

Stenographic Transcript
Before the

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

AN INDEPENDENT PERSPECTIVE OF U.S. DEFENSE
POLICY IN THE ASIA-PACIFIC REGION

Wednesday, February 3, 2016

Washington, D.C.

ALDERSON COURT REPORTING
1155 CONNECTICUT AVENUE, N.W.
SUITE 200
WASHINGTON, D.C. 20036
(202) 289-2260
www.aldersonreporting.com

1 AN INDEPENDENT PERSPECTIVE OF U.S. DEFENSE POLICY
2 IN THE ASIA-PACIFIC REGION

3

4 Wednesday, February 3, 2016

5

6 U.S. Senate

7 Committee on Armed Services

8 Washington, D.C.

9

10 The committee met, pursuant to notice, at 9:37 a.m. in
11 Room SD-G50, Dirksen Senate Office Building, Hon. John
12 McCain, chairman of the committee, presiding.

13 Present: Senators McCain [presiding], Ayotte, Fischer,
14 Cotton, Rounds, Ernst, Tillis, Sullivan, Reed, Nelson,
15 McCaskill, Manchin, Gillibrand, Blumenthal, Donnelly,
16 Hirono, Kaine, and King.

17

18

19

20

21

22

23

24

25

1 OPENING STATEMENT OF HON. JOHN MCCAIN, U.S. SENATOR
2 FROM ARIZONA

3 Chairman McCain: Good morning. The Armed Services
4 Committee meets this morning to receive testimony on U.S.
5 defense policy in the Asia-Pacific. The National Defense
6 Authorization Act for fiscal year 2015 instructed the
7 Secretary of Defense to commission an independent review of
8 U.S. rebalance to the Asia-Pacific. This review would
9 assess the risks to U.S. national security interests in the
10 region, analyze current and planned U.S. force structure,
11 and evaluate key capability gaps and shortfalls.

12 The Center for Strategic and International Studies was
13 selected to conduct this review, and they have now provided
14 it to the Congress. I offer my thanks and appreciation to
15 CSIS for a first-rate independent assessment of our policy
16 in the Asia-Pacific region. Reports like these are an
17 invaluable way for this committee to gain insights and
18 consider serious recommendations on the way forward.

19 To present the review's findings, I am pleased to
20 welcome Dr. Michael Green, senior vice president for Asia
21 and Japan chair at CSIS and one of the report's study
22 directors; and Lieutenant General Thomas Conant, former
23 deputy commander at U.S. Pacific command and a member of the
24 report's senior review board.

25 America's national interests in the Asia-Pacific region

1 are deep and enduring. We seek to maintain a balance of
2 power that fosters the peaceful expansion of free societies,
3 free trade, free markets, and free commons -- air, sea,
4 space, and cyber. These are values that we share with an
5 increasing number of Asia's citizens. And for 7 decades,
6 administrations of both parties have worked with our friends
7 and allies in the region to uphold this rules-based order
8 and to enlist new partners in this shared effort.

9 This is what the rebalance to Asia-Pacific is supposed
10 to be all about. The rebalance has shown some success,
11 including efforts like the Trans-Pacific Partnership; new
12 levels of cooperation between Japan, Australia, and India;
13 and new forms of military access to the Philippines,
14 Australia, Singapore, and Vietnam.

15 But ultimately, the rebalance policies fail to
16 adequately address the shifting military balance in any
17 serious manner. I note the report's conclusion that, and I
18 quote, "The Obama administration has not articulated a
19 clear, coherent, or consistent rebalance strategy. The U.S.
20 rebalance must be enhanced if the United States is to defend
21 its vital interests in the PACOM area of responsibility."

22 China is engaged, as we all know, in a rapid military
23 modernization deliberately designed to counteract or thwart
24 American military strengths. Under Xi Jinping, China is not
25 just building up its military but reorganizing it to better

1 wage modern, joint warfare at the close direction of the
2 Chinese Communist Party.

3 Despite their claims to the contrary, make no mistake,
4 the Chinese are not done with their land reclamation
5 activities in the South China Sea. Indeed, it has been
6 disappointing to see how the United States seems to have
7 been totally caught off guard by the pace and scope of these
8 activities.

9 A year ago this month, this committee held a hearing
10 with Director Clapper where we discussed Chinese
11 reclamation. At that time, China had reclaimed a total of
12 400 acres in the Spratly Islands. Today, that figure is a
13 staggering 3,200 acres, with extensive infrastructure
14 construction underway or already complete.

15 It is shameful that what is known publicly about
16 China's reclamation activities has come from the CSIS Asia
17 Maritime Transparency Initiative and not the U.S.
18 Government, which should have been providing needed
19 strategic clarity by releasing photos of these developments
20 every step of the way.

21 While our government has fallen short, we owe a debt of
22 gratitude to CSIS for providing true transparency of China's
23 maritime activities.

24 Going forward, routine naval and aviation presence and
25 freedom of navigation operations are necessary to

1 demonstrate that the United States will not recognize the
2 legality of China's excessive claims, and will continue to
3 fly, sail, and operate wherever international law allows.

4 I was pleased to see the freedom of navigation
5 operation in the Paracel Islands last week, and I look
6 forward to seeing another conducted inside 12 nautical miles
7 of Mischief Reef in the near future.

8 The Pacific theater of World War II taught this Nation,
9 at a terrible price, that we cannot afford to garrison our
10 military power back in Hawaii or the continental United
11 States. If anything, China's activities in the South China
12 Sea, and the instability and uncertainty they have generated
13 in the Asia-Pacific, are a reminder of the importance of
14 sustaining a predictable, credible, and robust forward
15 presence capable of shaping the peacetime security
16 environment and prevailing in the event of conflict.

17 This is a major focus of the CSIS report, and we look
18 forward to hearing from our witnesses on its specific
19 recommendations.

20 For example, given the demands on our carrier fleet
21 globally, the sailing time required to traverse the Pacific
22 Ocean, the additional combat power a second carrier would
23 provide, and the strong signal it would send our partners in
24 the region, I believe we should take a hard look at the
25 trade-offs associated with stationing a second carrier in

1 the Pacific.

2 Even as we devote the preponderance of our attention
3 and funding to large platforms like aircraft carriers, we
4 must remember that they are only as effective as the
5 payloads they are able to deliver. We cannot lose sight of
6 the importance of weapons, sensors, decoys, jammers, and
7 other technologies to our warfighting effectiveness. And we
8 must continue to push the envelope in adapting and
9 innovating existing payloads to deliver new capabilities.

10 These will be a key element in closing the gap
11 identified by the CSIS report in capabilities that give the
12 United States an asymmetric, cost-imposing counter to
13 potential competitors.

14 I also would like to note the CSIS report's endorsement
15 of the relocation plan for U.S. facilities in Okinawa. I
16 continue to support the current relocation plan, including
17 the construction of the Futenma Relocation Facility; the
18 ultimate closure of Marine Corps Air Station Futenma; and
19 the redeployment of Marines to Guam, Australia, and Hawaii.

20 Taken together, this plan will reduce our overall
21 presence in Okinawa, relocate U.S. forces to less populated
22 areas of the island, and generate a more operationally
23 resilient force posture across the region.

24 Despite a series of setbacks in the past year, I
25 continue to have confidence that Prime Minister Abe and the

1 Government of Japan will be able to execute the necessary
2 realignment of U.S. force in Okinawa.

3 This committee will also continue its oversight of the
4 buildup on Guam, including the cost of new housing
5 construction there.

6 There are several more important issues I hope we will
7 discuss throughout the course of the hearing, and this
8 committee's ongoing consideration of the CSIS report and its
9 recommendations.

10 Once again, I would like to thank all those at CSIS who
11 worked so hard on this important report, and I look forward
12 to the testimony of our witnesses.

13 Senator Reed?

14

15

16

17

18

19

20

21

22

23

24

25

1 STATEMENT OF HON. JACK REED, U.S. SENATOR FROM RHODE
2 ISLAND

3 Senator Reed: Thank you very much, Mr. Chairman. Let
4 me thank you for calling this very, very important hearing.

5 I also want to welcome our witnesses, Dr. Green and
6 General Conant. Thank you for your extraordinary service.

7 The report recently issued by CSIS is very thoughtful
8 in addressing the challenges that we face in the Asia-
9 Pacific region. Thank you for that.

10 In the last few years, security in the region has grown
11 more complicated and challenging for the United States.
12 China has become more assertive in the South China Sea,
13 alarming its neighbors and militarizing land features in a
14 body of water that is critical for trade and regional peace.

15 Kim Jong-un has destabilized the Korean Peninsula even
16 further with nuclear and ballistic missile developments.

17 Regimes as authoritarian and insulated as North Korea
18 are brittle and prone to collapse. How we would deal with
19 such a collapse, and the security and humanitarian problems
20 that would ensue, is an ongoing debate and challenge for
21 U.S. Forces Korea and PACOM.

22 As the Asia-Pacific region grows more complicated, the
23 Defense Department faces an increasing number of
24 international challenges also, including ISIL as a growing
25 international threat; and a resurgent Russia, which is

1 exerting its military influence to undermine European
2 security, further destabilizing the Middle East and also
3 obviously has access to the Pacific.

4 Additionally, we face an increasingly austere fiscal
5 environment. We must learn to do more with less.

6 While the administration has sought to rebalance the
7 Asia-Pacific region, where most of our long-term strategic
8 interests lie, that effort has faced challenges from the
9 exigencies of the day.

10 I appreciate the time and effort that went into
11 producing this thoughtful report, and I would like to hear
12 from the witnesses about how we should position ourselves to
13 better implement the rebalance within the context of the
14 global challenges facing the Department of Defense and the
15 government as a whole.

