

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

TUESDAY, MARCH 19, 2013

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

**U.S. EUROPEAN COMMAND, U.S. NORTHERN COMMAND,
AND U.S. SOUTHERN COMMAND**

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

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

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

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

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

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

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

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good morning, everybody.

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

Admiral Stavridis, at last year's EUCOM posture hearing I said that it was likely your last appearance before this committee, and I'm glad I included the word "likely." So now we can thank you again for your nearly 4 years now as EUCOM Commander and Supreme Allied Commander, Europe, which I believe makes you one of the longest serving EUCOM commanders in recent history. You've been a steady hand on the tiller during some very turbulent times and we all wish you the best in your retirement from military service.

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

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

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

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

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

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

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

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

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

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

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

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

to Syria and possible additional roles for the alliance beyond the deployment of Patriot batteries.

EUCOM's responsibilities include managing our military-to-military engagement and cooperation with Russia, including through the NATO–Russia Council. This includes Russia's cooperation with the movement of coalition equipment out of Afghanistan along the Northern Distribution Network through Russia and over 110 military-to-military activities between our 2 militaries last year.

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

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

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

Senator Inhofe.

STATEMENT OF SENATOR JAMES M. INHOFE

Senator INHOFE. Thank you, Mr. Chairman.

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

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

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

Closer to home, violence continues to escalate throughout Central and South America and in Mexico as a result of increasingly capable transnational criminal organizations. Their multi-billion net-

works deal in drugs, weapons, bulk cash, and now span through West Africa, Europe, and even right here in the Homeland of the United States. Combatting them requires whole-of-government solutions and robust cooperation with international partners.

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

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

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

Thank you, Mr. Chairman.

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

**STATEMENT OF ADM JAMES G. STAVRIDIS, USN, COMMANDER,
U.S. EUROPEAN COMMAND AND SUPREME ALLIED COM-
MANDER, EUROPE**

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

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

As the chairman mentioned, I'm rounding out 4 years in my current position. Before that I was lucky enough to be down at SOUTHCOM in General Kelly's position. So this is my seventh appearance in this run in front of the committee. I've always enjoyed the dialogue, the give-and-take, and the chance to express what our commands are doing.

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

cused on Afghanistan, which is the key operational mission for NATO at the moment, and I'll be glad to talk about that in some depth.

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

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

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

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

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

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

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

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

[The prepared statement of Admiral Stavridis follows:]

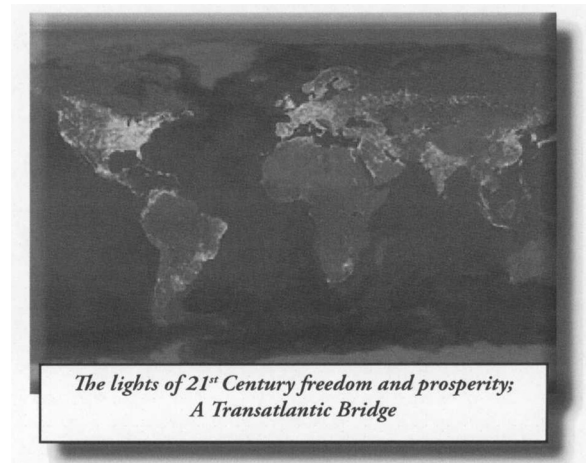
PREPARED STATEMENT BY ADM JAMES G. STAVRIDIS, USN

INTRODUCTION AND OVERVIEW

Mr. Chairman, ranking member, and distinguished members of the committee: Thank you for the opportunity to appear again before you today. For nearly 4 years now, I have commanded the exceptional men and women of the United States Euro-

pean Command and the North Atlantic Treaty Organization (NATO), Allied Command Operations. It has been the privilege of a lifetime, for a mission I deeply believe in: one that directly links U.S. national security and the American way of life with our most steadfast allies and partners in vital strategic partnerships that produce global security and stability. I can report to you today that we continue to make strong progress—in military operations, theater security cooperation, strategic rebalancing efforts, and important initiatives with our international, interagency, and public-private partners—to protect America’s vital national security interests and provide stability across Europe and Eurasia. In meeting this enduring mission, most recently endorsed and mandated in the Department’s 2012 Defense Strategic Guidance, Sustaining U.S. Global Leadership: Priorities for 21st Century Defense, these exceptional men and women continue to provide for the forward defense of the United States and ensure the collective security and continued viability of the NATO Alliance.

Today, thanks to decades of sustained leadership, tireless devotion, and ironclad commitment on both sides of the Atlantic, the United States and our historic allies enjoy an unprecedented degree of freedom, interconnectedness, economic opportunity and prosperity, and interdependence toward achieving these common goals of global security and stability. Indeed, as former Secretary of State Clinton remarked in assessing the legacy of the last century and its impact on the current one: “Today’s transatlantic community is not just a defining achievement of the century behind us. It is indispensable to the world we hope to build together in the century ahead.”



This partnership and investment, made in the 20th century, continues to pay us considerable dividends in the 21st. For even as the global economy fights through its current perturbations, the fact remains that the transatlantic partnership—rooted in the stability that flows from security—constitutes nearly half the world’s Gross Domestic Product (GDP) and a third of global trade. The transatlantic economy is valued at nearly \$31 trillion,¹ generates approximately \$4 trillion in annual trade revenue, and supports 15 million jobs.² Acting together, the United States and Europe still command the heights of the global economy, and maintain the advantage that position offers.

In support of that position, our European partners continue to make important financial and military contributions to our shared security. For, in spite of recent and oft-repeated criticisms focused exclusively on single national contributions, the fact is that, collectively, our European allies and partners are annually investing nearly \$300 billion on defense, second only to the United States (\$600 billion) and

¹ CIA World Factbook, <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2001rank.html>.

² European Commission Directorate-General for Trade, “Report on European trade with the United States,” <http://ec.europa.eu/trade/creating-opportunities/bilateral-relations/countries/united-states/>.

well ahead of available figures on annual defense expenditures by China (\$140 billion) and Russia (\$70 billion).³

It is also a fundamental reality of the modern security environment—one recognized in the 2012 Defense Strategic Guidance—that these defense contributions and NATO's continued evolution have transformed Europe, in the span of a single generation, from a security consumer to one of the world's most important security producers. Today, NATO militaries include 750 ships, 24,000 aircraft, and over 3 million active duty personnel. Over the past decade, as these assets were vigorously put to use, our European allies and partners made conscious national decisions to set aside the security paradigms of the previous century and stand shoulder-to-shoulder with the United States, making unprecedented deployments on out-of-area expeditionary operations to confront 21st century threats. It remains one of history's more ironic twists that NATO's only Article 5 declaration was made by our NATO allies in the defense of the United States after the events of September 11, 2001.

In the decade of war and military operations that followed, European military personnel comprised 80 percent of non-U.S. forces in Iraq and 90 percent of non-U.S. forces in Afghanistan—essentially a third of the International Security Assistance Force (ISAF). In addition, our European partners provided substantial military support—in command and control, basing, air sorties, and maritime interdiction—to execute Operation Unified Protector in Libya successfully in 2011. They also sustain 90 percent of the mission in Kosovo, provide 6,000 troops for U.N. peacekeeping operations across the world, and continue providing important support to current missile defense and counter-piracy operations. These are extraordinarily valuable contributions, both diplomatically and in terms of their relief on U.S. force generation requirements. They represent burden-sharing unparalleled in any other region of the world, showcasing the vital importance of our European allies and partners to U.S. national security interests and the viability of coalition warfare as we continue moving into the 21st century.

Yet, even as we acknowledge these extraordinary contributions and commitments, the fiscal realities and current inflection point that follow a decade of war have prompted necessary national deliberation to reconsider the U.S. defense strategy and rebalance global U.S. posture. Indeed, the Cold War and its strategic imperatives are long over. As the 2012 Defense Strategic Guidance makes clear, after 10 years of combat operations “our Nation is at a moment of transition” requiring us to put “our fiscal house in order here at home and renew our long-term economic strength.” These considerations have increased scrutiny of U.S. posture in Europe. Yet, the reality is that U.S. posture in Europe has been steadily declining for more than 2 decades.

At the height of the Cold War, more than 450,000 U.S. forces were stationed across 1,200 sites on the European continent. Today, U.S. forces on the continent have been reduced by more than 85 percent and basing sites reduced by 75 percent. Indeed, shortly after release of the 2012 Defense Strategic Guidance, European Command announced further significant force structure cuts, phasing out the Army's V Corps Headquarters, the 170th and 172nd Brigade Combat Teams, three forward-stationed Air Force squadrons, and a host of Army and Air Force enablers in concert with the Department's strategic rebalancing effort. Additionally, over the past 6 years, the U.S. Army has dramatically consolidated its theater footprint, closing six garrisons and over 100 sites across Europe to consolidate and align its much smaller presence with enduring 21st century missions.

In light of these reductions, European Command is today comprised of approximately 64,000 joint forces—representing less than 5 percent of the military—strategically located across 21 main operating bases and smaller supporting sites. The command is sharply focused on the goals outlined by the Secretary of Defense in his own preface to the 2012 Defense Strategic Guidance. That guidance seeks to ensure that ‘Joint Force 2020’ is capable of: “maintaining our defense commitments to Europe; strengthening alliances and partnerships across all regions; deterring and defeating aggression by our adversaries, including those seeking to deny our power projection; countering weapons of mass destruction (WMD); effectively operating in cyberspace, space, and across all domains; maintaining a safe and effective nuclear deterrent; and protecting the homeland.” For European Command, these remain our existing and most critical missions, performed from forward-stationed locations that protect the United States through strategic depth and distance, while providing our Nation the strategic agility and responsiveness to deal rapidly with 21st century crises and complex contingencies in an environment of unforgiving speed.

³The Guardian, “Military Spending: How Much Does the Military Cost at Each Country, Listed,” <http://www.guardian.co.uk/news/datablog/2012/apr/17/military-spending-countries-list>.

Despite these realities, there persists in some quarters a notion that the strategic rebalance represents a zero-sum game for U.S. global posture, recalling debates from the last century pitting advocates of ‘Europe first’ or ‘Asia first’ against each other. Yet, what that century taught us, and what the 2012 Defense Strategic Guidance makes clear, is that the United States must retain its global reach, access, and prerogatives to maintain its status and influence as a global superpower, particularly in regions vital to U.S. economic well-being such as Europe and the Middle East. Power, like nature, abhors a vacuum. A zero-sum withdrawal or substantial diminishment of U.S. presence, influence, and supporting infrastructure across these vital regions provides opportunity for other rising powers to displace the United States, and gain the geostrategic benefits from that substitution.

The new strategic guidance is also clear in identifying the Nation’s evolving strategic challenges, as well as its enduring strategic partnerships. While the guidance directs that the U.S. military will “of necessity rebalance toward the Asia-Pacific region,” it also articulates that, in addition to working with America’s allies in the Pacific, Europe remains “our principal partner in seeking global and economic security, and will remain so for the foreseeable future.” Chairman Dempsey echoed this point at the strategy’s roll-out: “Our strategic challenges are shifting, and we have to pay attention to those shifts. But what we do will always be built on the strong foundation of our traditional strategic partnerships, and NATO is chief among them.” Thus, NATO remains an essential vehicle, given its more than 60 years of security experience, strong and progressive direction from the Lisbon and Chicago summits, and a decade of sustained investment and gains in expeditionary out-of-area operations, capabilities, and interoperability. Within this construct, European Command remains the essential catalyst, driving and strengthening that principal partnership through vital theater security cooperation and multilateral training events, particularly at places like U.S. Army Europe’s full-spectrum Joint Multinational Training Command, centrally located and accessible in southern Germany.

Geographically, Europe provides the critical access and infrastructure to meet the Defense Strategic Guidance’s priorities and expand U.S. global reach across half the world, to Europe and on to Eurasia, Africa, and the Middle East. America’s enduring presence and leadership in Europe provides our Nation with an indispensable geostrategic platform—a metaphorical forward-deployed “unsinkable aircraft carrier”—to facilitate and conduct global operations in direct support of NATO, six U.S. Combatant Commands (European Command, Central Command, Africa Command, Transportation Command, Special Operations Command, and Strategic Command), a wide host of U.S. Government interagency organizations, and 51 U.S. Embassies. In accordance with the 2012 Defense Strategic Guidance, our evolved but enduring presence will continue to support these missions, assure our allies, deter potential adversaries, promote enhanced capabilities and interoperability for future coalition operations, support and provide leadership for NATO’s continued progressive evolution, and provide critical forward defense against the rising threats of the 21st century.

The timing of the U.S. strategic rebalance—coming simultaneously with a number of other rapidly unfolding events in and around our theater, in places like Israel, Turkey, Syria, North Africa, the wider Middle East, and Afghanistan—has also provided the command with a strategic inflection point of our own to consider and to focus on as we move into the future.

European Command has aggressively leveraged this opportunity to undertake a significant strategic review last fall, guiding our implementation of the Defense Strategic Guidance and ensuring the responsible utilization and maximum efficiency of increasingly precious defense resources. That strategy acknowledges the environment we are witnessing: one characterized by decreasing resources and increasing instability; one that endorses the Department’s emphasis to work with America’s “most stalwart allies and partners” to maintain our commitments to allied security; one that promotes enhanced allied capacity and interoperability, ensuring that a decade of sustained investment and combat experience with these partners is not lost; and one that leverages resource pooling and sharing opportunities—such as NATO’s ‘Smart Defense’ program—to economize our efforts as we meet the challenges of the 21st century.

In light of this environment and the path forward, European Command’s new strategy tightly aligns our enduring posture with the command’s most pressing 21st century missions and priorities. Those priorities include: the command’s readiness to execute NATO Article 5 missions and other priority U.S. contingency plans; preservation of our strategic theater partnerships, both to enable a successful ISAF transition and to preserve the return on past U.S. investment in partner capability and interoperability; and European Command’s charge to defend the Homeland forward against rising threats from ballistic missiles, international terrorism, WMD

proliferation, transnational illicit trafficking, piracy, and malevolence in cyberspace. European Command's new strategy will serve to ensure that our resources are harmonized effectively and efficiently across the command, that we are prepared to address conflict across the spectrum of operations with a focus on the most likely scenarios, and that we are meeting the growing need, based on fiscal realities, to align high-end training opportunities, capability development, and sustained outreach with our allies and partners on future coalition operations and military burden-sharing.

