

**DEPARTMENT OF DEFENSE AUTHORIZATION  
OF APPROPRIATIONS FOR FISCAL YEAR  
2015 AND THE FUTURE YEARS DEFENSE  
PROGRAM**

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**TUESDAY, MARCH 25, 2014**

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

**U.S. PACIFIC COMMAND AND U.S. FORCES KOREA**

The committee met, pursuant to notice, at 9:34 a.m. in room SD-G50, Dirksen Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Reed, Manchin, Shaheen, Hirono, Kaine, King, Inhofe, McCain, Sessions, 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: Ozge Guzelsu, counsel; Richard W. Fieldhouse, professional staff member; Mariah K. McNamara, special assistant to the staff director; and Michael J. Noblet, professional staff member.

Minority staff members present: John A. Bonsell, minority staff director; Daniel C. Adams, minority associate counsel; John D. Cewe, professional staff member; Thomas W. Goffus, professional staff member; and Anthony J. Lazarski, professional staff member.

Staff assistants present: Lauren M. Gillis and Alexandra M. Hathaway.

Committee members' assistants present: Cathy Haverstock, assistant to Senator Nelson; C. Patrick Hayes, assistant to Senator Manchin; William Scheffer, assistant to Senator Shaheen; David J. Park, assistant to Senator Donnelly; Nick Ikeda, assistant to Senator Hirono; Karen E. Courington, assistant to Senator Kaine; Stephen M. Smith, assistant to Senator King; Joseph G. Lai, assistant to Senator Wicker; and Bradley L. Bowman, assistant to Senator Ayotte.

**OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN**

Chairman LEVIN. Good morning, everybody.

Today we receive testimony on the posture of U.S. forces in the Asia-Pacific region. On behalf of the committee, I would like to welcome Admiral Sam Locklear, the Commander of U.S. Pacific Command, and General Mike Scaparrotti, the Commander of U.S.

Forces Korea, United Nations Command, and Combined Forces Command in Korea.

Gentlemen, the committee appreciates your long years of faithful service and the many sacrifices that you and the families that you are a part of make for our Nation. We greatly appreciate the service of the men and women, military and civilian, who serve with you in your commands. Please convey to them our admiration and our appreciation for their selfless sacrifice and dedication.

Last year, General Thurmond was unable to testify at this hearing because of the heightened tension on the Korean peninsula. General Scaparrotti, we are glad that you were able to make it this year.

Today's hearing is particularly timely as North Korea has again engaged in saber-rattling and dangerous rocket and missile launches, including the one just a few weeks ago. Kim Jon-un's regime has so far followed the same destructive policies as its predecessors, pursuing its nuclear weapons and ballistic missile programs with callous disregard for the well-being of its own people and the region. Even China, despite its longstanding relationship with North Korea, has joined in United Nations condemnation of the North Korean's regimes dangerous behavior and has supported new sanctions. We look forward to hearing General Scaparrotti's views on recent developments on the Korean peninsula and additional steps that might be taken to promote stability and peace.

At a time of increasing fiscal austerity within the Department of Defense, China has announced that it is increasing its official military budget for 2014 to almost \$132 billion, which is a 12 percent increase over last year, making that country's military spending the second largest in the world after the United States. China's pursuit of new military capabilities raises concerns about its intentions, particularly in the context of the country's increasing willingness to assert its controversial claims of sovereignty in the South China and East China Seas. China's belligerence and unwillingness to negotiate a maritime code of conduct with its ASEAN neighbors raises doubts about its representations that China is interested in a peaceful rise. We were dismayed by China's unilateral declaration of an air identification zone last year that did not follow proper consultations with its neighboring countries and that includes the air space over the Senkaku Islands, which are administered by Japan.

In addition, China's lack of regard for the intellectual property rights of the United States and other nations is a significant problem for the global community. China is 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 from 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 businesses to come together to advance our own cybersecurity. We also have grave concerns that China's cyber activities, particularly those targeting private companies that support mobilization and deployment, could be used to degrade our ability to respond during a contingency. Our committee

will soon release a report on cyber intrusions affecting U.S. Transportation Command contractors.

The administration continues to rebalance toward the Asia-Pacific to meet these challenges. Substantial realignments of U.S. military forces in South Korea and Japan are ongoing, as are initiatives to increase U.S. presence in Southeast Asia, especially in Singapore and the Philippines. The U.S. relationship with Australia is as strong as ever, as evidenced by the continued plans for successive rotations of U.S. marines to Darwin, Australia.

With respect to the planned realignment of U.S. marines currently on Okinawa, the governor Okinawa, approved the landfill permit for the Futenma Replacement Facility at the end of last year. Nonetheless, I believe that moving forward with the construction of infrastructure facilities on Guam must await the final environmental impact statement and the actual record of decision. Once those actions are completed and we have been provided the final master plans, including cost estimates and a time schedule, we will be better able to judge the feasibility of the plans. So while I support the restationing of some marines from Okinawa to Guam and Hawaii, it needs to be done in a fiscally and operationally sound manner.

And of course, we must consider all of these challenges and initiatives in the Asia-Pacific against the backdrop of our current budget constraints. Admiral Locklear and General Scaparrotti, we would be interested in your assessments of the budget reductions on your ability to meet your mission requirements.

Again, we very much appreciate both of you joining us this morning. We look forward to your testimony on these and other topics. Senator Inhofe?

#### **STATEMENT OF SENATOR JAMES M. INHOFE**

Senator INHOFE. Thank you, Mr. Chairman.

I think we all know—and we have talked about this—that the world is getting more dangerous and the Pacific is no exception. North Korea's erratic leader continues to engage in provocative actions, including military exercises, nuclear and missile tests, and the development of a road mobile missile system. China declares unilateral air defense identification zones and makes provocative moves to blockade ships and claim sovereignty over vast tracks of the South China Sea.

Despite the growing danger, the massive cuts to our national security budget, we are making the jobs of Admiral Locklear and General Scaparrotti more difficult. While the Chinese defense budget grows at 12 percent, Secretary Hagel tells his commanders ?American dominance on the seas, in the skies, and in space can no longer be taken for granted.? And that is the first time in my life that we have heard something like that.

Our domain dominance has eroded due to the diversion of resources from defense to the President's domestic agenda over the last 5 years, and that has consequences in our society. Less capable and less dominant U.S. forces make it more difficult for our men and women in uniform to handle crises. And as we are seeing around the world today, a less capable U.S. military makes it more likely that the crises will erupt.

Those who advocate drastically slashing the defense budget and a total retreat from international engagement put the security of the homeland at risk. More aggressive adversaries and less capable U.S. military forces are a recipe for disaster. The dismantling of our national security over the last 5 years has led to the growth of extremists in Syria, Iraq, Iran, Putin's annexation of Crimea, and has invited increased Chinese belligerence in the East and South China Seas.

The strategy of rebalance to the Pacific implies an increase in presence and resources. That is just not true. It is not happening. I have specific questions to ask about that.

I look forward to Admiral Locklear's frank assessment of how the rebalance is perceived in the region and some specific questions about that. I am concerned that the retreating tide of U.S. leadership and the defense capability will encourage Kim Jong-un to be more aggressive.

General Scaparrotti, we need to hear from you as to how this readiness problem that grounds airplanes, ties up ships, and cancels ground training will impact your combat capability. I do not remember a time in my life when I have seen this type of thing happening. And I remember so well when it all started, and it all started—we do not like to talk about it or not—back with the \$800 billion—people talk about entitlements now, but this was not entitlements. This was non-defense discretionary spending that took place. And now we are paying for it and have been paying for it for the last 5 years.

So it is a crisis we are in. You guys are the right ones to be there to try to meet these crises. And I appreciate the fact that you are willing to do that.

Thank you, Mr. Chairman.

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

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

Admiral LOCKLEAR. Mr. Chairman, Senator Inhofe, and distinguished members of the committee, thank you for the opportunity to appear before you today.

For 2 years, I have had the honor and privilege of leading the exceptional men and women, military and civilian, throughout the U.S. Pacific Command. They are not only skilled professionals dedicated to the defense of our great Nation, but within Pacific Command, they serve as superb ambassadors and truly represent the values and strengths that make our Nation great. We continue to work to ensure that they are well trained, well equipped, and well led to meet the challenges we are facing in the 21st century. I want to publicly thank them and their families for their sacrifices.

When I spoke to you last year, I highlighted my concern for several issues that could challenge the security environment across the Pacific Command area of responsibility, the Indo-Asia-Pacific. Those challenges included the potential for significant HADR, or humanitarian assistance/disaster relief, events, an increasingly dangerous and unpredictable North Korea, the continued escalation of complex territorial disputes, growing challenges to our freedom

of action in the shared domains of sea, air, space, and cyberspace, growing regional transnational threats, and the significant challenges associated with China's emergence as a global economic power and a regional military power.

During the past year, we have been witness to all of these challenges and our forces have been very busy securing the peace and defending U.S. interests throughout over half the globe. We have done our very best to remain ready to respond to crisis and contingency, although we have assumed greater risk. We have maintained focus on key aspects of the rebalance to the Asia-Pacific, strengthening our alliances and partnerships, improving our posture and presence, and developing the concepts and capabilities required by today's and tomorrow's security environment. And we have done this against the backdrop of continued physical and resource uncertainty and the resultant diminishing readiness and availability of our joint force.

I would like to thank the committee for your continued interest and support, and I look forward to your questions.

[The prepared statement of Admiral Locklear follows:]

Chairman LEVIN. Thank you so much, Admiral.

General Scaparrotti?

**STATEMENT OF GEN CURTIS M. SCAPARROTTI, USA, COMMANDER, UNITED NATIONS COMMAND/COMBINED FORCES COMMAND/U.S. FORCES KOREA**

General SCAPARROTTI. Chairman Levin, Ranking Member Inhofe, and distinguished members of the committee, I am honored to testify today as the Commander of the United Nations Command, Combined Forces Command, and the U.S. Forces Korea. On behalf of the servicemembers, civilians, contractors, and their families who serve our great Nation in Korea, thank you for your support.

After 6 months in command, I am confident that the combined and joint forces of the United States and the Republic of Korea are capable and ready to deter and, if necessary, respond to North Korean threats and actions. We know how real the North Korean threat is as 4 years ago tomorrow, North Korea fired a torpedo sinking the South Korean ship *Cheonan* killing 46 sailors. That terrible day is a constant reminder that standing with our Korean ally, we cannot allow ourselves to become complacent against an unpredictable totalitarian regime.

