

**HEARING TO RECEIVE TESTIMONY ON U.S.
SOUTHERN COMMAND AND U.S. NORTHERN
COMMAND IN REVIEW OF THE DEFENSE
AUTHORIZATION REQUEST FOR FISCAL
YEAR 2013 AND THE FUTURE YEARS DE-
FENSE PROGRAM**

TUESDAY, MARCH 13, 2012

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

The committee met, pursuant to notice, at 9:32 a.m. in room SD-G50, Dirksen Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Lieberman, Reed, Webb, Udall, Hagan, Begich, Blumenthal, McCain, Chambliss, Brown, and Ayotte.

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

Majority staff members present: Richard W. Fieldhouse, professional staff member; Jessica L. Kingston, research assistant; and Michael J. Kuiken, professional staff member.

Minority staff members present: Ann E. Sauer, minority staff director; Adam J. Barker, professional staff member; Christian D. Brose, professional staff member; and Daniel A. Lerner, professional staff member.

Staff assistants present: Kathleen A. Kulenkampff; Bradley S. Watson; and Maggie K. McNamara.

Committee members' assistants present: Bryon Manna, assistant to Senator Lieberman; Carolyn Chuhta, assistant to Senator Reed; Gordon Peterson, assistant to Senator Webb; Casey Howard, assistant to Senator Udall; Lindsay Kavanaugh, assistant to Senator Begich; Clyde Taylor IV, assistant to Senator Chambliss; Charles Prosch, assistant to Senator Brown; Brad Bowman, assistant to Senator Ayotte; Sergio Sarkany, assistant to Senator Graham; and Joshua Hodges, assistant to Senator Vitter.

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good morning, everybody. The committee meets this morning to hear from two distinguished military leaders to discuss security in our hemisphere: General Doug Fraser, the Commander, U.S. Southern Command; and General Charles Jacoby, Jr., the Commander of U.S. Northern Command and Com-

mander of the North American Aerospace Defense Command, or NORAD.

This is General Jacoby's first appearance before the committee as commander and we look forward to working with you, General, in your new position.

General Fraser, this is likely to be your last posture hearing before the committee and we've greatly appreciated your testimony and advice over the past 3 years. Our Nation appreciates your 37-plus years of service in the U.S. Air Force. I understand that you and your wife Rena are planning to enjoy some much-deserved down time after your change of command and we truly wish you all the best.

In addition to thanking each of you for your long and distinguished service to our Nation, we would also ask that you express our heartfelt gratitude to the men and women who serve with you for their exceptional service and for their many contributions to our security. We offer our thanks to your families and the families of all your personnel since they share in the sacrifices of their service and because their support is so important to the success of your missions and thus to our Nation's security.

U.S. Northern Command, which was established after the terrorist attacks of September 11, is responsible for the defense of the homeland and for providing defense support to civil authorities in response to domestic natural or manmade disasters here at home. Its area of responsibility also includes all of North America, including Canada and Mexico. General Jacoby also serves as Commander of NORAD, the binational command with Canada that has the mission to provide aerospace warning, aerospace control, and maritime warning for North America. We'd be most interested to learn, General, about how NORTHCOM and NORAD might contribute to the emerging domain of cyber security in the Homeland.

As part of the mission of providing defense support to civil authorities Northern Command must work closely and cooperatively with other Federal agencies, particularly the Department of Homeland Security, and with all the States on plans and coordination for the emergency response to domestic disasters. This requires close coordination with the State Governors and the National Guard forces to improve their combined Federal and State response capabilities to a wide variety of emergencies.

We made significant progress on this front last year with several initiatives, including the new dual-status command capability, which is intended to allow State and Federal military forces to work together to support a governor's needs for disaster assistance. As part of this effort, Congress authorized legislation to permit the callup of Federal military Reserve Forces to support Governors responding to a natural disaster. We would be interested to hear General Jacoby's views on how these new initiatives are working and how they will work.

As part of its homeland defense mission, Northern Command is also the combatant command responsible for the operation of the ground-based midcourse defense system, the GMD, to defend the United States against the threat of a potential future ballistic missile attack from nations such as Iran and North Korea. The last two flight tests of the GMD system using the latest model of the

Exoatmospheric Kill Vehicle resulted in failures. The Missile Defense Agency is taking steps to ensure that the new kill vehicles work reliably and effectively before we produce more, including adequate testing and system enhancements, as this committee recommended in last year's bill.

The Defense Department also is pursuing improvements to the reliability of the GDM system that will allow the use of fewer interceptors to defeat future intercontinental ballistic missiles, thus effectively increasing our inventory of interceptors over time. In addition, as part of phase 4 of the European Adaptive Approach to missile defense, the Department is developing the Standard Missile 3 Block 2B, the Standard Missile 3 Block 2B, to defend against potential long-range Iranian missiles that could reach out homeland. This would augment our GMD system and we look forward to hearing General Jacoby's views on these and related programs.

Turning to the southern part of our hemisphere, in July 2011, the President released his strategy to combat transnational organized crime. This strategy is the first of its kind, but the threat posed by transnational criminal organizations is not new to either of our witnesses. Today we hope our witnesses will provide their assessment of the threat posed by these transnational criminal organizations and help the committee understand their respective commands' role in addressing this threat.

NORTHCOM and SOUTHCOM are the primary entities through which the Department of Defense engages in the Western Hemisphere. The ability of transnational criminal organizations to outgun civilian law enforcement and to buy influence has meant that militaries have been asked to take on internal security responsibilities throughout the region. This expanded role for our neighbors' militaries provides opportunities for our military to improve its advise and assist activities and to enhance our military-to-military relations.

The committee looks forward to learning of your continued engagement in the hemisphere and the opportunities it presents for our commands, including on matters such as respect for civilian control of the military and respect for human rights. Given the horrific level of violence in Mexico, especially related to drug trafficking and the flow of money and guns from our country into Mexico, we want to hear General Jacoby's assessment of the current security situation along and below our border and the cooperation between our two militaries to help defeat the transnational criminal organizations.

The SOUTHCOM area of responsibility includes the Caribbean and Central and South America. General Fraser, as we discussed last week, while there is no traditional military threat emanating from the region, SOUTHCOM is contending with an increasingly powerful and capable threat in the form of transnational organized crime. These criminal organizations have grown to the point where they are a real threat to national and international security. The committee is deeply concerned about this matter and is prepared to consider ways to enable the Defense Department to provide its unique capabilities to American law enforcement, as well as foreign law enforcement and militaries where appropriate, to ensure that these organizations are brought to justice.

Efforts to combat transnational criminal organizations and other armed groups in the region have seen some success. Over the past two decades, the United States has invested heavily in building the capacity of the Colombian military and police and the results of this investment are becoming increasingly clear. The Colombian Government is now in control of the vast majority of the country and the FARC are largely on the run and operationally limited to fleeting attacks against government installations in remote parts of the country.

In Central America, the impact of transnational organized crime is most acute. The efforts of SOUTHCOM to detect and monitor aerial and maritime trafficking in the eastern Pacific and the Caribbean have driven these criminal organizations to more complex methods of trafficking their drugs, money, and weapons, including semi and fully submersible vessels.

Transnational criminal organizations have also begun to take advantage of nations that either lack the capacity and-or the will to confront their trafficking. These complex criminal networks require SOUTHCOM to continue to adapt and expand its activities with willing partners to confront the threat.

Further south, General Fraser, a different picture emerges. Brazil, Argentina, and Chile are developed nations with capable militaries that help improve international security by contributing to various multilateral operations around the globe. These contributions are important and they should not go unnoticed.

In Venezuela, the United States is confronted by a government and a military that is a purveyor of instability. President Chavez and his followers sow instability through their support to transnational criminal organizations which traffick drugs, money, and weapons through the region. We look forward to your testimony on that matter as well, General Fraser.

So, General Fraser, General Jacoby, I have just touched the surface of the issues that face you in your commands. We look forward to hearing your testimony and to continuing to do everything we can to help SOUTHCOM and NORTHCOM accomplish their security objectives. We thank you both again for appearing before the committee and for your service to our Nation.

Senator McCain.

STATEMENT OF SENATOR JOHN McCAIN

Senator McCAIN. Well, thank you, Mr. Chairman. I join you in welcoming our witnesses today and thanking them for their many years of distinguished service to our Nation. I also want to extend my appreciation to the dedicated men and women serving under their commands.

I especially want to recognize General Fraser as this will be his final time testifying before this committee in uniform. I imagine he'll be celebrating this occasion later today.

What is clear from the testimony this committee has received over the last several weeks from our various regional combatant commanders is that the threats confronting our Nation, our interests, and our ideals are not diminishing. Rather, they are increasing in scope and complexity. As a result, the work of our armed forces remains vitally important to our national security.

As the prepared testimony from our witnesses today illustrates, this is particularly true of the situation in our own hemisphere. The horrific violence attributed to transnational criminal organizations and cartels continues to threaten the United States and erode governance and security across the region. These organizations exploit weak security forces, bribe corruption government officials, and transit easily across undergoverned territory and porous borders. Their distribution networks have grown in scale and sophistication and we have seen a diversification in what is being trafficked, which now includes not just drugs, but also human beings, bulk cash, and military-grade weapons.

These groups maintain enormous cash Reserves and in many cases are better equipped and more capable of the government forces who are trying to stop them. Of particular concern is the deteriorating situation in Central America. As General Fraser notes in his testimony, "Central America has become the key transshipment zone for illicit trafficking in the hemisphere." Approximately 90 percent of cocaine destined for the United States transits the sub-region. As a result, violence has risen to alarming levels. Last year, the city of San Pedro Sula in Honduras overtook Ciudad Juarez in Mexico as the most dangerous city in the world.

The reach of these criminal organizations extends from South and Central America directly into North America, including the U.S. Homeland. In Mexico we have witnessed an escalation of the violence that continues to terrorize its citizens. President Calderon and his administration have demonstrated courageous leadership in their country's fight against drug cartels and criminal gangs. But this fight has come at great cost. Since 2006, nearly 50,000 Mexicans have been killed as a result of drug-related violence, including 13,000 last year alone. Such tragic figures serve as a stark reminder of the threat that these groups pose and underscore the need for continued U.S. support to our partners in Mexico.

The threat from these groups does not end at the border, however. According to the 2011 national drug threat assessment released by the Justice Department, the cartels now maintain a presence in over 1,000 U.S. cities.

General Jacoby, I look forward to your assessment on the reach of these networks, what Northern Command is doing to assist its U.S. law enforcement counterparts in combatting them, and what can be done to improve and expand this partnership.