16 Thank you very much, gentlemen.

17 Chairman McCain: Dr. Green?

18

19

20

21

22

23

24

25

1 STATEMENT OF MICHAEL J. GREEN, SENIOR VICE PRESIDENT
2 FOR ASIA AND JAPAN CHAIR, THE CENTER FOR STRATEGIC AND
3 INTERNATIONAL STUDIES

4 Dr. Green: Mr. Chairman, Ranking Member Reed, members
5 of the committee, and staff, thank you for this opportunity
6 on behalf of my co-leads at CSIS, Dr. Kathleen Hicks and
7 Mark Cancian, and all of the contributors to the report,
8 including our excellent senior review panel, represented
9 today by Lieutenant General Conant. This is an opportunity
10 that we appreciate, to give you the results of our study.

11 We conducted this study in a first iteration in 2012
12 and concluded that the rebalance to the Asia-Pacific is
13 worthy of our support and our efforts but needed more
14 intense strategic conceptualization and resourcing. We
15 concluded at that time that the U.S. interest is in shaping
16 an environment in the Asia-Pacific region where cooperation
17 with China and among all countries is possible but that to
18 build that future we had to have deterrent capabilities, the
19 partnerships, the presence, the capacity, to ensure that no
20 one country tried to change the rules that have governed
21 this region and led to peace and prosperity for many
22 decades.

23 Since 2012, four developments have made a reassessment
24 of the rebalance necessary.

25 First, defense budget cuts have limited the Department

1 of Defense's ability to implement critical rebalance
2 initiatives, particularly as those resources come under
3 stress from challenges in EUCOM and CENTCOM.

4 Second, the threat from so-called anti-access/area
5 denial, A2/AD, is growing as states in the region seek to
6 deny the United States the ability to project power or even
7 maintain bases in the Western Pacific.

8 Third, I think we have found in the last 2 years that
9 China's tolerance for risk in relations with the U.S. and
10 neighboring countries is significantly higher than anyone
11 would have anticipated.

12 And fourth, North Korea has demonstrated that it will
13 continue with impunity on its program to develop nuclear
14 weapons and the ballistic missiles to deliver them against
15 our allies and, their ultimate goal, the United States
16 itself.

17 Taken together, these trends suggest that the U.S.
18 rebalance must be enhanced, if the U.S. is to defend our
19 interests and our allies in the Asia-Pacific region. To
20 that end, CSIS, in this report, has made four major
21 recommendations for strengthening the rebalance.

22 First, and this was a theme in our first report, and
23 one the chairman just mentioned, the United States has to
24 align our Asia strategy within the U.S. Government and with
25 allies and partners, and articulate the strategy in a way

1 that is compelling, that provides guidance to our forces,
2 and confidence to our allies.

3 When we began working on this project, we asked where
4 we could find a document that described the strategic
5 concept of the rebalance, and we were recommended to read
6 the speeches about the rebalance by principles in the
7 administration, and we did. And you will see in the report
8 our findings that, in many cases, the articulation of our
9 strategy is inconsistent, that priorities are listed
10 differently, appear and disappear.

11 And so there is still, in the region among our allies,
12 and I think with our commands, some confusion about not the
13 importance of the Pacific -- I think that is clear -- not
14 the importance of rebalancing our forces in the Pacific, but
15 what is our bottom line? What are we willing to defend?
16 How do we view, for example, China's operations in the South
17 China Sea? What is the degree of our willpower? These are
18 questions we continue to hear.

19 So our first recommendation is that the administration
20 needs to, with Congress and with our allies, work on
21 aligning our views of the strategy and clarifying our
22 concept. The Congress has already required the next
23 administration to do an interagency report on Asia strategy.
24 We fully endorse that. We recommend that the Congress
25 consider establishing an Asia-Pacific observers group,

1 comparable to the arms control observers group in the Cold
2 War era, to help make sure that our message to allies and
3 between branches of government is well-aligned.

4 The second recommendation, the United States, in our
5 view, needs to strengthen ally and partner capability,
6 capacity, resilience, and interoperability. We have
7 different allies and partners in the Asia-Pacific region at
8 different levels of technical competence, different
9 geographic circumstances. At the high end, with allies like
10 Japan, Australia, the Republic of Korea, we recommend moving
11 toward more of a federated defense concept, where we are
12 pooling our best technology and resources. A good example
13 of that potential is evident in the Japanese and Australia
14 discussions of jointly developing a new diesel attack sub.

15 Second, we believe that states that are struggling to
16 maintain capacity and resilience in the face of a
17 significantly larger Chinese military presence, the
18 Philippines and so forth, need our help with basic
19 capabilities such as maritime domain awareness.
20 Fortunately, Japan, Korea, Australia, our major partners,
21 are helping, and we should network with these allies to help
22 frontline states, like the Philippines, with their own
23 capacity and resilience.

24 And third, we recommend creating a new joint task force
25 for the Western Pacific. The reason is that, in discussions

1 with our allies in particular, we found a disconnect in
2 command and control when it comes to these maritime
3 problems. We have a joint and combined command in Korea,
4 very effective. But the challenge in the East China Sea and
5 South China Sea is such that we think that both the Pacific
6 Command and our Japanese allies need to create command-and-
7 control structures that in real-time are working together
8 constantly, that are agile and ready for the challenges we
9 face.

10 Our third recommendation, the U.S. should sustain and
11 expand our regional presence. We recommend continuing to
12 implement and resource key posture initiatives in Japan,
13 Australia, and, of course, Guam, and also increasing in some
14 areas our forward capabilities. Particularly important are
15 amphibious lift, which is insufficient for the Marine Corps
16 even before we distribute them to Guam, to northern
17 Australia. Second, additional attack subs -- undersea
18 warfare is our trump card, our long-term advantage.

19 And we recommended studying the deployment of a second
20 carrier in the Western Pacific, probably in Yokosuka. That
21 is a big thing to take on, but we think there is merit, as
22 the chairman mentioned.

23 Finally, we recommended that the United States
24 accelerate the development of innovative concept
25 capabilities to deal with the A2/AD environment that is

1 becoming increasingly challenging, including things like
2 innovative missile defense from direct energy, to railgun,
3 to powder guns, to prevent competitors from imposing costs
4 on us and to develop more cost-effective countermeasures
5 ourselves.

6 This will cost money, but, in our view, many of the
7 initiatives described are within the realm of the possible
8 if we take the threat and our interests seriously.

9 And I would conclude by saying, while the committee
10 asked us to focus, in particular, on the Department of
11 Defense and the Pacific Command's responsibilities, Asia is
12 a region where the United States has, on the whole,
13 succeeded for over 200 years because we have combined our
14 military capabilities with a commitment to trade, to
15 supporting our democratic values, and to building
16 partnerships. So we are describing one tool in a broader
17 strategic toolkit necessary for the United States.

18 Thank you.

19 [The prepared statement of Dr. Green follows:]
20
21
22
23
24
25

1 Chairman McCain: Thank you.
2 General?
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 STATEMENT OF LIEUTENANT GENERAL THOMAS L. CONANT, USMC
2 (RET.), FORMER DEPUTY COMMANDER, UNITED STATES PACIFIC
3 COMMAND

4 General Conant: Senator McCain, Senator Reed, and
5 members, thank you for allowing us to come here to talk to
6 you.

7 My message is simple, as it says in the report. I am a
8 strong believer that there is a strategic imperative, that
9 we have a very clear and concise message to our partners and
10 allies and to the world on what the rebalance really means.
11 I think that strategy and that message needs to be
12 consistent in its vision and in its articulation across the
13 whole of government.

14 And then I think you need that continuous engagement
15 with allies and partners throughout the region to reassure
16 them that we are there for them, and that the rebalance is,
17 in reality, a fact.

18 From the defense side of the house, Chairman, I think
19 we will see new concepts we will have to look at as we study
20 this problem set that China has presented to us.

21 You will see more distributed operations, dispersal of
22 forces, and such. Long-range strike in both weapons and
23 platforms will become an imperative.

24 And then I think there will be the proper investment in
25 both naval platforms and air platforms, not to include Army.

1 So there is a lot to discuss, and I look forward to
2 your questions, sir, instead of me just carrying on. So
3 thank you so much.

4 [The prepared statement of General Conant follows:]

5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 Chairman McCain: Thank you very much. I thank the
2 witnesses.

3 In your report you say, "The Obama administration has
4 not articulated a clear, coherent, or consistent rebalance
5 strategy, particularly when it comes to managing China's
6 rise."

7 It seems to me that we have, in this behavior of China,
8 an opportunity to strengthen our relationships with other
9 nations in the region -- Philippines, Vietnam, in particular
10 -- that would not have been thought of in some years past.
11 What steps do we need to take to take advantage of this new
12 deep concern that the Pacific Region, nations in the region,
13 have concerning China, Dr. Green?

14 Dr. Green: We have done a survey, Senator, at CSIS of
15 elites in 10 Asian countries several times over the past 5
16 years. And it is remarkable how much strategic thinkers,
17 political leaders, from Vietnam to India to Japan, want more
18 of us. They want more cooperation. They want more
19 exercises. They want more trade agreements. They do not
20 want bases. They do not want bases, in most cases. But
21 they are willing to accept new arrangements.

22 Chairman McCain: Like the Australia arrangement.

23 Dr. Green: Like the Australia arrangement, where we
24 rotate Marines through Darwin, where we will, if we can move
25 the negotiations forward, have access to Royal Australian

1 Air Force airfields. In the Philippines, where the Enhanced
2 Defense Cooperation Agreement has passed the Supreme Court
3 test, we will be able to move people through, that kind of
4 thing. Cam Ranh Bay, perhaps, in Vietnam, that is an
5 opportunity.