The Kim Jong-un regime dangerous and has the capability, especially with an ever-increasing asymmetric threat, to attack South Korea with little or no warning. North Korea has the fourth largest military in the world with over 70 percent of its ground forces deployed along the DMZ. Its long-range artillery can strike targets in the Seoul metropolitan area where over 23 million South Koreans and almost 50,000 Americans live. In violation of multiple UN Security Council resolutions, North Korea continues to develop nuclear arms and long-range missiles. Additionally, the regime is aggressively investing in cyber warfare capabilities.

North Korea brings risk to the world's fastest growing economic region which is responsible for 25 percent of the world's GDP and home to our largest trading partners.

Against this real threat, our Nation is committed to the security of South Korea and to our national interests. Our presence and your support of our troops give meaning to this commitment. And they are a key component of the Nation's rebalance to the Asia-Pacific region. Together the alliance's commitment to each other enable stability and prosperity now and in the future.

In the spirit of this commitment, we are working closely with the South Korean military to develop its capabilities and combined C4I systems, an alliance counter-missile defense strategy, and the procurement of precision-guided munitions, ballistic missile defense systems, and ISR platforms. Readiness is my top overarching priority.

To ensure that we are focused on the right things at the right time, I have developed five priorities.

First, sustain and strengthen the alliance.

Second, maintain the armistice to deter and defeat aggression and be ready to fight tonight.

Third, transform the alliance.

Fourth, sustain force and family readiness.

And fifth, enhance the UNC-CFC-USFK team.

An essential part of this is a positive command climate that focuses on the covenant between the leaders and the led and our mission together.

At the core of mission success is the close relationship we share with our South Korean partners. We benefit from an important history forged on many battlefields, shared sacrifices, and democratic principles. Over the past 60 years, we have built one of the longest standing alliances in modern history. We will continue to ensure a strong and effective deterrence posture so that Pyongyang never misjudges our role, our commitment, our capability to respond as an alliance.

I am extremely proud of our joint force and their families serving in the Republic of Korea. I sincerely appreciate your continued support for them and for our crucial alliance. Thank you and I look forward to your questions.

[The prepared statement of General Scaparrotti follows:]

Chairman LEVIN. Thank you very much, General.

Let us try 7 minutes for our first round.

Admiral, let me start with you. As you noted in your written testimony, China's declaration in November of an air defense identification zone, an ADIZ, in the East China Sea encompassing the Senkakus immediately raised tensions. Now, while the declaration of that identification zone has not affected U.S. military operations in the area, there is a concern that China is attempting to change the status quo in the East China and South China Seas by taking these kind of incremental steps to assert territorial claims.

So, Admiral, let me start by asking you this question. Has China's declaration of that identification zone changed the status quo between China and Japan with regard to their respective claims to the Senkakus?

Admiral LOCKLEAR. From my observation, first, as you correctly stated, it has not changed our operations at all and we do not recognize it or comply with it.

I have not seen any change in the activities of our allies, the Japanese self-defense force, as they pursue operations in that area based on the proclamation of the ADIZ by the Chinese.

Chairman LEVIN. And, Admiral, what is your assessment of China's pursuit of anti-access and area denial capabilities? And what are the implications of such capabilities on the ability of other nations, including the United States, to move freely in the international waters of the western Pacific?

Admiral LOCKLEAR. We have known for some time that the PLA have been pursuing technologies and capabilities that would allow them to potentially control the access in the areas around their borders, particularly in the sea space. Those technologies specifically, I believe, are directed at what they perceive as potential U.S. vulnerabilities as we maintain our forces forward. So we have, for many years, built our security environment around aircraft carriers forward, forward bases with our allies. We rely heavily on cyber and on space capabilities because we operate a long distance from home. We rely on a long line of logistics support necessary to be that far forward and to maintain a peaceful security environment.

So I would say that the A2AD capabilities that we observed are being pursued by the PLA go after, either directly or indirectly, what they perceive as potential U.S. vulnerabilities. So whether they ever intend to use them with us or against us or against an ally, the concern also is that these technologies will proliferate and they will further complicate the global security environment.

Chairman LEVIN. Admiral, what is your assessment of China's cyber activities that are directed towards the United States? What can you tell us about their use of cyberspace to target U.S. defense contractors?

Admiral LOCKLEAR. Well, in the cyber world, there are a lot of bad actors. It is not just China, but specifically since we look at this, we have known for some time that there has been state-sponsored activity to try to look at and to try to get into defense contractors and then to work that backwards to try to either develop an advantage or to better understand any vulnerabilities that we may have.

So we watch this very carefully. We are becoming more and more aware of activities such as this on a global scale, and I believe that the steps we are taking to build cyber forces that are capable to build on what I believe is our advantage in cyberspace, I believe we have a considerable advantage compared to the rest of the main actors in the world and that our advantage is only going to increase as we put these capabilities in place.

Chairman LEVIN. Okay, Admiral, let me switch topics to the Futenma Replacement Facility, the FRF, on Okinawa. There has now been some progress in that area. Do you believe that 10 years is a reasonable timeline for the construction of that facility, and do you believe that the Government of Japan and the Marine Corps are committed to adequately maintaining the current Futenma Air Station until the FRF is completed?

Admiral LOCKLEAR. Well, the facility at Camp Schwab that will ultimately replace Futenma—we are happy with the decision that was made by the signing of the landfill permit. It was another step forward in making this a reality. By all estimations I have seen,

10 years is a reasonable amount of time. It could actually be done faster, and I believe that there are those who would like to see it done faster particularly within the Japanese Government.

I believe currently the funding is in place to believe that Futenma remains safe and adequately operated, and I can assure you it will be a priority. We do not want to see that facility degrade to the point that it puts our operations at risk.

Chairman LEVIN. Thank you.

General, let me ask you about this same issue of North Korea. Are the Chinese in your judgment unwilling or unable to exert pressure on the North Koreans to agree to preconditions to restart the Six Party Talks?

General SCAPARROTTI. Chairman, based on those that I have talked to in the region, to include South Koreans and their contacts, I believe we have seen some result of China's pressure on North Korea in the rhetoric of Kim Jong-un in the past several months, particularly after the assassination of his uncle. So I believe they can put some pressure, and we have probably seen a result of some of that.

However, I think there is much more that they could do as most of North Korea's banking and much of their commerce comes through China. And to this point, they have been unwilling to take any more steps as far as I can tell.

Chairman LEVIN. Thank you.

Senator Inhofe?

Senator INHOFE. Thank you, Mr. Chairman.

In the "Stars and Stripes" this morning, there was a good article. I ask now that it be made a part of the record.

[The information referred to follows:]

[COMMITTEE INSERT]

Senator INHOFE. And it talks about what is happening to our capabilities in that area. Admiral Locklear, you are quoted here as saying the resources currently at your disposal are insufficient to meet operational requirements. And I appreciate that statement.

Admiral Locklear, it is my understanding that 50 percent of the Navy's 300 ships, or about 150, were expected to be in the Pacific theater initially. Is that right?

Admiral LOCKLEAR. We have had about 50 percent historically for a number of years.

Senator INHOFE. Okay. This does not take a long answer here.

As part of that rebalance now, they are talking about they would expect that to go up so that it would be around 180 instead of 150. This is the point I am trying to get. Because of what is happening now and sequestration coming, it would be 60 percent of a smaller number, coming out with the same number of ships available in that theater of 150. Do you follow me here?

Admiral LOCKLEAR. I follow you, yes, sir.

Senator INHOFE. Our partners over there, our allies, Japan and Korea and Australia—do you think they understand that while they were expecting that we would have 150 ships, increasing to 180, and yet it ends up being 150—is this something that they understand, they will appreciate, or do they believe that we have the kind of problems that we have?



Admiral LOCKLEAR. I cannot speak for how they feel about it, but my expectation is that they are very watchful of how the U.S. defense budget will play out in the long run.

Senator INHOFE. Well, you know, we have said that our friends will not trust us and our enemies will not fear us. This was in the Middle East. And I am beginning to think that we are going to have the same situation in that theater also.

And, Admiral, the Chinese ballistic capable submarines that can hit the United States from the east Asian waters will begin patrols this year. And the Chinese defense budget is expected to grow by 12 percent.

I am kind of reminiscent of the days, back in the 1990s, when we were cutting down our military by about 40 percent. At that time, China was increasing by around 200 percent. That was over that decade in the 1990s. And I am seeing some of the same things happen here: the priorities of our country versus the priorities of China.

I have always been concerned about China and their capabilities. And when Secretary Hagel—and I appreciated his statement. He said American dominance on the seas, in the skies, and in space can no longer be taken for granted. Does that concern you as much as it concerns me, Admiral?

Admiral LOCKLEAR. Well, I think in the context of globally, the Chinese military and the growth of the military will not be a global competitor with U.S. security for a number of decades, depending on how fast they spend and what they invest in.

The biggest concern is regionally where they have the ability to influence the outcome of events around many of our partners and our allies by the defense capabilities that they are pursuing.

Senator INHOFE. Yes. The quote that I read out of this morning's "Stars and Stripes"—was that an accurate quote?

Admiral LOCKLEAR. I have not read the article, but what you quoted is accurate.

Senator INHOFE. Well, judging from our discussions in my office, I think that is an accurate quote, and I think people need to talk about it.

General, we are looking now at a new Kim Jong-un. You and I talked in my office. My concern has been because of the—that he is less predictable than his predecessor. Would you agree with that?

General SCAPARROTTI. Yes, Senator, I would.

Senator INHOFE. Do you think by being less predictable that that would translate into a greater threat?

General SCAPARROTTI. Yes, Senator, I do.

Senator INHOFE. You know, I agree with that because you cannot tell. Sometimes we talk about the days of the Cold War when we had two super powers and both of us were predictable. And the less predictable we are, the greater threat it is to us I think particularly now with the drawdowns that we are suffering and the limited capabilities that we are giving you to do a job.

So with this person there, in your opinion are sanctions, diplomatic pressure, and appeasement with the shipments of food and oil that have been our policy tools likely to halt North Korea's further development and proliferation of nuclear weapons?

General SCAPARROTTI. Senator, I think that it is an appropriate step in terms of our continued sanctions, but I do not believe that at present they will be enough to convince him that he should denuclearize.

Senator INHOFE. I do not think so either. I agree with your statement. However, again, getting back to the unpredictability, this guy I do not think is deterred by that type of action.

We also talked in my office about another problem. I think the forces on the peninsula that would be needed to fight immediately are combat-ready. My concern is with the follow-on forces. I would like to have you share with us whether you are as concerned about that today as I am.

General SCAPARROTTI. Senator, as you stated, the forces on the theater have been fully resourced despite the budget constraints that we have had. I am happy with that and appreciative of it. But I am concerned—

Senator INHOFE. At the expense of a follow-on force.

General SCAPARROTTI. That is correct, sir.