General Jacoby, as Commander of Northern Command you're tasked with one of our government's most fundamental responsibilities, the defense of the homeland. What this committee has learned over the last several weeks of testimony is that the world is complex and dangerous. This places significant responsibility on you and Northern Command to properly posture itself to defend against and respond to the myriad threats that confront us. I'm interested in your assessment of what the greatest threats to the homeland are and what is being done by your command in coordination with the inter-agency to address them.

Again I thank you both for appearing before this committee today and I look forward to your testimony.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator McCain.

General Fraser.

**STATEMENT OF GEN. DOUGLAS M. FRASER, USAF,
COMMANDER, U.S. SOUTHERN COMMAND**

General FRASER. Mr. Chairman, Senator McCain, distinguished members of the committee: Thank you for the opportunity to appear before you this morning and thank you for the kind words, not only for me but, more importantly, for the men and women who serve in the United States Southern Command. It really is my distinguished honor to represent them here today.

I'm extremely pleased also this morning to be—to join my good friend and close partner Chuck Jacoby as we have a very clear and close partnership between U.S. Northern Command and U.S. Southern Command as we work the topics and the criminal organizations transiting through our two regions. Our routine cooperation and collaboration means that the relationships between our staffs grow closer every day.

With the continued support of Congress and the members of this committee, U.S. Southern Command will continue defending the southern approaches to the United States, enhancing regional security, and building enduring partnerships.

Mr. Chairman, I have prepared a full statement and respectfully request that it be entered into the record.

Chairman LEVIN. It will be made part of the record.

General FRASER. Chairman, I want to briefly discuss two topics with you this morning, and both you and Senator McCain briefly talked about them. That's countering transnational organized crime. My other topic is building enduring partnerships.

As I have discussed with you in previous testimony, as you mentioned this morning, U.S. Southern Command has increasingly focused on a concern that permeates the region—transnational organized crime. As Vice President Biden discussed during his visit to Mexico and Honduras last week, transnational organized crime is seriously impacting citizen safety in Central America, especially Guatemala, El Salvador, and Honduras. Transnational organized criminal organizations threaten to overwhelm law enforcement capacities and, in an effort to reduce violence and halt the spread of these criminal groups, these countries have deployed their militaries in support of law enforcement organizations.

To address this growing threat, last year the President implemented a strategy to combat transnational organized crime. In support of this strategy, U.S. Southern Command developed and implemented Operation Martillo, a focused plan to eliminate illicit maritime traffic in the departure zones of South America and the arrival zones in Central America. In Central America, we help train our partner militaries to effectively support their law enforcement organizations. U.S. Southern Command supports U.S. interagency and international efforts by providing network analysis of transnational criminal organizations and their operations.

In the Caribbean, under the Caribbean Basin Security Initiative we are developing a regional maritime interdiction plan to enhance the capabilities of our Caribbean partners. And in South America, we will sustain our support to Colombia and to Peru as they fight narcoterrorist groups in these countries.

Success in combatting transnational organized crime will be enhanced by fostering enduring partnerships with international and interagency organizations. That's my second topic this morning. U.S. Southern Command is working to build such partnerships by enhancing cooperation and promoting information-sharing with regional and inter-agency organizations. In addition, we are strengthening our partnerships through traditional military engagement programs and activities with our counterparts across Latin America. We work with them to strengthen humanitarian assistance and disaster relief capacities and we remain ready to respond should our assistance be requested.

Last year we conducted hundreds of training and educational events, 12 major multinational exercises with partner nations in the hemisphere, and 56 medical readiness training exercises in 13 different countries. This sustained engagement is yielding important benefits. Last year, for the first time Colombia assumed the land component commander role during Panamax, our annual multinational exercise focused on supporting the defense of the Panama Canal. This year Brazil will also join Colombia and they will assume the role as the maritime component commander, an important step in strengthening and expanding our partnerships throughout the hemisphere.

In closing, Mr. Chairman, I'd like to thank the Congress for your years of support to Colombia. As you mentioned, I ask for your continued support to help them achieve a lasting peace.

Finally, I want to thank you for your unwavering support to the men and women of the United States Southern Command, who work diligently every day to ensure our security. I look forward to our discussion, Mr. Chairman.

[The prepared statement of General Fraser follows:]

Chairman LEVIN. Thank you very much, General Fraser.
General Jacoby.

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

General JACOBY. Chairman Levin, Senator McCain, members of the committee: Thank you for the opportunity to appear before you this morning. It's an honor to be here. It's a pleasure to join my fellow combatant commander and friend General Doug Fraser. Also with me today, I am happy to acknowledge my Command Sergeant Major, Bob Winzinried, who's also here. And on behalf of the men and women of U.S. Northern Command and North American Aerospace Command, I appreciate this committee's continuing support of our missions of homeland defense, including ballistic missile defense, defense support to civil authorities, for which the highlight last year was the team response to Hurricane Irene, and security cooperation, including our expanded cooperation with the Mexican military as they tackle the brutal transnational criminal organizations.

In the case of NORAD, our assigned missions for the United States and Canada include aerospace warning and control through our safe and successful Operation Noble Eagle, and maritime warning, where we continue to grow capability through improved inter-

agency and international information-sharing. In addition to cooperative defense with our ally Canada, we are steadily improving our security cooperation with our good friends in Mexico and the Bahamas at a pace determined by mutual agreement and with constant respect for national sovereignty.

Our vision is that, with our trusted partners, we will defend North America by outpacing all threats, maintaining faith with our citizens, and supporting them in their times of greatest need. We view our missions as a sacred trust by our governments and our citizens. We appreciate the American people and their elected representatives in Congress and the White House rightly have high expectations of our ability to defend them here at home.

Consistent with the necessity for collaboration and with many other organizations in a wide variety of challenging situations that can threaten the citizens of our great nation, my priorities are: expand and strengthen our trusted partnerships; to advance and sustain the binational military command, NORAD; to gain and maintain all-domain situational awareness, including air, space, cyber space, land, maritime, and the unique and fast-changing domain known as the Arctic; to advocate and develop the abilities in our core mission areas to outpace all threats; and to take care of our people as they are our foundation.

I'm tremendously proud of the committed in selfless men and women, military and civilian, Americans and Canadians, who serve in our commands. And when appropriate, in accordance with the Stafford Act, the National response framework, and other laws and guidance such as on the request of a governor and upon direction of the President or Secretary of Defense, U.S. NORTHCOM pulls together the unique capabilities and capacities of the Department of Defense to multiply the impact of a primary Federal agency such as our close partner FEMA.

Now, thanks to the Congress and the President, the 2012 National Defense Authorization Act put into law initiatives supported by the Council of Governors and the Secretary of Defense concerning dual-status commanders and activation of Reserves in domestic disaster response. I appreciate this committee's support for these two important measures, which surely will help save American lives.

It was my privilege to serve in Afghanistan and Iraq with many superb members of the National Guard and Reserves. I believe that in the crucible of over ten years of continuous conflict, with the support of Congress, we have developed the finest total force that I've ever seen, and NORAD and NORTHCOM depend on that total force every day.

This past year has been busy. We've synchronized our activities with many partners and we've done our part to realize efficiencies that we've worked through the budget process for fiscal year 2012, trimming our workforce by 141 full-time equivalents and for fiscal year 2013 reducing our O&M funding by about 6 percent. But with the resources and authorities at hand and maintaining our vigilance, we'll be able to continue to defend and support the American people.

Thank you for this opportunity to appear today and I look forward to the discussion.

[The prepared statement of General Jacoby follows:]

Chairman LEVIN. Thank you very much, General Jacoby. We'll have a 7-minute first round.

Let me ask both of you. The Defense Department created a new defense strategy to guide creation of the fiscal year 2013 defense budget request. It's our understanding that the development of the strategy was a highly inclusive process, that each of you had the opportunity to provide input into the development of the new strategy. In your view, does the budget request support the strategy and do you support the budget? General Fraser?

General FRASER. Chairman, we were very much included in the process and the development of the strategy through a series of conversations with the Chairman, with the Secretary of Defense. And from where I sit, I'm very comfortable that the budget supports the strategy and that I can perform my mission within the allocated resources.

Chairman LEVIN. General Jacoby?

General JACOBY. Chairman, yes, I do. I feel that, in the case of the homeland, with the strategy the homeland was appropriately considered, and I believe the budget supports the execution of the strategy in the homeland. Thank you.

Chairman LEVIN. Thank you.

General Jacoby, as the Executive Branch works through the roles and missions of various military and civilian agencies for our Nation's cyber security, are you working with other agencies to determine what roles and missions would be appropriate for NORTHCOM and NORAD with regard to cyber security?

General JACOBY. Chairman, yes, we're working very closely, particularly with our good partners in the Department of Homeland Security, and within the Department of Defense, of course, CYBERCOM and STRATCOM.

Chairman LEVIN. We face a number of malicious, many types of malicious cyber activity, from hackers to criminals to intrusions to steal our intellectual property and secrets, to also the possibility at least of an attack which could disrupt or damage or destroy our infrastructure, be it civilian or military.

The Director of National Intelligence has told us that among the most difficult strategic challenges that he faces are the following: distinguishing between cyber espionage intrusions and potentially disruptive attacks; and providing timely warning of cyber threats and incidents. Now, are you involved in an effort to distinguish between these various types of cyber activity in order to determine whether and when our Nation is under a cyber attack and to provide timely warning of such an attack, and can you give us a status report as to where those discussions are? How close are we to reaching criteria to make that kind of distinction?

General JACOBY. Chairman, these are important subjects you've raised with regard to cyber. My principal responsibility in the cyber domain is consequence management. In the event of a catastrophic cyber attack on this country, NORTHCOM could certainly be called upon to provide support to civil authorities in the recovery.

But we think our role is broader than that. As you mentioned, we have some work to do in defining what's an attack in the cyber domain. It's a very collaborative process that we're doing as com-

batant commanders, along with STRATCOM and the sub-unified command, Cyber Command. That's a work in progress. However, in the end I believe it'll be a matter of policy to clearly define what is an attack or what isn't an attack.

Until then, I continue to work closely, particularly with General Alexander and CYBERCOM, to ensure that we have ample warning to understand if there is a cyber attack or malicious cyber activity that's taking place that could compromise the defense of the homeland. We've got good cooperation across both the Department of Defense and with our partners in the Department of Homeland Security to achieve that end.