6 We suffer a bit, in my view, Senator, because the way
7 we articulate our vision of the future of Asia has been
8 quite inconsistent. At times, senior administration
9 officials have embraced Chinese leader Xi Jinping's vision
10 of what he calls a new model of great power relations, which
11 is designed to stabilize U.S.-China relations, but to do so
12 by recognizing that China and the United States and Russia
13 are great powers that should settle the affairs of Asia.

14 And we at various points at senior levels have said we
15 embrace that idea, and we want to operationalize that idea.
16 The fundamental flaw, from our perspective, should be this
17 new model of great powers does not include great democracies
18 like Japan, India, Australia, Korea, Indonesia as great
19 powers. They are considered second-tier.

20 So the way we have talked about how we see order in
21 Asia, the relations, has sent confused signals. We need to
22 get that straight.

23 We also should be realistic that while we are getting
24 more access and more cooperation with the Philippines, with
25 Vietnam, with Malaysia, these are all systems where

1 political leadership could change. In Vietnam, there was
2 just a change. The Philippines have an election.

3 So we need to be patient, and we need to be in this for
4 the long game. And we need to build it on professional
5 relationships between the militaries.

6 It may not always be us, in a case like Vietnam. It
7 may be Japan or Korea, which are providing patrol boats that
8 take the lead in helping build capacity. But we all have
9 the same interests.

10 So we, in the report, suggest we need a venue or a
11 framework with our allies and partners to make sure that we
12 are all helping these states, irrespective of how our
13 specific bilateral relations with them or leadership changes
14 affect our expectations.

15 Chairman McCain: I am very interested in your
16 recommendation about a second carrier to Japan. We are
17 sending our carriers from the West Coast on 10-month
18 deployments. That is too long to in any way maintain a
19 sustainable all-volunteer force.

20 But one of the sources of frustration for me and other
21 members of this committee is the situation in Okinawa and
22 the relocation. Talk about fits and starts and setbacks and
23 political problems in Okinawa itself. It is one of the more
24 difficult issues, but yet, I think one of the most
25 important.

1 What is the witnesses' latest assessment of that
2 situation?

3 Dr. Green: We have spent a lot of time on this issue,
4 Senator, in 2012 and in this report. My colleague Nick
5 Szechenyi spent time in Okinawa, talking to local political
6 officials. We did meet with the governor of Okinawa, as you
7 did, sir.

8 It is complicated. The Okinawan people suffered in the
9 Second World War like no other Japanese in that terrible
10 battle. But it is not as black and white as it often
11 appears in the media.

12 Prime Minister Abe has committed to moving forward with
13 the Futenma Replacement Facility. His chief cabinet
14 Secretary, Mr. Suga, is working this strenuously. He is
15 responsible for a whole host of issues, but he is focused on
16 this. And they are committed. It is in Japan's national
17 interests, and it is in their political interests, to move
18 forward on this.

19 The mayoral election in Ginowan, the town closest to
20 the current Marine Corps Air Station, resulted in a victory
21 for someone who supports moving forward.

22 It will not be easy, but I think -- and this is based
23 on detailed looks at the operational questions but also the
24 local politics -- this is the best of a lot of hard options.
25 And I think, and we agreed in our group unanimously, we need

1 to move forward.

2 We also, frankly, need to remember that that are other
3 airfields in Okinawa. They may not provide the solution for
4 the Marine's requirements, but as we look at the A2/AD
5 threat and the ballistic missile threat and the increasing
6 requirements for humanitarian disaster relief, we ought to
7 be working with Japan's defense forces.

8 And that is an important development, by the way,
9 Senator. The Japan Self-Defense Forces were viewed very
10 negatively in Okinawa after the war, because of what the
11 Imperial Japanese Army did to them. That has changed
12 significantly. There is considerable pride and support for
13 Japan Self-Defense Forces in Okinawa.

14 So we ought to, in the longer term, be looking at joint
15 use of bases. The Ground Self-Defense Force wants to create
16 a marine corps capability. And General Conant can speak to
17 this. We can co-locate with them.

18 In other words, we can give Japan more ownership of
19 these bases and build more support, I think, as we go
20 forward.

21 General Conant: Sir, thank you for that question.

22 I think, looking at the carrier, we just do not need to
23 restrict ourselves to Japan. There other places you could
24 possibly put it, whether it is Guam, whether it is back in
25 Hawaii, whether it is even in Australia, in Perth. There

1 are ways to look at the situation.

2 It is easiest to go to Japan, because the
3 infrastructure is there, and so the investment and the
4 additional investment for the Navy probably carries the day
5 on that.

6 As you look, the A2/AD and the ballistic and cruise
7 missile threat out of an adversary, then you are already
8 under that umbrella if you are stationed that far forward in
9 Japan. So depending on the strategic messaging you want to
10 send, we could look and possibly look at putting it
11 someplace else.

12 Chairman McCain: Senator Reed?

13 Senator Reed: Well, thank you very much, Mr. Chairman.

14 Dr. Green, I noticed that when you were talking, in
15 your comments, you described our undersea assets as the
16 trump card. I think, for the record, you were making a
17 gambling allusion, not a political allusion.

18 But I think there are several factors here, and you
19 both have talked about it, is the increased precision strike
20 capability of Chinese forces from land-based and other
21 bases, which makes surface ships much more vulnerable. They
22 would have to launch, in the case of a carrier, from much
23 further away. Submarines do not have those particular
24 vulnerabilities. Also, just in terms of technology, we have
25 a significant advantage over what we are seeing right now in

1 the waters with the Chinese and others.

2 So I would assume that, for that reason, we want to
3 make a much more vigorous investment in deployment of
4 undersea assets into this area. That could be the leading-
5 edge of the sword. Is that fair?

6 Dr. Green: Senator, that is right. We have an
7 advantage undersea, over any potential adversary, that is
8 considerable. And if you add into the mix the really first-
9 class undersea capabilities of Japan's Maritime Self-Defense
10 Forces and the Royal Australian Navy, and increasingly the
11 Indian Navy, that is a pretty strong undersea net around the
12 entire Indo-Asia-Pacific, which would cause any potential
13 adversary pause, if they thought about challenging us in a
14 serious military way.

15 So we thought it was very, very important. And one of
16 the areas we need to focus on more is interoperability with
17 these other navies, one more reason why our group thought
18 discussions between Japan and Australia about not only a
19 common platform but also increasing cooperation is the kind
20 of development we should want to see.

21 Senator Reed: General Conant, any comments?

22 General Conant: Yes, sir. In my time as deputy
23 commander at PACOM as a Marine, I found out the significance
24 of what that submarine force provided for us. In so many
25 other things that we can't talk about in open source, but

1 really, in its capability sets in ISR and just discovering
2 what is going on.

3 It is also a way to send a message to those who want to
4 threaten our access in the region that there is a cost to
5 that activity, if somebody chooses to bring it to conflict.

6 That submarine force is very, very capable. And if I
7 had one more marginal dollar, and you weren't going to spend
8 it anywhere else, as a Marine, I would probably put it in
9 the submarine force, sir.

10 Senator Reed: Thank you, sir.

11 One other aspect of this, and I think it is implicit in
12 your report, is that, most likely, if we are engaged in a
13 serious confrontation in the area, that the cyber activity
14 would be so extensive that we will be operating literally in
15 the dark. GPS will go down. Systems on aircraft and
16 surface ships, everything, will be operating almost as we
17 were 50, 100 years ago.

18 Is that realistic, General? Or is that sort of more
19 apocalyptic?

20 General Conant: No, that is a very good assessment.

21 In fact, when we were out at PACOM talking with Admiral
22 Locklear one day, I thought we ought to do a Nimitz project.
23 Admiral Nimitz fought World War II with about a 65-man staff
24 that grew to 200-some. And he thought it grew too big.

25 What they did is they provided specific mission guides,

1 mission orders, and then sent them out on task forces. I
2 think you would have to get something like that, where you
3 could have, within the task force, internally assured
4 mission sets through some classified work. But then you
5 wouldn't be beholden to the GPS and some other things. But
6 space will become a new issue and then navigation.

7 So it is a good way to think about it, but I don't
8 think just cyber alone, it is hard for all of us to
9 understand, even at my level, what it can do and what it
10 won't do. And then you are into law and policy.

11 But they don't care. They will shut us down quickly,
12 sir.

13 Senator Reed: Thank you very much.

14 Dr. Green, in the report, you talked about the
15 relationship between China and North Korea. And there have
16 been some reports that the Chinese are willing to tolerate a
17 nuclear-armed North Korea to a certain degree, which is very
18 dangerous to the world, given the instability in that
19 government.

20 And the other aspect, and this is a real question, not
21 a rhetorical, is that any sort of effective solution, I
22 would assume, would have to take the United States and the
23 Chinese together to be able to bring the appropriate
24 political and diplomatic influence on the North Koreans to
25 behave better. Is that fair? And what is your sense of the

1 whole issue?

2 Dr. Green: Sir, I would agree that an ultimate
3 resolution -- and I worked on the North Korea problem in the
4 previous administration and spent time in Pyongyang and
5 Beijing, and frankly, came away very pessimistic about any
6 near-, medium-, and maybe even long-term diplomatic
7 solution.

8 But ultimately, if we are going to denuclearize the
9 peninsula, we are going to need to do it with our allies
10 first, but with China and Russia. And if we have a sudden
11 or cataclysmic collapse of the North Korean state, which is
12 feasible, is possible, at a minimum, we are going to want to
13 deconflict with China. So it is very important.