And I am concerned about the readiness of the follow-on forces. In our theater, given the indications and warnings, the nature of this theater and the threat that we face, I rely on rapid and ready forces to flow into the peninsula in crisis.

Senator INHOFE. Well, it is because throughout your career, you have been able to rely on that and you are not now.

Do you agree with General Amos when he said we will have fewer forces arriving less trained, arriving later to the fight? This would delay the buildup of combat power, allow the enemy more time to build its defenses, and would likely prolong combat operations altogether. This is a formula for more American casualties. Do you agree with that?

General SCAPARROTTI. I do, Senator, yes.

Senator INHOFE. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Inhofe.

Senator Donnelly.

Senator DONNELLY. Thank you, Mr. Chairman.

Admiral, General, thank you so much for your service.

Admiral, what is the current status of China's hypersonic weapons projects?

Admiral LOCKLEAR. Well, they have demonstrated the technology in tests that were visible to the world earlier this year. How fast that they can actually put that into an operational capability is unknown, but it could take several years to do that.

Senator DONNELLY. Do you think they currently have the ability to strike U.S. assets in the continental United States?

Admiral LOCKLEAR. Say it again, sir.

Senator DONNELLY. Do you think through the hypersonic weapons projects—you mentioned it will take several years to get it done. Do you think they presently have the ability to strike the continental United States?

Admiral LOCKLEAR. Well, I think they have the ability to look at and to understand and, through satellite imagery and everything else, to have views of the United States. What they are going to ultimately do with hypersonic capability as it relates to their long-range deterrent I do not know.

Senator DONNELLY. How would you characterize China's attempts to disseminate technology to Iran and North Korea? Full speed ahead, or what would you say?

Admiral LOCKLEAR. Well, in the case of North Korea, which General Scaparrotti and I spend a lot of time looking at, to some perspective, North Korea is an ally of China and they are closely aligned from a military perspective and have been for a number of years. And I know that there has been some progress made as far as the Chinese supporting the sanctions. I cannot tell you how much they are abiding by that, but my sense is that there has been a close relationship on military capability and military equipment for some time and probably will continue.

Senator DONNELLY. How would you see the pace of Chinese cyber attacks this year, coming up 2014, you know, the first quarter so far, the rest of the year? We saw an extraordinary amount in 2013, and how would you compare, first, the volume and then next would be the quality or the targets involved?

Admiral LOCKLEAR. Well, I think after we made it fairly public that we had knowledge of what was happening from some of the factions in China, for some period of time, there was a decrease I understand. But there are still lots of cyber attacks that occur, as I said earlier, not only from China but other places in the world, and those number of attacks, as the cyber world becomes more complicated, are on the rise.

Senator DONNELLY. And, General Scaparrotti, what is your estimate of North Korea's efforts in cyber attacks?

General SCAPARROTTI. Senator, North Korea is, along with their other asymmetric means, are investing in cyber capability. Presently at this time, they have been known to use their cyber capability. Here a year ago, we believe it was North Korea that had the impact in South Korea's median banking institutions. Presently it is disruption of services, disruption of Web site capability, but they are focused on it and their capabilities are gaining.

Senator DONNELLY. And, General, again on another issue. Can you provide us with just the current status of the relocation of forces to Camp Humphreys?

General SCAPARROTTI. Yes, sir. Our relocation has begun, as you know. We are moving forces according to the land partnership plan from the north, which we call Area 1, north of Seoul and also from the Yangsan area predominantly, and they are moving to two hubs, one around Humphreys, one around Diego. Presently we have not begun the initial movements. They will begin this year. The majority of our forces will move in 2016.

At Humphreys we are at 13 percent construction and about 67 or so percent underway. So the build is well underway, and we are on track to move the majority of our forces in 2016.

Senator DONNELLY. Is there any viable short-term solutions to having enough adequate housing within a 30-minute drive to Camp Humphreys?

General SCAPARROTTI. Senator, just last week, we had a housing industry seminar in Seoul in order to both inform and also gain information from private industry in Korea. As to the capability to provide housing within the 30-minute area, which is our policy, of Humphreys, our recent surveys tell us that there is not the capac-

ity right now. We were actually looking to see what the capacity to build is.

Senator DONNELLY. Admiral, in regards to counterfeit parts, you know, so much is going on with China. Have you seen any indication that they are trying to address that problem or trying to identify or help us to track these counterfeit parts?

Admiral LOCKLEAR. I have not.

Senator DONNELLY. General, in regards to the North Korean regime, do you believe Kim Jong-un is controlling the military in the country or do you think he is a front for their military?

General SCAPARROTTI. Senator, I believe that Kim Jong-un is clearly in charge. He has appointed himself as the supreme leader through the constitution, and the actions that he has taken with respect to the change, particularly in the military in terms of leadership, is clear, and I believe he is in charge.

Senator DONNELLY. In regards to that same topic, how much influence do the Chinese have on him? If they push, does he follow their lead, or is it still his call at the end of the day?

General SCAPARROTTI. Senator, I believe they have the capacity to influence him. They have shown it in small ways. But I think from what I have seen, he also is an independent actor and will tend to go his own way, which I believe has frustrated China as well from just what I have read and know from others that have been there.

Senator DONNELLY. Thank you both for your service. My time is up. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Donnelly.

Senator McCain.

Senator MCCAIN. Thank you, Mr. Chairman.

And, General, thank you for your answer to Senator Inhofe's question about your ability to carry out your responsibilities. As you say, your forces under your command are operationally ready, but we see more and more indications of fewer and fewer units of the U.S. Army that are operationally ready, and that must be of great concern for you in case of the unthinkable and that is an outbreak of conflict. Is that correct?

General SCAPARROTTI. Yes, sir, that is correct. On the Korean peninsula, the nature of the fight is potentially high intensity combat and the time and space factors also present a tough problem for us. So the delivery of ready forces on a timeline is important.

Senator MCCAIN. Admiral Locklear, would you agree that China's efforts are underway to change the balance of power in at least the western Pacific?

Admiral LOCKLEAR. I would agree.

Senator MCCAIN. And that may be carried out in an incremental fashion such as the requirement for an ADIZ over the East China Sea, the acquisition of an aircraft carrier, in other words, incremental steps that probably would not sound too many alarm bells. Is that what you think—what do you think their strategy is to assert their influence and dominance of that part of the world?

Admiral LOCKLEAR. Yes, sir. Well, their maritime strategy is pretty clear. I mean, they do not hide it from anybody. And they have certainly tailored their defense spending heavily in the maritime domain. And so it is an incremental strategy. It is not to be

done, I think, all at one time. But my sense is they look at their strategy and they look at the current status in the South China Sea, and I think they believe they are on their strategy.

Senator MCCAIN. And the fact that there has not been at least the expectations of the unfortunately called pivot has not become a reality—that must be some factor in their impressions of us.

Admiral LOCKLEAR. Well, I think that—first of all, I think in the long run a relationship between the United States and China and even a mil-to-mil relationship is in the best interest of everyone. They watch very carefully the United States. We have guaranteed the security there for many years that helped their rise as well. And so they are very much interested in our alliances, the status of those alliances, the status of forces that we have there, the capabilities of those forces. So, yes, it does matter to them.

Senator MCCAIN. And the announcement of 12.2 percent increase in defense spending by China is certainly a contrast in our defense spending, and traditionally much of their increases in defense spending have not been transparent. Is that correct?

Admiral LOCKLEAR. I believe that there are more defense expenditures than what they report annually.

Senator MCCAIN. What is the likelihood in your view—and this is very difficult question—of a confrontation between China and Japan over the Senkakus?

Admiral LOCKLEAR. Well, you know, I like to stay away from hypotheticals.

Senator MCCAIN. Yes, you do. I do not want to ask you that. But certainly many of their actions have been very provocative. Would you agree with that?

Admiral LOCKLEAR. I would agree that their actions have been provocative and in many cases an attempt to change the status quo.

Senator MCCAIN. Does the littoral combat ship meet your operational requirements?

Admiral LOCKLEAR. Well, the littoral combat ship, as you know, has a long history of why we built that ship for what reason, and it has a shallow draft. It has speed. It was designed to operate in littorals. It was designed to have changeable payloads. It was designed to have a small crew. It was designed to be able to be forward deployed and rotated. So the operational concept—yes, it does. But it only meets a portion of what my requirements are.

Senator MCCAIN. Is there a lesson learned in the recent reduction in the plans for acquisition of the LCS?

Admiral LOCKLEAR. Well, I think that if you talk about a Navy that is the size of 320 or 325 ships, which is what I would say would be an assessment some have made is necessary for the global environment you are in, you know, having 50 or 55 LCSs makes a lot of sense because there are a lot of places in the world where you can use them. But if you are talking about a budget that can only support a Navy much smaller than that, then having that heavy of a reliance on LCS does not make that much sense. So I can understand why the reduction was made, but I am still a supporter of the LCS and what it can do.

Senator MCCAIN. General, what are we to make of all these recent firings of missiles, short-range missiles, out to sea by the North Koreans?

General SCAPARROTTI. Well, sir, I think Kim Jong-un had several reasons for those firings over time since 21 February. I think, first of all, there is a small contingent of that. It was a part of the normal winter training cycle. They have done that. I say a small contingent because this has been very different than in the past. The remainder I think were demonstrations both for his regime and for demonstration to the people of capability. The other was a demonstration for us, the alliance, us and the ROKs, in terms of their capability to do that on short notice with very little warning.

Senator MCCAIN. And one is rather formidable that they have been testing.

General SCAPARROTTI. Yes. It consisted of Scuds and then also an experimental MRL that they tested as well.

Senator MCCAIN. And how capable is that?

General SCAPARROTTI. That is a capable system, and it is one that can provide a good munition in rapid fire.

Senator MCCAIN. I thank the witnesses and thank you for your service.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator McCain.

Senator Reed.

Senator REED. Thank you, Mr. Chairman.

And thank you, gentlemen, for your service.

Admiral, Chinese strategy—can you describe it? It is a combination of the ability to project forces and area denial, or is it exclusive to one of those dimensions? Or is it something else?

Admiral LOCKLEAR. Well, I think that it is heavily reliant on an area denial or counter-intervention strategy which would be designed to be able to keep someone else out and for them to have dominant influence.

However, we are seeing a more global outreach, a more forward deployed. We have seen successful PLA operations in the Gulf of Aden in counter-piracy operations I believe to their credit. They have got a significant force deployed today, a number of ships and airplanes in support of the lost Malaysian airliner. We are seeing longer deployments, longer what we call out-of-area deployments by their submarines.

So I do not know that that is necessarily something that should alarm us, though, because they are a global economic power, and as their economic interests grow, their security interests will grow and they are going to need a bigger Navy and bigger assets to go ensure that their security is maintained.