Chairman LEVIN. I think we all can understand why it has to be a work in progress, given the complexity of the issue. Would you say that we would have some way of bringing to a resolution that issue so we can have some criteria to determine when the Nation is under attack, military attack that needs a response, or a military-like attack that requires a response? Do you believe that we'll have that kind of sense or identification or criteria, for instance, within a year? Is that a reasonable expectation?

General JACOBY. Senator, I don't think that's an unreasonable expectation. I wouldn't want to put an exact time limit on it. But I think there is momentum. There is a momentum across the Department and across the government, and we appreciate the support of this committee and the Senate in helping us think through this. I know you had a very successful tabletop exercise, lots of good feedback from that. Continuing efforts like that to inform, to educate and to understand will help us get more quickly to that end state where we can define better the criteria which would determine whether we're under an attack or not.

Chairman LEVIN. General Jacoby, as the combatant commander responsible for the Arctic do you support the Law of the Sea Convention and, if so, why?

General JACOBY. Chairman, yes, I do. It's the Department's position that we support accession to the Convention on the Law of the Sea.

Chairman LEVIN. Is it your position as well?

General JACOBY. Chairman, that's correct, it is my position. As the commander responsible for the Arctic, in my area of responsibility it would be very helpful to have a seat at the table as we begin the lengthy and I'm sure long process of determining continental shelf and all of the attributes to the Arctic that competing nations will be interested in.

Chairman LEVIN. General Jacoby, do you support the current Missile Defense Agency plan to conduct two flight tests of the GMD system to verify a fix to the Exoatmospheric Kill Vehicle that failed in the last flight test, before we resume production or refurbishment of the EKV's?

General JACOBY. Chairman, yes, I do.

Chairman LEVIN. And do you believe—or do you agree with General O'Reilly of the Missile Defense Agency that it's essential to have operational production-quality kill vehicle hardware on the intercept flight test plan to gain confidence that the system will work properly and reliably in the future?

General JACOBY. Chairman, yes, I do. I support General O'Reilly's test program.

Chairman LEVIN. There have been suggestions by some in Congress that we should deploy a ground-based interceptor or interceptors on the east coast of the United States to defend the homeland against a possible future long-range Iranian missile threat. You're the combatant commander who establishes the requirements for homeland missile defense capability. Is there a requirement for deploying an east coast GBI site and are you seeking to deploy such a site on the east coast?

General JACOBY. Chairman, today's threats do not require an east coast missile field and we do not have plans to do so.

Chairman LEVIN. Thank you.

Senator McCain.

Senator MCCAIN. Thank you, Mr. Chairman, and thanks again to the witnesses.

General Jacoby, as you well know, nearly 50,000 Mexican citizens have lost their lives as the result of drug-related violence since 2006, nearly 13,000 last year alone, which shows an increasing trend according to those numbers. What is your—and I note that recently the State Department issued a traveler's advisory in literally every one of the northern states of Mexico.

What's your assessment of the current security situation in Mexico?

General JACOBY. Senator, I concur with the numbers that you mentioned. Violence went up again in 2011. It began to trail off as the year concluded, but I don't think there's any conclusions yet to be drawn from that. So the Mexicans are in a tough fight with a brutal, adaptable enemy, and to my estimation they haven't blinked. They're taking the fight to the transnational criminal organizations. But there's a lot of work to be done, and we are eager to continue to provide support to them as they request in that fight.

Senator MCCAIN. Last year they had 13,000 deaths, which is a very high number. Does that indicate—and the traveler's advisory which recently had to be issued—does that indicate to you that we are winning or losing, or stalemate, or what's the basic situation?

General JACOBY. Senator, I think it's too soon to make an estimation on winning or losing. I know the Mexican Government has made a courageous decision, an extraordinary decision, to put its military on the street. And so—

Senator MCCAIN. I appreciate courageous decisions. I think we ought to have an assessment as to whether we are succeeding or failing and whether the Mexican Government is succeeding or failing, because then we ought to look at what strategies we are using. So I guess I'm asking, General, has the violence gotten worse, has it gotten better? Do you think we are succeeding or failing? I'd really appreciate that assessment.

General JACOBY. I think that the violence has continued to increase. It wasn't a tremendous jump this year, but those are unacceptable numbers. As evidenced in the decision in Nuevo Laredo, where we issued a travel advisory, I think that's indicative of the security problem along our border.

I also believe that the decapitation strategy, they've been successful at that. 22 out of the top 37 trafficking figures that the Mexican Government has gone after have been taken off the board. But it has not had an appreciable effect, an appreciable positive effect.

So I agree that there are other things that need to be done, and the Mexican military is working on trying to establish security by reducing the violence across the communities, particularly in the northeast, and I think that's the correct strategy to follow.

Senator MCCAIN. And your assessment of the situation along the border, the U.S.-Mexico border?

General JACOBY. The situation along the border, we see all the bad things that can be attributed to a transnational criminal organization appearing at the border. We know from our experiences in Afghanistan and Iraq that at the border weak institutions are exploited by malicious activity and illicit activity. So the illicit activity that is really the heart and soul, the economic engine of the transnational criminal organizations, express themselves on the border, as you mentioned, trafficking, illicit trafficking of human beings, weapons, cash, and drugs.

Senator MCCAIN. And as you are aware, a great portion of that goes across the Arizona-Mexico border, including a large percentage of the drugs which get up to Phoenix and then are distributed nationwide; isn't that a correct assessment?

General JACOBY. Senator, that's correct.

Senator MCCAIN. So is it your view that we still need to—and we have improved border security, but we need to take additional steps on the issue of border security?

General JACOBY. It's my view, Senator, that we need to continue our efforts along the border.

Senator MCCAIN. I.e., additional steps.

General JACOBY. Senator, what we do on the border as the Department of Defense is to provide support to the lead agencies, Department of Homeland Security primarily, Justice Department's organizations as well. We're eager to provide that support. It's mutually beneficial to both the agencies and to the soldiers, sailors, airmen, and marines that are training, and we look for every opportunity to meet their requirements.

Senator MCCAIN. Maybe for you and General Fraser: We have identified a lot of the cartels and their leaders. Guzman's name and others are very familiar to us. But according to the assessment released by the Justice Department, the cartels now have presence in over a thousand U.S. cities. Why don't we know those names? Maybe that's kind of an elementary question, but maybe I could ask you and General Fraser. We know the names of the cartel leaders, but we don't know the names of the people who are running these drug rings in over a thousand cities, or do we know them?

General JACOBY. Senator, my estimation would be that we know to some level the members of the cartels that are operating within the United States. I've spoken to several agencies within the United States about this issue and I think that we have loose connections with some of the cartels in Mexico, but I believe that we have our own gang problem issues within the United States. I think they are fed or feed off of transnational criminal organiza-

tions. So we recognize this as a problem and I know that our Federal agencies and the Department of Justice are working it.

Senator MCCAIN. Well, maybe for you and General Fraser both: Guatemala has declared its "second" military state of siege to try to deal with the increase violence from Mexican drug cartels operating within its borders. How serious is this problem in Guatemala, General Fraser, the Mexican cartels extending their operations into not just Guatemala, but into Central and South America?

General FRASER. Senator, it is an effort that we see that is moving down through Central America. As Mexico increases their pressure, we see that the networks from especially Los Zetas and Sinaloa are moving into Central America. Guatemala is obviously that first location, but we see their footprints further down into Central America as well.

Senator MCCAIN. Do you believe that in some cases the cartels are better trained and equipped than the security forces in some of these countries?

General FRASER. Senator, I think they have some better equipment as you look at some of their armored SUVs and some of the high-powered weapons that they have, and in cases, yes, they are better equipped than their military and law enforcement counterparts.

Senator MCCAIN. And obviously, with this much money washing around, the issue of corruption remains a very, very serious one?

General FRASER. Corruption is still very, very serious throughout much of Central America.

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

Chairman LEVIN. Thank you, Senator McCain.

Senator Lieberman.

Senator LIEBERMAN. Thanks, Mr. Chairman.

Thanks to both of you for your service. General Fraser, let me join my colleagues in thanking you for a really remarkable career of service to our country and to wish you godspeed in the chapters ahead.

Obviously, this set of hearings that we hold in this committee is all to inform us as we act on our authorization bill. And we're acting in the context of a new defense strategic guidance which suggests, calls for a rebalancing toward the Asia Pacific, although not ignoring the Middle East, which continues to be very active and has a lot of threats to us there.

But it strikes me as your two commands come before us, though you don't get as much attention publicly as the Central Command, for instance, as the questions of Chairman Levin and Senator McCain indicate, you're involved in matters that are really important to the security of the United States and to the people of the United States.

So I'm concerned about the extent to which the cuts in funding in the defense budget or the pressure on the defense budget is constricting your ability to do the job that we need you to do.

General Fraser, I wanted to start with you. I noticed that last week you told reporters that SOUTHCOM at this point can only interdict about 33 percent of observed illicit traffic transitting the region en route to the United States because of what I take to be insufficient assets or personnel. I'm just going to quote you: "We

intercept about 33 percent of what we know is out there and that's just a limitation on a number of assets. More is getting through."

So I wanted to ask you just to amplify on that a little bit. In a very specific way, if you would indicate to the committee what specific assets would you like to see more of at SOUTHCOM, which would help you and your successor fulfil the mandate, the responsibility, that we've given you?

General FRASER. Senator, the figures you quote are correct, and those are figures from Joint Interagency Task Force South, which is our organization who conducts that operation.

Senator LIEBERMAN. Right.

General FRASER. That isn't availability of not only Department of Defense ships, but it's the U.S. Coast Guard and other assets. What we are working with the Navy today is how we can—they can make available other capacities which are not necessarily the traditional capacities that we've asked for: riverine vessels, offshore patrol vessels, capacity of that type. So it really is a maritime environment issue that we're focused on initially.

We're also working with our partner countries in the region and providing them with interceptor capacity, because it's not only the United States that has a role in this effort; it is all the partner nations that we have. We're working with them in providing some interceptor vessels all the way along Central America, to provide them with the capacity to also intercept these vessels. That is an ongoing effort as we speak.

Chairman LEVIN. Yes. So my concern is—and you illustrate it—that there's tremendous demand in a lot of sections of the world for our maritime capabilities. Obviously, now we're focused on the Iranian threat in the Middle East and the Strait of Hormuz and we're moving more assets there. And of course some assets have been engaged in Afghanistan, for instance.

So can you get a little more specific, for instance on the MC-12 aircraft and the needs that you think are there in your area of responsibility? I know that obviously a number of those have been occupied in Afghanistan, and they're slated to become—to come to Air National Guard squadrons in not the coming year, but fiscal year 2014.