The transatlantic alliance is and will remain an essential foundation for sustained global security, stability, and freedom. It is a precious and profound generational inheritance from those who preceded us; a tool forged in the fire of the last century to provide us the edge we need in this one. In candid remarks on his departure, outgoing Secretary of Defense Robert Gates warned against the growing devaluation among American leadership of this inheritance: "The policymakers who will follow us will not have the same historical, personal, and, indeed, emotional ties to Europe and may not consider the return on America's investment in Europe's defense worth the cost . . . and that will be a tragedy." Former Secretary Panetta has also stated it clearly: "We live in a world of growing danger and uncertainty where we face threats from violent extremism, nuclear proliferation, rising powers, and cyber attack. We cannot predict where the next crisis will occur. But we know we are stronger when we confront these threats together. It is precisely because of these growing security challenges and growing fiscal constraints that we need to work more closely than ever as partners."

To summarize, there are five key responses to the question: "Why is Europe of such importance to the United States?" First, Europe is home to most of the world's progressive democracies; nations with which we share the fundamental values that are a critical element in building effective coalitions. Second, with a GDP of \$19 trillion—a quarter of the world's economy—and approximately \$4 trillion in annual trade with the United States, Europe's importance to the U.S. and global economies cannot be overstated. Third, the European theater remains critical geostrategic terrain, providing the United States with the global access it needs to conduct worldwide operations and crisis response. Fourth, Europe is the backdrop for NATO, history's most successful and effective alliance, and a vital partner for dealing with the challenges of the 21st century. Fifth, Europe is today a security exporter, possessing among the most highly trained and technologically advanced militaries in the world. No other region possesses such a comparable pool of capable and willing partners able to conduct global operations with the United States.

Therefore, our Nation must take care—even as we grapple with significant economic challenges and chart the necessary strategic reorientations—to protect, preserve, and continue evolving this extraordinary partnership. We must keep the transatlantic light burning brightly. It will help guide us as we continue navigating the shadows, complexity, and continuous evolution of the 21st century security environment. It will prove, as we persevere and rise to meet today's economic and security challenges, that we are still, and will remain, STRONGER TOGETHER.

"Over a decade of war, from the mountains of Afghanistan to the shores of Tripoli, this alliance has proven its relevance in the security challenges of the 21st century. We have moved closer to realizing a vision for the Atlantic community articulated by President John F. Kennedy 50 years ago, envisioning that one day the United States would partner with a revitalized Europe 'in all the great and burdensome tasks of building and defending a community of free nations.'"—Former U.S. Secretary of Defense Leon Panetta

MISSION, VISION, PRIORITIES

Mission

The mission of the U.S. European Command is to conduct military operations, international military engagement, and interagency partnering to enhance transatlantic security and defend the United States forward.

Vision

We serve the Nation as an agile security organization executing full-spectrum activities in a whole-of-government framework to deliver solutions that contribute to enduring security and stability across the world.

2013 Theater Priorities:

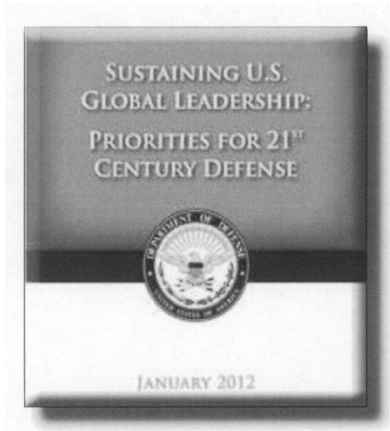
1. Ensure readiness to execute European Command's NATO Article 5 commitment and other contingency plans.

2. Preserve our strategic partnerships.
 - Sustain relationship with our allies to ensure a strong NATO Alliance;
 - Preserve recently developed allied and partner capability and interoperability;
 - Maintain regional stability and security.
3. Enable ISAF's transition to Afghan security lead.
4. Counter transnational threats, focusing on: missile defense; weapons of mass destruction; counterterrorism; illicit trafficking; counterpiracy; and cyberspace.
5. Maintain U.S. strategic access across Europe in support of global operations.
6. Maintain particular focus on four key countries: Israel, Poland, Russia, and Turkey.

SUCCESS AND PROGRESS

Meeting the Chairman's Strategic Priorities

Aligned and Supporting Joint Force 2020



The Defense Strategic Guidance provides a blueprint for optimizing the U.S. Joint Force by the year 2020. This blueprint provides a 21st century fighting force that sustains U.S. global leadership, is postured to protect America's vital national security interests, stands ready to confront and defeat aggression anywhere in the world, and maintains the missions, capabilities, and capacity to prevail in the complex security environment of the 21st century. As part of that blueprint, the Chairman of the Joint Chiefs of Staff has outlined 10 critical mission areas for Joint Force 2020:

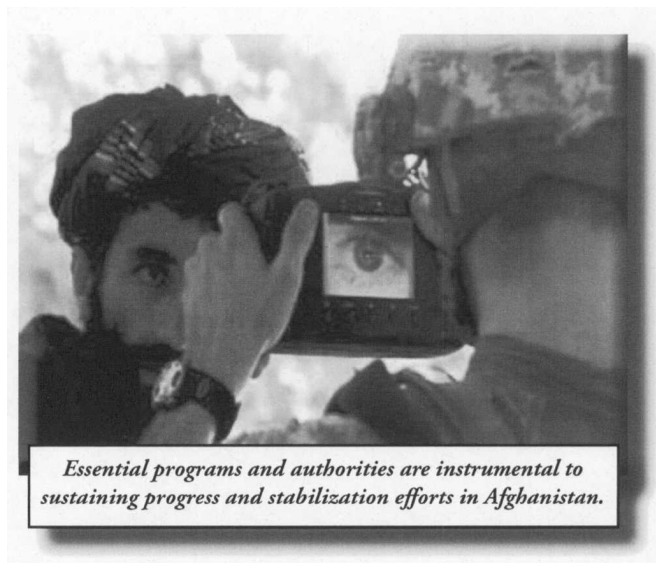
1. Counter Terrorism and Irregular Warfare
2. Deter and Defeat Aggression
3. Maintain a Safe, Secure, and Effective Nuclear Deterrent
4. Defend the Homeland and Provide Support to Civil Authorities
5. Project Power Despite Anti-Access/Area Denial Challenges
6. Counter Weapons of Mass Destruction
7. Operate Effectively in Cyberspace and Space
8. Provide a Stabilizing Presence
9. Conduct Stability and Counterinsurgency Operations
10. Conduct Humanitarian, Disaster Relief, and Other Operations

U.S. European Command is closely aligned with, and executing, all ten of these mission areas. Every day, through a wide array of operations, exercises, and supporting initiatives, conducted in conjunction with our allies and partners, European Command is providing the forward defense of the United States and preserving America's vital national security interests across multiple continents in each of these priority areas. Over the past year, we have achieved significant progress in line with the Chairman's strategic priorities. Highlights include:

1. Counter Terrorism and Irregular Warfare

Afghanistan

European Command continues a wide range of activities to enable a successful transition to Afghan security lead at the end of 2014. Our European allies and partners, who constitute a third of ISAF, have made an “in together, out together” commitment, with some countries, including Georgia, Hungary, and Romania, having recently increased their ISAF contributions to address critical shortfalls. Allied and partner special operations forces, working in concert with Special Operations Command Europe (SOCEUR) under the Partnership Development Program, have demonstrated a particularly noteworthy level of commitment, indicating their willingness to continue contributing to Afghan stabilization efforts beyond 2014 should this requirement exist. European Command leverages a number of essential programs and authorities, including Section 1206 (global train & equip), the Coalition Support Fund, the Coalition Readiness Support Program, and the SOCEUR Partnership Development Program to assist our allies and partners with necessary pre-deployment training and equipment needs. Through these vital programs, we have provided training in critical combat skills and specialized equipment to enhance our partners’ downrange interoperability and operational effectiveness. The continued availability of these programs is essential to support the transition and post-2014 missions in Afghanistan.



In quarterly training rotations this year through U.S. Army Europe’s Joint Multinational Readiness Center in Hohenfels, Germany, European Command has also prepared a total of 72 Security Force Assistance Teams from 16 countries for ISAF deployment. Additionally, we provided life-saving Counter-Improvised Explosive Device training to 2,481 personnel from 22 countries. To date, the command’s Expeditionary Intelligence Training Program has developed counterinsurgency intelligence, analysis, and operational skill sets for over 1,000 personnel from 26 countries. European Command has expanded our ‘Georgia Deployment Program’ to support the simultaneous deployment of two Georgian battalions every 6 months to ISAF’s Regional Command Southwest, where they operate in conjunction with the U.S. marines without caveats. U.S. Air Force Europe’s Warrior Preparation Center has also contributed to the ISAF mission by training 60 Joint Tactical Air Controllers from 19 partner nations. Finally, in 2012, European Command obtained and delivered critical lifesaving equipment for deploying partners from 10 Central and Eastern European countries.

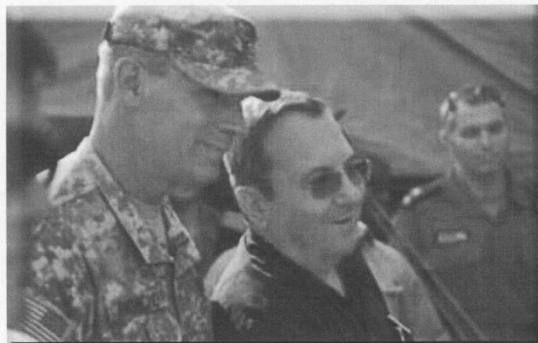
Theater Counterterrorism

Exercise Jackal Stone is U.S. European Command's premier Special Operations Force (SOF) training event. In 2012, this theater-wide SOF exercise was conducted in Croatia involving over 1,700 personnel representing 15 countries: Canada; the Czech Republic; Denmark; Estonia; Finland; France; Hungary; Italy; Lithuania; Latvia; Norway; Poland; Romania; Slovakia; and the United Kingdom. Exercise Jackal Stone honed theater SOF capabilities in all mission sets from counterterrorism to high-intensity conflict. The exercise validated Special Operations Task Force-Europe's ability to conduct special operations, and enhanced SOF relationships with these key partners who continue deploying to ISAF and fully support our strategy of active security.

2. Deter and Defeat Aggression

Austere Challenge

In its 8th year as European Command's premier joint force headquarters exercise, Austere Challenge 12—the largest and most significant exercise ever to take place in U.S. European Command since the end of the Cold War—continued to provide world-class training opportunities for U.S. European Command Headquarters, our Service component commands, and the Israel Defense Forces. An extensive, multi-phased event, Austere Challenge 12 exercised existing U.S. European Command plans and capabilities in the Levant, focused on combined missile defense training and interoperability with a critical partner in a challenging strategic environment. The exercise involved 3,500 U.S. personnel from all 4 Military Services, integrating U.S. Army Patriot batteries, Air Operations Center command and control capabilities, Aegis Ballistic Missile Defense (BMD) ships, and other air defense systems to sharpen combined defensive capabilities against a variety of threats. As part of the broader Austere Challenge event, European Command also conducted the largest of our combined exercises and engagements with Israel, Exercises Juniper Cobra and Juniper Falcon. These exercises also sustain the U.S.-Israeli political-military relationship, exercise important theater capabilities, and provide further demonstration of the United States' strong commitment to the security of Israel.



Israeli Minister of Defense Ehud Barak speaks with U.S. forces during Exercise AUSTERE CHALLENGE in October, 2012. AUSTERE CHALLENGE was the largest exercise conducted in EUCOM since the end of the Cold War. It involved 3,500 U.S. and 1,000 Israeli forces exercising critical air and missile defense capabilities.

The Combatant Command Exercise and Engagement Fund continues to be a linchpin for theater-wide Joint and Coalition training. In 2012, the fund supported 31 joint and coalition exercises, training European Command Headquarters staff and more than 25,000 U.S. military personnel across a full spectrum of critical missions from integrated air and missile defense to counterterrorism. This funding enables European Command and NATO to be a net exporter of security, from ISAF operations to the defense of Israel, and was instrumental in ensuring the success

of Exercise Austere Challenge 12, demonstrating a fully-rehearsed, seamlessly integrated missile defense capability and clear U.S. commitment to a key ally during a critical period.

3. Maintain a Safe, Secure, and Effective Nuclear Deterrent

Theater Nuclear Forces

U.S. European Command maintains a safe, secure, and effective theater nuclear deterrent in support of the NATO Alliance and enduring U.S. security commitments. Through rigorous and effective training, exercises, evaluation, inspection, operations, and sustainment, European Command ensures U.S. nuclear weapons, dual-capable aircraft, nuclear command centers, materials, procedures, and personnel are fully ready to support national strategic nuclear directives. Our annual program includes command-only exercises, such as Fig Leaf and Clover Leaf, as well as participation in the NATO Steadfast exercise series, and multiple Joint Staff, NATO, and U.S. European Command assessments and inspections.