14 But we have not had much success. When I was in the
15 previous administration, we kind of bullied the Chinese into
16 helping us in the six-party talks. And we thought we were
17 making progress and that China would be helpful. But
18 frankly, the Chinese have an interest in a denuclearized
19 peninsula, but it is, I think, becoming evident that they
20 have a greater interest in stability and in maintaining a
21 dominant position over the peninsula in the long term.

22 So I believe they will tolerate a nuclear program in
23 North Korea, so long as it is not destabilizing the whole
24 region. And then they can settle it when, in their view,
25 they have greater strategic purchase, greater influence.

1 Our approach generally has been to respond to these
2 North Korean nuclear tests and missile tests in the Security
3 Council and try to get consensus with China. And I think
4 this most recent test, and China's rather anemic reaction,
5 demonstrates that that is not an approach that is going to
6 get us results.

7 And the other approach would be to do more with our
8 allies to make it evident that we will increase our missile
9 defense capabilities, we will increase the joint operations,
10 and all of these things which are necessary because of the
11 North Korean threat, and that from Beijing's perspective
12 their nonaction will have consequences. As we take care of
13 ourselves and our allies, they may not like -- we need to
14 think about how we incentivize the Chinese beyond trying to
15 point out their interests in denuclearization at this point.

16 Senator Reed: Thank you very much, gentlemen. Thank
17 you.

18 Chairman McCain: Senator Rounds?

19 Senator Rounds: Thank you, Mr. Chairman.

20 Dr. Green, in your testimony, you recommend fielding
21 additional air combat systems as a means to counter China's
22 increasing A2/AD capabilities. Specifically, you state in
23 your abridged report that developing a fleet of next-
24 generation aircraft with the right combination of
25 capabilities will be critical to prevailing in a major

1 conflict against a peer competitor.

2 Does our fleet of fifth-generation fighter aircraft,
3 specifically the number of operational F-22s, currently meet
4 the need? And I think we are probably being optimistic if
5 we say we can anticipate 140 of those aircraft in a
6 reasonable time frame.

7 Does that meet our need today? And if not, what would
8 our need be? And is this the right question, in terms of
9 the F-22 being part of that solution?

10 Dr. Green: Senator, General Conant should speak to
11 this as well.

12 The F-22 and the F-35 have had various challenges as
13 programs, but talking to our allies, talking to the air
14 component commander's on our side in the Pacific, it is
15 pretty clear to me what we do get for this, and it is
16 significant.

17 We do not just get a squadron of F-22s or F-35s. We
18 get stealthy platforms that can coordinate fourth-generation
19 aircraft. It is a multiplier effect that, frankly, when I
20 went out and talked to people, was not coming from the
21 generals, with all respect to the generals. It was coming
22 from captains and majors innovating with this new platform.
23 And this is what the Royal Australian Air Force, the
24 Koreans, and the Japanese are starting to discover as well.
25 So there is a multiplier effect we have to consider, and

1 then the interoperability and jointness effect among our
2 allies.

3 The next generation, meaning the sixth, seventh
4 generation, and I defer to General Conant on this, may not
5 be manned, ultimately. But for what we have in the fifth
6 generation, we get a lot.

7 If I had a concern, and Admiral Harris, the Pacific
8 commander spoke to this, our platforms are stealthy, they
9 are excellent. But our air-to-air missiles, our surface-to-
10 surface missiles, do not have the range that the Chinese,
11 with much less capable platforms, increasingly are fielding
12 to hit us.

13 So that is one of the capability gaps that I think
14 needs near-term addressing.

15 General Conant: Senator Rounds, good question.

16 The F-22 or the F-35 as a fifth-generation fighter is
17 very capable. But it is not the end-all and be-all, as Dr.
18 Green alluded to.

19 When I was at 3rd MAW, we had an exercise where we
20 brought F-22s out and worked with our F/A-18A Pluses and Cs,
21 a fourth-generation legacy airplane. And we had the
22 capability to share that picture that F-22 presented.

23 What those majors and what those captains did with
24 those packages, once they got wiped out by just trying to
25 fight the F-22, they then went into a strike package type

1 training scenario. It was phenomenal.

2 And I am a stronger believer that you do not have to
3 put all your eggs in one basket. In fact, we have kind of
4 gone down the road where we really are almost doing that.

5 So F-22s have tremendous capability. Nothing else can
6 match it. The F-35s are great.

7 But we have fourth-generation fighters we can do things
8 with that give more respectful numbers that you are going to
9 need out in this problem set. And then there is a value of
10 quantity to this problem set, and China sees that. So they
11 are sticking with four and four-plus gen. But they are
12 very, very capable.

13 So it all doesn't have to be fifth gen, sir, but it is
14 part of the mix.

15 Senator Rounds: What role do you see long-range strike
16 systems, the LRS-B, as an example, that particular bomber?
17 How do you see that playing into the U.S. defense strategy
18 in Asia in the coming years?

19 General Conant: As we wargame various scenarios, and
20 as we look at the ballistic and cruise missile threat out
21 there, as I said on the Defense Science Board for that task
22 force, you are going to need long-range strike. And you
23 ought to have the capable platform that brings that strike
24 in.

25 We have always done, as Dr. Green alluded to, fifth-

1 generation fighters with fourth- and third-generation
2 weapons. So we need to match that capability and the
3 platform with a weapon system.

4 As you look at long-range strike, it is not just the
5 airframes. Our SAGs, surface action groups, need that long-
6 range strike capability also. We are putting it on
7 submarines.

8 So that creates a bigger problem set for the adversary
9 and gives you more decision space, if you do come up into a
10 problem set, sir.

11 Senator Rounds: Thank you.

12 Thank you, Mr. Chairman.

13 Chairman McCain: Senator Hirono?

14 Senator Hirono: Thank you, Mr. Chairman.

15 The stability in the Asia-Pacific area is hugely
16 important. And the U.S. role in being a part of creating
17 the stability is critical. We have articulated our
18 commitment as rebalance -- and yes, I agree that it would be
19 helpful to have a much clear articulation of this. But a
20 lot of what we talk about in rebalance is in the
21 implementation. Part of our rebalance strategy, as
22 implemented, is in our force posture.

23 So I did want to ask you a little bit more about your
24 suggestion that we should consider deploying a second
25 carrier in that area, and also mentioned by the chairman.

1 So, for example, if we wanted to locate a second
2 carrier at Yokosuka, which already has infrastructure, is
3 there a time frame when it would be most advantageous for us
4 to pursue a study and come to a decision, i.e., while Prime
5 Minister Abe is still in office? Can you talk a little bit
6 more about the time frame for locating a second carrier in
7 the Pacific?

8 Dr. Green: There is a saying in Japanese politics,
9 because they have a parliamentary system, so you can have an
10 election at any moment, that one step ahead is darkness.

11 But Prime Minister Abe, or if not Prime Minister Abe,
12 someone with a comparable commitment to our alliance, is
13 likely to be in power for some time. The year 2019 is
14 something of a date, because that is when the USS Gerald
15 Ford will be ready for deployment. It seems to me that
16 would be the opportunity.

17 Now, we did not come out with a hard recommendation on
18 this, because there are operational questions and costs and
19 infrastructure questions. If you deployed this new carrier
20 in Yokosuka, you would have to find a place for the air
21 wing. Iwakuni, which handles the air wing now, could
22 probably expanded. But that is a political lift for the
23 Japanese Government, questions of host nation support.

24 But when we put this suggestion out, it got covered in
25 the Japanese press, and there was not a lot of pushback. A

1 number of senior officials and military officers in Japan
2 were quite intrigued, because of the signal it sends and the
3 firepower it provides.

4 And it addresses a concern our allies have, which is
5 the Seventh Fleet's one carrier is out of the Pacific, or
6 PACOM AOR, a lot, and they watch that. So they would have
7 constant coverage, in their view, in an increasingly
8 difficult region.

9 But 2019 and the USS Gerald Ford, that is a heavy lift
10 for Japanese politics. It would have to be Japan's
11 decision.

12 I was in the White House when we asked Japan to take
13 the George Washington, the first nuclear carrier. Everyone
14 said they would never do it. They needed and wanted that
15 firepower, that commitment, that connectivity with us.

16 I think it is politically feasible, and 2019 would be
17 the target date, I would think.

18 Senator Hirono: So we should move ahead with a study,
19 so that we can make the decision in an appropriate time
20 frame.

21 I think the Japanese are well aware of the changing
22 environment with North Korea and China.

23 Dr. Green, can you talk more about your suggestion that
24 we should form an Asia-Pacific observers group? I am not
25 familiar with where that suggestion is coming from. And

1 what would it do to enhance the rebalance implementation?

2 Dr. Green: This was John Hamre, the president of CSIS,
3 my boss, his idea. Of course, as you know, he worked for
4 this committee for a long time and in the Pentagon. He
5 suggested it after looking at the problem of articulating
6 our strategy to the Congress, to our allies. And I think,
7 for him, the comparable group that monitored arms control
8 negotiations in the Reagan administration, bipartisan, was
9 the model.

10 But I would offer another model, Senator, in all
11 sincerity, and that is a great Senator from Hawaii, who,
12 with Ted Stevens from Alaska, Senator Inouye, provided
13 constant oversight of our strategy in Asia. I was in the
14 White House for 5 years, and when the Inouye-Stevens
15 combination went out to the region, it was like another
16 aircraft carrier. I mean, it was quite powerful.

17 So both in terms of monitoring and coordinating in
18 Washington, but also as a bipartisan group that could speak
19 to the region, not always about reassuring about our
20 commitment, but telling sometimes our friends and allies
21 what they have to do.

22 Senator Hirono: And this would not require
23 legislation.

24 Dr. Green: No.

25 Senator Hirono: So my time is almost up, but I did

1 want to ask you, as we look 10 to 20 years in the future,
2 what would a successful rebalance look like in this region?