Senator REED. The point you raise—they have been very active in submarine construction. They have got a fairly expansive fleet of both ballistic missile submarines and attack submarines, and they are building more. They have got old Russian submarines. Are you noticing sort of a surge in terms of their submarine capabilities ahead of surface ships?

Admiral LOCKLEAR. Well, certainly they have a credible submarine force today. They are in the process of modernizing that submarine force, and I think that in the next decade or so, they

will have a fairly well modernized force of—I am not sure of the exact number, but probably 60 to 70 submarines, which is a lot of submarines, for a regional power.

Senator REED. And they might represent the most sophisticated technological platforms that the Chinese have in terms of their sea-borne platforms?

Admiral LOCKLEAR. I would say that they are on par. They do have good sophistication in their surface ships as well. Their air defense systems are very capable, and certainly they have a very credible missile technology that is among the best in the world.

Senator REED. And, General Scaparrotti, how would you evaluate the readiness of the Republic of Korea forces to fight in a joint effort with U.S. forces on the ground under your command, obviously, as U.N. Commander?

General SCAPARROTTI. Yes, Senator. I would rank them very highly. They are a modern, capable force. Their officer corps is well trained, a conscript army, but they have good training for their soldiers, sailors, airmen, and marines as they come in. I have been out with all of their services in the 6 months I have been there, and they work well together. You know, as an alliance we work well together as well.

Senator REED. Do you have informal contact with Chinese counterparts and a perspective on what their attitude is towards the regime in Pyongyang today? Do you have that kind of—if not official, unofficial?

General SCAPARROTTI. No, I do not, Senator.

Senator REED. So you do not have any sort of even informal contact.

General SCAPARROTTI. Negative.

Senator REED. Essentially your intel is coming from the intelligence community and the diplomatic community about what the attitude is of the Chinese towards the North Korean regime.

General SCAPARROTTI. Yes, sir, and also from the ambassadors and officers that are members of the UN Command that I have as well, and that is a good source of information because some of those also have embassies or offices in North Korea.

Senator REED. Would you comment upon what your perception is? I know you have limited information, but do you have a perception of what their attitude is? Are they supportive or upset about them or questioning the North Korean regime?

General SCAPARROTTI. What I understand is that they are frustrated, that they were surprised, for instance, by the execution of Chang Song-Taek, and they are attempting to ensure that KJAU in the regime does not create instability on their border.

Senator REED. Admiral, let me turn to another issue too, and that is amphibious capabilities in Asia. The Marine Corps was engaged in counter-insurgency operations for more than a decade in Afghanistan and Iraq. They are now, with this pivot, coming back in. Can you comment about the capability to conduct amphibious operations in the Pacific?

Admiral LOCKLEAR. Yes, Senator. Well, we have had a good return of our marines back to the Asia-Pacific, particularly as the activities in the Middle East wind down in Afghanistan. Under my

combatant command, I have five amphibious readiness groups. I have four in San Diego and one in Sasebo, Japan.

But the reality is that to get marines around effectively, they require all types of lift. They require the big amphibious ships, but they also require connectors. I have asked for additional amphibious lift be put into the Pacific, and that request is under consideration.

Senator REED. Without that lift, you would be challenged to simply conduct opposed amphibious assault.

Admiral LOCKLEAR. Well, the lift is the enabler that makes that happen. So we would not be able to do, as you suggest.

Senator REED. Thank you, sir.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Reed.

Senator SESSIONS.

Senator SESSIONS. Thank you, Mr. Chairman.

General SCAPARROTTI, having observed your plans in base relocation in Korea, tell us the number of troops you are looking to house there and whether or not families will be accompanying the soldiers.

General SCAPARROTTI. Yes, sir. As we relocate predominantly Humphreys—I will focus mostly on Humphreys. That is the largest base that we will have there—we will relocate forces, and they will go from about 9,000 to approximately 24,000 in that area. And in terms of families, it would be about, in terms of command-supported families in that area, about 2,700.

Senator SESSIONS. So most of the soldiers will be deployed without families?

General SCAPARROTTI. That is correct. In Korea, as you know, Senator, the predominance of our force are on unaccompanied tours.

Senator SESSIONS. Now, what would be the total force strength in Korea?

General SCAPARROTTI. 28,500, sir.

Senator SESSIONS. And this new basing would allow that to house them adequately. I think current housing is inadequate, and I think the relocation is smart. And I think you could be leaner and more effective with this relocation. Are you on track—

General SCAPARROTTI. I agree with you. We are on track fundamentally. We are not exactly on the timeline primarily because of construction, about a 3-month lag on that. But I think we will be okay.

Senator SESSIONS. Admiral Locklear—and to both of you, we are facing real budget problems. There is just no doubt about it. Admiral Mullen told us the greatest to our national security is our debt. The latest projections from our own Congressional Budget Office indicate that in 5 years interest on our debt will surpass the defense budget, and that in 10 years, we will be paying \$880 billion in interest on our debt. So all of us have got to confront that fact.

I am uneasy and very troubled by the fact, it seems to me, that the Defense Department has disproportionately taken reductions. However, colleagues, there are no further cuts in the future under the budget plan that we modified with the Murray-Ryan bill. Our numbers for the base defense budget for fiscal year 2015 is \$495.6



billion—\$495 billion. The peak in fiscal year 2012 was \$530 billion. So we are down \$35 billion in actual dollar spending from where we were at our peak, but that remains flat for 2 years and then begins to grow at the rate of about \$13 billion a year.

So I am worried about where we are. I am worried what kind of damage this may do to the military. But all of us have got to be realistic that you are not going to be able to expect that Congress is just going to blithely add a lot of new spending. We do not have the money, and our fundamental threat that is impacting America now is debt. We will have way above—the interest payment is the fastest growing item in our budget, and it is just terribly dangerous to us.

Admiral Locklear, on the littoral combat ship, one of the things that we are worried about with regard to China is their sophisticated expansion of their submarine capability and even nuclear submarines. That ship is designed and will be utilized in anti-submarine warfare. Will it not?

Admiral LOCKLEAR. One of the three capabilities that was in the original design was an anti-submarine warfare capability.

Senator SESSIONS. And are we where we need to be in terms of technology to identify and monitor submarine activity?

Admiral LOCKLEAR. I would say my assessment across the joint force is that we are where we need to be, and the places where we need to go—we understand where those are.

Senator SESSIONS. With regard to mines, modern mines are threats to us and could deny access to entire areas of the ocean. This ship is designed to be capable of being an effective anti-mine ship, the LCS.

Admiral LOCKLEAR. That is correct, and I believe that was the first mission capability that was going to be put into place.

Senator SESSIONS. Well, you mentioned in a symposium recently that it has taken up to 17 years to get a new ship brought on line. I know that is hard to believe, but it historically seems to be about accurate. Is that a concern if we were to design a new ship—the length of time and the cost of developing that ship?

Admiral LOCKLEAR. Well, I actually got that quote from Admiral Wayne Meyer who was basically the father of Aegis. He instructed me one day that from the time you think about a ship until you actually operate it, it is called a 17-year locust he told me. He said it takes 17 years by the time the bureaucracy works itself out.

The littoral combat ship—we tried to cut that, and I think we cut it by a significant amount. The Navy did. But it was not without risk.

Senator SESSIONS. And it was almost 17 because when I was on the Seapower Subcommittee when I came here 17 years ago, Admiral Vernon Clark was proposing the LCS, and it is just now becoming to be produced. It is a fabulous ship and has great potential, as you indicated earlier, to take on board all kinds of technological equipment that could be valuable in the future. And you want to continue to see them developed at the speed they are.

Well, I will submit some written questions perhaps about my concern about our allies in the Pacific, the growing strength of the Chinese nuclear capability and how that is impacting our friends and allies who depend on us for a nuclear umbrella. And I believe,

as we discussed, colleagues, any kind of nuclear treaty—we cannot just consider Russia. We will also have to consider the rising nuclear capability of China.

Thank you very much.

Chairman LEVIN. Thank you, Senator Sessions.

Senator Shaheen.

Senator SHAHEEN. Thank you, Mr. Chairman.

Welcome to both of you. Thank you for being here and for your service to this country.

Admiral Locklear, I know that this has come up before, but in your written testimony, you highlight China's significant advances in submarine technology and its continued production of ballistic missile submarines which will give China its first credible sea-based nuclear deterrent probably by the end of 2014, as you say. Obviously, this statement is very concerning. And I wonder. The Department of Defense's submarine capabilities are going to be critical, as you have discussed, and the continued procurement of two Virginia class submarines each year will be critical to mitigating the projected shortfall in submarines included in the Navy's 30-year shipbuilding plan.

Are you confident that the Virginia class sub procurement plan and the proposed enhancements are what we need to meet the demands of our submarine force in this century?

Admiral LOCKLEAR. I am confident.

Senator SHAHEEN. Can you elaborate a little bit on that, given the challenges we are facing from China?

Admiral LOCKLEAR. Well, certainly we need to sustain the size of our submarine force, and I would be an advocate of growing our submarine capability. We still maintain a significant advantage in undersea warfare, and we need to continue to maintain that significant advantage.

The same applies to submarines that applies to ships or airplanes. Only one submarine can be in one place at one time. So we have to size that force based on what the world is showing us today and into the future. You know, the world gets a vote on how we have to respond, and the submarines figure heavily, particularly my AOR, into scenarios from peace all the way to contingency.

As far as the upgrades that we are putting into our Virginia class submarines, I am comfortable that the submarine community and the Navy have looked hard at their role and how they are going to be in the role of the joint force and that they have calculated across a wide range of missions that submarines do, whether it is intelligence and reconnaissance or whether it is strike capabilities, whether it is special operations capabilities, that these have been figured into the future design of the Virginia class submarine.

Senator SHAHEEN. Thank you.

Did you want to add something, General Scaparrotti?

General SCAPARROTTI. No, thank you.

Senator SHAHEEN. Okay. You leaned forward and it made me think you had a comment.

Robert Work testified before this committee last month at his confirmation hearing, and one of the things that was a concern to me, I think probably to Senators King and Ayotte, at a very paro-

chial level is that he talked about the U.S. shipbuilding industrial base as being under pressure. And as we have looked at the projected population of expert shipyard employees, those with 30 or more years of experience, it is expected to decline by roughly 40 percent by 2018.

So I wonder if you could talk about how concerned you are about this, Admiral Locklear, what steps are being put in place to address attracting a new workforce to replace the folks who will be retiring, and especially given the challenges of budget cuts and uncertainty, how you expect we will address this coming challenge.