4. Defend the Homeland and Provide Support to Civil Authorities

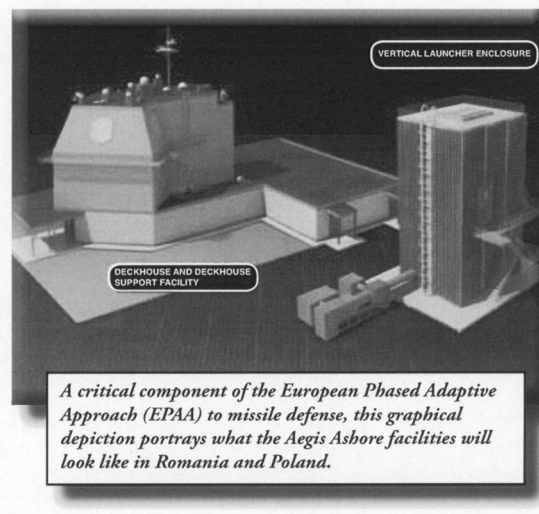
Collective Security Defends the U.S. Homeland

In 2012, U.S. European Command continued its mission to defend the Homeland forward by expanding our planning efforts with, and in support of, NATO. Through America's fulfillment of its Article 5 commitments, and a strong and enduring NATO Alliance, we support our national and collective security, manifested so clearly in NATO's historic and only Article 5 declaration, made in the wake of September 11, 2001.

Supporting the Fight against Transnational Organized Crime

Additionally, through the work of European Command's Joint Interagency Counter Trafficking Center (JICTC), we continue to provide strong support to the President's Transnational Organized Crime Strategy, the U.S. Government inter-agency, and numerous U.S. Country Teams working to counter global transnational illicit trafficking and terrorism. With profits from illicit enterprises estimated in the trillions, these efforts focus on disrupting versatile illicit networks who traffic in a wide host of destabilizing influences, including narcotics, terrorism, weapons (from small arms to WMD), human trafficking, and illicit finance. These networks pose a growing threat to the U.S. Homeland, as well as the security of our allied and partner nations. Through these efforts, we are contributing to U.S. interagency efforts to disrupt and dismantle these networks, and assisting our partner nations develop and refine the counter-trafficking and counterterrorism skills and capacity needed to keep these threats as far as possible from American shores.

5. Project Power Despite Anti-Access/Area Denial Challenges



Ballistic Missile Defense

Throughout 2012, European Command continued to improve its ballistic missile defense (BMD) readiness for the defense of Israel and Europe. In particular, 2012 saw the AN/TPY-2 radar—on-line at Kürecik, Turkey, since 2011—transition to NATO control as part of the European Phased Adaptive Approach (EPAA) to missile defense. Additionally, important EPAA Phase Two progress was made last year, as we successfully completed all international negotiations to forward-station four U.S. Navy Aegis BMD warships in Spain, and continued to prepare the Aegis Ashore site in Romania.

European Command has also taken a number of proactive steps to set the theater and increase our readiness in response to heightened instability in the Levant. Increased Intelligence, Surveillance and Reconnaissance (ISR) operations enable the command to maintain a close watch on that region. As the situation in the Levant became increasingly serious last year, we significantly increased our coordination and collaborative planning with our counterparts in the Israeli Defense Forces (IDF). European Command also took steps to increase our force posture and readiness during this time frame, in order to be prepared to rapidly execute operations in the Levant should it become necessary.

6. Counter Weapons of Mass Destruction

European Counter-Proliferation Stakeholders

Weapons of Mass Destruction (WMD) in the hands of a rogue state or non-state actors continue to represent a grave threat to the United States, our allies, and partners. In confronting this high-stakes challenge, one that possesses far-reaching and highly destabilizing consequences, several factors intersect across European Command's theater: the bulk of the world's WMD resides here; European population centers and U.S. military installations present numerous targets for terrorist organizations; and European ports and terminals are the last line of defense for much of the commercial traffic that enters the U.S. port system.

Our allies and partners share these concerns, and we continue to leverage their capabilities as we pursue efforts, both bilaterally and regionally, to reduce the potential for successful WMD trafficking. We have increased our preparedness through several military-to-military and military-to-civilian engagements, joint training events, NATO's annual consequence management exercise (conducted in conjunction with over 30 European nations), U.S. interagency cooperation, defensive consequence management planning with Israel, the work of the Joint Interagency Counter Trafficking Center, and other partnering to bolster our collective capabilities in this critical mission area.

7. Operate Effectively in Space and Cyberspace

Cyberspace Operations

European Command is pursuing a cyber posture that ensures mission assurance by protecting the command's critical data, information systems, and networks against an expanding number of increasingly sophisticated cyber threats. Over the past year, European Command has refined the organization and functionality of its Joint Cyber Center (JCC), which serves as the focal point for coordinating, integrating, and synchronizing the theater's cyber activities. It is an integral part of the command's contingency planning efforts and operations, working closely with U.S. Cyber Command and Service cyber components to ensure responsiveness to priority mission requirements in the cyber domain.

In an effort to enhance the security of its networks and enhance their operational effectiveness, European Command is also working with U.S. Africa Command and the U.S. Army to implement the initial increment of the Joint Information Environment. This is a multi-phased effort supporting the Department's migration from Service-centric networks to a single information technology infrastructure and common network architecture. This undertaking will allow analysts at each combatant command to assess potential cyber threats on a near-real time basis and react to potential adversary activity in a more cohesive and effective manner.

Cyber Defenses

European Command's cyber posture also includes military engagement to strengthen coalition networks and the cyber defense capabilities of our NATO Allies and Partnership for Peace nations. Thirty-seven European Command country cooperation plans include activities that help partners strengthen their cyber defense programs and exchange information about cyber threats and vulnerabilities. Successful again last year, European Command conducted Exercise Combined Endeavor

12, the largest communications and information systems interoperability exercise in the world. The event drew delegates from 40 nations (26 NATO and 14 Partnership for Peace countries) focused on partnership capabilities, operational preparation of deployable command, control, communications, and computer forces, cyber training and professional development, and the development of interoperability standards for cyberspace.

European Command also hosted Exercise Cyber Endeavor, which promotes a common standard for network defense processes and procedures. The exercise involved 175 participants from 32 countries, including NATO members and Warsaw Initiative Fund-resourced Partnership for Peace nations. It focused on malware analysis and reverse engineering, cyber incident response, and network and computer forensics. Through this capstone event with NATO, partner nations, academia, and industry, European Command is enhancing theater-wide cyber capabilities, and building strong defense partnerships to ensure that the United States and NATO are prepared to prevail in this critical domain.

8. *Provide a Stabilizing Presence*

Israel and the Levant

European Command's sustained engagement with Israel, through our theater security cooperation program and numerous annual military-to-military engagement activities, continues to strengthen our Nations' enduring ties and military capabilities. European Command chairs four bilateral, semiannual conferences with Israel addressing planning, logistics, exercises, and interoperability. Additionally, the U.S.-Israeli exercise portfolio includes eight major recurring exercises. Through these engagements, our leaders and staff maintain uniquely strong, recurring, personal, and direct relationships with their IDF counterparts.

U.S. Security Coordinator for Israel and the Palestinian Authority

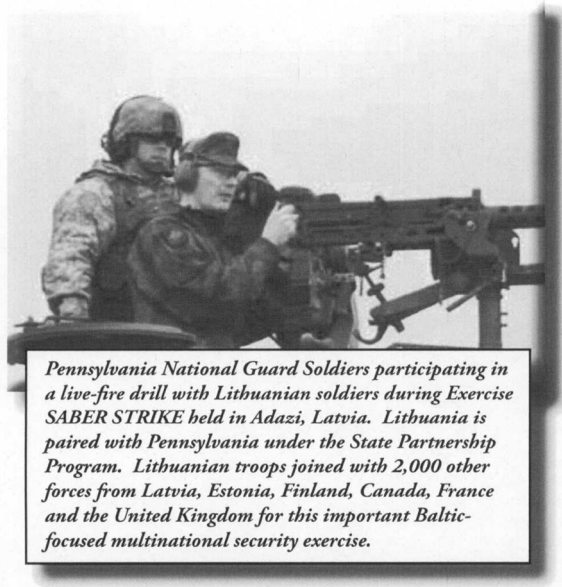
European Command's comprehensive engagement strategy with Israel complements other U.S. Government security cooperation initiatives, including the important work of the U.S. Security Coordinator for Israel and the Palestinian Authority (USSC). USSC's mission is to help Israel and the Palestinian Authority meet security conditions to support a two-state solution; to transform and professionalize the Palestinian Authority's security sector; and to support U.S. and international whole-of-government engagement, with both the Israelis and the Palestinians through security initiatives designed to build mutual trust and confidence. Continued U.S. support for this engagement and the progressive capacity and capabilities of the Palestinian Authority Security Forces remain in the interest of overall Israeli-Palestinian regional security.

Kosovo

In advance of the Serbian elections last year, for which there were indications Serbia would attempt to organize illegally in the territory of Kosovo, European Command worked closely with Senior Department of Defense officials to identify Kosovo Force (KFOR) capacities, capabilities, and risks to mitigate against a deterioration in security resulting from such an effort. We prepared ground forces, forward-stationed in Germany, to deploy rapidly to reinforce KFOR if required. Though this augmentation was ultimately not needed as a diplomatic solution was found to allow the OSCE to administer polling sites where dual national Kosovo Serbs could vote, the proximity and presence demonstrated important U.S. resolve to continued stability in the Balkans.

Caucasus

With U.S. assistance, Georgia conducted cross-border Humanitarian Assistance and Disaster Response training with Armenia in 2012, and also continued to develop their biohazard threat analysis capabilities to enhance regional stability. Further south, European Command facilitated Armenia's participation in Exercise Combined Endeavor and the U.S. Marine Corps' Black Sea Rotational Force, efforts focused on regional security, while also providing non-commissioned officer training to the Armenian military. In Azerbaijan, European Command also involved Azerbaijan forces in the Black Sea Rotational Force, coordinated training events at the Joint Multinational Training Center in Germany, and provided section 1206-funded explosive ordnance disposal (EOD) training to Naval Special Operations Forces.



Pennsylvania National Guard Soldiers participating in a live-fire drill with Lithuanian soldiers during Exercise SABER STRIKE held in Adazi, Latvia. Lithuania is paired with Pennsylvania under the State Partnership Program. Lithuanian troops joined with 2,000 other forces from Latvia, Estonia, Finland, Canada, France and the United Kingdom for this important Baltic-focused multinational security exercise.

9. Conduct Stability and Counterinsurgency Operations

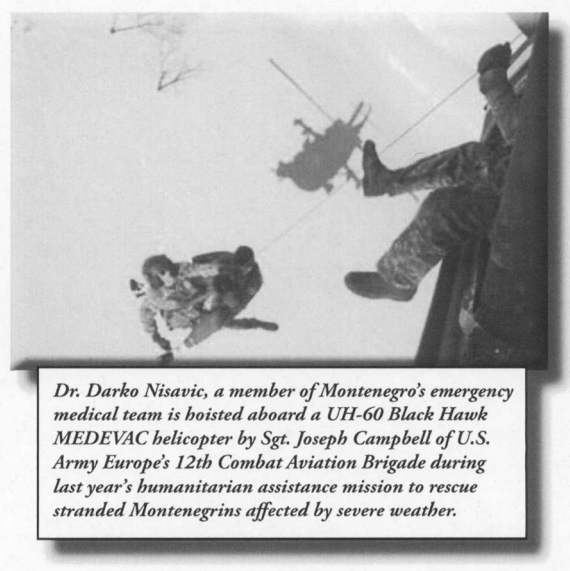
Baltic States

In support of this priority, focused on stability and expanding military-to-military cooperation to strengthen partner capabilities and reduce reliance on U.S. forces, European Command sponsored the 42nd annual Baltic Operations (BALTOPS) engagement, a maritime exercise which has grown to become the largest military-to-military event in the region. BALTOPS 2012 continued America's highly visible outreach and engagement in the Baltic region, supporting development of Latvian, Lithuanian, and Estonian maritime capabilities, enhancing regional and NATO Alliance unity of effort, and exercising a host of key military competencies focused on joint and combined air, land, and sea training. The exercise brought together 12 European nations—including Russia—27 ships, 33 aircraft, and 1 submarine to conduct tactical unit actions, in-port and at-sea events, and a culminating exercise employing multi-national sea and air forces. The exercise was important in promoting assurance and stability in this key maritime region, and expanding our engagement with Russia, one of European Command's leading priorities.

State Partnership Program

The National Guard State Partnership Program (SPP) remains one of European Command's most effective and efficient programs to enhance theater stability and influence the development of partner nation military capabilities. Launched in 1993 to reach out to former Warsaw Pact and Eastern European countries after the Cold War, the program accounts for 25 percent of European Command's theater security cooperation and military-to-military engagement programs with these nations. In the European Command Theater, SPP partners U.S. National Guard forces from 21 participating States with 22 allied and partner nations. SPP in the theater leverages other programs and authorities, such as National Guard annual training and Overseas Humanitarian, Disaster and Civic Aid program activities to conduct military training and education, pursue key theater security cooperation objectives, and foster positive relationships among junior and mid-grade military professionals. These relationships pay dividends as these professionals progress to ever higher positions of responsibility in their militaries. The program has also delivered a significant operational return on investment, with 19 participating nations contributing forces to ISAF, and 9 of these nations training, deploying, and serving side-by-side

with participating U.S. National Guard units in Security Force Assistance Teams and Provincial Reconstruction Teams across Afghanistan.



Dr. Darko Nisavic, a member of Montenegro's emergency medical team is hoisted aboard a UH-60 Black Hawk MEDEVAC helicopter by Sgt. Joseph Campbell of U.S. Army Europe's 12th Combat Aviation Brigade during last year's humanitarian assistance mission to rescue stranded Montenegrins affected by severe weather.

10. Conduct Humanitarian, Disaster Relief, and Other Operations

Disaster Relief

In 2010, in coordination with the U.S. Agency for International Development (USAID), European Command provided critical firefighting support to control wildfires raging across Russia and Israel. A year later, in August 2011, the Command provided significant disaster relief to Turkey in the wake of a devastating earthquake. Last year, in response to a particularly harsh winter, European Command provided rapid disaster response across the Balkans. In February 2012, blizzard conditions caused widespread power outages across Bosnia and Herzegovina, prompting officials to request emergency assistance from the international community. On short notice, European Command delivered badly needed parts and supplies to repair degraded military helicopters so that Bosnians could respond to isolated mountain communities. A short time later, Montenegro declared a similar state of emergency. European Command again answered the call, providing intra-theater lift to transport required material, personnel, and equipment to Montenegro, and dispatched two U.S. Army UH-60 helicopters to assist the government with emergency resupply and medical evacuation operations.