So tell me about the need for those, those aircraft, as you see it in the Southern Command?

General FRASER. Senator Lieberman, as those aircraft become available we see a great opportunity for use of those airplanes in support of our partners throughout the region. Many of our partner nations take captured drug trafficking aircraft that are very similar in form and they then transfer them with equipment that they perform a role very similar. So we think the MC-12 is a great companion to that effort.

I'm comfortable with the fact that the MC-12s are focused in the place we need them right now as a Nation and that as those become available we have opportunities that we can really make use of them.

Senator LIEBERMAN. Am I correct to assume that the command is also being affected by the retirement of the *Perry*-class frigates, which have been a real mainstay of those interdiction efforts, be-

fore the replacement system, which is the LCS, is available in sufficient numbers?

General FRASER. Senator, that is one of the issues we're seeing with the availability of naval ships, is the retirement of those frigates. This has been a gap that we have seen for a few years now coming. So the Littoral Combat Ship will have a great capacity to also support our mission as well in the future.

Senator LIEBERMAN. Okay. I may file some questions for you or have our folks talk to your folks, because I think we're not giving the command the assets you need to get the job done that we want you to do. And that's not your fault; that's our fault, if you will, or the budget's fault.

Can I ask you a very different kind of question, General. I was really struck in your posture statement about what you had to say about Iranian activity in the area of responsibility of the Southern Command. We're all aware of this really remarkable story just within the last year of the Iranian connection to the Mexican transnational organized criminal groups aimed at sending somebody into the U.S. groups to kill the Saudi ambassador here in Washington.

But I wanted to invite you and, if you want, General Jacoby, to talk more broadly about, there's unfortunately a natural coming together. It seems almost inevitable that if somebody wants to do us damage in the United States, terrorist group, extremist group, Islamist group, that they're going to find their way to these transnational criminal groups that have become quite adept at getting into the U.S. and getting stuff into the United States, people into the United States.

So I wanted to invite you both to talk more broadly about that problem. And then, General, if you could just describe a little bit for the record here some of what you say in your posture statement about the quite methodical movement of Iranian activities, personnel, particularly this man Rabbani, into Latin America, which is obviously not good for us.

General FRASER. Senator, Iran is very engaged in the region. They have doubled their number of embassies in the last seven years. They now have 11 embassies. They have 40 cultural centers in 17 different countries throughout the region. We see their activity very much as trying to build cultural awareness and awareness for Iran, trying to circumvent international sanctions that are on their economy and on their activities. They are seeing an opportunity with some of the anti-U.S.-focused countries within the region as a method on being able to do that.

Our concern remains their traditional connections with Hezbollah and Hamas, who do have organizations in Latin America. Those organizations are primarily focused on financial support to organizations back in the Middle East, but they are involved in illicit activity. So that is the connection that we continue to look for as we watch in the future, that connection between the illicit activity and the potential pathway into the United States.

Senator LIEBERMAN. General Jacoby, did you want to add anything to that?

General JACOBY. Senator, there's an extraordinary amount of vigilance across the inter-agency looking for that counterterrorism

nexus with the transnational criminal organizations. So we've got our eye on that closely. It's a matter of great import to the homeland. I think it also reflects what I believe today is an intimate relationship between the home game and the away game. So what General Mattis is doing in the Gulf is very important to us, and so making that intelligence connective tissue with the other commands is critical to us, and we've worked hard to do that.

There's an extraordinary amount of money in the transnational criminal organization coffers. They're networks for hire, and so we'll be watching that carefully and working with very good Mexican partners to that end.

Senator LIEBERMAN. Thank you both very much.

Chairman LEVIN. Thank you, Senator Lieberman.

Senator Chambliss.

Senator CHAMBLISS. Thanks very much, Mr. Chairman.

Gentlemen, thanks to both of you for your service. General Fraser, you've been a good friend as well as providing great leadership to the Air Force and that leadership is going to be missed. But we certainly wish you the best.

General Jacoby, in your written statement you note that "Legacy fighters are aging and recapitalizing our fighter, tanker, and air-borne early warning aircraft will remain a requirement." Given the Air Force's planned delay now in the F-35, are you confident that the Air Force will provide the required aircraft and resources for the air space control alert mission over the next ten years, and is there a risk that we may not be able to provide that same level of air space control coverage as before based on a reduced number of tactical aircraft?

General JACOBY. No, I'm not concerned about the aircraft, Senator. We have—whether it's F-16s, F-22s, or Canadian CF-18s, we go through a rigorous process of inspections and tests and exercises to ensure that all of our alert sites can meet the standard required for the air control mission. So I know the Air Force has had to make some tough calls, but I have great faith that they'll provide capable aircraft for us to use in the future.

I know that it includes challenges for recapitalization and fielding F-35. I'm a big fan of the Air Force continuing those efforts, but I have trust and confidence the Air Force is going to give me what I need to get the job done.

Senator CHAMBLISS. General Fraser, both you and General Jacoby mentioned the Western Hemisphere Institute for Security Cooperation (WHINSEC) in your written statements and acknowledge the importance of this program in building enduring military-to-military relationships. I'm pleased to serve on that board with both of you. General Fraser, you particularly, since you've been there longer, you have been a real asset to air and you've put a lot of time and provided great leadership to that institution.

I'd appreciate any thoughts you have regarding how the training with the Mexican and South American military personnel receive at WHINSEC has allowed them to be better capable of confronting these transnational criminal organizations that are so active in the region. As we continue to focus on strengthening the security capacities of our partners in South and Central America, what additional role can WHINSEC play to increase our cooperation? Also,

as I have done in the past, I'd appreciate your comment on the wisdom of the United States releasing and making public the names of the foreign military, civilian, and law enforcement personnel that train at WHINSEC?

Senator INHOFE. Senator Chambliss, thank you, and thank you, Senator Levin, for your support and continued support to WHINSEC. It remains a very, very organization for us. We've had almost 14,000 people trained and educated in WHINSEC over the last 12 years or 11 years. And we find—and I've talked with many of the graduates who come through that institution. We find two lanes. One, it's not only a partnership with the United States and an understanding as we work through WHINSEC of the respect for civil authority, as, chairman, you asked that we address, respect for human rights, respect for the rule of law, and other training capacities. So it's that partnership with the United States and our ability from a military standpoint to work with them.

But I also and they also mention that the partnerships that they form with one another from this institution is very important as well. As we look to the situation of transnational organized crime and impacting that into the future, as well as working with law enforcement partners, those partnerships that they form with one another as well as the international community are critical to our success in the future.

Senator CHAMBLISS. And the release of the names issue?

Senator INHOFE. That was a question that the Department of Defense studied, Senator, and the Secretary determined that it was not—that he did not intend to release those names, and I support that position.

Senator CHAMBLISS. General, last year we discussed the need for improved ISR as a requirement for SOUTHCOM and you noted the need for an imagery intelligence wide-area coverage sensor integration, signals intelligence, moving target indicators, layered ISR architecture and management tools, and biometrics. Do you believe that since we spoke last year you're getting the kind of support that you need from DOD and the intelligence community in terms of prioritizing and acquiring those assets, and has the need for those changed in any way?

General FRASER. Senator, it's a complex undertaking that we work. I still have very many of those same requirements as we look into the future. I'm comfortable with the prioritization of all our ISR assets as we approach the multitude of requests and requirements there are on our ISR architecture.

We're continuing to take roads and pathways down opportunities in the information that is available. There is a lot of social media, blogs, a lot of information that's available, and we're looking very deliberately into those areas, as well as working with law enforcement and other agencies to figure out how we can take advantage of all the information that is there in a different way.

We will continue those efforts as well as continue to work with the entire Department of Defense and the interagency to continue to foster and build our ISR requirements.

Senator CHAMBLISS. General Jacoby, I want to go back to this issue of cyber security and your comments in response to Senator Levin. You note in your written statement that "NORTHCOM and

NORAD operate on data and networking systems that rely on Internetwork commercial and military infrastructure,” and as such cyber attacks pose potentially grave risks to our ability to accomplish your mission.

Now, we know that Russia and China are leveraging cyber espionage to steal government and corporate secrets from the United States. The areas of information and communications technology and military technologies, including aerospace, aeronautical technologies, are at the greatest risk right now of cyber espionage.

Can you comment on what you believe NORTHCOM and NORAD need to do to mitigate these risks and vulnerabilities to those systems?

General JACOBY. Senator, we’re focused very much on the defense of the networks we need for mission accomplishment. I feel that they are secure right now, but you have to stay vigilant on this. So there is great capability in the hacking world to put at risk points of vulnerability, especially where we have interconnectedness between government, military, commercial. So we watch that closely. But it is a great area of concern.

We’re working closely with CYBERCOM, coming up with unique defense solutions, is part of what we’re doing, including receiving some expertise reinforcement in our cyber warriors at U.S. Northern Command.

Senator CHAMBLISS. Are you seeing any increase in the area of cyber attacks?

General JACOBY. Not against U.S. Northern Command, Senator.

Senator CHAMBLISS. Thank you.

Chairman LEVIN. Thank you, Senator Chambliss.

Senator Reed.

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

General Fraser, General Jacoby, thank you for your testimony. General Fraser, thank you and your family for your great service to the Air Force and the Nation.

Senator Lieberman touched on a series of issues about capacity, particularly maritime capacity in your area of operations. One aspect of this is the reports frequently of submarines or submersibles being used to transport narcotics. Does that pose an emerging problem which complicates further your ability to interdict these vessels with maritime and in the air?

General FRASER. Senator, it remains a concern. For the first time this year, we saw semi-submersible vessels in the Caribbean, and we had not seen them prior to this year. So the use of those vessels continues to expand within the transnational criminal organizations.

As I look at the problem, it’s not just a maritime problem, because they’re built in the jungles in Colombia, they acquire those assets, and they’re commercially available assets, and they arrive somewhere off the coast of Central America and they transfer their goods there. It’s a very expensive proposition to try and find them, follow them, detect them as they work through the maritime environment. It requires a lot of assets to be able to do that.

We’re working the entire connection, and I think—and our focus is really on where they’re built and where they arrive to address

the problem with trying to detect them and then intercept them when we do find them in the maritime environment.

Senator REED. I presume this is a collaborative effort with the host countries, if you will, that are—they're not doing it with their permission, but they're doing it in Colombia and other places, and you're working closely with their intelligence services to do that?

General FRASER. Yes, Senator. It's a great collaboration. We rely primarily on law enforcement information and it is really those countries and their law enforcement capacity who really take action to address this issue within their territory. Within our own inter-agency it's a very collaborative effort as well.