Admiral LOCKLEAR. When I was a young officer on board one of my first ships, I was an engineering officer, and I happened to be in a shipyard, a U.S. shipyard at that time, having a ship worked on. And we opened up the main engines of the ship, and the guy that was sitting next to me was a shipyard worker probably about my age, and he was showing me the inside of this engine. And he said, come down here. I want to show you something. And inside that engine, he had welded his name when he was a young apprentice in that shipyard. The ship was about 25–30 years old at that time. And so I had a good visibility of the credibility of that kind of a continuity of these people that really kind of understand the skill and craft of making very sophisticated ships, warships and submarines.

But I believe our industrial base is under pressure, particularly as our shipbuilding industry shrinks and we do not do a lot of commercial shipbuilding in this country. So we have really a national treasure, national asset that has to be looked at from that perspective. To expect that they kind of compete out there in the open market globally, and particularly when we are, by law, required to build our ships in our own country, which is the right thing—so we have to continually update that workforce. We have to contract it and then retain it.

So I know particularly the Navy, as Mr. Work talked about, has looked hard at this, but it has to be figured in the calculation of our national security strategy for the long run.

Senator SHAHEEN. Obviously, we are very proud, those of us who represent the Portsmouth Naval Shipyard. And I am sure it is true of others who represent the other shipyards in this country—are very proud of the good work of the folks who have been there for many years and are very concerned about our actions here to make sure that we continue to support the level of activity that allows this country to maintain its security. As we look at the future and the potential cuts from sequestration kicking back in in 2015, it is certainly something that I hope all of us will work very carefully with you and the leadership of our military to address because if we allow those cuts to come back in, it is going to have clear implications for our future.

Thank you very much.

Chairman LEVIN. Thank you very much, Senator Shaheen.

Senator WICKER.

Senator WICKER. Thank you, Mr. Chairman.

Admiral Locklear, I am deeply concerned about the administration's budget request that it may not provide the full range of equipment and ready forces necessary to our national security

strategy in the Asia-Pacific. Deterrence is intrinsically linked to readiness. To provide deterrence, our military's capability must be tangible and demonstrable.

So tell us, first of all, in a general sense what do you see as the U.S. security priorities in the Asia-Pacific region and what is your assessment of the risk to your ability to execute our objectives in the Asia-Pacific if we do not provide you with ready and capable forces.

Admiral LOCKLEAR. Well, I think our first priority is to support General Scaparrotti to ensure that peace and stability is maintained on the Korean peninsula and that the Kim Jong-un regime is properly contained.

The second priority I think is to ensure that our alliances, our historic alliances—we only have seven treaties as a nation, and five of those are in my AOR, area of responsibility. And that is to ensure that those alliances are maintained and that they are upgraded for the 21st century and that they have the right military equipment to support those alliances.

And then I would say the next is our growing list of partners and how we partner with them that are below the ally level but certainly are no less important to us as far as how we maintain peace and security.

And then I guess finally, you know, we have enjoyed stability in this region generally for the last number of decades. And so the U.S. military presence has underwritten that stability, and I believe it remains a priority. I believe this is what the rebalance was about, is recognition that we have to get back at it in the Asia-Pacific by necessity, not by desire but by necessity.

Senator WICKER. Sir, who are our growing list of partners? Would you outline those?

Admiral LOCKLEAR. We have a strategic partnership in Singapore. We have a growing relationship with Malaysia and the Philippines, Indonesia—sorry—Malaysia. The Philippines is an ally, but Malaysia and Indonesia, Brunei, all these countries that are predominantly in Southeast Asia and South Asia that are important to the future security environment.

Senator WICKER. So we have obligations to five countries under treaties, and then we have that growing list of partners.

Help us with the people that might be listening, the American on the street, the guy at work, the soccer mom taking care of the family. How does stability affect us in our daily lives? Stability in your area of responsibility.

Admiral LOCKLEAR. Well, my area of responsibility is 50 percent of the world. Of that 50 percent, 17 percent of it is land and 83 percent is water. Of that 17 percent of the land, 6 out of every 10 people alive live on that 17 percent. Most of the global economy is generated from there. Most of the type of two-way trade that our country does is in this region is generated there. Most of the energy supplies that really influence the global economy flow through this region every day.

We are a Pacific nation. Our economy is Pacific-centric, and it is important to all of us for the security of our children and our grandchildren to ensure that a peaceful and stable Asia in the Asia-Pacific is maintained.

Senator WICKER. You know, I think you are right, Admiral.

It just concerns me a bit, as I look at what is going on now with some of our European allies, countries that have relied, to their detriment, on promises that we have made about the integrity of their territory. It just seems to me that any signal we send—and you do not even need to comment on this, but any signal we send that we do not really take seriously our treaty obligations is a worrisome notion for people who might rely on us in the future. And so I just wonder aloud to the members of this committee and the people within the sound of my voice what signals we are sending when we do not come down very hard on violations of the territory of some of our treaty partners.

Let me shift, though, in the time I have. I am glad to know that Senator Reed, who is a distinguished leader on this committee, has asked you about our amphibious capability. I believe you said that you had asked for additional ships for your area of responsibility. Is that correct, Admiral?

Admiral LOCKLEAR. That is correct. I mean, it is part of the ongoing dialogue about the rebalance and the priorities of how you accomplish that rebalance. And part of that discussion was about amphibious shipping.

Senator WICKER. Well, I think you probably have some people on this committee and in the Congress who would like to help you on this.

Why do you need more amphibious capability? And would you elaborate on the role of our marines, the expeditionary marines, in your area of responsibility? Would the effectiveness of the marines be diminished if there were insufficient amphibious ships, or I guess if we do not correct the insufficient number of ships and how would this affect your abilities as the combatant commander?

Admiral LOCKLEAR. Well, certainly I am not the only combatant commander that desires amphibious shipping or the marines that are on them. So there is a global competition among us as the world situation kind of moves around and we need different types of forces. And generally the capabilities that the Marine Corps bring with amphibious readiness groups is applicable to almost every scenario from humanitarian assistance, disaster relief, all the way to high-end contingencies. But the global demand signal today is less than we can—I mean, is greater than what we can resource.

Of course, we have to make tradeoffs. I mean, we only have so much money. We only have so much that could be dedicated. And I think the Navy and the Marine Corps have teamed together to take a look at that.

But in my particular area of responsibility, not only do I have forces that are out and about in the western Pacific predominantly, but I also have amphibious forces that I train and maintain and then I send them to other combatant commands. I send them to Central Command and to Europe.

In the Pacific, though, it is my view that as the marines come back, that we should optimize the capability of the marines particularly in the area west of the dateline, and to do that, we have to have adequate amphibious lift to do that.

Senator WICKER. Well, let me just leave you with this request. Tell us what you need and why you need it and what we will not

be able to do if you get less than that. And I would hope that members of this committee would do what we could to make sure that we are ready for contingencies in your area.

And thank you very much. Thank you to both of you actually.

Chairman LEVIN. Thank you, Senator Wicker.

Senator King.

Senator KING. Thank you, Mr. Chairman.

Admiral, I would like to begin with a compliment. I was fortunate enough to spend the past weekend on the USS *New Mexico*, a *Virginia*-class submarine, doing exercises under the polar icecap. The machine, the device, the ship was extraordinary, but the overwhelming impression I had was of the quality of the sailors on that ship. From the commander to the mess folks, they were dedicated, patriotic, passionate about what they were doing. You have an extraordinary organization, and I think sometimes we talk about it in a kind of general sense. But to see these young people and their level of knowledge—I was particularly impressed by enlisted people who had come up through the ranks to have real responsibility on that ship. It is an indication of the quality of the military that we have, and I sometimes feel that we do not adequately acknowledge and reward those people for the extraordinary and uncomfortable, by definition on a submarine, work that they do. It was a riveting experience in terms of the admiration for those young people. So the organization is to be complimented.

Second, I want to associate myself with the comments of Senator Sessions. I worry that we are whistling past the graveyard in terms of the debt service requirement that is looming as interest rates inevitably rise. Interest rates are now running at about 2 percent, which is the world record of low. If it goes to 4.5 percent, then interest charges—just interest charges—will exceed the current defense budget. That is dead money. It does not buy any ships, personnel, park rangers, Pell Grants, or anything else. And I think it is something that we really need to pay some attention to while we are in this interest lull because when they go up, it is going to be too late.

Third, in terms of a comment, General, you mentioned that we have an asymmetric cyber advantage, but it occurs to me that for the same reason we have an asymmetric cyber vulnerability because of the advanced nature of our society and the extent to which we depend upon the Internet and interrelationships for everything from the electrical grid to natural gas to financial services—so I do believe we do have and I have observed that we do have an advantage because of our advanced state. But several of my folks have pointed out to me that it also can be a significant disadvantage.

Admiral, turning to your responsibilities, what do we need to bolster the security capabilities of our allies and partners in the region, assuming we cannot carry the whole burden, especially where we do not have a permanent military presence. Is there more we should be doing in the area of foreign military sales, foreign military financing, training, and those kinds of things in the Pacific region?

Admiral LOCKLEAR. Well, in general, I would say that foreign military sales are an exceptional tool to be able to do a couple things. One is to bolster the capacity and capability of our partners

and our allies so that they can be more supportive in the security environment, and we are certainly doing that with our key allies.

But what it also does is that when you have FMS sales, it puts you together with a relationship for sometimes 20 or 30 years, depending on the life of the system that you have. So you share training. You share schools. You share common experiences. You share parts supply, all those types of things. So I believe that FMS is a very, very valuable tool for being able to help us shape the security environment, particularly in my area of responsibility.

Senator KING. Senator Kaine and I were recently in the Middle East and observed the value of the training component where military officers from other countries come here for training. And that serves—clearly it is a training value, but it is also kind of an America 101 kind of process. Is that an aspect that takes place also in the Pacific theater?

Admiral LOCKLEAR. It is. Of course, we rely heavily on IMET funding to be able to do that, and I think we could use more IMET. You accurately stated it. And it is not just our partners and allies coming this direction, it is also our officers and enlisted going in their direction. Anytime you build trust and understanding, that lasts for years, and it builds kind of an inherent ability in the security environment. You know, when you have senior officers at my level in different countries that have known each other for 20–30 years, went to school with each other, it makes a difference when you have to deal with a crisis.

Senator KING. A question for both of you gentlemen. The President's 2015 budget requests to retire the U-2 manned aircraft in favor of the unmanned Global Hawk for high altitude reconnaissance. Where would Global Hawk be able to provide the capabilities you need or will gaps be created by the retirement of the U-2? Do you gentlemen feel that the Air Force request is appropriate given your needs and the needs in your region?