3 Maybe you can think on it and respond to me in writing.

4 Dr. Green: No, I would be happy to do that, Senator.

5 We have thought about it. We were tasked with --

6 Senator Hirono: Senator McCain, would it be all right
7 for him to respond now?

8 Chairman McCain: Absolutely.

9 Dr. Green: I apologize.

10 Our tasking was to look out 10 years, so we took that
11 seriously and considered this. I think my colleagues at
12 CSIS, and I think I will speak also for our senior advisory
13 review board, would say that the friction we have with China
14 right now over the South China Sea and the East China Sea is
15 not going to go away, that we are going to probably be
16 living with this for 5 or 10 years, because it is built into
17 the PLA's operational concept, their force structure
18 building, their doctrine. And the Foreign Ministry or
19 others in the China system are not going to knock them off
20 of that trajectory. And in my view, that is true whether
21 the Chinese economy slows down or not.

22 So in 10 years and for the next 10 years, we will have
23 some friction in our relationship with China, and we should
24 know that, and we should not be afraid of it. We need to
25 manage it. But in 10 years, if we have a relationship with

1 our allies and partners, not a collective security
2 arrangement like NATO, almost no one wants that. And that
3 is a bit too much for China. That would produce a China we
4 do not want. But the kind of network and cooperation that
5 incentivizes China to play within the rules; and the kind of
6 capacity-building for the Philippines and for smaller micro
7 states, CNMI and so forth, where they can handle earthquakes
8 and tsunamis or internal corruption problems in a way where
9 they are not vulnerable strategically; and where we have,
10 frankly, a trade agreement, the TPP plus the regional
11 agreements, fusing toward more of a rules-based open Pacific
12 order -- I think that is what we should be thinking about.
13 And if we do think in those terms, I think it will add some
14 discipline to how the administration and others articulate
15 our strategy, what we are aiming for. We are not containing
16 China. We are looking for a rules-based order, and here is
17 how it might look in terms of our relations with allies and
18 other partners.

19 Senator Hirono: Thank you.

20 Thank you, Mr. Chairman.

21 Chairman McCain: Senator Manchin?

22 Senator Manchin: Thank you, Mr. Chairman.

23 And thank you both for your service.

24 If I may ask you this, Dr. Green, your report assesses
25 that Chinese President Xi Jinping has a less awestruck view

1 of the U.S. power than his predecessors, contributing to a
2 greater tolerance for risk and a reduction of emphasis on
3 the China-U.S. relations.

4 So I would ask, that is a pretty striking observation.
5 What do you think has led to his diminished view of U.S.
6 power? And what do you think it will take to alter his
7 views?

8 Dr. Green: Xi Jinping is the first Chinese leader
9 since Deng Xiaoping who is not, as the Chinese say,
10 helicoptered, picked up personally by Deng Xiaoping and
11 groomed for leadership. So he is not beholden to the Deng
12 Xiaoping vision of relations with the U.S., which was
13 competitive but one where China dampens down any sense of
14 competition as much as possible in order to focus on
15 economic development, ending the Cold War to balance the
16 Soviet threat to China.

17 He is unconstrained by that, because of his
18 independence from being groomed and brought up by Xiaoping.
19 That is one factor.

20 The other factor is that I think the financial crisis
21 in 2008 and 2009 led a lot of Chinese observers to conclude
22 that America's best days were over, and that there was going
23 to be a pretty fundamental shift. They are probably
24 rethinking that now, but that set this --

25 Senator Manchin: That sets me up for the following

1 question then. Does China's economic slowdown affect its
2 regional military capabilities?

3 And also, should the U.S. rebalance strategies take
4 into account lower Chinese economic growth? Should we be
5 considering what they were thinking of us in 2007, 2008,
6 2009? Should we be thinking that same type of thought
7 process now, since they are having a reversal?

8 Dr. Green: It is an excellent question, Senator. It
9 is an interesting one to contemplate. We should learn from
10 the Chinese mistake underestimating American wherewithal and
11 not assume that the nature of Chinese rule in Asia will
12 dramatically change.

13 Senator Manchin: You believe that they are going to
14 double down, just as Russia might be doubling down, even at
15 the expense of their own people?

16 Dr. Green: I think there is a debate among experts
17 about whether China's increased aggressiveness and their
18 military modernization reflects their economy or reflects a
19 more fundamental definition of interests. I think it is the
20 latter.

21 Even if we are talking about a China growing at 3
22 percent or 4 percent, that is a huge economy. Those are a
23 lot of resources. It absolutely dwarfs anybody in the
24 region, except us and Japan. And it changes the trajectory,
25 but I do not think it minimizes the complication for us in

1 any way that would lead us to change our strategy.

2 We may want to change the way we think about U.S.-China
3 relations in economic terms. But in terms of creating a
4 military presence capability and alliances and partnerships
5 --

6 Senator Manchin: We should be --

7 Dr. Green: We should be doing what we are doing.

8 It could be that you have a more humble China in 5
9 years. It could be. You could also have a China that is
10 more nationalistic and grumpy.

11 But in terms of their capabilities, I do not think the
12 trajectory changes all that much.

13 Senator Manchin: Let me follow up with General Conant.

14 General, your report notes that most military,
15 economic, and diplomatic conditions favor a future Russia
16 strategic alignment with China, but that Russia is
17 ultimately likely to seek a balance between collaborating
18 with and hedging against China.

19 So I would ask, what concrete Russian or Chinese
20 interests stand in the way of a strategic alliance?

21 General Conant: Sir, from my personal experience, I
22 think there is still mistrust between the two powers. But
23 they are working closer together than they have ever worked
24 before. And they are starting to do exchanges.

25 To follow up what Dr. Green, a little bit, thought on

1 this slowdown on the growth of China, we know they had a
2 target at 10 percent, went down to 9.5 percent, went down to
3 9 percent. I was once told that if they could not grow at 9
4 percent, then they thought they would have internal
5 problems.

6 Now they are down to 7 percent, 7.5 percent. But you
7 still see them, even in their maritime and military buildup
8 of what we would call a coast guard, they are building
9 larger ships. They are arming those ships. And they are
10 building fourth-generation fighters. They have a series of
11 five to six new fighters, new ships.

12 So I do not see it slowing down. They may worry about
13 what the people think, but that Politburo of seven people
14 answers to nobody but the party.

15 Senator Manchin: If this alignment would take effect,
16 the alignment between Russia and China would take effect,
17 even though there was distrust there, but let's say that it
18 moves in a different way economically but militarily that
19 they basically start teaming up, if you will, what action
20 should the United States undertake basically in security,
21 economic, or diplomatic realms to affect the likelihood of
22 that?

23 General Conant: Well, I think you have to have a
24 dialogue, first of all, of why that alignment is necessary.

25 Senator Manchin: Following up really quick -- and I

1 know my time is up, Mr. Chairman, if I may. Following up,
2 what type of dialogue do we have basically on the military
3 aspects between Russia and China, between the U.S.? What
4 would you say, how those relationships --

5 General Conant: Well, between Russia and China, we
6 have very little.

7 Senator Manchin: We, the country?

8 General Conant: We. So when I was deputy, to have the
9 Russian engagement, I had to go to Stuttgart, and we were
10 going to have the EUCOM lead to the Russian piece.

11 Senator Manchin: Okay.

12 General Conant: So together, though, we could build
13 that discussion and bring that into the China realm.

14 Senator Manchin: Right now, we have very little
15 interaction.

16 General Conant: I am not current enough to try to make
17 a statement for Admiral Harris, sir.

18 Senator Manchin: Thank you.

19 Thank you, Mr. Chairman.

20 Chairman McCain: Senator Ernst?

21 Senator Ernst: Thank you, Mr. Chair.

22 Thank you, gentlemen, for being here. Dr. Green,
23 General, thank you.

24 I would like to ask you just a couple things about
25 advancing and adapting the U.S. Army's regionally aligned

1 forces concept, particularly as it relates to our Army
2 Reserve and National Guard forces, and if you could talk a
3 little bit about the State Partnership Program and how that
4 could be usefully employed in that region.

5 Iowa is a member of the State Partnership Program. We
6 are partnered with Kosovo through EUCOM. I think there are
7 22 partnerships in EUCOM. There are 22 with SOUTHCOM. But
8 there are only eight with PACOM.

9 So if you could talk through that, how that might be
10 beneficial, employing those forces and developing those
11 partnerships, I would appreciate that.

12 Dr. Green: We think there is an enormous opportunity
13 for the State National Guard components to play in the
14 rebalance. The Army's Pacific Pathways program is quite
15 welcome in the region.

16 The challenge is that most countries in Asia cannot
17 handle a Stryker brigade or the kind of unit that the
18 brigade formations of the big Army is built around.

19 We were also struck, Senator, that only eight of the
20 State partnerships are in the Pacific, which over half of
21 Americans now consistently say in polls that Asia is the
22 most important region to our future. That is not just
23 Hawaii and California. That is the entire Republic.

24 Now the Army tells us they cannot decide who does State
25 partnerships, but it makes sense that National Guard units

1 do more.

2 There is another reason, which is there are some quite
3 close sister city relationships. I think Haiphong in
4 Vietnam, for example, with I think Seattle, if I remember
5 correctly. These cities are doing disaster preparedness
6 exercises, continuity of government.

7 It seems to me there is a logical role for the Guard to
8 play in these exercises, and it is not expensive. It is not
9 a large-scale thing. And it has multiple benefits for us,
10 among them, showing some of these countries that are
11 transitioning toward a more democratic system how civil-
12 military relations in a democracy should work.

13 So I hope, of the recommendations that we looked at,
14 that there is interest in that one, because there is
15 enormous opportunity and real synergies with the region and
16 between the Guard and local and municipal governments.