Senator REED. One of the consequences of our active commitment in other theaters, particularly CENTCOM, is overhead and other ISR factors. Do you think you have adequate support in this area to pursue these construction projects in the jungles and to pinpoint them early on, or is that a deficiency?

General FRASER. Senator, I think I have adequate assets. We are continuing to look especially at capacity that can look through triple-canopy jungles. That's a capacity that we're testing and working on today. That will really help us a lot as we look at that effort. And there are test programs under way to build that capacity. So I'm comfortable, Senator.

Senator REED. General, can you comment on the soon to be expansion of the Panama Canal in terms of your operations and just in general? I think 2014 they're scheduled to begin the transit with the new canal, which would be a huge, huge change to seaborne transportation, not just in your AOR, but worldwide. Do you have any specific insights?

General FRASER. Senator, you're correct, 2014 is the scheduled time line and the Panama Canal authority and the Government of Panama are very focused on achieving that goal. It will change the amount of commercial activity that comes through the Panama Canal, maybe not the number of ships, but the amount of commercial activity.

We on an annual basis conduct an exercise called Panamax, which is an international exercise—18 nations participated last year—that supports the Government of Panama in defense of the Panama Canal. We will continue those efforts in the future as we look at that expansion as it happens within Panama. I don't see a direct change to the threat or to the concerns as we look into the future, but our Panamax exercise will remain critical to that effort.

Senator REED. Thank you.

General Jacoby, there is another emerging corridor and that's the Arctic Ocean. Given your requirements and your day to day coordination with the Canadian authorities, the Navy is predicting I think in some cases sort of at least one or two months of transit by 2020 of commercial ships through the Arctic, which opens up questions of security, of search and rescue, of environmental response.

Where are we in that endeavor?

General JACOBY. Thank you, Senator. The Arctic is a unique domain and it's changing every day for us. We work closely with the Canadians on how they think about the Arctic and how they are

planning for it. They really are working in three 5-year blocks towards some of the same things we are considering.

Today, Admiral Papp and I are going to sign a white paper that we've done, a capabilities gap assessment, principally in the areas of communications, domain awareness, infrastructure, and presence, and what we will recommend for the future that might lead to prudent investments to position us for that eventual opening of the Arctic.

Traffic has already increased over 61 percent in the Arctic since 2008. There'll be drilling starting in the Beaufort Sea prior to the close of the spring. So security interests follow closely behind economic interests, and we will be participating in a number of venues to help lead that for the Department of Defense.

Senator REED. Many of my colleagues have touched on the issue of cyber security. Southern Command has assets within your AO—missile silos, I presume, bases, et cetera. You have the NORAD system, your assets. Have you and the Southern Command together or separately done a vulnerability analysis relative to your dependence upon civilian utilities, civilian systems that are less secure than the military systems?

General JACOBY. Senator, yes, we have, and we've also exercised those extensively in red teamed ourselves with that regard.

Senator REED. And you're confident that you can continue to respond to the National command authority in a situation, a cyber attack or any other that would go after, not directly your installations, but supporting utilities, supporting civilian complexes?

General JACOBY. In particular, Senator, with regards to our National military command participation, I believe our network is secure.

Senator REED. And can operate if the civilian networks are compromised and go down?

General JACOBY. I believe so, Senator. But as you know, there's great interconnectedness across the country and across from the energy system, the transportation. So there will inevitably be second and third-order effects of any kind of wholesale attack on the cyber system.

But in terms of our core mission area, I believe that we are adequately defended. But once again, vigilance is going to be required, because the enemy, the cyber enemies, continue to advance in their capabilities and have demonstrated an intent to conduct malicious activity on our nets.

Senator REED. Just a final—my time has expired—is can you operate in an environment in which the worst case environment is that all of these civilian support or networks have gone down and you have to go back to getting on the telephone, if maybe that's still working, if it is, like a land line, or sending a messenger? I don't want to be too facetious, but I think sometimes we have become so dependent upon GPS systems, on cellphones, on automatic computer technology, et cetera. Do you exercise to the point of truly the worst case, where you might even have to rely upon old-fashioned technologies like people driving a car and getting an order out?

General JACOBY. Senator, it's a great question. That's exactly what we exercised in November, and I will tell you that it is very

painful, but doable, and it takes a long time to recover your network. We purposely took it down. It takes a long time to put it back up.

Senator REED. Thank you, General.

Chairman LEVIN. Thank you very much, Senator Reed.

Senator Ayotte.

Senator AYOTTE. Thank you, Mr. Chairman.

Thank you, General Fraser and General Jacoby, for your service. General Fraser, thank you for all that you've done for our country. We certainly will miss having you around here and testifying before our committee.

General Fraser, I wanted to ask you. In your written testimony you describe the role of Russia in the SOUTHCOM region. In fact, you said that Russia's outreach to the region is centered primarily on arms sales; is that right?

General FRASER. Yes, ma'am, it is.

Senator AYOTTE. As I understand it, their arms sales are actually to Venezuela, is that right?

General FRASER. The principal purchaser of Russian equipment is Venezuela, but they are also selling equipment to other nations.

Senator AYOTTE. And is it accurate that the Chavez regime in Venezuela is the largest importer of Russian arms in the world?

General FRASER. For last year, yes, ma'am.

Senator AYOTTE. They're also, as I understand it, selling arms to Castro's Cuba?

General FRASER. Yes, ma'am.

Senator AYOTTE. Selling arms to Ortega's Nicaragua?

General FRASER. Yes, ma'am.

Senator AYOTTE. Not exactly the most democratic and enlightened rulers in that area of your jurisdiction, are they?

General FRASER. Ma'am, they've been putting the pressure on the traditional checks and balances in democratic institutions.

Senator AYOTTE. Well, unfortunately this is part of the pattern for Russia. This is something we had before the committee last week I'm deeply concerned about, as are others on this committee, and that is also Russia's role in selling arms to Syria, even as the bloodshed continues there. In fact, the state-controlled Russian company Rosoboronexport continues to provide the Syrian government with weapons. And I just want to take this opportunity, if you look at the pattern here in addition with Russian obstructionism with respect to our efforts of sanctioning Iran, that this is a troubling, troubling pattern.

When it comes to Syria, I want to say this, that I was proud to join my colleagues in writing a letter to Secretary Panetta to express our outreach regarding the Russian arms sales in fact to Syria, my colleagues Senator Cornyn, Senator Durbin, and Senator Gillibrand. And yesterday our Secretary of State, Secretary Clinton, sparred with a representative from the Russian government and she said, rightly so, and I stand by our Secretary of State in saying this, that Russia was standing silent as Assad kills his own people.

I'd go further. In my old profession when I was attorney general of the State of New Hampshire, if you know someone is killing someone and committing murder, like the Assad regime is doing

with their own people, and you knowingly provide them with arms, you are not just standing silent; you are actually an accomplice to those killings.

So I think this is a pattern we're seeing from Russia. I want to take this opportunity, even though it's not in your command, to express again my outrage that Russia is not only providing arms to some of the most despotic regimes in the world, but one right now that is killing its own people, and I would hope that the Russians would stop this and stop trying to spar with Secretary Clinton over what is obvious, and that they should come forward and be a member of the international community to support sanctions against Syria.

So thank you for giving me the opportunity to do that. Again, I would hope they would stop selling arms to people like Chavez as well as their interactions with Cuba.

I wanted to ask you both about the National Guard and in particular our State partnership program. General Fraser, the Guard in New Hampshire has had a very strong State partnership program in the Southern Command with El Salvador. Can you let us know what you think is the value of the State partnership program and also what your view is on in particular the partnership between the Guard in New Hampshire and the program in El Salvador? And how does that help our National interest?

General FRASER. Senator, I'm a strong supporter of the State partnership program. One of the values the State partnership program brings is the fact that Guard members stay in their units longer than active duty personnel do, and that provides an opportunity to build an enduring relationship with that country that they're working with.

We have State partnerships with 22 different countries within the region and it is a critical long-term partnership-building capacity that we see. New Hampshire, working with El Salvador, who is a great partner of the United States also, is a very, very close connection and really helps build their routine tactical capacity, their budgeting capacity, just a good relationship back and forth between the two partners.

Senator AYOTTE. Is this an effective use of our resources in terms of building partnerships in our own national security interests?

General FRASER. Ma'am, I think it's a very effective tool.

The other benefit we gain from the State partners is because of their civilian jobs they have some opportunities to share experience that goes beyond military experience when that can be authorized.

Senator AYOTTE. General Jacoby, did you want to add your opinion to that?

General JACOBY. Senator, thank you. No, just from my career experience it's tremendous, very effective, very efficient use of resources. It's consistency over time. It helps us broaden and deepen our mil-to-mil relationships around the world.

Senator AYOTTE. I was struck in your testimony, your written testimony, General Jacoby, how you talked about that the Guard, "The National Guard is a natural partner in all that we do" is the language that you used. As we look at this challenging time in terms of the prospect of, unfortunately, not only the cuts that the Department of Defense is facing now, but on top of it sequestration,

how important is it that we not only maintain a robust active duty and resources for that in terms of training, but also for our Guard as well?

General JACOBY. Senator, the Guard is our natural partner, most important partner. They function in all of my mission sets.

Senator AYOTTE. And I should include the Reserves as I'm talking about this.

General JACOBY. They function in all of our mission sets and, thanks to the Congress now, the Reserves can also function in defense support to civil authorities. It makes sense. We saw problems locally and the Guard is available, fast, and efficient in that way. So from defending the homeland to supporting civil authorities to actually helping us with some of our engagements with the countries in this AOR, Guard is an important partner to us.

Senator AYOTTE. Did you want to add anything further, General Fraser?

General FRASER. I think we're in violent agreement here that the State partnership program is a natural ally. We work and depend very heavily upon the National Guard in our engagement, not only with our partners, but as we work within our headquarters and within our capacity to provide exercise support and other capacities. So across the board we rely very heavily on the National Guard as well as the Reserves to conduct our mission.

Senator AYOTTE. I thank you both.

Chairman LEVIN. Thank you, Senator Ayotte.

Senator Begich.

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

General Fraser, General Jacoby, good to see you. I feel like I'm in Alaska right now, as both of you were up there and commanding operations. So thank you for being here. It's great to be back in a forum where we're all three here. So thank you very much.

Let me first start if I can, General Jacoby. We had a brief meeting last week in regards to Alaska Command and kind of what's going on up there, and I want to lead a little bit into the Arctic. But first, before I do that, I guess kind of the general description or discussion is: Can you tell me from your perspective the value of Alaska Command in regards to the connection with Northern Command or NORTHCOM? Can you give me your sense of how that plays and what the role and responsibility is?