Humanitarian Assistance

European Command also supports civil-military engagement programs that focus humanitarian assistance and disaster response along four key lines of operation: disaster preparedness; education; health; and water and sanitation. These programs provide training and construction support to develop disaster preparedness in poorer regions of southeastern Europe and Eurasia. This program, also coordinated with USAID, generates significant 'soft power' for the United States, as efforts to renovate clinics, schools, orphanages, and water lines build tremendous goodwill and leave a lasting positive American legacy for a relatively modest investment. In 2012, the program obligated \$9 million across 17 countries in the region to help build and reinforce stability.

To summarize, through the execution of the command's combined operations, theater exercises, interagency outreach, and security cooperation across each of these ten national mission areas, European Command is protecting and preserving every one of America's vital national security interests. These interest, defined by the Chairman of the Joint Chiefs are:

- Survival of the Nation (deterrence of nuclear attack);
- Survival of the global economic system (enabling physical and virtual flow of global commerce);
- Prevention of catastrophic attacks on the Nation (from ballistic missiles, WMD, or terrorists);
- Freedom of action for the United States (facilitate the exercise of American power);
- Secure, confident, and reliable allies and partners (fulfilling obligations to our partner states);
- Protection of American citizens abroad (defending diplomatic facilities and conducting hostage rescue, counterterrorism, and evacuation operations);
- Preserving and, where possible, extending universal values (human rights, democracy, humanitarian assistance and disaster relief).

Supporting each of these vital national security interests, European Command is making a difference, keeping America safe, and ensuring the Nation's defenses are Stronger Together with our European allies and partners.

CHALLENGES, OPPORTUNITIES, AND INITIATIVES

“European security remains an anchor of U.S. foreign and security policy. A strong Europe is critical to our security and our prosperity. Much of what we hope to accomplish globally depends on working together with Europe.”—Former U.S. Secretary of State Hillary Clinton

The most important challenge facing U.S. European Command is maintaining our readiness to conduct unilateral operations, as well as combined operations with our European allies and partners, to support our collective NATO Article 5 responsibilities, out-of-area operations, and other contingency missions. Today, rising tensions—stemming from declining resources, long-simmering ethnic strife, regional hegemonic desires impacting U.S. European Command area of responsibility partners' security, and a host of demographic, social, political, and economic forces—pose challenges and risk to security and stability in and around our theater. Enduring U.S. presence and engagement remains critical to preventing destabilizing influences or simmering resentments from erupting into violence or escalating into open conflict. While these challenges are real, European Command remains vigilant, proactive, and engaged to seek out opportunities in each of these challenges and leverage our presence, leadership, and capabilities to continue to protect U.S. vital national security interests and meet our collective security commitments.

Afghanistan

We have entered the critical transition period in Afghanistan. Over the next 20 months, ISAF must continue to fully recruit and field the Afghan National Security Forces (ANSF), both army and police, in order to shift the main security effort to the Afghans later this year. We must also prepare to support the Afghan presidential election and the NATO Training Mission-Afghanistan (NTM-A), while planning to redeploy thousands of ISAF forces and restructure our basing readiness to ensure that European Command is postured to support this redeployment and the post-2014 mission.



A Turkish UH-60 Black Hawk helicopter is loaded onboard a U.S. Air Force C-17 Globemaster at Incirlik Air Base, Turkey, for deployment to Kabul. EUCOM will provide indispensable logistical capacity and collaboration with U.S. Transportation Command to conduct significant U.S. and allied retrograde and redeployment operations from Afghanistan in 2013 and 2014.

European Command is involved in a wide range of supporting activities to enable a successful transition in Afghanistan in accordance with the 2012 Defense Strategic Guidance and NATO's Chicago Summit Declaration. As mentioned, European Command continues to leverage Section 1206, Coalition Support Fund, Coalition Readiness Support Program, and a host of other security assistance programs to provide the critical training and equipment that enable our European allies and partners—particularly Central and Eastern Europeans who are punching far above their weight in ISAF—to continue contributing to security and stability in Afghanistan. The continued availability of these authorities, particularly Section 1206, is essential to helping us meet the transition timeline and our post-2014 responsibilities. European Command is also providing critical logistical support to the mission in Afghanistan. We are working closely with U.S. Transportation Command to ensure the existing capacity, versatility, and responsiveness of redeployment mechanisms, routes, and infrastructure can cover the size and scope of the Afghanistan redeployment mission. To that end, European Command's recently established multi-modal logistical hub at U.S. Forward Operating Site Mihail Kogalniceanu Airfield in Romania represents an extremely valuable addition to this logistical capacity, helping to mitigate risk from existing logistical ground and sea lines of communication in Afghanistan and Pakistan.

NATO Evolution

While progress continues, in step with the Lisbon and Chicago summit declarations, budget pressures and the transition in Afghanistan will continue to affect NATO's ongoing evolution. This challenge is characterized by several elements. First, NATO will discover new force capacity when troops, both U.S. and European, return home from Afghanistan as we move closer to 2014. This will facilitate support to the NATO Response Force (NRF), which provides the alliance with Article 5 and other crisis response capabilities. Second, the allies will naturally refocus on training, exercising, and initiatives inside alliance borders, even as they seek to retain hard-earned counterinsurgency and expeditionary capabilities. The Department's decision to reinvigorate U.S. participation in the NRF offers a significant opportunity to ensure America's allies and partners sustain their expeditionary capabilities and maintain their interoperability with U.S. forces. European Command is working to implement this decision, through support to rotational U.S. battalion task forces participating in NRF exercises and important training events with our European allies and partners. Third, the importance of counterinsurgency skill sets will give way to other priorities, including missile defense, cyberspace, and regional stability. Fourth, NATO will continue to adjust to its recently reduced command

structure. Fifth, the alliance will seek to integrate increasingly capable allies, such as Turkey and Poland, into high-end planning, command structures, and exercises. Lastly, the alliance will become more aware of, and focused on, evolving transnational challenges, including illicit trafficking, piracy, terrorism, WMD proliferation, and energy security.

The challenge to NATO presented by the current evolution is to develop a capable force structure to ensure enduring alliance credibility. European Command continues to support NATO's ongoing evolution through our bilateral and multilateral engagements, exercises, training, theater security cooperation programs, participation in the NATO Centers of Excellence, and a wide variety of other initiatives. One of the most effective enablers in this effort continues to be the U.S. International Military Education and Training (IMET) program. Through this invaluable program, the United States has trained and educated a number of our partner nations' top performing military personnel and future leaders, increasing international understanding, cooperation, and interoperability. IMET beneficiaries have risen to the highest echelons of their defense establishments, which today include 3 Eastern European Chiefs of Defense, 11 partner nation Service Chiefs, and 8 Sergeants Major of our partner nations' militaries. The IMET program continues to build and expand on these vital relationships, strongly supports NATO's continued evolution, and provides the United States with considerable advantage in outreach and connection as we maintain these relationships over the years. Through these programs, European Command reinforces U.S. leadership in NATO and reenergizes our enduring commitment to the alliance's collective security. These efforts sustain confidence in NATO's aggregate strength, shared democratic values, recognition of global responsibilities, and continued adherence to operational competence.

By supporting NATO's continued viability and success, the United States encourages European nations to approach global security issues from within the alliance, ensuring that European and U.S. viewpoints are shared, considered, and weighed together in the decisionmaking process. Today, NATO stands at a second major crossroads, similar to the decision point that followed the fall of the Berlin Wall. Our challenge is to work diligently to support the broader U.S. Government effort to demonstrate tangible U.S. commitment to the alliance, ensuring that the correct choices are made to maintain NATO's capabilities, capacity, and credibility.

"NATO not only serves to protect our collective nations but our Homeland as well."—Congressman Michael Turner (R-OH), House Armed Services Committee

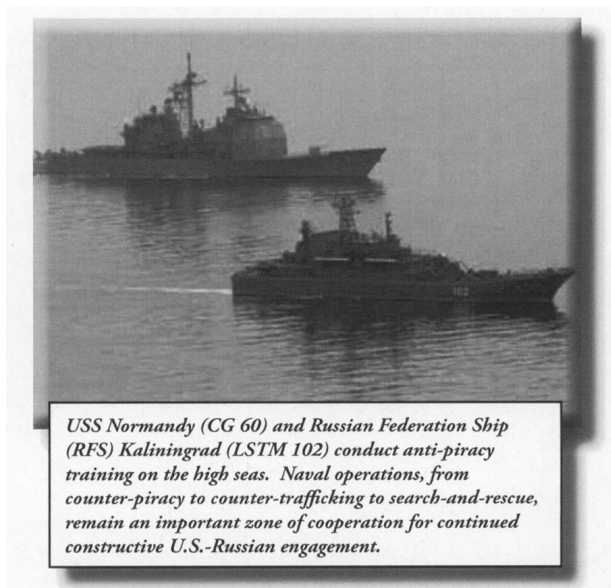
Israel and the Levant

The 'Arab Spring' movement is significantly reshaping leadership across the Middle East and North Africa. New strategic challenges are emerging. Several Arab countries are undergoing major internal changes resulting in a more dynamic, less predictable region. For Israel, a country inside European Command's area of responsibility, these movements bring increased uncertainty for enduring stability in the region. The Sinai's growing instability is of increasing concern to Israel. Over the past 3 decades, Israel has made significant military reductions along its southern border based on a stable Egyptian/Israeli border. Internal developments in Egypt have now put the stability of that border into question. Additionally, aggressive actions by elements inside Gaza eventually compelled Israel to launch its 7-day 'Pillar of Defense' operation last November. To the north, events in Syria have severely destabilized Israel's northern border. Israel must be prepared to deal with the actions of the current Syrian regime as well as a range of possible successors. In addition, Lebanese Hezbollah continues to grow as a powerful actor on the Israel/Lebanon border, possessing lethally accurate rockets and missiles with the potential to severely damage Israeli infrastructure. To the east, Iran continues to increase its ballistic missile stockpile and pursue a nuclear weapons program, further narrowing Israel's strategic depth and decision space. Given this situation, it is feasible that increasing violence or war could erupt from multiple directions within the Levant with limited warning and grave implications for regional stability, Israeli security, and U.S. interests.

Accordingly, European Command continues to work with our IDF partners to ensure strong U.S. support to the defense of Israel. European Command works closely with U.S. Central Command to keep abreast of all emerging threats and intelligence regarding Iran, Syria, the Sinai, Hamas, and Hezbollah, ranging from missile threats to terrorist activity. Lastly, European Command continues a robust program of security cooperation and military-to-military activities with Israel to demonstrate U.S. resolve and ensure a high degree of defense synchronization between our two nations.

Russia

Though a significant actor who at times disagrees with U.S. and NATO policies, Russia still presents potential for future engagement. The military component of the relationship exists principally in the annual bilateral U.S.-Russian Military Cooperation Work Plan. Since its re-establishment in 2008, focused on 'zones of cooperation' where our interests overlap and that avoid enhancing Russian combat capabilities, our bilateral activities have increased from 10 events in 2009 to 110 events and exercises in 2012, in areas of mutual interest including: combating terrorism; counter-piracy; counter-trafficking; crisis response; maritime capabilities; search and rescue; the Arctic; and support to coalition stabilization efforts in Afghanistan. Despite recent disagreements over missile defense, we continue to seek out additional areas for cooperation, such as security for the 2014 Sochi Winter Olympics and Russia's recent request for assistance developing its new Military Police organization, which the U.S. Army is working diligently. The ability to effectively work together not only provides important strategic access for ongoing NATO and coalition operations, but continues to satisfy our mutual strategic goals.



Militarily, Russia seeks to enhance its regional influence and leverage through participation with former Soviet states in the Collective Security Treaty Organization (membership includes Armenia, Belarus, Kazakhstan, Kyrgyzstan, Russia, and Tajikistan), as well as a robust defense build-up through its 'State Armament Plan.' That plan calls for the construction and modernization of: naval surface combatants and submarines; air defense brigades; attack helicopters; developments in fifth generation fighters; and the continued maintenance of its existing strategic and tactical nuclear weapons. At the same time, Russia faces many challenges, including declining demographics, a high rate of drug and alcohol abuse, a relatively narrow economic base stemming from oil and gas, and uneven infrastructure. While appropriately anticipating these developments, European Command will continue to seek and leverage existing and emerging zones of cooperation as a priority and focus for our current and future engagement with Russia.

Turkey

A NATO ally since 1952, Turkey continues to make important contributions to vital U.S. national security interests, particularly in its support for regional missile defense with the AN/TPY-2 radar site located in eastern Turkey as well as ongoing counter-terrorism operations. Turkey is an indispensable partner in addressing the increasingly complex challenges in the Levant and across the broader Middle East. Turkey's own challenges include a growing refugee crisis on the Syrian border,

threat of Syrian ballistic spillover (hence NATO's Patriot deployment to southern Turkey), and increased terrorist activity, specifically with the Kongra-Gel (KKG, formerly the Kurdistan Workers Party or PKK) along their border with Iraq.

We continue to support U.S. efforts with the Government of Turkey to ensure optimum cooperation and outcomes given the Assad regime's uncertain future in Syria. European Command and the Turkish General Staff are engaged in a dialogue that will serve as the foundation for deeper cooperation as the situation requires. Turkey's status as a stable, democratic nation, its sizable security resources, and its influence as a regional power broker combine to make this NATO ally a critical component in achieving U.S. regional objectives. In return, Turkey is raising its expectations for U.S. cooperation and partnership, specifically with access to high-end Foreign Military Sales (FMS), cooperation on counter-terrorism activity, and increased leadership opportunities in NATO and coalition political/military structures. That said, Turkey's eroding relationship with Israel bears special emphasis. Resumption of good relations between these two U.S. allies, and willingness to facilitate these relations on a military-to-military level, remain a priority for European Command.