17 Senator Ernst: General, do you have any thoughts?

18 General Conant: Yes, ma'am.

19 First of all, I think when we did the Tonga State
20 partnership with Admiral Locklear, that was over 1.5 years
21 just to get through the wickets, whatever those wickets are.

22 Senator Ernst: Right.

23 General Conant: I think it is kind of a political
24 football between the Department of State, Army, and Guard.
25 But the benefit to those State partnerships are tremendous,

1 and it gives a cultural awareness for that State
2 partnership, and the training aspect is that even the
3 smaller countries focus on small unit leadership.

4 It does not take a lot to make a big impact. So I am a
5 big proponent of it. When we first looked at it with
6 Admiral Locklear, we found these small numbers not aligned.
7 Europe has been the most beneficiary of that.

8 So we ought to somehow figure out how to bring more
9 into the Pacific at the pace and at the level those
10 countries desire.

11 Senator Ernst: That is fantastic. I am a huge
12 proponent of the State Partnership Program. And we have
13 hosted many Kosovars, young NCOs and officers, with our
14 soldiers in the Iowa Army National Guard. It has been a
15 great benefit to both countries, as well. And sister
16 cities, we also have a sister city program now that came out
17 of State Partnership, because of our great relationship.

18 And I will tell you, Mr. Chairman, just this last
19 Friday, we opened the first consulate in the State of Iowa
20 in Des Moines, Iowa. That consulate is the Republic of
21 Kosovo consulate.

22 So there are many great things happening through the
23 State Partnership Program. I do hope that we are able to
24 project more of those into the Pacific region.

25 So thank you very much, gentlemen.

1 Thank you, Mr. Chair.

2 Chairman McCain: Is this to send ethanol to Kosovo?

3 Pretty much?

4 [Laughter.]

5 Chairman McCain: Senator Kaine?

6 Senator Kaine: Thank you, Mr. Chair.

7 And thanks to the witnesses. I have two lines of
8 questions for you.

9 The first deals with the U.S.-India relationship going
10 forward. Senator King and I visited India in October 2014
11 and had dialogue in a number of areas, but including the
12 mil-to-mil cooperation and opportunities under the
13 government, which is not connected to sort of the
14 nonalignment tradition that had been an Indian tradition.

15 We saw some real opportunities. We visited the
16 shipyard at Mazagon Docks in Mumbai and saw the shipbuilding
17 expertise in India and encouraged them to come visit the
18 United States. There has been a recent delegation of Indian
19 military officials to see our shipbuilding capacity.

20 And we were also told by the Indians that they do more
21 joint military exercises with the United States than with
22 any other Nation.

23 Talk a little bit about that relationship and what you
24 could realistically predict going forward 10 years or
25 beyond, and how that would be helpful in our posture in the

1 region.

2 Dr. Green: I was in the Bush administration, and I had
3 responsibly in the NSC for India, and the bipartisan and
4 continuous support for building this relationship is a very
5 positive thing for our country.

6 As you mentioned, Senator, there is still this
7 nonalignment tradition in the Ministry of External Affairs,
8 but it is not growing. It is receding. Public opinion
9 polls about the U.S. and India are very, very positive. As
10 you said, we do more exercises with India than India does
11 with the whole rest of the world combined.

12 We also sell a lot of stuff. People forget we lost the
13 fighter competition, but we sell a lot of things to India.

14 A 10-year vision, I think, would include regular
15 Malabar exercises that would include the Indian Navy but
16 also Japan, Singapore, Australia, maybe China or others.
17 Depending on the exercise, you can do these in sequence and
18 have different kinds of exercises. We do more of that.

19 In our commercial or defense-industrial relationship, I
20 think there is potential for ASW patrol, maybe even
21 submarines. Ten years from now, I wouldn't erase that. But
22 it is not going to be a U.S. nuclear attack sub. It is
23 going to be some version of a Japanese or Australian sub
24 where maybe we help with the integration of the weapon
25 systems. So there is an industrial part.

1 One of the most difficult parts of the relationship has
2 been the intelligence relationship, which is the lifeblood
3 of any alliance or partnership. And that is moving in a
4 good direction, too.

5 So a sustained by partition commitment to the
6 relationship is good. I would say, of all the aspects of
7 U.S.-India relations, the defense component now is moving
8 forward with the most speed. Nothing is fast in India, but
9 with the most speed, in that context.

10 Senator Kaine: General?

11 General Conant: Yes, sir. I think they are an
12 important strategic ally and partner.

13 We were told to kind of go at them and try to find a
14 better way for cooperation. When I was at PACOM, we were
15 getting there. They like a shared coproduction aspect in
16 anything you want to sell them or produce. I do not think
17 we should be afraid of that.

18 Senator Kaine: Right.

19 General Conant: I think we ought to look at that.

20 And then you get in the acquisition world. That needs
21 a little with reforming.

22 I was just reading today, the CEO of Boeing is out
23 there, posturing maybe a coproduction with the F/A-18E/F.
24 The more we could share in that, the more we could get to
25 that.

1 Now, the multilateral exercises, the only way you will
2 be successful in any multilateral activity is having a very
3 strong bilateral relationship with those multilateral
4 partners. So I used to tell the PACOM staff, make sure we
5 are square U.S. to India before we go U.S. to India to Japan
6 to Australia or anybody else, planning that. And make sure
7 we are answering their concerns and assuaging their fears of
8 how we are going to do the exercise.

9 Senator Kaine: Great.

10 General Conant: So you listen more. So that is a key
11 point.

12 When you say multilateral, as Dr. Green said, there is
13 a steppingstone to that process.

14 Senator Kaine: The second question is, would it be
15 valuable if the Senate ratified the Law of the Sea
16 Convention, again, in terms of our posture in the region?

17 Dr. Green: It would, on balance. And many of our
18 allies and partners -- our closest allies and partners in
19 the region are asking us to ratify.

20 In my own personal view, though, the fact that we have
21 not ratified UNCLOS is often exaggerated as an obstacle to
22 progress on these disputes in the South China Sea and so
23 forth. We, the United States Government, the Navy,
24 basically abide by the convention based on previous
25 conventions and our practice and doctrine and policies.

1 And the real problem, ultimately, is not that we have
2 not ratified it. The real problem is that China, which says
3 that it has, defines it in a way that is completely alien to
4 the spirit of the convention and the understanding of all
5 the other parties. I am not sure our ratifying --

6 Senator Kaine: Do we have standing to critique them on
7 that, if we have not ratified?

8 Dr. Green: It gives them a talking point to throwback
9 at us.

10 Senator Kaine: Yes.

11 Dr. Green: Would ratifying change China's
12 interpretation of UNCLOS? I am doubtful. But it would give
13 us some more purchase. It would align us more with other
14 allies and partners in the region who have ratified.

15 Senator Kaine: Great. My time has expired.

16 Thanks, Mr. Chair.

17 And thank you.

18 Chairman McCain: Senator Sullivan?

19 Senator Sullivan: Thank you, Mr. Chairman.

20 General, Dr. Green, good to see you. I want to thank
21 you for your great work that you have been doing, not only
22 on this report, but for years. It is very much appreciated.

23 One of the things about the Asia-Pacific -- you
24 mentioned it, Senator Hirono, earlier -- a lot of us are,
25 certainly, interested in it. My State is an Asia-Pacific

1 State.

2 And I think it is an opportunity, a rare one, to be
3 honest, where you have the legislative branch supporting the
4 executive branch on a major foreign policy strategy, the so-
5 called pivot or rebalance to the Asia-Pacific. I think you
6 see a lot of support in this committee for that.

7 However, your report kind of makes it a little bit
8 clear that that is not necessarily the most cogent strategy.
9 How would you describe that strategy right now in one word?

10 Dr. Green: The rebalance strategy?

11 Senator Sullivan: Yes.

12 Dr. Green: Well, if I were given one word, it would be
13 "rebalance." That sounds like a copout.

14 Senator Sullivan: It is.

15 Dr. Green: Part of the problem with this articulation
16 of the strategy is that rebalancing is a process. It is a
17 ways, not an end. And I think what we have lacked in the
18 articulation of the strategy is an articulation of the Asia-
19 Pacific and the kinds of relationships that we are aiming
20 for and what we will and will not tolerate.

21 Senator Sullivan: How would you improve it, in
22 particular, not just the strategy? Your report stated that
23 the Obama administration has not articulated a clear,
24 coherent, or consistent strategy for the region. So not
25 just the strategy, but the FONOP issue, which I think many

1 of us, again, bipartisan, are very interested in. We have
2 encouraged the administration to get behind those as a
3 regular occurrence, routine missions and operations with our
4 allies, if possible.

5 But in my discussions with some of our allies, there
6 seems to be enormous confusion even on the articulation of
7 what we are trying to do with those. How would you help
8 improve that?

9 Dr. Green: So we mentioned this in the report,
10 Senator. The speeches by the senior-most officials in the
11 administration articulate our priorities for the region
12 differently every time. I think the Secretary of Defense
13 and his predecessors have had the most consistent
14 articulation. But there is not the kind of consistent
15 explanation of our priorities that we need or that you had
16 in previous administrations articulating our strategy
17 towards the region.

18 I mentioned this earlier, but we have, at the senior-
19 most levels, embraced a vision that Xi Jinping put forward
20 for a new model of great power relations, which is a great
21 power of Russia, China, and the U.S. And our allies were
22 unhappy, understandably.

23 So how we have articulated this at the senior most
24 levels, in terms of how we see the order and future of the
25 region, keeps shifting. That is one problem.