General JACOBY. Thank you, Senator—

Senator BEGICH. Of course I'm biased, and I hope it's a good answer. Please, go ahead.

General JACOBY. My boss—when I was commander of U.S. Army Alaska, of course, my commander of ALCOM was Doug Fraser.

Senator BEGICH. That's right.

General JACOBY. He commanded brilliantly. So ALCOM was very valuable.

Senator, Alaska is unique in strategic significance to the country and now even more so as our gaze turns towards the Arctic. I believe it requires a three-star command. I believe it requires a joint command. So I think that ALCOM remains relevant and important to the defense of the homeland.

Many, many tasks that take place in Alaska are tasks that support NORTHCOM and NORAD in our homeland defense role, to in-

clude defense support to civil authorities through JTF Alaska. So very important to NORAD and NORTHCOM, and I think you've got the right command structure up there right now.

Senator BEGICH. Let me add a little bit more to that, because not only NORTHCOM but PACOM, too, it has kind of another unique role in its operations. Either one of you—I know, even though you're Southern Command, General Fraser, you've had a lot of experience up there. But, General Jacoby, maybe I could respond.

General JACOBY. We've had a good working relationship with Pacific Command and they have important equities in the strategic significance of Alaska. However, as both the NORAD commander and the NORTHCOM commander, I believe that I probably occupy—

Senator BEGICH. You want the assets.

General JACOBY.—80 to 85 percent of the ALCOM commander's time.

Senator BEGICH. Excellent.

Let me ask you, from the Arctic perspective—and Senator Reed was leading into that and you indicated that today you'll be, I think you said today, that Admiral Papp and you are signing kind of a document indicating some of the gap analysis or resources that may be needed. First off, is the analysis—I'm assuming it's a long-term analysis—of what really will be needed there to make our presence known there, and my sense is by you signing that agreement you believe—I'm putting these words in your mouth, but you can correct me—that this kind of agreement in the future of the Arctic is going to be another piece of the equation to our military positioning? Is that a fair statement?

General JACOBY. Senator, yes, it is. Admiral Papp and I share great interests in the Arctic. Of course, we need to move forward with some consensus of what are the capabilities that will be required and the implications for what are the prudent investments that should be made. So we have an opportunity while we watch the Arctic begin to open up to get ahead of potential security requirements. To that end, working closely with the Coast Guard, the United States Navy, other partners in the Department of Defense, and the Department of Homeland Security, and also staying tied closely to the Canadians, is the right strategic framework to begin working on now.

Senator BEGICH. One statistic I'll use, and I think it came from the Coast Guard in Alaska, and that is a few years ago you'd maybe see 50 ships moving through the Bering Sea; now close to a thousand, to give you a sense. In the Arctic, I think it was seven last year; now 34 in one year alone. So it's moving in a rapid pace of activity up there, and we know our friends from China and Russia are very interested, China in our land, as I would say, curious about their efforts.

So again, your gap analysis, will that also then be utilized as you move forward in your long-term budget planning of how will these pieces fit in and where you need to allocate assets?

General JACOBY. Yes, Senator, I think that's an important first step with our closest partners, to look at the gaps and particularly in how you communicate, how you see and understand, what infrastructure we may need, and what kind of continued presence you

might require in the Arctic. We come to a consensus on that, and then we help inform our integrated priority list and our scientific integrated priority list so that we can influence budgets over time through our components to the services.

So that's the start of the process. We received this responsibility in the latest unified command plan update, and I'm happy to say we're moving out on it.

Senator BEGICH. Thank you very much.

Let me if I can, General Fraser. First off, thank you for your long-term service in your career. I know you'll be missed, but I know you have been an incredible asset for this country.

But let me ask you a couple questions about Southern Command. The first is kind of a general comment. As we move down the path with the Panama Canal going into—out of our control to a certain extent and predominantly out of total control, do we have any worry as we worry about commercial lanes in Somalia with piracy? Do we have any worry over the long haul what might happen in that region? Give me your sense?

I know this is kind of an add question, but when you're from Alaska and you deal with fisheries, we hate pirates. So when you're thinking of Somalia, we hate pirates. So I'm thinking of Panama; what's their ability to manage that?

General FRASER. The Government of Panama and the Panama Canal Authority are doing a great job of managing the Panama Canal. It's efficient, it's effective, and it's a big income provider for the Government of Panama.

We don't see any indications right now of any piracy on either end of the Panama Canal. It is an area that we continue to watch.

Senator BEGICH. Also, you know, we had great conversations when the hurricane went through Haiti. I know we talked on the phone. Tell me kind of how Southern Command is continuing to prepare and be ready for those kind of responses for natural disasters. So give me a sense of—that was kind of the first one that's pretty significant that I as a member of the Senate was kind of seeing Southern Command respond to. Give me your thoughts on that and how we're prepared for other natural disasters in the region?

General FRASER. We remain very deliberately prepared. The hurricane season is obviously our number one concern because that happens on an annual basis and we can predict that. We have a deliberate plan that we've developed post-Haiti exercise, revised our disaster response plan. It's a graduated plan depending on what the needs of any request would be. We continue to exercise that on an annual basis. As we look at the hurricane season, we prepare for that, not only within our headquarters, but with our partners in the region, and we work directly associated with Haiti, with MINUSTAH and the Government of Haiti to be able to respond should a hurricane impact them during the hurricane season.

Senator BEGICH. You have—and this is my last comment because my time has expired. You have designed, after going through that experience, you've seen some areas of improvement and some areas that were successful in trying to work off of that and expanding the kind of preparation at different levels, depending on the severity of the natural disaster. Is that a fair statement?

General FRASER. Senator, it is a fair statement, to include that normally we don't have the authority to spend DOD dollars outside of a 72-hour emergency response capacity. Associated with Haiti specifically, we have requested and received authority from the Department of Defense for up to \$3 million just so that we can start that process and respond on a rapid basis.

Senator BEGICH. Very good. Thank you very much.

Thanks to both of you and, like I said, it's good to see—I consider you Alaskans. So thank you both for your service.

Chairman LEVIN. Thank you, Senator Begich.

Senator Brown.

Senator BROWN. Thank you, Mr. Chairman.

I had the honor of meeting both of you. I appreciate you taking the time to come to the office and kind of addressed a lot of my questions.

I just had a follow-up. Obviously, what Senator Ayotte said about the State partnership program. I participated. We went to Paraguay and find, not only with our relationship with Morocco, Paraguay, other places where we don't have a lot of money, but through the partnership program we can get a good value for our dollar. It's something that I know that the State has an interest in. I want to keep it right where it is so we can continue to train and use it as an asset. So thank you for that support.

Obviously, General Fraser, thank you for your service and your support as well.

General Jacoby, I was wondering if you could expand for a minute on your comments regarding defense support to civil authorities, with respect to counter-drug operations network the respect to natural and manmade disasters. Could you just expand on that just a touch?

General JACOBY. Thank you, Senator. We had a great initiative last year with the dual-status commander. I mentioned it in my opening statement. We had an opportunity to test that in a way that we haven't done in the past this year with Hurricane Irene. I'm really proud to report as a team that the very first opportunity we had to employ dual-status commanders we did, and put four dual-status commanders in position with their Title 10 deputies, just as was the intent of Congress and the Council of Governors.

So that program is alive and well. It made a lot of sense and now we're going to continue to grow that and look at ways to employ dual-status commanders in both the regional and the CBRN, chemical, biological, radiological, nuclear event. So big progress.

We also—I'm working with the Reserve Forces of both the Air Force and the Army to take advantage of the authorization that we now have to involuntary activation of the Reserves to support civil authority. It makes tremendous sense. There is huge capacity in the Reserves distributed around the country and that was a great move that we are continuing to work on.

Senator BROWN. I know there was an instance where there was a tornado or a hurricane and the Reserve unit was right there and they couldn't respond, and it made really no sense whatsoever.

General JACOBY. No, I think we fixed that one, Senator. Thank you.

Senator BROWN. Great. And then talking about the dual-status commanders, how is that training going? So you're satisfied we're on track, it's going to be something that's viable for the future?

General JACOBY. Senator, with the April class we will have trained at least two dual-status commanders for every State. And that's huge. So there's always one in the queue, and we'll keep that training course going in order to keep—

Senator BROWN. How long is that course?

General JACOBY. It's about a two-week course, but it dovetails with another course, the joint task force commander's course. So that actually builds on previous programs. It gives you not just a certified dual-status commander; it gives you a team of guardsmen and NORTHCOM folks that have worked together and studied the problem and have pushed out the horizons on how we use dual-status commanders.

Senator BROWN. It may not be a bad idea to put in CNGS and actually start it in the lower levels, the lower ranks, as just something to keep their eye on as we're going along, and integrate it earlier in the training cycle.

General FRASER, foreign influence in your AOR and how this affects your operation. I noted Senator Ayotte's comments on Russia. What about the role of China? Can you comment on that based on your experience?

General FRASER. Senator, China is very engaged in the region as well. They're primarily from a diplomatic and a commercial and economic standpoint is where they're very much engaged. They're now the leading partner with Brazil, with Chile, with Peru. They're also expanding into military to military relations. They've had over the last two years over 20 high-level visits to various countries within the region. They are selling some military equipment, from light attack Air Force to medium transports to radar capacity. And they also provide education and training in China for officers and their families.

Senator BROWN. Very similar to what we do at the War College and the like.

General FRASER. Very similar, yes, Senator.

Senator BROWN. You know, it was interesting. I remember and have had personal experience with countries—when I was in Paraguay, for example, they would say: Well, if you guys don't do it, China will. And that's what I think we're seeing around the region. If you don't provide us with that X, then we'll get it from China. If you don't, we'll get it from China. So we're seeing that more and more just in the last three, four, five years. Is that an accurate statement?

General FRASER. Senator, we see an increasing interest by China in the region. I don't see it as a zero sum game, though. It's not China or the United States. I see both of us very much engaged in the region. And I would state that there's an opportunity for both of us as we engage with our partners in the region to help ensure the security and stability of the region.

Senator BROWN. And that's another reason for the State partnership, I believe, in those smaller countries. You get that value for the dollars, so they can see the interaction and basically hang out

with our soldiers and learn and grow and develop that relationship, which is critically important. Is that a fair statement?

General FRASER. The relationships we build through training and education programs are critical to the future. We see it all the time around the world. We don't know when a crisis is coming. To have an awareness and an understanding and a shared experience with one of our partners is critical to our success.