General SCAPARROTTI. Senator, first of all, given the budget constraints, I understand the services' and the Air Force's need to reduce platforms, also aging platforms. But in my particular case as the operational commander in Korea, the U-2 provides a unique capability that at least presently the Global Hawk will not provide. And it will be a loss in intelligence that is very important to our indicators and warnings. So as we look at this, as they look at the retirement of the U-2, we have to look at the capabilities of the Global Hawk and perhaps build in those capabilities so that I do not have that intelligence loss.

Senator KING. And is it the case that you are dealing with a potential adversary that is so unpredictable and can act so rapidly that intelligence is of utmost importance?

General SCAPARROTTI. It is. I have looked for persistence because of the indicator and warning that I need in a short timeline.

Senator KING. A follow-on question, very briefly. The Air Force is also requesting a reduction in Predator and Reaper combat air patrols from 65 to 55. Is that a problem? Admiral, why do you not tackle that?

Admiral LOCKLEAR. Well, in our AOR—and I think General Scaparrotti will have his own perspective on it—the type of capabilities that the Reaper brings are—we live in a contested environ-

ment. And so, you know, you cannot equate the success you have had with those platforms in areas of the world where you have air supremacy or air superiority. What we have to have is survivable platforms, survivable capabilities. And so the reduction in those platforms I think is less important to us in the Asia-Pacific than it is maybe other parts of the world.

Senator KING. General, any thoughts on that question?

General SCAPARROTTI. No. I agree with Admiral Locklear, that given the conditions that we have in Korea and high-intensity potential crisis, we would have to gain air dominance before we employed those.

Senator KING. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator King.

Senator Ayotte.

Senator AYOTTE. Thank you, Mr. Chairman.

I want to thank both of you for your service and your leadership and particularly also your families for the sacrifices you have made. We appreciate it.

Admiral Locklear, I wanted to follow up on the question that my colleague, Senator Shaheen, asked you with regard to the submarine capabilities of our country. And I believe you said that you are an advocate for greater capabilities for our attack submarine fleet, if that is right.

Admiral LOCKLEAR. That is correct.

Senator AYOTTE. Certainly you talked about the importance of the *Virginia*-class submarine, particularly with our capability in the Asia-Pacific region.

One question I wanted to ask you is what percentage of your combatant commander requirements for attack submarines are being met.

Admiral LOCKLEAR. Well, let me provide you an offline exact percentage.

Senator AYOTTE. Sure.

[The information referred to follows:]

[COMMITTEE INSERT]

Admiral LOCKLEAR. But they are not all being met.

Senator AYOTTE. They are not all being met. In fact, last year I think it was about 50 percent in terms of the combatant commander requirement requests for attack submarine. So I would appreciate an update on that. But my sense is it is probably not much better or even may not even be any better. It may be lower. So I look forward to those numbers. So we are not meeting all our combatant commander requests for attack submarines.

And as we look forward to the *Los Angeles*-class submarines retiring in the coming years, we are replacing them with *Virginia*-class submarines. As I look at the numbers, our attack submarines will decline from 55 attack submarines in fiscal year 2013, if we go forward, to a low of actually 42 in 2029. so we are seeing a diminishing trajectory despite the fact—I am very glad that, you know, there was obviously inclusion of two *Virginia*-class submarine productions over the FYDP. But I am seeing a disconnect in terms of our needs not only in the Asia-Pacific region, but this is where I think we see it very much and the declining capacity we will have under the current predictions for attack submarines.



So if we are rebalancing to the Asia-Pacific region—and really, as we have heard today, it is an environment dominated by maritime presence. How can we justify a 24 percent decrease in the size of our attack submarine fleet? And does this not suggest that we are not adequately resourcing this rebalancing as we look at a time, as you said in your testimony, that in fact China has increasing capability with regard to their submarine fleet and has continued to invest in their submarine fleet? So could you help me with that?

Admiral LOCKLEAR. Well, I think you accurately represented what the future will be based on based on even building two a year.

Senator AYOTTE. Right.

Admiral LOCKLEAR. Of course, when the CNO—I will not speak for him, but he is the guy who has to manage putting all the requirements into a fixed top line. And so it comes down to managing risk and finding where we can absorb risk inside the budgets that we are given. And unfortunately, I think that the best that they have been able to do, even at two a year, is what you just outlined.

Senator AYOTTE. Well, thank you, Admiral. I just think that people need to understand that this is going to be a significant decrease if we stay where we are with regard to how we are resourcing the overall defense budget but also, in particular, our submarine fleet when there are going to be greater needs where countries like China are making greater investment and where the value of our attack submarine fleet is paramount in terms of defense of the Nation and also our presence in the Asia-Pacific region. So I think this is an issue we have to pay careful attention to, and it is one that we need to focus on.

I also fully agree with my colleague about the value of our workforce that maintains those submarine fleets but also the workforce that has the technical expertise and background. I am very proud of the workers at the Portsmouth Naval Shipyard, but this is something that, as you described, is a treasure that we need to continue to invest in if we are going to have that capacity going forward.

General Scaparrotti, I wanted to ask you about something in your testimony. You talked about missile defense shortfalls in terms of your responsibilities. What is it that are our missile defense shortfalls and what are your concerns there?

General SCAPARROTTI. Senator, first of all, as you know, we have a challenging environment in terms of North Korea's development of ballistic missiles, and they continue apace at that. It is both a U.S. and ROK concern that I have in terms of the alliance, and it is developing, along with the Republic of Korea, a layered interoperable missile defense system that has the right components and also has the sufficient munitions. And I have made the specific requirements known.

Senator AYOTTE. It seems to me with the often erratic behavior of the new leader in North Korea, that this is an important investment for us if we have needs in missile defense, in particular, for protecting South Korea and our troops that are there. I look forward to working with you on this issue because I think this is critical with the threats we face in the region and also I think with what we have seen, as you say in your testimony, troubling actions

by North Korea in terms of proliferation of weapons as well. I think this is another issue that we need to watch and is of deep concern to us and our allies.

Admiral Locklear, I wanted to ask you about a particular system and its value to PACOM, and that is the JLENS system which is designed to detect, track, and defeat airborne threats including cruise missiles, manned and unmanned aircraft. And of course, you have already testified about some of that activity already in the Asia-Pacific region and surface-moving targets, as well as swarming boats. I wanted to ask you about the fact—in fact, Secretary Hagel has said that four combatant commands, including your command, have expressed an interest in the capability provided by JLENS.

Would deployment of JLENS in the Pacific theater help PACOM provide surveillance and the fire control required to better provide missile defense and force protection to forward-deployed troops? Number one. I wanted to get your thoughts on this system.

Second, are you aware that there actually is a second JLENS that stands in reserve right now? Not to put it in more civilian terms, but it is kind of in the closet right now in Utah and not being deployed. And can you help me understand why that is?

Admiral LOCKLEAR. Well, first of all, you accurately portrayed. I sent a letter to Secretary Panetta at that time asking for the capabilities that a JLENS-like system would provide in relation to the sophisticated integrated air missile defense scenarios that we face in the Asia-Pacific. So it would be important. It is important.

And it is important, I think, since it is relatively a new technology, to kind of get it out, test it. You cannot just bring these things in overnight and expect them to be properly integrated. So we have to work our way through that.

I was aware that there is another system. I think that the decision was made by the joint force, because of the capabilities of the system and the uncertainties of other regions of the world, to keep one in Reserve just in case we need it. So I do not fault their decision. I think that given the fact that we only have two of the systems and the fact that the world is pretty dynamic, keeping one in Reserve may be the best solution for now.

Senator AYOTTE. Thank you very much, both of you. We appreciate it.

Chairman LEVIN. Thank you very much, Senator Ayotte.

Senator HIRONO.

Senator HIRONO. Thank you, Mr. Chairman.

I would like to first associate myself with the comments of Senators King and Ayotte in recognizing the competence and the dedication of the men and women who serve.

And, Admiral Locklear, it is always good to see you once again. I also want to commend you on releasing PACOM's energy security strategy. It is a concise, clear-eyed assessment of the challenges and opportunities the United States faces with regard to energy matters in this region, and clearly access to affordable, sustainable energy sources is a key part of security and stability in the region.

To my question. Admiral, you mentioned the value of multilateral engagements within the region. Specifically you were talking about this with regard to Senator Wicker's comments. At Secretary

Hagel's invitation, the ASEAN defense ministers meeting will be held in Hawaii next month. What are your thoughts about the significance of this meeting, and do you have plans or are there plans for other meetings of this sort with countries or our partners who are below the alliance level, as you noted?

Admiral LOCKLEAR. Well, one of my objectives as PACOM Commander is to be as supportive as possible of the ASEAN nations, the ASEAN organization. So beyond Secretary Hagel's hosting the beginning of April in Hawaii, which I will assist him in hosting them—and we will talk about many aspects of multilateral cooperation—I also make it a point every time I go to Jakarta to stop in and see the permanent reps of ASEAN, to see the Secretary-General or his deputy while I am there, and to show generally U.S. support for growing multilateral organizations such as ASEAN. So there is a place, a growing place I think, particularly in South Asia, Southeast Asia for these multilateral organizations that when they come together—they are a consensus organization. So they are probably not going to—we have to set our expectations at a certain level, but certainly they should have a voice and they should have a voice together.

Senator HIRONO. And as you noted, the kind of relationships that we build in these areas and with these countries would be very beneficial to our national security interests also.

With the rebalance to the Asia-Pacific theater, I am having a bit of trouble understanding a new Air Force plan which would move four Air Force KC-135 tankers from Joint Base Pearl Harbor-Hickam to the mainland. Given the space and time needs, it seems to me that keeping the tankers forward-deployed in Hawaii would make the most sense. Would you like to share your perspective on this proposal?

Admiral LOCKLEAR. Well, I have not yet seen the formal proposal by the Air Force, but as you know, that proposal would have to come through me for my comment. The decision to move any forces that are COCOM to PACOM or under my command would have to be authorized by Secretary Hagel. So there will be a dialogue about this. I think there will be a lot of perspectives as we look at it.

I believe those four airplanes were a result of a BRAC initiative a number of years back. What I understand is that there are some maintenance efficiencies that, as we look across service efficiencies that are being forced on us by—"forced" is probably the wrong word—that we are being driven to because of the fiscal realities we are in, that this is probably the reason that the Air Force is pursuing the consolidation of these assets. But we have not made a decision yet.

Senator HIRONO. I would have an expectation that the National Guard, Air Force, and you would be very much engaged. Of course, I want to be in touch also.

The Department has proposed a 36 percent reduction in MILCON funds for fiscal year 2015, and it is my understanding that these cuts were made to help operations and readiness accounts because of the impact of sequester. How will these budget changes affect your ability to carry out your missions in PACOM both from the MILCON and operations and readiness standpoints?