1 Also, I think, in the FONOPS, we do not have a story.
2 I mean, the Australians, the Japanese, the Philippines, all
3 our treaty allies wanted us to do freedom of navigation
4 operations after this alarming Chinese reclamation and
5 building of military spec airfields across the South China
6 Sea. The first was near Subi island. It was at low-tide
7 elevation. We did it as an innocent passage, because it was
8 also within 12 nautical miles of island features. So that
9 was confusing.

10 The most recent one was more consistent, but
11 ultimately, as the chairman articulated at the beginning of
12 the hearing, ultimately, we need to demonstrate that we do
13 not accept these new artificial island outposts as having
14 any legitimacy in terms of territorial waters. And we need
15 to do it consistently, and we need to make it appear we are
16 not doing it reluctantly, because the first FONOP came after
17 sort of Macbeth-like "to do or not to do" drama in the
18 press.

19 So we need to show how we view the region, why our
20 values and allies are at the center of it; and second, that
21 when order, freedom of navigation challenge are challenged,
22 we don't break a sweat.

23 Senator Sullivan: I am going to ask one final quick
24 question.

25 I appreciate that you have focused a lot in this report

1 on the Arctic and the interests of different countries in
2 the Arctic. And at the same time, we have done a lot on
3 this committee, and there is a lot of interest from a lot of
4 different Senators on the issues of the Arctic. We required
5 DOD to have a plan for the Arctic in the NDAA.

6 At the same time, as the President talked about
7 strengthening our presence in the Asia-Pacific, they are
8 looking at dramatically cutting our military forces,
9 particularly our only airborne brigade combat team in the
10 Arctic, in the entire Asia-Pacific.

11 Do you think that our potential adversaries, whether it
12 is the Koreans, whether it is the Russians, view that kind
13 of cutback in a way that undermines the credibility of our
14 focus on the rebalance, and also on our focus, late to the
15 game, of course, on the Arctic where the Russians, as you
16 mentioned in the report, are dramatically increasing their
17 presence? And that is for both of you.

18 General?

19 Dr. Green: If I may start, General.

20 When the President announced the rebalance in Australia
21 in November 2011, it was well-received in the region. We
22 have done polling where over 80 percent outside of China,
23 over 80 percent of elites, welcome or would welcome a U.S.
24 rebalance. There are questions about implementation, but
25 the idea we are going to do this is important to them.

1 In that speech in Australia, the President said that
2 defense cuts will not, and he said, I repeat, will not, come
3 at the expense of the Asia-Pacific region.

4 So, technically, is the 4/25 part of PACOM? It is a
5 little gray.

6 Senator Sullivan: It is.

7 Dr. Green: Will our allies see it as such? Yes.

8 So this would be the first cut in the Pacific since the
9 announcement of the rebalance.

10 You mentioned the Arctic. There are growing
11 uncertainties about the future of, frankly, not only the
12 legal status and the exploitation of the Arctic but the
13 security environment.

14 So I saw that General Millie, in response to your
15 question in his hearing, said he would need to look at
16 operational requirements before force cuts. As we said in
17 our report, that strikes us as the right sequence.

18 Senator Sullivan: General?

19 General Conant: I am more simple. The Army said they
20 regionally aligned with the forces out of I Corps, that unit
21 that comes out of I Corps, which means you have less
22 capacity and capability for the Pacific.

23 The airborne aspect of it, I have been up there in your
24 State and visited them. It is very impressive.

25 I am not one for giving it away because you just do not

1 know when you might need it. I understand there might be a
2 cost factor. But again, I go to that regional alignment
3 that Army has dictated to the rebalance, and that is the I
4 Corps and 4/25th being part of that.

5 I understand that we have gone the way with NORTHCOM,
6 who owns Alaska and all that. But it is really the force
7 should not be drawn down, because it is just paying another
8 bill somewhere else. I would be interested in where that
9 bill is being paid. Thank you.

10 Senator Sullivan: Thank you.

11 Thank you, Mr. Chairman.

12 Chairman McCain: Senator Blumenthal?

13 Senator Blumenthal: Thanks, Mr. Chairman. Thank you
14 for holding this hearing, another very valuable session in
15 the development of strategic concepts and initiatives.

16 And I want to thank both of you for being here and for
17 your very, very important insights and information.

18 I want to come back to undersea warfare that was raised
19 by Senator Reed, because it is identified in the report as
20 the area of our greatest asymmetric advantage right now, but
21 only if we continue to invest in it. We have a
22 technological edge, but the Chinese and Russians and others
23 are seeking to catch us.

24 So my question, Dr. Green, is, how should we target
25 that investment to make sure we preserve and even enhance

1 that advantage undersea?

2 Dr. Green: Some of this, Senator, is in the classified
3 report we provided. And I am certain that our colleagues
4 would be happy to come and brief you on some of the specific
5 ideas.

6 Senator Blumenthal: I would welcome that.

7 Dr. Green: One area we emphasized in the unclassified
8 report is deployment forward.

9 Senator Blumenthal: Deployment of another six?

10 Dr. Green: Yes. To us, it makes sense to put more Los
11 Angeles class in Guam and eventually Virginia class --

12 Senator Blumenthal: But you also identified as
13 critical the Ohio replacement program.

14 Dr. Green: Right.

15 Senator Blumenthal: And that will take a major
16 investment. So my question is, in targeting resources, how
17 would you suggest that we preserve that as a priority of the
18 Navy?

19 Dr. Green: Well, as General Conant said earlier, of
20 the different assets we want forward deployed to have a
21 credible deterrent, submarines are at the top of the list.
22 I would say followed closely by amphibious capabilities for
23 the Marines.

24 But I should let General Conant answer.

25 General Conant: Senator, as I said before, it is such

1 a valuable strategic asset that it does so many different
2 missions. And I am talking subs, and we are looking at
3 unmanned systems that go along with subs.

4 Nobody is going to match that. Nobody can match our
5 submarine crews. Nobody can match our ability to go on
6 patrol and do what needs to be done in those special
7 collection missions and other things they do anywhere else
8 in the world.

9 And it is something we should not back away from. And
10 I think it is something we will have as a superior
11 capability for some time to come.

12 So I would be, again, really looking hard at how we do
13 that investment.

14 There is a part of the nuclear piece you need to look
15 at, that is part of the triad that needs to be replaced.
16 And that is another deterrence value that sends a strong
17 message, sir.

18 Senator Blumenthal: The amount of the investment in
19 the Ohio replacement is so large, \$100 billion, shouldn't
20 the financing, the funding for it, come from the DOD as a
21 whole, not limited to the Navy budget?

22 General Conant: Being a former programmer in the
23 Marine Corps, I used to hear those conversations about HMX
24 and other things that people said they cannot afford to
25 fund. At the end of the day, the Navy has that, I think,

1 responsibility. Whether they get a bigger share of the pie
2 than others, I am all for that.

3 But I do not know who else -- I mean, I do not know how you
4 do that, other than creating a firestorm for the Pentagon
5 comptroller, which he can handle.

6 Senator Blumenthal: To shift to the unmanned undersea
7 vehicles, is our investment sufficient now?

8 General Conant: From what I have looked at, I think
9 you are doing well. I think you can do little bit more. As
10 you look at maybe doing some aspect of unmanned systems that
11 have other things in them that pop up, and all of a sudden
12 in a battle space can contribute to that knowledge and to
13 that ability to control it. It is a little bit classified,
14 but again, it is talking in generalities here.

15 I think the Navy is doing a very, very good job at
16 looking at that. I was briefed on that right before I left
17 PACOM. So, again, I would watch it with a close eye. It
18 may become a bill payer as other things come due.

19 Senator Blumenthal: I just want to finish, in the
20 seconds I have left, to ask you about institutionalizing a
21 culture of experimentation, which I view as a very promising
22 vision, the idea of the red and green teams, and awarding
23 citations, and so forth.

24 Has that been proposed before? And has it ever been
25 implemented in the Department of Defense or intelligence

1 community?

2 General Conant: Yes, we have used that numerous times
3 as we looked at different plans. But my experience with
4 General Krulak, back during his commandant days when he said
5 we do not have any money but we have our brains. So you can
6 apply a very small investment into this red team, blue team,
7 gold team, white team, whatever you want to call it, and
8 apply the intellectual rigor against how we should be doing
9 things different. That was when I talked about these new
10 conceptual pieces that we are going to have to think about.

11 Senator Blumenthal: And that is one of the
12 recommendations of the report?

13 General Conant: Yes.

14 Senator Blumenthal: Thank you, Mr. Chairman.

15 General Conant: And you see that being done up in the
16 Naval War College and the Air War College and Marine War
17 College. They are starting to look at these new concepts.

18 But you ought to get the service labs really involved
19 in what is the art of the possibility, because sometimes you
20 are just going to study something you are not going to gain
21 for 20 years, and you do not have the time to invest in it.

22 Senator Blumenthal: Thanks very much.

23 Chairman McCain: Senator King?

24 Senator King: Two areas that I would like to talk
25 about, North Korea nuclear policy and also the area of most

1 immediate potential conflict with China, which is the South
2 China Sea.

3 Shouldn't we change the name of the South China Sea?

4 It is not anywhere near China.

5 I do not understand how they claim the Spratly Islands,
6 which is about the same distance from China as Venezuela is
7 from us. How are we going to deal with this incredibly
8 expansive claim, which does not necessarily affect us but
9 all those other regional -- Vietnam, Malaysia, although
10 other regional countries that are encompassed in this? It
11 just seems that this is fraught with risk.

12 What is the thinking of the group on what we should do
13 to deal with this issue?

14 General Conant, do you want to take a pass at that?

15 General Conant: Sure. First of all, I do not think we
16 let them define the problem set, them being China. So the
17 nine-dash line came out, spent a couple years trying to
18 figure out what it was all about, and it comes from a
19 historical document. And so, therefore, they think they
20 have a claim.