Senator BROWN. I think we saw that in Egypt, actually, when we were able to pick up the phone and say: Hey, stand down and let this thing play out a little bit. General Jacoby, fair statement as well?

General JACOBY. Yes, Senator, very much so.

Senator BROWN. General Jacoby, I'm deeply concerned about the cuts in the Air National Guard and how it may affect the mission. I think the Army's done it really well in terms of trying to be very strategic with the cuts. I'm deeply concerned, especially about the air sovereignty alert mission, which we have one at Barnes, as you're aware of.

Do you share those same concerns? Because I'm hearing from my folks back home that they had no knowledge that any of these cuts were coming. There was absolutely no communication whatsoever and out of left field, here we go. I'm looking at strategically Massachusetts and the eastern seaboard, the ability to respond all over our part of the world. It doesn't make any sense.

General JACOBY. Senator, thanks for the question. The Air Force had some really tough choices to make, tough decisions. The Secretary asked us to turn over every rock as we sought to find the \$487 billion that was mandated in the Budget Control Act. I believe the homeland was treated fairly and is treated as job one.

However, we really need to be vigilant and ensure that we continue the programs necessary to defend the country, and that includes the air control alert mission. In terms of defense support to civil authorities, the Guard, the Air Guard specifically, is very good at that mission. I'm going to count on the United States Air Force, the total Air Force, to support our requirement. But all of us had to make tough choices and hated to see some of these cuts happen.

Senator BROWN. Well, you know, they're not there yet, and I'm hopeful that we'll be able to have a conversation, because when you're talking about the best value for the dollar and the Air Guard versus the regular Air Force, and the Reserves as well, the Reserve component, it doesn't make sense when you're talking about protecting the homeland. We're not just talking about protecting the homeland. There's a one Army, one military concept now, and a lot of these folks are backfilling regular Air Force and Army units.

Like I said, the Army seems to have kind of got it right. They are being thoughtful, judicious. The Air Force, with all due respect, it's not over. I'm going to v—I haven't really seen evidence that these cuts make sense. So I just wanted to bring that to your attention. I appreciate your input on that.

Thank you.

Chairman LEVIN. Thank you very much, Senator Brown.

Senator Udall.

Senator UDALL. Thank you, Mr. Chairman.

Good morning, gentlemen. Thank you for being here today.

General Jacoby, if I could follow up on Senator Brown's question. So what I hear you saying is that the proposed reduction to the Army and Air Guard will not affect your mission. You believe you can deliver on that mission?

General JACOBY. Senator, that's correct.

Senator UDALL. Let me turn to a specific element in the change that's under way in this area. There has been a decision to end the 24-hour alert requirement at Duluth and Langley. Did you have a say in that matter and what factors and assumptions went into that decision, and again will it affect the ACA mission?

General JACOBY. Thanks, Senator. A very tough decision; was part of the process across every combatant commander, across every service, to find the savings required by the Budget Act. I believe that we did adequately address the strategic requirements of the homeland. But in the analysis, as a team effort there was a decision taken to reduce by two.

I took, the command took responsibility for identifying those two bases. So we did two independent studies, one in my headquarters, one in First Air Force, which is my Air Force component command under Lieutenant General Sid Clarke. Both commands came up with the same answer—Duluth and Langley.

Now, no bases are closed and this doesn't reflect on numbers of fighter squadrons. I specifically felt that in the case of those two bases that I had the authorities and the capabilities already resident under my authority as the NORAD commander to mitigate on short notice the loss of those two bases. In fact, I can change on my own authority the alert conditions and could in case of a threat stand that back up.

Senator UDALL. If that changes, I'm going to ask you to take the time to notify the committee and notify me if you would.

General JACOBY. Senator, I'm passionate about the air control alert. There's a high standard, high expectations of the American public that we're going to defend the country's air space, and I will make sure my views are known.

Senator UDALL. Thank you.

Let's turn to critical infrastructure, if we might, and the vulnerability that our infrastructure has to either cyber or physical attack. What do you see—and this is a series of questions—as vulnerable pieces of our infrastructure? What steps need to be taken to protect those valuable components? And what role does NORTHCOM have in facilitating those protective measures?

General FRASER. Thanks, Senator. There's a number of critical infrastructure protection requirements. Principally those lie within other sectors of the government, and so NORTHCOM's principal responsibility is to provide defense support to civil authorities in the consequence management of disasters within certain sectors, particularly a cyber attack, as I mentioned earlier. We would role in and, if requested, provide defense support in recovering from that.

Critical infrastructure, though, we know we're more concerned now about systems than we are places. So things like the National energy grid, the transportation system, those are being looked at hard, and we are in support of our partners, particularly in DHS, in determining ways that we can help.

Senator UDALL. Of course, we've got a lot of work left to do, and I'm optimistic we're going to work on the floor of the Senate to put in place a cyber security policy. You know that you'll play a key role in advising us, given your perspective and your responsibilities in this area.

General JACOBY. Yes, Senator.

Senator UDALL. General Fraser, if I could I'd like to turn to the reports that Islamist groups are recruiting in your AOR. What are the conditions that are facilitating Islamist recruiting and fundraising in the most troubling areas, and what can we do, as well as our partners, to address these conditions?

General FRASER. Senator, there are groups, violent extremist groups, who are advocating and proselytizing in largely Muslim communities within Latin America. The Muslim community is fairly small within the region. It makes about one percent of the total inhabitants of the region. But they are still very deliberately advocating.

The situations and the conditions that enable that are ones that you see in many of the countries in the region, and that's poverty rates, it's income inequality, it's the corruption that's there. It is, in some of those cases, it is an anti-U.S. perspective.

Senator UDALL. It bears watching, obviously, and hopefully the lessons we've learned in other parts of the world we can apply. Thank you for drawing our attention to this.

South America as I understand it has certainly had its violent intervals in its history, but it has very little history of, of course, Islamist or terrorism of any kind. So it just shows this is a world-wide phenomenon that we have to be able to respond to wherever it may surface.

General FRASER. Senator, we're paying very close attention to this issue. We're seeing measured success. We don't see great success in their efforts along these lines.

Senator UDALL. General Jacoby, if I could turn back to you. Our good friend Gene Renuart, General Renuart, when he relinquished command in 2010 he talked about his concerns about our aging air defense systems. We know that he talked about temporary fixes to take us "forward." What's your current assessment of the modernization efforts in this important area?

General JACOBY. Of course, we're very eager to have the F-35 come on line. We're eager to continue the service life extension programs for the F-16s. Senator, the most important thing we do as combatant commander, though, is we conduct frequent periodic inspections of our air control alert squadrons. They continue to do well in these and we'll maintain vigilance. But of course, we're a stakeholder in capable aircraft stretching out into the future.

Senator UDALL. If you had more resources, though, in this area, you could put them to work, I assume?

General JACOBY. Senator, I think any COCOM that you had before you would know what to do with additional resources.

Senator UDALL. General Fraser, before my time expires, talk a little bit more about Iran's outreach efforts in South America? We know that Chavez and Ahmadinejad have close ties, but have the Iranians been making inroads with any other South American countries?

General FRASER. President Ahmadinejad has made six visits to the region in the last six, seven years. This last trip that he took, he visited Venezuela, Cuba, Nicaragua, and Ecuador. We saw it largely as a diplomatic effort and the estimate that we have and throughout the government is that he didn't really get the reception or the support that he was looking for.

Senator UDALL. We need to be vigilant there. It almost feels like it's a throwback to the Cold War, when the Soviet Union was traveling the world looking for allies. But this is serious and thank you again for your leadership in this area.

My time has expired. I wanted to do two final things. I want to thank General Fraser for your phenomenal service, and I know you and General Jacoby go way back. You've worked together in a series of commands. Senator Begich reminded me of your connection to Alaska. So godspeed and thank you again for your service.

General Jacoby, I did want to put on the record that the flow of drugs into our country is significant and substantial and worrisome, but it's a symptom of the demand that exists in our country. I know you're going to go to the ends of the Earth to cut off the flow, but we as a country have to have a continued discussion about what we do to dampen that demand down. I just want you to know that I'm a Senator that understands that that's a real challenge that you face.

Thanks for your service.

Chairman LEVIN. Thank you, Senator Udall.

Senator Hagan.

Senator HAGAN. Thank you, Mr. Chairman.

General Fraser and General Jacoby also, thanks very much for your service. And I couldn't agree more with what Senator Udall just said about trying to ramp down the desire in our country for narcotics.

I wanted to ask a question about Ecuador. The 2009 closing of the cooperative security location at the Air Force Base in Manta, Ecuador, and the ejection of the U.S. Ambassador in April of last year has really stressed the U.S.-Ecuadorian bilateral ties. General Fraser, how would you characterize the current status of the counternarcotics cooperation between the United States and the Government of Ecuador? And then what needs to be done to strengthen our cooperation with regard to both counterterrorism and counternarcotics?

General FRASER. We continue to engage with the military in Ecuador. We have good military-to-military relations with them. They are working closely with their neighbors as well. We have seen an impact, especially from the maritime traffic that now is able and uses Ecuador to depart. So we have seen an increase in that activity.

We continue to have discussions with them and work with them to adjust and address this problem.

Senator HAGAN. DOD support to the U.S. law enforcement agencies and the Mexican military supports the broader countertransnational criminal organizations fight. U.S. NORTHCOM provides DOD support to both U.S. and foreign law enforcement agencies against this common enemy. General Jacoby, what type of mutually beneficial DOD support is provided towards this end, and

are we doing enough to foster the important relationships with law enforcement agencies, State, and the National Guard counter-drug task forces?

General JACOBY. Thank you, Senator. In NORTHCOM, partnerships are our center of gravity. In the homeland, we do things in support of our partners across DHS, Department of Justice. So along the border that's where you find our efforts, is in support of those lead agencies along the border.

What we do is we provide them operational support, analytic support, technical support, all of it with the checkmark of mutually beneficial. Mainly for us that means that it's a good training opportunity for the military forces that are partnered up, primarily with CBP, Customs and Border Patrol.

It is a great relationship. It's grown stronger and stronger over time. Just this month, we've conducted OPNIMBUS 2 in the Tucson sector, where First Armored Division soldiers feel they got better training than they've gotten prior to a deployment at any time in the past ten years. So it's a complex environment with a thinking, noncooperative enemy, and it's a great training experience. It also provides some good support to CBP, which they are very happy with.