Admiral LOCKLEAR. Well, in general, slowing of MILCON that we had anticipated in our program to this degree, 36 percent will impact the services' ability throughout the world, but in particular in my AOR to be able to move forward with some of their initiatives. So, for instance, in Hawaii, I think there has been a MILCON reduction at Kaneohe. We are moving to move V-22s there, new Cobras, new Apache helicopters, those type of things—I mean, Huey helicopters. And so it will slow the pace at which we are able to integrate these forces into the AOR.

Senator HIRONO. Well, my hope is also that the deferred MILCON items will be restored as we go along and as we assess the needs that you have in this area.

You mentioned the cyber threat that impacts the PACOM AOR, and with the ever-increasing number of cyber attacks everywhere frankly—but let us focus on your AOR—would you support a strong cyber team that is made up of Active, Guard, and Reserve personnel?

Admiral LOCKLEAR. Well, generally speaking, the more cyber experts we have, the better. But I would recommend that we refer that over to Cyber Command to take a look at how those forces would be integrated in the overall cyber plan because, as we have seen in the last number of years, the Guard in times of crisis goes forward in many cases, and we would have to understand how they would be manned and trained and maintained to be relevant when they showed up with the active forces in a contingency.

Senator HIRONO. It is clear that we all ought to be working in parallel, of course, and the right hand, left hand, all of us should be working together. So that is really where I am going. I certainly am not advocating that everybody does their own thing in this area because it is really complicated, I realize.

Thank you very much, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Hirono.

Senator Graham?

Senator GRAHAM. Thank you, Mr. Chairman.

I thank both of you for your service.

General, is it a fair statement that North Korea is one of the most unstable nation states in the world today?

General SCAPARROTTI. Yes, sir, I would agree.

Senator GRAHAM. In the top two or three?

General SCAPARROTTI. Yes, sir.

Senator GRAHAM. In terms of their missile program, by 2024, do you expect that they will have ballistic missile capability that could effectively reach our homeland?

General SCAPARROTTI. Yes, sir, on the pace they are on. Yes, sir.

Senator GRAHAM. Do you expect by 2024 that they will have plutonium weapons, not just uranium-based nuclear bombs?

General SCAPARROTTI. Yes, sir.

Senator GRAHAM. Admiral, by 2024 if China continues on their present pace of building up their military, what will the balance of power be between China and the United States in your command?

Admiral LOCKLEAR. Well, I think in the region, the balance of power will continue to shift in the direction of the Chinese depending on how much more investments they make and depending on what our forces look like forward. So it will continue to shift.

Senator GRAHAM. Well, we are uncertain as to what China will do, but it seems like they are intent on building up the military. Is that a fair statement?

Admiral LOCKLEAR. At 12.2 percent, that is a fair statement.

Senator GRAHAM. So let us look at the pace they are on and what will happen to us over the next—by 2024. If sequestration is fully implemented—how much longer realistically do you have in this command? A couple of years? What is the normal tour?

Admiral LOCKLEAR. It is about 3 years. I am in my last year.

Senator GRAHAM. So as we look forward, we will probably have two or three commanders by 2024 at least.

Looking down the road, if sequestration is fully implemented, what will that mean in terms of the ability to defend this region and to have a deterrent presence? Is sequestration a mild, medium, or severe effect on future commanders to be able to represent our interests in your area?

Admiral LOCKLEAR. Well, I think assuming that the world, other than the Asia-Pacific, will not be peaceful in 2024, sequestration will have a severe effect on our abilities.

Senator GRAHAM. Now, General, the transition of leadership in North Korea—is it stabilizing or is it still volatile? Do we know who is in charge of the country?

General SCAPARROTTI. Senator, we do know who is in charge. It is Kim Jong-un. I think recently he has stabilized somewhat. He is displaying a normal routine at this point, purposely so I think, for his regime. But we do not know yet the stability within his close regime. A significant change in the leadership recently there.

Senator GRAHAM. Do we have any real leverage to stop their nuclear program from developing at the pace they would desire?

General SCAPARROTTI. Well, I think the sanctions that we have used to this point have not had the impact in that regard.

Senator GRAHAM. South Korea. Are they seeking to enrich uranium?

General SCAPARROTTI. As you know, there are discussions with civil nuclear capability.

Senator GRAHAM. Is it our position to oppose enrichment by the South Koreans for civilian purposes, or do you know?

General SCAPARROTTI. Senator, I do not know.

Senator GRAHAM. Admiral, you have got a lot of the world to be responsible for. Our military budgets will be at 2.3 percent of GDP. Do you know the last time America spent 2.3 percent of GDP on defense in the modern era?

Admiral LOCKLEAR. I could not accurately say.

Senator GRAHAM. Is this not dangerous, what we are doing?

Admiral LOCKLEAR. Well, I think that we have to—you know, the real question, as we talked about here today, is how do you weigh what appears to be the looming threat to the U.S. economy, the U.S.—

Senator GRAHAM. Well, let us say if you eliminated the Department of Defense in perpetuity, would it remotely move us toward balancing the budget?

Admiral LOCKLEAR. From what I can see, it would not.

Senator GRAHAM. So if we assume that is fairly accurate, the path we have taken as a Nation in terms of our defense capabilities—would you say it is alarming?

Admiral LOCKLEAR. I would say that it bears serious watching.

Senator GRAHAM. What would you say, General?

General SCAPAROTTI. Sir, I would say that I am very concerned about it.

Senator GRAHAM. From our enemies' point of view, do you see it likely that China will have a confrontation with Japan over the islands that are in question, Admiral?

Admiral LOCKLEAR. Well, I think the potential for miscalculation, if they do not manage it between themselves properly, could be high and it could be very dangerous. That said, I do not see in the near term that they are heading in the direction of confrontation.

Senator GRAHAM. When you talk to our allies, do they seem concerned about the direction we are heading as a Nation, the United States, in terms of our defense capability? And have some of the things that have happened in the Mideast—has that affected at all the view of American reliability in your area of operation?

Admiral LOCKLEAR. Well, I think the whole world watches what we do militarily, and for a long time, we have been kind of the single guarantor of security around the world.

Senator GRAHAM. But they need to hedge their bets?

Admiral LOCKLEAR. They are starting to. I think they are starting to look at it and they are asking the question of our staying power globally, not just in my region.

Senator GRAHAM. Thank you both.

Chairman LEVIN. Thank you, Senator Graham.

Senator KAINE.

Senator KAINE. Thank you, Mr. Chairman, and to our witnesses, thank you for your service and your testimony this morning.

I do not think anyone has mentioned yet, but we should applaud the work of the 7th Fleet in assisting, trying to find the Air Malaysia flight, just an example of the kind of thing we do every day—the military does every day to advance humanitarian and other causes, and that work is important work.

And I think many of the questions and comments today have really kind of circled back to budgetary reality. Certainly Senator Graham's did. We have got two budgetary choices posed for this committee by the President's budget submission. Do we accept the President's budget or some version of it, which is I call the "half sequester budget?" The President's proposal would actually absorb half the sequester cuts over the entire range of the sequester, but try to find a replacement for the other half and there is a suggested replacement from 2016 and out. Or do we just accept the full sequester?

There is no way we can do what we want if we accept the full sequester. Period, full stop. We cannot do it. If we are concerned, we have a way to solve it, but the way we have got to solve it is do what we did in the 2014–2015 budget and do sequester relief.

So it is my hope that we will work in 2016 and out just like we did in the 2014–2015 budget to do it. That is ultimately the significant way to answer some of the concerns that you are each laying on the table in my view.

Admiral Locklear, I want to ask you a question about one aspect of the sort of full sequester or half sequester budget, and it deals with carriers because that is one of the items that is sort of most obviously different between the President's submitted budget and the full sequester version. And that is scaling back from an 11-carrier Navy to a 10-carrier Navy. The 11-carrier Navy is a statutory requirement. I believe you testified recently before House Armed Services where you said 11 carriers continues to be a pretty important component to America's maritime dominance, and I would like it if you would kind of describe that please.

Admiral LOCKLEAR. Well, you know, we debated a long time what the utility of the carrier would be in the 21st century, and we continue to see it as, I would say, in the forefront of military instruments that leadership have been able to use to be able to maintain the peace, to maintain stability, and in crisis, to be able to respond quickly.

The benefit of our carrier force today is that it is unequaled in the world. It is nuclear. It is sustainable at sea for many, many, many, really for just about as long as you can think about it. And it carries a very credible capability to maintain peace and to be able to prevail in crisis.

The down side to the nuclear carrier force or the opportunity costs, maybe not the down side, is that they are nuclear and they have to be maintained in a safe manner which, if you take a look at the history of Navy nuclear power, you have got to give these young men and women who do this a lot of credit. You have got young 19-/20-year-old people running these nuclear reactors, and they have been largely without any incident for the history of the program. But to do that, you have to bring them back through maintenance. They have to come back to our shipyards. They have to be in nuclear shipyards to have that done.

And in the kind of day-to-day operations globally to be able to maintain the requirements that I have and the other combatant commanders have, based on the world as it is, about 11 aircraft carriers is just barely making it today.

Senator KAINE. What would it mean in PACOM if we dropped back from 11 to 10, changed the statutory requirement, did not refuel the George Washington, and dropped back from 11 to 10? What would it mean in PACOM?

Admiral LOCKLEAR. Well, I am confident we would still maintain a nuclear carrier forward in the Japanese alliance. You know, we have announced recently that Ronald Reagan would be that replacement. So we are moving in that direction.

The implication would be that there would be greater periods of time not only in my AOR but other AORs where a combatant commander would say a carrier is needed in this crisis or needed in this scenario and there would not be one available.

Senator KAINE. If I could continue, Admiral, with you, I want to talk a little bit about China. I think, as I was hearing your testimony, you were indicating that China is pretty rapidly chewing away any dominance that we might have in the region, but I think you indicated that even at a 12 percent growth in defense expenditures, it would be many decades before they could reduce our domi-

nance globally. Did I understand the gist of your testimony correctly?

Admiral LOCKLEAR. That is correct.

Senator KAINE. Does China have military bases outside of China?

Admiral LOCKLEAR. Not that I am aware of today.

Senator KAINE. Does China have significant military presence today in the Americas?

Admiral LOCKLEAR. Military presence, no.

Senator KAINE. Africa?

Admiral LOCKLEAR. Military presence, no.

Senator KAINE. Europe?

Admiral LOCKLEAR. No.

Senator KAINE. Middle East?

Admiral LOCKLEAR. Just in the Gulf of Aden where they have done counter-piracy operations.

Senator KAINE. So based on that, is it your understanding that China is basically trying to significantly grow the projection of military presence in their region but is not, at least to this point, significantly growing military presence elsewhere?