Poland

Poland remains a pivotal nation in our theater, and an emerging leader in eastern Europe and the NATO Alliance. The strong cooperation between the United States and Poland remains important to overall regional security. European Command sees value in the increased visibility and presence of U.S. forces in Poland, through military engagements and regionally-hosted exercises, to assist Poland in realizing its full potential as a capable and reliable security partner, able to contribute forces that can operate side-by-side with the United States in future NATO and coalition operations. U.S. military engagement with Poland is multi-faceted. Recent cooperation across a variety of initiatives, to include missile defense, Patriot battery rotations, the establishment of the U.S. Air Force aviation detachment, and multinational exercises, has allowed the United States to maintain strong defense ties with this important regional power.

Balkans

In the Balkans, the overarching U.S. goal is to achieve stability and advance Euro-Atlantic integration. However, strong enmity remains between former warring factions, especially within Bosnia and Herzegovina and between Serbia and Kosovo. Bosnia and Herzegovina possesses a stagnant economy. Public sector spending accounts for an unsustainable 40 percent of GDP. Efforts at post-conflict economic revitalization have proven fitful at best. The complex governmental structures created by the Dayton Peace Accords are inefficient and prone to obstruction by political interference, and resistant to reforms promoted by the international community. European Command continues its outreach and engagement with Bosnia and Herzegovina through theater exercises, humanitarian assistance activities, disaster readiness training, theater exercises, and the State Partnership Program. We are also energizing defense reform efforts to address chronic problems in logistics, procurement, and defense institution building.

Serbia's efforts to realize its aspirations to join the European Union, as well as advance military-to-military relations with the United States, will be strained until and unless Belgrade makes real progress to normalize relations with Kosovo and reach durable solutions on northern Kosovo. European Command is looking to the EU-facilitated Pristina-Belgrade dialogue to deliver progress in these areas, while further engaging Serbia in regional exercises and engagement to encourage a constructive relationship.

Serbia's refusal to date to normalize relations with Kosovo—as well as actions by hardliners and criminal elements in northern Kosovo—have hampered Pristina's ability to extend its authority to its northern borders without significant international presence. Tensions in northern Kosovo remained high in 2012, including at least one serious violent incident that required the rapid deployment of KFOR personnel to control the situation. Accordingly, despite earlier NATO plans to continue drawing down alliance force levels in Kosovo, of which U.S. troops comprise only 15 percent, KFOR should remain at current levels until further progress is made. In addition to KFOR support, European Command continues to facilitate State Partnership Program engagement between Kosovo and the Iowa National Guard, as well as traditionalizing military-to-military efforts aimed at professionalizing the Kosovo Security Force's training program and noncommissioned officer corps. These efforts are designed to assist in the eventual transition of international security responsibilities to Kosovo institutions.



U.S. and German Soldiers assigned to the Kosovo Force (KFOR) provide perimeter security during roadblock removal operations on June 1, 2012 near Mitrovica, Kosovo. Border tensions in northern Kosovo continue to bear close watching, and require KFOR to maintain current force levels for now to ensure stability and support the ongoing Pristina-Belgrade dialogue.

Overall in the Balkans, European Command continues its work to encourage greater collaboration among partners in regional venues such as the Adriatic Charter. The Adriatic Charter serves as the flagship forum for regional cooperation, and builds on U.S.-provided support toward the goals of eventual integration into NATO and other Euro-Atlantic institutions. European Command's objectives remain focused on facilitating regional solutions to challenges, promoting regional stability, protecting and strengthening borders through counter-trafficking and counter-proliferation initiatives, and promoting a safe and secure environment in Southeast Europe's most fragile countries.

Caucasus

Similar to the Balkans, instability and fragility in the Caucasus will continue. That instability is highlighted by Russia's continued non-compliance with the August 2008 cease-fire agreement with Georgia, as well as the ongoing political struggle between Georgia and Russia over the occupied regions of South Ossetia and Abkhazia. The North Caucasus may very well experience more violence in the near term, as persistent economic stagnation, lack of government investment (outside of Sochi, the site of the 2014 Winter Olympics), social instability, and wholesale emigration by ethnic Slavs seeking safer territories all take their toll, resulting in challenges to governance and susceptibility to the increasing influence of radical Islamists. Though not as volatile as the North Caucasus, the South Caucasus remains a concern in the absence of an agreed political resolution to the Nagorno-Karabakh conflict between Armenia and Azerbaijan and continued violent incidents on the Line of Contact separating the opposing forces.

European Command continues vigorous engagement across the Caucasus, given the region's strategic importance as a global energy corridor, key node on the Northern Distribution Network, source of national contributions to ISAF, potential for narcotics and illicit weapons trafficking, interest area for both Russia and Iran, and location of frozen conflicts that have potential to flash into wider and more destabilizing wars. In 2012, Armenia deployed a platoon of peacekeepers to serve alongside the United States in KFOR, and Georgia remains a key partner in the region, one who continues to make extraordinary ISAF contributions. European Command is involved in defense cooperation assessments and efforts with Georgia as directed in the National Defense Authorization Act for Fiscal Year 2012. Additional security cooperation program priorities in the South Caucasus are focused on developing and sustaining relationships that: ensure U.S. access and freedom of action (focused in the near term on Northern Distribution Network areas); counter regional and transnational threats, especially violent extremist organizations, counter-WMD proliferation, and illicit trafficking; solidify defense institutional reforms; and sustain

partner capacity to enhance regional security while not hindering diplomatic efforts to settle the region's frozen conflicts.

European Economic, Social, and Demographic Dynamics

Europe will continue to feel the cumulative effects of several economic and associated socio-cultural stresses for the foreseeable future. These stresses include: the lasting impact of the Euro zone debt crisis; the aging and retirement of a large segment of the population, with its attendant pressure on already stressed social services; increased labor demand that exceeds worker supply, with a resultant pressure to assimilate a growing immigrant work force; and the draining of human resources and intellectual capital in countries experiencing slow or no growth. These economic and demographic forces pose a challenge to European economic and political clout in the near term, stress transnational and national governance structures, including the European Union and NATO, and increase the potential for instability around the continent. The result of these forces is also magnified on European militaries, as national GDPs have fallen and governments reduce the GDP percentage dedicated to defense spending in order to deal with increasing deficits and reduced revenue. European Command's response is a campaign of active engagement with allied and partner Ministries of Defense across the theater to keep national defense funding at effective levels, encouraging wise investment of available defense spending and supporting the broader U.S. interagency effort to assist newly democratic nations develop well-crafted government institutions and reduce the effects of corruption.

Pooling Resources, Sharing Capabilities

In response to this climate of fiscal austerity and corresponding defense cuts, European Command is working with NATO to make the most of available defense expenditures by pooling resources, sharing capabilities, setting priorities, and enhancing coordination of effort—in initiatives like the NATO Centers of Excellence—that sustain the required military capabilities that underpin the alliance's core tasks, evolving needs, and priorities set in Lisbon and Chicago. Additionally, we must also continue to strongly encourage our allies to meet the minimum NATO goal of spending at least 2 percent of their GDP on defense.

Ballistic Missile Defense

Unfortunately, our adversaries continue efforts to procure, develop, and proliferate advanced ballistic missile technologies, posing a serious threat to U.S. forces and installations in the theater, as well as to the territory, populations, and forces of our European allies and partners.

Accordingly, European Command continues to make significant progress in implementing the President's European Phased Adaptive Approach (EPAA) to missile defense. EPAA Phase One is complete, with the AN/TPY-2 land-based radar established and operating from eastern Turkey, U.S. Navy Aegis BMD warships on-station in the Mediterranean, and NATO's declaration last May in Chicago of its interim ballistic missile defense (BMD) capability. EPAA Phase Two is currently in progress, with planning and construction efforts on track to homeport four forward-deployed U.S. Navy Aegis BMD warships at Naval Station Rota, Spain, and with work progressing on the first of two Aegis Ashore facilities, with the first site located in Romania. The BMD agreement with Poland for the second Aegis Ashore site, as part of EPAA Phase Three, is signed and in force.



Admiral James Stavridis, NATO Supreme Allied Commander, Europe, describes shipboard capabilities for the NATO Ballistic Missile Defense program to NATO Secretary General Anders Fogh Rasmussen, NATO Military Committee Chairman General Knud Bartels, and other officials during the NATO Summit in Chicago last May.

The BMD mission also offers another excellent example of the tangible benefits of cooperative resource pooling with our allies and partners in a critical collective security mission. At last year's European Command-sponsored BMD conference in Berlin, the United States and our allies conferred on existing advanced maritime air defense systems that could be upgraded to provide European-procured upper-tier BMD surveillance or interceptor contributions to NATO's BMD mission, augmenting the U.S. national contribution. The conference also explored ways to burden-share through a multi-national interceptor pool. This is an important dialogue that, adequately supported, can generate ideas and realize initiatives to increase allied upper and lower-tier BMD contributions complementary to, and interoperable with, existing high-demand, low-density U.S. assets. European Command efforts in this area are already achieving results, as we contributed to the recent Dutch decision to procure upper-tier maritime surveillance BMD systems.

Terrorism and Violent Extremism

With more than 700 kinetic terror incidents occurring in the theater over the past several years, ongoing instability and terrorism (both international and indigenous) existing in, and transiting through, our theater will continue to threaten Europe and the United States. The diversification of the threat landscape in Europe combined in some cases with the destabilizing social and economic factors described earlier will increase the number of disaffected groups across the political and cultural spectrum that may support extremist groups or seek to express their growing frustrations through violence. The concern is that, stretched increasingly thin by fiscal and policy constraints, theater national governance mechanisms, including law enforcement and intelligence agencies, may be hard-pressed to respond to these trends. Meanwhile, Al-Qaida and other Islamist extremist groups, with extensive ties to individuals and groups in Western Europe, continue to pose a significant regional threat. These groups regard Europe as an important venue for recruitment, logistical support, financing, and the targeting of U.S. and Western interests. Additionally, Iran's Qods Force continues to operate in Europe, and the rising influence and actions of Lebanese Hezbollah in our theater also operates against U.S. and partner interests.

In addition to designating Special Operations Command Europe (SOCEUR) as the lead organization for theater counter-terrorism efforts, and the associated creation of the SOCEUR CT-Core Cell organization described in the SOCEUR appendix, European Command continues to work closely with theater-based U.S. Intelligence Community partners, U.S. Central Command, U.S. Special Operations Command, and U.S. Northern Command to track terrorist threats across Europe and the Levant which may pose a risk to the security of the Homeland, forward-stationed or deployed U.S. forces, or our allies and partners.

In fighting back against theater terrorism and extremism, influence operations constitute a key element of the command's 21st century strategy and military activities. In the literate and wired societies of Europe, these operations provide us with the ability to communicate and influence key target audiences using traditional print and broadcast media, as well as increasingly pervasive 21st century tools, including web sites, social media, and cell phones. Our ongoing influence program, Operation Assured Voice, is a vital contributor to the pursuit of our military objectives and theater campaign plan. Through these increasingly necessary 'soft power' activities, we seek to counter violent extremist messaging and mitigate the potential loss of influence given reduced force presence in Europe. We must be able to compete effectively in the information environment, confront violent extremist ideology and recruitment, and reach out to fence sitters wherever ideas compete. Success on the front lines of the information age is critical to preserving stability in our theater and shaping the information environment should a crisis occur.

Transnational Organized Crime and Illicit Trafficking

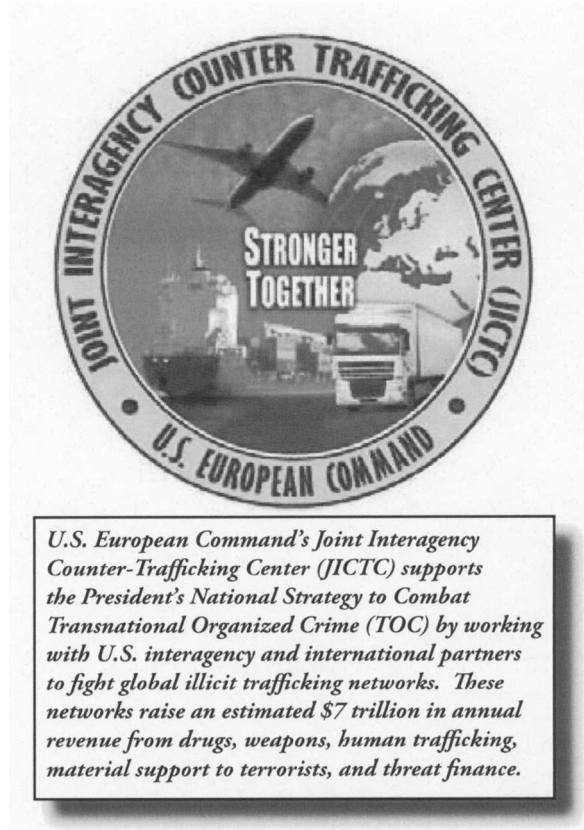
In addition to, and often in collusion with, terrorist and extremist threats is another source of growing instability inside the European Command theater: the expanding reach and influence of transnational organized crime. Transnational organized crime networks are using increasingly sophisticated business models, operations, and networks to perpetrate global illicit activities. These networks are highly adaptable, bold in technique, ruthless in execution, and are expanding and diversifying their activities at an alarming rate. Some estimates project their revenue at 8–15 percent of the \$70 trillion in global GDP.⁴ The result is a convergence of well-funded transnational organized crime networks that can destabilize entire economies, undermine good governance, and create national security threats to the United States, our allies, and partners.

