*-class submarines play in our Nation's nuclear deterrent?

Admiral LOCKLEAR. The *Ohio*-class ballistic missile submarines comprise the most survivable leg of the U.S. Nuclear Triad. Our ability to have a reliable, survivable second strike capability is crucial to our nuclear deterrence strategy because it interrupts the adversary decision cycle by the positive knowledge that any initial strike, no matter how massive, will result in an overwhelming second strike.

66. Senator AYOTTE. Admiral Locklear, do you believe any additional delay to the *Ohio*-class replacement program would undermine U.S. national security and our Nation's nuclear deterrent?

Admiral LOCKLEAR. A delay in the *Ohio*-class replacement program would complicate the Navy's ability to meet its nuclear deterrence patrol and presence requirements.

COMMERCIAL OFF-THE-SHELF BOATS

67. Senator AYOTTE. Admiral Locklear, given the number of nations with whom you would like to engage, as well as the long distances between them, how useful would long-range, high-speed, commercial off-the-shelf (COTS) boats be in helping you to bridge that gap?

Admiral LOCKLEAR. Current versions of COTS vessels do not adequately meet our engagement needs to move equipment, supplies, and personnel over the vast distances of the Indo-Asia-Pacific. These vessels lack the following necessary capabilities: helicopter landing deck capacity, onboard cranes, and adequate life support (berthing, feeding, showers, etc.) for personnel who use the ship as transportation or for in-port billeting. The military is currently contracting the Joint High Speed Vessel that meets all of the above requirements.

68. Senator AYOTTE. Admiral Locklear, do you believe that the export capability of COTS boats would help enhance partnership-building and interoperability?

Admiral LOCKLEAR. Potentially. Depending on the specific requirements of our allies and partners, exporting COTS boats could enhance partnership and increase their capability to quickly transport equipment.

69. Senator AYOTTE. Admiral Locklear, there is a growing need for low-cost, multi-role, and flexible platforms. What attributes of naval platforms are most critical to you in your AOR, either individually or as part of a broader force package?

Admiral LOCKLEAR. In the PACOM AOR, there is a need for a balanced portfolio of platforms that can deal with both high- and low-intensity conflicts, conduct humanitarian assistance and presence operations, as well as provide a sufficient, credible force to deter aggression.

With the rapidly increasing cost of fossil fuel, fuel-efficient ships that provide greater endurance and lower steaming costs are critical given the vast distances necessary to transit in the PACOM AOR.

Finally, ships must also possess a high degree of independent operational and maintenance capability, thus allowing them to operate forward for extended periods.

[Whereupon, at 12:03 p.m., the committee adjourned.]