Admiral LOCKLEAR. The predominance of their efforts are in the region.

Senator KAINE. And so that kind of explains the testimony you gave earlier. They are chewing away our dominance in their region, but it would take a long time for them, even at significant growth, to chew away our dominance elsewhere.

Admiral LOCKLEAR. That is correct. When you combine the U.S. global security capability with that of our allies, with that of our significant allies in all parts of the world, they would have a difficult time of it globally.

Senator KAINE. Mr. Chairman, I just ask these questions to suggest I think most would say China is our ?principal competitor?—we would use that phrase—in the next century. They have a fundamentally different business model than we do. Our business model is a global projection of presence both sort of physical with fixed assets, bases, and flexible assets like carriers. At least to now, they are pursuing a very different business model. Military bases. That is not what we are focused on. Other regions. That is not what we are focused on. It is as if we pulled all our resources into the Americas, we would be a major force in one part of the world. That is not what we are doing. So our principal competitor sort of has a different business model than we do.

One last question, if I could, on the Senkaku Islands. I think this is a confusing one for us because these are uninhabited islands. Is the debate, the controversy, the skirmish potentially between China and Japan over those islands—it is not about the islands as an economic source unless there are natural resources there. Is it more about national pride or dominating sea lanes or just for China creating sort of a buffer in that region they care about? How would you describe it?

Admiral LOCKLEAR. Well, I would describe it as primarily a sovereignty issue, less economic, and it is not something new. This issue has been around for a long time. Of course, as a Government, we do not take sides on territorial disputes, but Japan is our ally



and we made it pretty clear how we would support our ally in the case of this particular scenario.

Senator KAINE. Thank you, Mr. Chairman.

Thank you to the witnesses.

Chairman LEVIN. Thank you very much, Senator Kaine.

Senator Blumenthal.

Senator BLUMENTHAL. Thank you, Mr. Chairman.

I want to begin by pursuing the line of questioning that Senator Kaine began and his very pertinent observation that China's strategic model is focused on its part of the world. And yet, you make the point I think very tellingly in your testimony, Admiral, that China will soon have its first credible sea-based nuclear deterrent probably before the end of this year. Now, that ability to project nuclear power beyond its area, if it is further grown and expanded, would somewhat contradict the reasoning that Senator Kaine has just advanced or the model that he has just outlined. Would it not? In other words, it projects a nuclear deterrent that potentially could be aimed at this country protecting interests beyond just its immediate area.

Admiral LOCKLEAR. Well, I think they have had a nuclear deterrent that could be aimed at this country. So putting in a sea-based I think for them, just as it does for us or for the Indians who are pursuing the same thing, it adds another layer of confidence that their strategic nuclear deterrent will not be compromised.

So what it does for me, a PACOM Commander, is that in the event—if you should ever have crisis—and I do not think a conflict or a crisis with China is inevitable. I do not think it is. And certainly it would not be in the best interest of peace and security in the world for that to happen. So we have to walk ourselves back from that dialogue I think.

But in general, I think what they are doing would just add more complexity to how we would ever enter a contingency, but we should not talk ourselves into one either.

Senator BLUMENTHAL. On our strategic lay-down in the Pacific, I noted that the notional 2020 strategic lay-down—and I may be misreading it—seems to contemplate a 22 percent ship increase based in that part of the world. Is that correct?

Admiral LOCKLEAR. Well, I think that when you define my area of responsibility and where the ships and the submarines and airplanes are, it extends basically from California to the intersection of India and Pakistan. So they will be somewhere in that large area, not necessarily west of the dateline.

Senator BLUMENTHAL. But is that 22 percent increase not based outside of the United States, in other words, non-U.S. bases?

Admiral LOCKLEAR. Not all of it, no.

Senator BLUMENTHAL. What percentage of it?

Admiral LOCKLEAR. I will have to get you the exact percentage that will be outside of U.S. bases. I cannot give you off the top of my head.

[The information referred to follows:]

[COMMITTEE INSERT]

Senator BLUMENTHAL. Is there a way that more of those ships can be based in the United States rather than based abroad? I know I am putting it in somewhat simplistic terms, but I think the

reason for my questioning is basing more of these ships in the United States means more jobs in the United States and potentially greater levels of scrutiny and oversight about contracting.

Admiral LOCKLEAR. Well, you know, to some degree we are an island nation, I mean, when you take a look at us globally where we are located. As an island nation that is predominantly a maritime nation, the value of maritime forces forward is why you have a Navy. Otherwise, if you just want to bring them all home—because of the vast distances we have to travel, to continually rotate them from home, first of all, is very expensive. For instance, for every one ship that I have deployed forward somewhere, it takes about four ships back in the United States, CONUS, to be able to support that rotation. So it is a cost-effective solution to be forward particularly where you have an ally or a host nation that is willing to help support you. So I am always reticent to say let us just bring everything back to the homeland. It sounds good but it is not operationally a good thing to do.

Senator BLUMENTHAL. Well, I am not suggesting and I am not in any way arguing with you, so to speak. What I am suggesting is an analysis that assesses the potential for creating jobs, for sustaining economic activity at those bases, whether it is Hawaii or California, rather than abroad. And I recognize that it may be more cost-effective looking at it solely in terms of the dollars and cents in your budget, but I am thinking about employment and economic activity.

Anyway, if you would get back to me with those numbers, I would very much appreciate it.

General, I noticed that yesterday there was an announcement that the Republic of Korea has officially selected the F-35, the conventional takeoff and landing design, and announced purchase of 40 of them. I am wondering if you could tell us how that helps you in terms of both a common platform with our ally and also the qualitative military advantage of the F-35.

General SCAPARROTTI. Well, Senator, first of all, the announcement yesterday was one of those that included the Global Hawk, I believe, as well. And those are commitments that as an alliance the Republic of Korea has made as a part of the commitments of Strategic Alliance 2015. So the first part is that they have invested in the qualities and the capabilities that they bring to this alliance. And both those platforms—in particular, the F-35 provides the state-of-the-art capability, compatible with us and interoperability, and particularly having the same systems gives us a great deal more agility.

And then finally, their air force is building. It is getting stronger all the time and that helps us a great deal.

In the plans that we have there, both in armistice and if we were go to crisis, the air force and the establishment of air dominance is critical.

Senator BLUMENTHAL. And I understand that there are eight other international partners. I do not know whether any of those are in the area under your command. But do you know what the state of purchases by those other eight international partners are at this point?

General SCAPARROTTI. No, Senator, not specifically.

Senator BLUMENTHAL. Thank you. Thank you, Mr. Chairman. Again, thank you both for your extraordinarily distinguished service to our country, and thank you to all the men and women under your command. Thank you.

Chairman LEVIN. Thank you, Senator Blumenthal.

I just have one additional question. Others, obviously if they have questions, we will have them addressed as well.

In your prepared remarks, Admiral, you said that it would enhance our security cooperation effectiveness with key allies and partners if we had an authority to have \$30 million in a security cooperation authority managed by the Joint Staff under the MILCON appropriation. And I am wondering whether that request was made of the administration when they put together their budget and whether or not there is something like that in the budget request. We are trying to find out if there is any reference to that.

Admiral LOCKLEAR. The DOD is aware of my desire to do that. I cannot tell you if it is actually in a line somewhere. I will have to look myself and see if it is in there.

The purpose of it is it would give us enhanced flexibility to be able to do some of the things that statute-wise we are prevented from doing today from small dollars to big impact.

Chairman LEVIN. All right. If you can give us that for the record, we would appreciate it.

[The information referred to follows:]

[COMMITTEE INSERT]

Chairman LEVIN. I have a number of other questions for both of you for the record. Other colleagues may as well.

Are there any additional questions? Senator Kaine?

Senator KAINE. Did our intelligence provide us any advance warning that China was going to impose the ADIZ in November of 2013?

Admiral LOCKLEAR. Well, we had been observing the dialogue, the potential for that for some time. As far as the exact date, and maybe a day or 2 warning, we did not receive indications of that. So it was a surprise to the region of when they actually announced it. But we knew for some time that there was a contemplation of that.

Senator KAINE. So the surprise was the timing rather than that they actually took this step.

Admiral LOCKLEAR. Right. You know, we came out pretty firm about how we felt about it afterwards, but I mean, in reality every country should have the ability to look at their own defenses and to put these types of things in place. We have more ADIZs than any other country in the world, but it is the method and the extra caveats that were put on it that made it unacceptable. Instead of being just, well, let us have a dialogue with our neighbors and talk about how we are going to defend our territorial air space, it was laid on as, I think, a direct issue with Japan and the Senkakus. There was not any dialogue among the region or among the neighbors. There was not any dialogue with the United States about it. And so in the end, it did not sit well with the region in general.

Senator KAINE. Thank you.

Senator BLUMENTHAL. Mr. Chairman, one last quick question. Thank you.

Admiral, thank you for being so forthcoming on the bases abroad.

One of the reasons for my questions is not only the jobs and economic activity but also some of the reports of corruption or waste in contracting and so forth. And I wonder whether there have been changes in the systems providing for greater oversight and scrutiny, whether the systems of contracting and procurement have been changed at all with respect to those bases abroad.

Admiral LOCKLEAR. Well, I would have to dig into the specifics of your question, Senator. I am not sure I know contracting irregularities that we are talking about.

I think we have—in fact, I know we have—including General Scaparrotti here—very credible leadership in these alliances and the bases and the dialogue that goes on about how we share costs, how we share responsibilities. We just finished negotiating the mutual agreement between us and the South Koreans, which we hope that they ratify as soon as their congress comes back into session. We have a very deliberate dialogue with our allies in Japan about how the money is spent. And so I think we are doing due diligence.

Senator BLUMENTHAL. Let me be more specific then just to give you a little bit more—Glenn Defense Marine Asia. I am sure that name is familiar to you. It is a Singapore-based firm that has serviced Navy vessels throughout Asia, in fact, continued to do so until its chief executive was recently arrested. I wonder if you could provide us with the records of contracts that the Navy signed since 2009 and also—I am not going to prolong this hearing, but perhaps in a written response—an account of what is being done to prevent occurrences of that kind of issue in the future.

Admiral LOCKLEAR. I will, Senator. I will have to get with the Navy, with the CNO. It is his primary oversight of those contracts, even in my AOR, as the Army has primary oversight of the contracts in Korea. So we will try to consolidate an answer for you with the Navy.

[The information referred to follows:]

[COMMITTEE INSERT]

Senator BLUMENTHAL. Thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you.

Any other questions? [No response.]

If not, we thank you both for your service and for your testimony. Again, please pass along our thanks to the men and women with whom you serve.

And we will stand adjourned.

[Whereupon, at 11:44 a.m., the committee adjourned.]