So I think we have a good relationship. I think it's critical to continue to expand and strengthen our partnerships. In the NORTHCOM headquarters we have over 32 agencies represented there and 8 law enforcement agencies. We've never had better sharing of information across the inter-agency. So I'm pretty proud of that, and I appreciate the question.

Senator HAGAN. Thank you. That's a lot of agencies to coordinate together, so thank you.

I think it's very important for us to counter the transnational criminal organizations and their illicit trafficking activities. Central to that is building the effective partnership capacity that I know that you're working on each and every day with the key governments and security establishments, to prevent them from operating in these permissive environments.

I do chair a subcommittee of this committee on emerging threats and capabilities, and I'm concerned that Central America has become the preferred transit zone for the transnational criminal organizations, which seem to have diversified their portfolios to include not only drugs, but also precursor chemicals from India and China and Bangladesh, commercial weapons from the U.S., and then obviously the trafficking of people.

The limited capabilities of the Central American states have allowed the Mexican transnational, the TCOs, to establish points of entry for illegal drugs coming from South America, and then the Mexico-Guatemala-Belize border area is particularly vulnerable. I understand that SOUTHCOM is working with NORTHCOM and the inter-agency community to develop a regional operations capability among these nations.

For both of you, what types of resources does this regional operational capability require, and what are the objectives?

General FRASER. Senator, it's a broad, whole of government effort, and international community, with a group of friends and international donors who also support this effort. From a Depart-

ment of Defense standpoint, we're a supporting organization because this is criminal activity; it's not military activity. But we have a role to support those militaries who have been asked by their governments to support law enforcement to help address this question.

So we're continuing training and equipping with our partner militaries, working with them to help them work better with their law enforcement partners. But the real solutions are in the rest of our foreign affairs support. It is really in the U.S. AID programs, it is in law enforcement programs, it is in judiciary programs. It is all of us working together with those governments to solve this problem.

Senator HAGAN. General Jacoby?

General JACOBY. Yes, Senator, I concur with General Fraser. I think truly we understand this as a whole of government requirement. But the participation of the militaries from Belize, Guatemala, and Mexico is very good and improving, and there is efforts and a consciousness on the Mexican side of the importance of that southern border, and I see them taking action.

Senator HAGAN. Together, Colombia, Peru, and Bolivia I understand produce nearly—most of the world's supply of cocaine. In recent years progress in controlling cocaine production in Colombia seems to have resulted in an increase in cocaine production in Peru and in Bolivia. I don't know if you agree with that, but I'd like to know, and what would be your plan to prevent further cocaine production increases in Peru and Bolivia without losing the progress made in Colombia?

General FRASER. Senator, I do agree with that effort. We have seen a reduction in the cocaine production in Colombia and that has—as traffickers have worked other places, they've gone into Peru and Bolivia. Most of the cocaine coming into the United States, though, still comes from Colombia. That other cocaine heads to other parts of the world.

We're working with the Colombians to support their effort, and again this is an inter-governmental effort because really the reduction and eradication of cocaine is other parts of our government, the Department of State who really supports those efforts. But we are working with the Government of Peru, their military, especially when you look at the narcoterrorist group, the Sindero Luminosa in Peru, to help reduce their impact in that country.

We're just seeing, as you watch, Brazil, the United States, and Bolivia just signed a tripartite agreement to address transnational organized crime in Bolivia, and that's an ongoing effort.

Senator HAGAN. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Hagan.

Before I recognize Senator Blumenthal and ask him to take the gavel to wind up, because I'm going to have to leave, I just had one additional question if I could of General Jacoby. That has to do with the anti-terrorism joint exercise with Russia that we conduct annually, I believe, called Vigilant Eagle. You indicated, General, that you—that the benefits that we realized from this sort of exercise are invaluable. This is what your prepared statement tells us, and that you hope over time it will lead to even greater levels of

openness and cooperation among our Nations, referring to us and Russia.

Are you hoping that we can enhance the cooperation militarily? For instance, do you plan to have direct interaction with your Russian counterpart as part of that effort?

General JACOBY. Senator, yes, I do. Vigilant Eagle last year was a very successful exercise between the Russians, the United States, and Canada, and we exercised a counterterrorist scenario where we shared an air picture that was required to deal with the threat adequately. So I think it was an important step forward in creating trust and confidence on both sides and to ensure that there's transparency in what our military activities are, particularly in the Alaska region.

So we're going to do Vigilant Eagle again this year. I'm hoping to meet with my Russian counterpart to discuss the tactics, techniques, and procedures that will help us do that better. We have areas of cooperation with the Russians that I think are important and should be sustained. I think, as we've discussed earlier in the testimony, we've got to keep our eyes wide open, but I think there is good potential for cooperation here.

Chairman LEVIN. Thank you both. Thank you for your great service, leadership. General Fraser, again all of us wish you all the best as you take on other chapters and responsibilities in your life. We wish you and your family all the best.

General FRASER. Thank you, Mr. Chairman. It's been a great honor.

Chairman LEVIN. Senator Blumenthal, thank you for taking over here.

Senator BLUMENTHAL [presiding]. Thank you.

I'm honored to take over from Chairman Levin for the final questioning. I think that's the good news; and very honored to be with you and thank you, as others have, for your extraordinary service, both General Fraser and General Jacoby. I will try to avoid repeating some of the questions. I think I know about most of them. But I do have a number that may elicit some of the same testimony.

I want to come back to the aircraft that are being drawn down from the Air National Guard, a decision that affects particularly Connecticut because we will lose the lift capacity of the C-27J and 136 aircraft will be lost to the Air National Guard, which I regard as important because Connecticut is one of the 27 States that are affected by it. I wonder if you have done an analysis of what the effects will be of that drawdown?

General JACOBY. Senator, thank you for the question. The Air National Guard is an important partner of U.S. NORTHCOM and to NORAD, so in both hats they're important partners to us. And the Guard has done invaluable service, both in defending the homeland and support to civil authorities.

The Air Force had some really tough decisions to make, tough choices that all the combatant commanders had and all of the services had in order to meet the budget, significant budget reduction. What I do as a combatant commander is I put requirements on the table, and there is a requirement to support civil authorities and there's a requirement to defend the homeland. I trust the Air Force to meet that requirement with their total force, whether it's active,

Reserve, or Guard. But the loss of Guard aircraft will I'm sure be felt, and they're a tremendous asset. So it's part of the pain that all the combatant commanders will feel as a result of this very important round of budget decisions.

Senator BLUMENTHAL. Can you be more precise about how it will be felt, what the effects will be?

General JACOBY. I can only speak to the air control alert mission. We will be able to mitigate the loss. I felt the loss was, of the standing alert on those two bases, was a loss that within my authorities and within the capability of the NORAD commander I could mitigate that, the loss of those two bases. It wasn't a loss of aircraft and it wasn't a loss of bases, just sitting alert at those two locations 24 and 7.

Senator BLUMENTHAL. Any other effects that you've analyzed or foreseen?

General JACOBY. Senator, no.

Senator BLUMENTHAL. Let me go to cyber if I may. You answered one of the questions earlier about the task of defining criteria that would constitute an act of war in case of a cyber attack. My understanding is that those attacks are ongoing even as we speak, not only against the defense industrial base, certain private sector elements, but also our actual defense capabilities.

I wonder if you could be somewhat more precise about where you think we are in defining those criteria. You said there was—and I'm using your word—"momentum" toward that definition.

General JACOBY. Yes, Senator. As recently as yesterday, I had a conversation with General Alexander. He's walking point with General Kehler in Strategic Command in terms of developing criteria. We'll address that in a collaborative fashion, I believe, in the very near future.

But part of the momentum is not just in the Department of Defense; it's within the broader community of agencies and organizations that are concerned about cyber security, both commercial and specifically in the lead element for defending our Nation's networks, the Department of Homeland Security.

So I would concur as a military professional. I know that we are undergoing malicious activity on the net. The challenge is how do we define that as an attack on our country, and I think this is a serious discussion that needs to be had, and it ends up being really a policy question on where are the red lines, because that's essentially what we're talking about, where are the red lines where malicious activity transitions into an attack on the homeland, and then what else could it be connected to that might define otherwise just considered malicious activity now a serious threat or an attack on the country?

Senator BLUMENTHAL. And would you agree that part of the defense against that attack and part of defining the criteria has to be deciding what the offense should be, what the deterrent should be?

General JACOBY. Senator, I believe that the country requires and the Department requires full-spectrum computer network operations, exploitation, defense, and attack.

Senator BLUMENTHAL. Thank you.

I want to ask you a question that I don't believe has been covered, and it may be a little beyond the normal purview of what you do. But obviously over the time that you've been in this job, over the time that we've been aware of conditions in the Arctic, there have been changes to the topography and other environmental aspects. And I'm not going to go into detail because you're much closer to it actually than we could be sitting here. But I wonder whether those so-called climate change, for lack of a better word, issues affect your strategic thinking, your practical approach to that part of the world?

General JACOBY. Senator, the opening of the Arctic has driven us to a new imperative within the command to consider the Arctic in a different way. So starting with the unified command plan most recent change, which gave us Arctic geographic responsibilities, as well as directing that we become the advocate for Arctic capabilities, has opened our aperture and helped us work differently at the Arctic.

I believe that it's not just a geographic location, but it's a specific domain that requires special capabilities and capacities to operate effectively. With the opening of the Arctic, there are sure to be commercial and economic interests. Historically those are followed closely by security interests, and we will seek to stay ahead of the challenge and not behind it and make sure that the Arctic is explored and the resources exploited in a collaborative, peaceful way.

Senator BLUMENTHAL. And this is a burgeoning area of responsibility.

General JACOBY. I believe so, Senator. We're working closely with Canada. Canada has got it as a top priority. I'm in a unique position as the NORAD commander with my relationship with Canada, and so I can tell you that we're joined at the hip with not just Canada, but all eight of the northern region countries.

Senator BLUMENTHAL. Do submarines play a part in that thinking?

General JACOBY. Submarines are still active up there and I know that our Navy operates in the Arctic region and will I presume continue to do so.

Senator BLUMENTHAL. And they are important to both economic and national security in that area?

General JACOBY. The Arctic will, as it opens up as a domain, I'm sure we'll find all types of commercial, economic, and military activity in the Arctic.

Senator BLUMENTHAL. Thank you.

My time has expired, which means that your time has expired, thankfully I'm sure from your standpoint. I want to thank you again on behalf of the entire committee for your service and for your sacrifice, your families' service and sacrifice, and for being with us today. Thank you very much, gentlemen.

I declare this hearing as adjourned. Thank you.

[Whereupon, at 11:31 a.m., the committee adjourned.]