There is also growing evidence of an evolving relationship among terrorists, criminals, and financiers, as each group attempts to exploit the seams that exist in national policies to further this growing illicit global enterprise. Additionally, the pace and scope of 21st century global commercial activity is increasing smuggling venues and innovation to facilitate the movement of a wide range of threats from small arms to threat finance to human trafficking to, in a worst-case scenario, WMD agents and delivery systems. Continued pressure on European security budgets, along with Europe's open borders and eased customs checkpoints, could increase the difficulty in combating these threats. Yet, as the President's strategy makes clear, we must continue our collective efforts to understand, disrupt, and dismantle these growing threat networks. In an increasingly interconnected world, the threat from transnational organized crime represents a 21st century national and global security imperative.

Joint Interagency Counter-Trafficking Center

In support of the President's National Strategy to Combat Transnational Organized Crime (TOC), European Command has stood up the Joint Interagency Counter-Trafficking Center (JICTC). It is important to note that JICTC is a facilitator in support of U.S. Country Teams, and that JICTC is not a law enforcement organization and does not conduct law enforcement activities. Created from existing European Command personnel and infrastructure, JICTC uses existing legal authorities to support U.S. security cooperation activities conducted by U.S. Embassy personnel, operating in countries within the European Command area of responsibility. All of the support and training provided to any particular European nation is done at the request, and through the auspices, of the U.S. Country Team in that nation. JICTC's operations are focused security cooperation activities in the areas of counter-narcotics and support to law enforcement. JICTC provides a single point of contact for U.S. Country Teams to provide training to host-nation partners in these areas. The emphasis on counter-narcotics is consistent with NATO's priorities, and has been a European Command mission for many years.

⁴U.S. National Defense University, "Final Report of the Trans-Atlantic Dialogue on Combating Crime-Terror Pipelines," June 25–26, 2012.



In support of these objectives, JICTC supports U.S. Country Team and inter-agency efforts, and collaborates with similar European organizations, to assist our partner nations build self-sufficient counter-trafficking skills, competencies, and capacity to defend the United States and Europe from rising TOC threats. Importantly, JICTC does not seek a leadership role for combating organized crime; rather it simply serves as an important forward, theater-based facilitation platform for U.S. agencies and international partners to synchronize counter-trafficking efforts in a collaborative, whole-of-government approach. In a recent example of its contributions and effectiveness last year, JICTC partnered with Southeastern Europe nations to implement biometric screenings at border entry ports in order to rapidly identify potential terrorists and TOC figures. In just the first day in operation, these enhancements netted two arrests, including a known terrorist.

Whole-of-Government Approach

Given the likelihood of reduced budgets for years to come, a 'whole-of-government' approach to finding and implementing solutions to sources of instability and conflict is more important than ever. Partnering unlocks efficiencies and avoids costly duplication of effort. European Command's J-9 Interagency Partnering Directorate, a model that is also in use at numerous other U.S. combatant commands, applies the multiple perspectives of U.S. Government interagency partners to address complex 21st century problems that transcend military-only solutions. For 3 years, European Command has diligently worked to assemble a diverse team of representatives from eleven U.S. Government agencies, including the Departments of State, Justice, Treasury, Energy, Homeland Security, the Defense Threat Reduction Agency and the U.S. Agency for International Development. Their expertise, skills, and direct linkage to their Washington DC-based headquarters make these team members an invaluable resource in taking a more probative look at sources of regional instability

across our theater, including terrorism and extremism, and applying the collective wisdom and intellectual resources of the interagency community to form more comprehensive long-term solutions.

Public-Private Partnering

'Whole-of-society' solutions are the next evolution to build upon 'whole-of-government' success. European Command continues to support the Department of Defense initiative to integrate the capabilities and expertise of the private and non-profit sectors, in coordination with our interagency partners, to support theater objectives. Our long-term strategic partnership with the Business Executives for National Security (BENS) group continues to enhance our partner nations' abilities to provide for their own security. This year, BENS sent a delegation of volunteer business executives to the Azores in Portugal to help identify economic development opportunities in anticipation of projected force structure reductions at Lajes Airfield. BENS also teamed with cyber experts to assist the Government of Iceland cope with a host of cyber security challenges.

In direct support of the transition mission in Afghanistan, European Command has developed strategic partnerships with the private sector, non-profit organizations, and U.S. interagency partners to improve access and economic opportunities for countries along the Northern Distribution Network. Additionally, we are working with partner nations in the South Caucasus to develop and improve treatment capabilities for their wounded warriors who have suffered complex amputations from combat in Afghanistan. Lastly, these public-private efforts are focused on assisting partners improve their disaster preparedness and response capabilities by working with private sector and non-profit partners to enhance the ability of local commercial sectors to assist national recovery efforts in vulnerable areas.

Cyberspace

Cyberspace remains largely indifferent to national borders and traditional security arrangements. Continuous technology evolution and the relative ease of employing disruptive effects in cyberspace have elevated its strategic significance in the military arena. Challenges in attribution and identity management in cyberspace make it difficult to differentiate between state-sponsored and non-state threat actors, while employment of non-state proxies in cyberspace allows states to mask their involvement in malign activity. Traditional deterrence strategies and defensive concepts still need to be adapted to the unique character and functions of this increasingly vital operational domain, without negatively impacting the vital global connectivity, commerce, and free flow of information that cyberspace provides.

Apart from developing technologically superior defensive countermeasures and seeking multinational commitment to ensuring fundamental freedoms, privacy and the free flow of information in cyberspace, European Command continues to work collaboratively with regional allies and partners in a whole-of-government effort to build strong and resilient collective cyber security. These efforts include assisting our partners develop and sustain information assurance and cyber defense programs, capable cyber defense workforces (including a cyber incident response capacity), and promoting shared situational awareness about existing threats and the best practices to mitigate them. The command pursues these initiatives through our annual cyber exercise program, Combined Endeavor, our ongoing coordination with U.S. Cyber Command, and our participation in the NATO Cooperative Cyber Defense Center of Excellence in Tallinn, Estonia.

Energy

Reliable access to affordable energy remains a core issue for countries across the European Command theater, whether they are energy exporters, importers, or transit states. The reality is that dependence on Russian natural gas will continue to drive energy security considerations for many of our European partners. We continue to support alternatives and monitor changes to the energy status quo in Europe, including changes in global oil markets, the potential large-scale development of unconventional gas resources, alternate hydrocarbon supply lines (such as those from the Caspian Sea region), and the increased supply of liquefied natural gas.

European Command's J-9 Interagency Partnering Directorate assists our partners in this area by working with the U.S. Department of Energy and other U.S. agencies to investigate and expand alternative opportunities, primarily in support of partner nation military forces and facilities. Advances in hydrocarbon exploration and extraction, developments in current and next-generation renewable energy technologies, and improvements in energy efficiency all combine to provide European states a significant opportunity to reduce their energy dependence. The J-9 Directorate continues to work closely with these nations to explore these issues and identify energy solutions. Last fall marked a milestone, as European Command's bilat-

eral engagement and 2011 Memorandum of Understanding with Lithuania's Energy Security Center assisted in elevating the importance of that Center's work; one which was recently certified by the North Atlantic Council to become NATO's fully-accredited Energy Security Center of Excellence. Closer to home, J-9 continues its work with the Office of the Secretary of Defense to implement the Department's Operational Energy Strategy Implementation Plan, focused on energy security and efficiency for U.S. forces, defense installations, and critical infrastructure.

THEATER POSTURE

"For Europe, the U.S. defense strategy reaffirms the lasting strategic importance of the transatlantic partnership with the United States. Although it will evolve in light of strategic guidance and the resulting budget decisions, our military footprint in Europe will remain larger than in any other region in the world. That's not only because the peace and prosperity of Europe is critically important to the United States, but because Europe remains our security partner of choice for military operations and diplomacy around the world."—Former Secretary Panetta

Force Laydown

The United States will sustain a military presence in Europe that meets our NATO Article 5 commitment, enables execution of our likely European Command contingency plans, continues to support America's leadership position in NATO, ensures a credible deterrent against aggression, and is sufficiently robust to maintain and sustain the strategic access, infrastructure, and lines of communication that enable the United States to conduct global operations. Global access through Europe remains a critical aspect of America's ability to execute our existing contingency plans in and beyond Europe. This strategic access is dependent upon continued success in sustaining the long-term relationships we enjoy with our European allies and partners, who remain our hosts. We recognize the challenges of the fiscal environment and, in accordance with the Defense Strategic Guidance, continue to consolidate our installations and seek additional efficiencies in U.S. overseas posture while maintaining the necessary capacity to meet our mission requirements. We will continue to advocate for a deliberate and balanced approach to posture in Europe to ensure that future changes meet minimum requirements to conduct U.S. contingency operations, support U.S. global strategic access, and meet our NATO commitments.

U.S. posture in Europe provides unparalleled proximity and access to three continents (Europe, Asia, Africa), stands ready to support U.S. and NATO operations on extremely short notice, and is critical to U.S. planning, logistics, and operations in support of U.S. European Command, U.S. Central Command, U.S. Africa Command, U.S. Transportation Command, U.S. Special Operations Command, and U.S. Strategic Command. Forward-stationed active duty servicemembers, forward-deployed rotational units, and Reserve Forces remain the Nation's primary tool to maintain influence across our theater and, when called upon, to project power quickly within and beyond it. U.S. posture in Europe is an incontestable manifestation of our commitment to the region, preserving strategic relationships and trust, helping build interoperability with our allies and partners, and facilitating progressive transformation within European militaries. The U.S. approach throughout the recent defense strategy review was guided by our enduring need for, and commitment to, these objectives.

There are approximately 64,000 military personnel authorized for the support of U.S. European Command and our Service component commands. Additionally, there are approximately 10,000 additional U.S. personnel supporting U.S. Africa Command, U.S. Transportation Command, NATO, and other U.S. Government and Department of Defense activities in Europe. Moving forward into the future, European Command's mission focus for our enduring forces is as follows:

- **Ground Forces:** U.S. Army Europe will retain a deployable Contingency Command Post, two Brigade Combat Teams (BCT), and theater enabling forces to include aviation, signal corps, medical, engineers, air and missile defense, logistics units, and the Joint Multinational Training Command. From a pool of globally available forces, the U.S. Army will also allocate a BCT, with rotational assignments described previously, to be part of the NATO Response Force (NRF) beginning this year.
- **Air Forces:** U.S. Air Forces Europe will retain the capability to conduct air superiority, theater nuclear support, suppression of enemy air defense (SEAD), and strike missions. In addition, the Air Force will maintain its current capability in terms of operational and tactical-level command and

control, theater airlift, air refueling, intelligence, surveillance, and reconnaissance, special operations forces, and base operations support.

- Naval and Marine Forces: U.S. Naval Forces Europe will retain the USS MOUNT WHITNEY and provide command and control of rotational naval forces. Additionally, the U.S. Navy will begin to base four Aegis destroyers at Naval Station Rota beginning in fiscal year 2014. U.S. Marine Corps presence includes the U.S. Marine Forces Europe Headquarters, the USMC Prepositioning Program in Norway, and rotational forces, including those assigned to the Black Sea Rotational Force.

- Special Operations Forces: Special Operations Command Europe will retain a headquarters element, along with an Army Special Forces Battalion, an Air Force Special Operations Group, and a Naval Special Warfare (SEAL) unit.

Strategic Rebalance

In accordance with the Defense Strategic Guidance, U.S. European Command continues to rebalance its force levels and base footprint in order to help the Department of Defense divest itself of legacy forces, reapportion forces toward regions of greater instability, and save money. Several recent inactivation decisions will make significant changes to our posture. The most notable change is the inactivation of the U.S. Army's V Corps Headquarters (2013), 170th Brigade Combat Team (2012), and 172nd Brigade Combat Team (2013). Additionally, as the U.S. Army reduces force structure in the coming years, there will be an additional reduction of approximately 2,500 enabling forces and their equipment. Lastly, the Air Force de-activated an air support operations squadron (2012), and plans to inactivate an A-10 squadron and an air control squadron.

Consistent with the Defense Strategic Guidance and the new NATO Strategic Concept, we will also continue to adapt and develop our theater requirements by: (1) reinvigorating our contribution to the NATO Response Force, allocating elements of a rotational BCT to train in a multi-national European environment and leveraging the premier U.S. Army training facilities located at the Joint Multinational Training Center in Germany; (2) meeting the objectives of the European Phased Adaptive Approach by supporting the AN/TPY-2 radar in Turkey, home-porting four Aegis BMD-capable ships in Spain, and establishing land-based Aegis Ashore sites in Romania and Poland; (3) enhancing regional SOF responsiveness by stationing CV-22 aircraft in the United Kingdom, and continuing our strong partnership with the NATO SOF Headquarters in Belgium; and (4) continuing C-130 and F-16 aircraft rotation to the newly established aviation detachment in Poland to enhance Eastern European aviation training and interoperability.

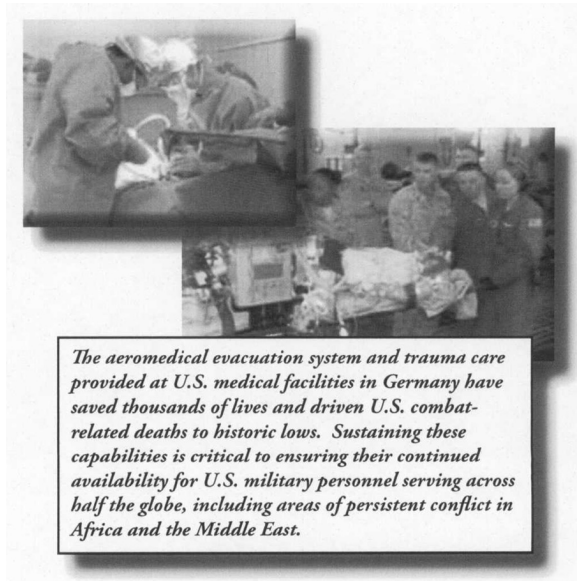
Military Construction

Thanks to strong and continued congressional support, previous annual military construction authorizations and appropriations have enabled us to address a balanced mix of our most pressing requirements to support the missions and priorities articulated above. The goal of our fiscal year 2014 military construction program is to support our posture initiatives, recapitalize key infrastructure, and consolidate at enduring locations. Of particular importance in the coming year is support for our EPAA missile defense projects and the Landstuhl Regional Medical Center/Rhine Ordnance Barracks theater medical consolidation and recapitalization project.