21 It kind of goes back to Senator Kaine's question on
22 UNCLOS. If you are not there at the table and you do not
23 have your best lawyers engaging in the law of warfare, the
24 lawfare that they use against us, that they think against us
25 in a strategic context, then you are not going to get there.

1 I wouldn't rename anything.

2 Senator King: I was being facetious.

3 General Conant: I know, sir. But historical norms, I
4 think it is worth the engagement. But again, they will say
5 the relevancy is, are you a treaty signator or not? But I
6 think that is worthy of it.

7 But they are out and about, and they are reclaiming
8 rocks, submerged assets, submerged --

9 Senator King: Well, they are reclaiming, but they are
10 also rebuilding airstrips on them and reconstructing.

11 General Conant: They are.

12 Senator King: I agree with you on the Law of the Sea
13 Treaty. We are on the sideline, and I think we are
14 undercutting our own national interests by not being at the
15 table.

16 We recently did a kind of sail-by to establish
17 international waters. What should be our actions? What
18 should we do to assist in trying to move toward a resolution
19 of what I see as a long-term potential problem?

20 Dr. Green: Senator, as a spinoff of this report, which
21 was commissioned by your committee, we at CSIS have done a
22 separate project, we would be happy to brief you or your
23 staff on, on exactly that question. What would a counter-
24 coercion strategy look like, to increase the cost to China
25 and slow them down, frankly, try to get some stability in

1 the region?

2 Senator King: Are the neighbors down there concerned
3 about this?

4 Dr. Green: Absolutely. Every single one of them now.
5 It used to be just the Philippines or Vietnam. But now,
6 across all the members of the Association of Southeast Asian
7 nations, ASEAN, there is concern.

8 One thing we do have to do is recognize this is not
9 just a manifestation of Chinese nationalism, that there are
10 geopolitical and military operational implications.

11 When we had the Taiwan Straits crisis with China in
12 1995, 1996, that southern flank, that South China Sea, we
13 could have entered with impunity. If we have another crisis
14 with China in the first island chain with these airfields,
15 they may be easy targets when the shooting starts, but
16 before that point, with these airfoils, we will have to or
17 our allies will have to stretch our attention and our forces
18 to deal with that flank so that it is not a bastion for us,
19 in effect, to be outflanked.

20 Senator King: I would appreciate a briefing on that,
21 on your report on that particular issue.

22 The second question, very briefly, how does North
23 Korea's recent actions with regard to missiles and nuclear
24 tests change that calculus in terms of our deterrent, our
25 commitment to our allies in the region? My concern is that

1 if our allies lose confidence in our deterrent, they are
2 going to develop their own capability, and then we are
3 moving away from nonproliferation.

4 General?

5 General Conant: Yes, sir. I think that is a spot-on
6 assessment. We have heard forever that China can influence
7 North Korea to some factor.

8 Senator King: I wish they would do it.

9 General Conant: I am here to tell you, in personal
10 conversations and other times, I just do not see that
11 happening. So the worst thing that could happen, if Kim
12 Jong-un decides to not only nuclearize but miniaturize a
13 delivery vehicle, put it on a three-stage Taepodong, then
14 you have an existential threat that we have not thought
15 about before.

16 It is in our interests to ensure that that never
17 happens or that does not happen.

18 To think that we can count on China helping us with
19 that, I am not sure history has shown us that is going to
20 happen.

21 Senator King: Thank you. I would like to pursue that
22 issue, too, offline.

23 Thank you very much, gentlemen, for your testimony.

24 Thank you, Mr. Chairman.

25 Chairman McCain: Senator Nelson?

1 Senator Nelson: Thank you, Mr. Chairman.

2 To what degree do you think the successful passage of
3 the Pacific trade agreement is important to our defense
4 policy in the Pacific region?

5 Dr. Green: It is very important. Passage of TPP would
6 indicate -- I mean, there are economic advantages. But in
7 addition to those, the passage of TPP, in short, indicates
8 American competence and willpower.

9 From an Asian perspective, TPP looks so obviously in
10 American interests economically and strategically, it would
11 be very difficult to explain why we could not pass it. And
12 it would raise questions, and I hear these in the region.
13 And I apologize if I am being too blunt, but it would great
14 questions about our willpower to lead in that region and our
15 competence in assembling tools that the region wants to help
16 us assemble to lead.

17 So it is not just about economics, Senator. I think it
18 gets to the heart of what is ultimately the most important
19 thing to this region. They care about how many subs we
20 have. They care about how many Marines we have. But they
21 care, above all, about our willpower and our competence to
22 lead.

23 Senator Nelson: General?

24 General Conant: Yes, sir. I think it is extremely
25 important because it is another factor of U.S. strategic

1 vision on what should happen out in that region.

2 The factor that you have such people as Vietnam and
3 Cambodia wanting it to happen for the benefit to themselves
4 is tremendous.

5 Again, it is a shared awareness that you are going to
6 have over 40 percent GDP production out of that part of the
7 world. And not to have some kind of trade agreement or
8 partnership with them would seem to be not in the best
9 strategic vision sense for this Nation.

10 But a lot of capability out there that goes both ways.

11 Senator Nelson: And does it get us in the economic
12 door before China with those countries?

13 Dr. Green: Senator, it does, in many cases.

14 For example, there are estimates that \$100 million a
15 year of trade with the U.S. would shift from China to
16 Vietnam because Vietnam is in TPP, and Vietnam would be
17 accepting the rules, not just the tariff, but the behind the
18 border rules.

19 TPP is important for another reason, which is, it is
20 sparking a debate in China about whether they can afford to
21 be outside of the emerging rules in the Asia-Pacific region.
22 So the complexity of the strategy we describe in our report
23 is, we are trying to deter China, we are trying to shape
24 China's behavior, but we do not want to make China an enemy.
25 TPP is one of the tools that allows us to force people in

1 Beijing to think about the advantages of being in a rules-
2 based system and the cost of being out. They can do the
3 math and figure that out.

4 Over the past few years, once Japan committed to TPP,
5 the debate in Beijing changed. Instead of talking about
6 this as containment of China, they talked about it as the
7 external pressure they need to reform their economy.

8 So it has a multiplier effect for us that goes beyond
9 the job creation, recognizing, of course, that trade is
10 hard, because there are winners and losers in these
11 agreements.

12 Senator Nelson: If I am correct, the sand spits that
13 they are now turning into runways are between Vietnam and
14 the Philippines. If that is the case, and if you were the
15 commander in chief, what would you do and how close would
16 you run our naval vessels? And beyond that, as a show of
17 force, what would you do to deter this Chinese strategy?

18 General Conant: Good question. A difficult question,
19 first of all. But I will not speak for anybody but myself.

20 I think, in that aspect, you need an engagement process
21 that shows those transits of ships, the overflight of
22 airplanes. You are going to have your reconnaissance
23 missions out there trying to see what they are doing and
24 what they are not doing.

25 I think that process alone sends a strong message. But

1 every time we do that, there is a process it has to go
2 through to approve those missions, and it is very complex,
3 convoluted. And sometimes it takes days, weeks, to get that
4 approval. Sometimes they are turned off at the last minute.

5 So if you want true freedom of navigation through the
6 air and through the sea, then we should be trying to empower
7 those commanders on a reasonable basis in consultation with
8 the administration on when we run them and how we should run
9 them.

10 We know how to do this, sir. We have done it before.
11 And it should not threaten anybody.

12 But the fact that China is squawking so hard about it
13 is probably something that we ought to pay attention to. It
14 may be a deterrence factor in the end.

15 And also allies and partners, we have five allies. We
16 have very many partners out there, and the partners are as
17 important as allies.

18 Dr. Green: If I may, Senator?

19 I agree completely with General Conant's
20 recommendations.

21 First and foremost, we need to do more of these freedom
22 of navigation operations, and we probably need to do one
23 near Mischief Reef or one of these undersea features, to
24 demonstrate that we and our allies will welcome it, and our
25 partners do not accept China's claim that this is an island

1 with territorial rights.

2 On a broader strategic scale, I think the assumption in
3 Beijing is that time is on their side and that our bilateral
4 alliances in Asia will gradually wither as China becomes
5 more important economically. If China sees that its actions
6 are not only strengthening our alliances, but causing more
7 cooperation and networking across alliances -- the U.S.,
8 Australia, Japan, India, support for the Philippines -- that
9 is not built into their assumptions about China's longer
10 term interests in Asia.

11 I think that is how you cause second thought in
12 Beijing. If they start creating the antibodies in the
13 system to come together because of what they are doing, they
14 will have to rethink their assumptions about China's future
15 strategic interests and position in the Asia-Pacific region.

16 Chairman McCain: Well, I want to thank the witnesses.
17 Amongst the many recommendations I am interested in is one
18 of your recommendations about encouraging Japan to establish
19 a joint operations command. Thinking outside of the box,
20 now that there seems to have been a reconciliation between
21 Japan and South Korea, you might even think about expanding
22 that as well.

23 I think one of the least noticed, but more important
24 events of recent years is finally resolving the comfort
25 women issue, so that we could have arguably the two

1 strongest nations in the Pacific region with us in a much
2 more coordinated fashion.

3 And I think the witnesses would agree that things are
4 not going to get quieter in the Pacific region, in the near
5 future anyway. So I thank you all.

6 Senator Reed do you have anything?

7 Senator Reed: No, sir. Thank you very much.

8 Chairman McCain: Thank you very much. The hearing is
9 adjourned.

10 [The information referred to follows:]

11 [COMMITTEE INSERT]

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 [Whereupon, at 11:04 a.m., the hearing was adjourned.]
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25