Congressional support for EPAA Phase One projects, including approval to replace expeditionary facilities in Turkey with semi-permanent facilities, was critical to achieving a high degree of readiness at the AN/TPY-2 radar site. In fiscal year 2013, the command will begin EPAA Phase Two projects, including an Aegis Ashore site in Romania. Additionally, a request for an EPAA Phase Three Aegis Ashore site in Poland is being developed in fiscal year 2015 as part of the budget submission and will provide the U.S. and our allies improved deterrence against rogue BMD activity.

The Landstuhl/Rhine Ordnance Barracks Medical Center replacement project remains one of the command's highest military constructions priorities. Fiscal year 2012 and 2013 funding support have greatly facilitated the project's progress to date. The new facility consolidates duplicative medical facilities in the Kaiserslautern Military Community, and provides a vitally important replacement to theater-based combat and contingency operation medical support from the aged and failing infrastructure at the Landstuhl Regional Medical Center. This recapitalization project will provide lifesaving intervention, combat trauma, emergency care, and other medical support to warfighters operating in the U.S. European Command, U.S. Central Command, and U.S. Africa Command theaters, as well as forward-stationed U.S. forces in Europe and their families. Continued support and progress

with this critical project will ensure the continued availability of the highest level trauma care to future U.S. warfighters at this medically significant halfway point between the United States and areas of persistent conflict in the Middle East, Africa, and other regions across half the globe.



European Command continues to carefully assess our investments at enduring locations. We have reduced our footprint dramatically over the past 22 years, consolidating all operations to approximately 21 main operating bases, with smaller supporting sites. As mentioned earlier, this represents a 75 percent reduction in installation inventory since the end of the Cold War. Additionally, the command is on a trajectory to reduce our footprint further, to 17 main operating bases with the closure of the U.S. Army communities at Heidelberg, Mannheim, Darmstadt, Schweinfurt, and Bamberg. While further theater consolidation at enduring locations remains a command priority, it is important to note that continued reductions and consolidations to gain greater efficiencies may require additional military construction.

OUR MOST IMPORTANT RESOURCE

“We will keep faith with our troops, military families, and veterans who have borne the burden of a decade of war and who make our military the best in the world. Though we must make hard fiscal choices, we will continue to prioritize efforts that focus on wounded warriors, mental health, and families. As our newest veterans rejoin civilian life, we continue to have a moral obligation—as a government and as a nation—to give our veterans the care, benefits, and the job opportunities they deserve.”—President Obama

Taking Care of our People and their Families

As the Department of Defense continues to deal with the effects of more than a decade at war, we have a solemn obligation and responsibility to continue successful programs and seek new and innovative ways to support our forces and families. In that effort, European Command’s ‘Force and Family Readiness’ priorities are closely aligned with the administration’s ‘Strengthening Our Military Families’ initiative.

While maintaining our focus on mission readiness, we continue to seek avenues and resources to respond to the significant stress placed on our forces and families due to protracted combat operations and cyclical unit and personnel deployments. There remains a need for sustained behavioral health services to support our warriors and their families, particularly in an overseas environment with few private

sector options. It remains a command priority that the members of our All-Volunteer Force and their families continue receiving the quality care and responsive support they need in a stigma-free environment.

European Command also supports the efforts being led by the Department of Defense Education Activity to transform and modernize our 1950s-era, aged and, in some cases, failing overseas school infrastructure. European Command is fortunate to have some of the best and most committed teachers at work in our theater. We are committed to providing the resources these educators need to ensure the children of our military and DOD civilian families receive a first-rate education.

Lastly, as total force levels continue to change, servicemembers must transfer more often than originally expected, placing yet another burden on the military family. The inability of the military spouse to remain in his or her chosen career field is a part of that burden, adding further economic strain in difficult times. Of the 26,000 Active Duty and Reserve spouses who live in our theater, 25 percent possess a college degree and 10 percent hold graduate degrees. Accordingly, in order to support greater spouse employment, European Command launched our first-ever 'Spouses Virtual Job Fair' last year. Part of the wider 'Military Spouse Employment Partnership' program, this initiative provided key assistance by linking military spouses with employers seeking a highly qualified 21st century workforce.

NATO AND ALLIED COMMAND OPERATIONS (ACO)

NATO's Strategic Direction

The NATO Alliance remains the center of a transatlantic framework focused on the strategic concept of 'Active Engagement, Modern Defense.' The core principles of collective defense, crisis management, and cooperative security contribute to the peace and safeguarding of the United States and our European allies and partners. The alliance has evolved from a Cold War construct, consisting of a few nations, to twenty-eight member nations today with a shared vision and growing interoperability to provide expeditionary capabilities for out-of-area operations. To safeguard the alliance against the evolving challenges of 21st century security, including ballistic missile defense, cyber attack, proliferation of weapons of mass destruction, and terrorism, NATO is evolving through institutional reform, programs and initiatives, and increased interoperability and partnerships.

NATO Command Structure Reform

The Lisbon Summit set the glide path for a new NATO command structure that is leaner, more affordable, and more effective at conducting operational and transformational tasks across the full range of alliance missions. NATO Command Structure reform is on track to reduce its staff manpower from 13,000 to 8,800 and cut major headquarters from 11 to 6. Organized under two Strategic Commands (Operations and Transformation), it will include two deployable joint force headquarters (JFHQs), land, air, and maritime components, and the NATO communications and information systems group. The NATO command structure links the alliance's over 3 million active military personnel, 24,000 aircraft, 750 ships, and 50 AWACS to operate stronger together in the 21st century.

NATO Forces 2020. NATO's vision for future capability improvement was unveiled at the Chicago Summit as a framework to build the concepts of 'Smart Defense' and the 'Connected Forces' initiative. NATO's Smart Defense initiative provides the path to develop the capabilities; the Connected Forces initiative is how NATO will employ these capabilities.

Smart Defense

The Smart Defense initiative is a means to provide access to crucial capabilities while collectively taking multinational and innovative approaches to pooling resources. As mentioned, this initiative creates opportunity for the alliance to work together, wisely using individual defense budgets to make NATO greater than the sum of its parts. In critical areas—such as sustainment, training, engagement, ballistic missile defense, force protection, and intelligence, surveillance, and reconnaissance—Smart Defense gives nations the ability to contribute to projects and acquire capabilities that they may otherwise be unable to afford individually. To date, the Europeans participate in every one of the 147 Smart Defense projects. More importantly for the transatlantic partnership, they lead over two-thirds of them. Smart Defense aims to assure continued capability development commensurate with global security challenges in order to meet NATO's Strategic Concept, even in the prevailing resource-constrained global economy.

"We will ensure that our Alliance has the modern, deployable, and connected forces that we need for the next decade and beyond. We will do this

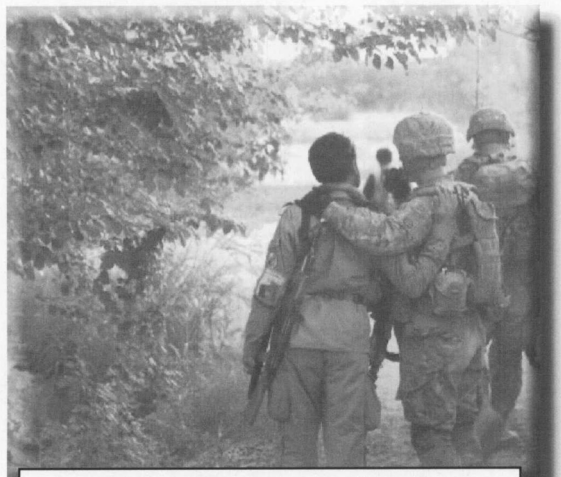
through a renewed culture of cooperation called ‘Smart Defense’ . . . We call it ‘Smart Defense’ because it is about spending defense money in a smarter way. The smarter way is to prioritize, to specialize, to cooperate, to focus on not just what we cut, but on what we keep. And to choose multi-national solutions instead of unilateral solutions.”—NATO Secretary General Anders Fogh Rasmussen

Connected Forces Initiative

The Connected Forces initiative presents an opportunity to contribute to the ‘NATO Forces 2020’ vision and goal, by building on alliance experience in recent operations, and maintaining and enhancing NATO’s combat effectiveness—hard earned over the past decade—through expanded education and training events, increased exercises, and the better use of technology.

Major Operations

Over the past year, NATO and Allied Command Operations have executed multiple major operations, demonstrating the alliance’s impressive capabilities. Today, roughly 150,000 military personnel are engaged in NATO missions around the world, successfully managing complex ground, air, and naval operations in every type of environment. Every day, NATO forces are operating in Afghanistan, Kosovo, the Mediterranean, with the African Union, in the skies over the Baltic and North Seas, and in the waters off the Horn of Africa.



International Security Assistance Force (ISAF) efforts continue to build the strength, confidence, and competencies of Afghan National Security Forces, supporting the transition of security responsibilities to Afghans in 2013 and 2014. Asia Foundation’s 2012 Survey of the Afghan People reflected Afghans’ continued confidence in the Afghan National Army and National Police as the country’s most trusted public institutions.

Afghanistan

NATO’s operation in Afghanistan continues to remain the top priority and operational commitment of the alliance and our partner nations comprising ISAF. There are 106,000 troops from 50 troop-contributing nations sharing the combined burdens and sacrifices of the Afghanistan mission as we press forward with a balanced draw-down of combat forces and provide sustainment post-2014. The sacrifices shared by ISAF and our Afghan partners will ensure that Afghanistan will never again become a safe-haven for terrorists. Since NATO’s intervention, the lives of Afghan men, women, and children have significantly improved with respect to security,

health care, education, and opportunity. Today, over 80 percent of Afghans have access to health care. Since 2002, school enrollment for children has increased from 2 million to 8 million with girls representing 38 percent of this enrollment, up from a dismal low of 3 percent under the Taliban. Infant, child, and maternal mortality rates have decreased by over 34 percent since 2002, and adult life expectancy has gone from 42 to 62 years of age. NATO's goal remains to turn over full responsibility for security to Afghanistan by December 31, 2014.

The strategy outlined at the 2010 Lisbon Summit, assured at the May 2012 Chicago Summit, and reinforced at the July 2012 Tokyo Conference is on track to build the capacity, capability, and professionalism of the Afghan National Security Forces (ANSF). Today, ANSF stand at a force level of 335,000: 182,000 from the Afghan National Army; 6,000 from the Afghan Air Force; and 147,000 from the Afghan National Police. In October 2012, ANSF reached their recruiting goal of 352,000. The transition—which started in 2011, and is being sequentially expanded through five tranches of selected districts and cities to encompass all of Afghanistan by mid-2013—is underway in some part of all 34 provinces, all provincial capitals, and two-thirds of all districts. The ANSF have assumed lead responsibility for areas that encompass 76 percent of the Afghan population, and conditions in these areas have remained stable or improved. In fact, civilian casualties have fallen for the first time in 6 years, down 12 percent, and ISAF casualties are down 27 percent compared to last year. Last December, the 'Tranche 4' announcement transitioned security responsibility for the remaining internal and border areas. Once the full transition is complete by the end of 2014, the ISAF mission will end.

In support of post-2014 operations in Afghanistan, NATO will launch the NATO Train, Advise, and Assist Mission, tentatively named 'Resolute Support' in Afghanistan. In October 2012, NATO Defense Ministers approved the North Atlantic Council (NAC) Initiating Directive for developing the concept of operations for the Resolute Support Mission in Afghanistan. It is due this spring. This demonstrated resolve ensures the gains made during the transition are irreversible.

Tangible signs of the gains in Afghanistan continue to be shown. In findings recorded by the Asia Foundation in their 2012 Survey of the Afghan People, 52 percent of Afghans polled conveyed their belief that the country is "headed in the right direction," up from 46 percent last year.⁵ It is worth noting that this statistic is higher than the percentage found in most Western countries. Moreover, the survey noted a moderate decrease in the percentage of Afghans who fear for their safety, while reflecting Afghans' continued confidence in the Afghan National Army and National Police as the country's most trusted public institutions. NATO will not leave a security vacuum in Afghanistan.

Kosovo

The international supervision of Kosovo has ended 4½ years after it became independent. The situation remains outwardly calm, but there remain underlying tensions and fragility while Serbia and Kosovo proceed within the EU-facilitated Belgrade-Pristina dialogue to resolve their differences peacefully. To ensure this outcome, the NATO-led Kosovo Force (KFOR) mission maintains 5,600 troops from 30 contributing countries in Kosovo. KFOR will be staying there for the time being, along with the 1,250 international legal experts and police supporting the EU's rule of law mission. While progress will require committed political dialogue between Belgrade and Pristina, KFOR continues to create positive conditions for this dialogue by helping to maintain a safe and secure environment and facilitate freedom of movement.

Counter-Piracy and Operation Ocean Shield

Operation Ocean Shield is NATO's counter-piracy mission, consisting of up to seven ships working alongside EU and U.S. task forces to counter piracy in waters surrounding the Horn of Africa. These relationships and the shipping companies' use of armed security teams and industry best practices have notably reduced piracy. During the first 6 months of 2012, there were 69 incidents involving Somali pirates, down from 163 during the same period in 2011, a reduction of over 40 percent. Today, 2 vessels and less than 100 hostages are being held, compared with 30 ships and 682 mariners in 2011.

⁵The Asia Foundation, "Afghanistan in 2012: A Survey of the Afghan People," <http://asiafoundation.org/publications/pdf/1155>.



A vessel burns off the Somali coast after being used by pirates to attack the Dutch warship HNLMS Rotterdam. HNLMS Rotterdam, NATO's counter-piracy flagship, returned fire, disabling the vessel and scattering the attackers. NATO's Operation OCEAN SHIELD, in coordination with shipping industry best practices, continues to reduce episodes of piracy in waters off the Horn of Africa.

Operation Active Endeavor

As NATO's only current Article 5-based operation, Operation Active Endeavor provides maritime situational awareness through operations in the Mediterranean to demonstrate NATO's resolve to deter, defend, disrupt, and protect against terrorism. Ongoing since 2001, Active Endeavor is on a path to transform from a platform-based to a network-based operation, based on an intelligence and information-sharing network among the 63 nations and regional partners that contribute to the Maritime Safety and Security Information System.

NATO Members Defense Commitments and Budgeting Outlook

The European financial crisis has had a security impact on NATO and partner nations. Few allies currently meet the NATO goal that each ally commits 2 percent of GDP to defense spending. The Smart Defense Initiative, Connected Forces Initiative, and NATO Forces 2020 all strive to fill capacity and capability gaps. However, at a time of uncertain security challenges and severe fiscal austerity it remains difficult, but still critical, to adequately fund defense spending.

Enduring 21st Century Impact & Relevance

The 2012 U.S. Defense Strategic Guidance addresses Europe and NATO prominently, noting: "Europe is home to some of America's most stalwart allies and partners, many of whom have sacrificed alongside U.S. forces in Afghanistan, Iraq, and elsewhere." One of NATO's most important priorities is to maintain working relationships, at the tactical, operational, and strategic levels, with those allies who have recently developed capabilities and interoperability with each other and with U.S. Forces. The NATO Response Force (NRF) is a key way to meet this priority.

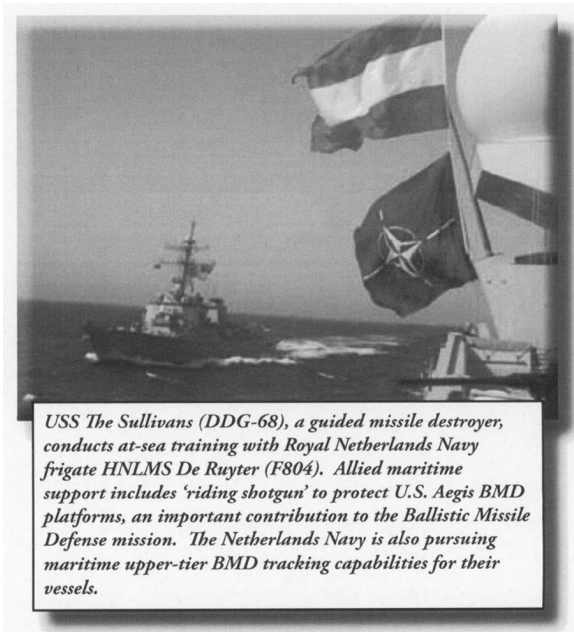
"Today, I can announce that the United States will make a new commitment to the security of our NATO partners by reinvigorating our contribution to the NATO Response Force that we value so much. The NRF was designed to be an agile, rapidly deployable, multinational force that can respond to crises when and where necessary. The United States had endorsed the NRF but has not made a tangible contribution due to the demands of the wars—until now."—Former Secretary Panetta, Munich Security Conference, February 2012

As announced by the Secretary of Defense last year, our commitment of U.S. forces to the NRF is a means to reinvigorating and bolstering the NRF. By providing a rapid demonstration of force or an early establishment of NATO military presence in support of Article V or crisis response operations, NRF mitigates force

structure reductions in Europe by improving interoperability and capitalizing on flexibility. Over the long term, NRF will be a vital asset for post-ISAF interoperability ensuring adherence to, and constant improvement of, Standing NATO Agreements (STANAGS). The NRF will also serve as both a key training resource and valuable tool for evaluating the status of European forces. As they remain our most likely companions in any security effort—from humanitarian assistance to full-spectrum conflict—the United States must have confidence in the interoperability and readiness of European forces.

Ballistic Missile Defense

The protection of NATO European territory, populations, and forces against ballistic missiles from increasing threats to the alliance is vitally important. NATO declared an Interim Ballistic Missile Defense (BMD) capability at the May 2012 Chicago Summit. As mentioned, the U.S. AN/TPY-2 surveillance radar based in Turkey has been declared to NATO as a part of EPAA's Phase One implementation. The initial operational capability of NATO BMD is anticipated in 2016, with full operational capability in 2020.



USS The Sullivans (DDG-68), a guided missile destroyer, conducts at-sea training with Royal Netherlands Navy frigate HNLMS De Ruyter (F804). Allied maritime support includes 'riding shotgun' to protect U.S. Aegis BMD platforms, an important contribution to the Ballistic Missile Defense mission. The Netherlands Navy is also pursuing maritime upper-tier BMD tracking capabilities for their vessels.

Moreover, NATO's recent decision to provide Patriot missiles to defend Turkey against the threat of Syrian ballistic missiles is yet another sign of the alliance's solidarity and effectiveness in this area.

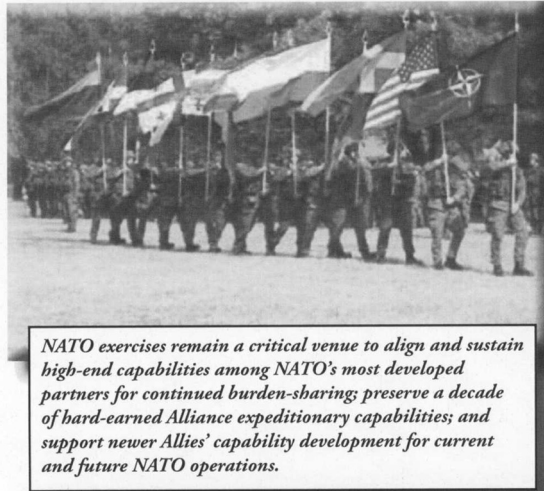
Cyber Defense

NATO's policy on cyber defense focuses on the protection of cyber assets and sharing of cyber situational awareness among NATO nations. The fielding of the NATO Computer Incident Response Center was a significant milestone as we progress towards full operational capability in 2013 to support alliance operations and missions.

NATO Special Operations Forces

U.S. leadership of the NATO Special Operations Headquarters (NSHQ) remains instrumental in driving the rapid transformation of NATO Special Operations Forces (SOF) and creating a NATO allied and partner SOF collaborative network. A deployable core of the NATO Special Operations Component Command Headquarters will achieve initial operational capability in 2013, providing an assured, responsive, and agile command and control entity for NATO SOF under the operational command of the Supreme Allied Commander, Europe. This core will be capa-

ble of coordinating NATO military operations within the complex and asymmetric environments of the 21st century. Today, over 2,000 NATO allied and partner SOF are conducting SOF missions in Afghanistan. Additionally, NSHQ is moving forward with several initiatives to develop interoperable SOF standards. NATO SOF brings unprecedented opportunities to leverage partnerships, improve interoperability, and deliver expanded capabilities for NATO to ensure peace and stability for the alliance and our partner nations.



NATO exercises remain a critical venue to align and sustain high-end capabilities among NATO's most developed partners for continued burden-sharing; preserve a decade of hard-earned Alliance expeditionary capabilities; and support newer Allies' capability development for current and future NATO operations.

Keeping the Edge through Exercises

The planned reduction of NATO forces supporting ISAF, combined with U.S. reinvigoration in the NRF, provides a unique opportunity for NATO to modify and align exercise programs with U.S. combatant commands and regional partners. After 10 years of combat deployments against an asymmetric enemy, NATO will need to dedicate itself to flexible training that emphasizes traditional skill sets, while incorporating lessons learned from recent conflicts. Additionally, these exercises provide the opportunity for newer members of the alliance, as well as our other NATO partners, to pair with some of the highly-capable founding members, continuing to burden-share collective defense while raising the overall quality of NATO forces.

“The NATO Alliance continues to wield unprecedented influence in our world, and remains a critical element of U.S. and European security.”—Senator Jeanne Shaheen (D-NH), Senate Armed Services Committee

CONCLUSION

Every day, the soldiers, sailors, airmen, marines, coast guardsmen, and civilians of U.S. European Command and NATO Allied Command Operations are making vital contributions to the forward defense of the United States, the preservation of America's vital national security interests, and the continued evolution and effectiveness of NATO. As they continue their work, through the seamless execution of combined military operations, interagency cooperation, and whole of society activities, I ask that you keep faith with these extraordinary men and women, and their families, to ensure they receive the care and benefits they have earned and so rightly deserve.

I entered Annapolis and joined the Navy over 40 years ago. Among the many things I have learned, one of the clearest lessons is that the most reliable constant in this world is change. But in today's world of accelerating change, connectivity, and complexity, another anchor has also held remarkably constant, recognized by national leaders time and again, for providing the essential foundation of continued security and stability in the 21st century. That anchor is the transatlantic alliance. It is simply a fact, one bridging two centuries and continuing to evolve in a dynamic security environment, that Europeans remain our most steadfast, reliable, battle-

tested, and important global partners as we confront the strategic risks and military challenges of the 21st century. No other region so readily combines the same commitment to shared values, high-end military capabilities and capacity, and willingness to stand with America—as our European allies and partners have demonstrated at great cost and sacrifice over the past decade—in this century’s fight for freedom and the pursuit of global security and stability. The 2012 Defense Strategic Guidance states it clearly: “Europe is our principal partner in seeking global and economic security, and will remain so for the foreseeable future.”

The world is changing again. Yet, as we consider the contributions and future of the transatlantic alliance, the numbers are worth repeating, especially in an era of significant fiscal pressure and austerity: Together, the United States and Europe generate half the globe’s GDP. Our European partners collectively spend \$300 billion on defense, second only to the United States and well ahead of China and Russia. As essential contributors to an alliance comprised of 750 ships, 24,000 aircraft, and over 3 million Active-Duty Forces, and with over 40,000 European forces currently devoted to NATO and U.N. operations, our European allies and partners are significant and necessary global security providers, fielding forces for combat and stability operations that have stood shoulder-to-shoulder with the U.S. in Afghanistan, Iraq, Libya, Kosovo, and other hot spots across the world. Europeans have willingly shared the burden of war over the past 10 years, consistently comprising the bulk of non-U.S. coalition forces for the missions in Iraq, Afghanistan, Kosovo, and Libya.

Even as we acknowledge these facts, the convergence of several factors last year—the 2012 Defense Strategic Guidance, rising tensions in the Levant, North Africa, and the Balkans, and the global tightening of defense resources—has provided an opportunity for European Command to reconsider and rebalance our present priorities and enduring capabilities to ensure that we are providing the most efficient and effective support to the Nation and to NATO. This effort offered several conclusions. First, European Command is actively contributing to every one of the Defense Department’s ten national missions for Joint Force 2020, protecting America’s vital national security interests, and defending the Nation against the threats of the 21st century: ballistic missiles; WMD proliferation; terrorism; piracy; cyber attack; and transnational illicit trafficking. Second, U.S. presence and infrastructure in Europe, which continues to be right-sized for these enduring missions and the future security environment, provide the United States with an indispensable strategic platform for engagement across the globe, directly supporting the operations of 6 U.S. combatant commanders, numerous U.S. Government Interagency functions, and 51 U.S. Country Teams. Third, U.S. leadership and commitment to the NATO Alliance continues to support the evolution of that institution into the world’s premier security organization, contributing highly capable and interoperable forces to Afghanistan, Iraq, Libya, and Kosovo, and preparing them for future coalition expeditionary operations. As such, the alliance has also become a hub for continued cooperation and outreach with like-minded partners in the Pacific, including Australia, South Korea, Singapore, New Zealand, and Japan, essential in the years ahead. In this capacity, the transatlantic partnership—one the President calls the “cornerstone of global security”—remains one of the Nation’s most valuable and enduring strategic investments. Properly sustained, it will continue providing critical security dividends in the challenging decades ahead.

To safeguard that investment, European Command continues to leverage the funding and authorities that Congress has provided to preserve our strategic partnerships and maintain the essential warfighting capabilities and interoperability that our allies and partners have gained, with our help, over a decade of sustained deployment and combat operations. In the near term, European Command is working to enable a successful ISAF transition and preserve partner capability and commitment to the post-2014 mission in Afghanistan. To that end, we request that Congress continue supporting Section 1206 (Global Train and Equip) and other ISAF coalition support programs, in order to meet our goals to transition security responsibility in Afghanistan over the coming year and, in concert with our allies and partners, to continue training, advising, and assisting the ANSF after they assume full security responsibility in 2014.

Over the longer term, we seek your assistance and support to sustain the value of the transatlantic alliance and its continued contributions to global security. The key to that future is ensuring our European allies and partners can and will continue contributing deployable, capable, and interoperable forces for future conflicts and coalition military operations. Despite the economic constraints we all face, this future is within reach if we sustain the necessary investments to maintain critical gains in expeditionary capabilities and interoperability that have been achieved in recent years, and preserve the vital strategic relationships that have been painstakingly

ingly built over the past 6 decades. The preservation and future employment of these capabilities represent the impending return on our investment when crises arrive on our doorstep at their unscheduled hour, seeking urgent, multilateral, and coalition-based solutions.

Mitigating the risks posed by the fiscal environment to U.S. influence in the region and NATO's enduring strength and cohesion also requires a clear and unequivocal U.S. commitment to our theater and Article V responsibilities. Those responsibilities require that we maintain a balanced and enduring U.S. presence in Europe; reinvigorate U.S. participation in the NATO Response Force; continue resourcing important security assistance programs such as Foreign Military Financing, International Military Education and Training, the Warsaw Initiative Fund, and the Combatant Commanders' Exercise and Engagement Fund; and support NATO's Smart Defense, Connected Forces, NATO 2020, and related initiatives.

History may not repeat itself, but its patterns are clear. After a decade of war, and facing significant fiscal challenges, we stand once again at the crossroads: on one side, the military retrenchment and risk that has traditionally accompanied the end of every period of American war; on the other, a belt-tightening but balanced approach that sustains U.S. leadership and engagement in the world, with a focus on continued global security and prosperity. Each choice entails risks, and the future is hard to see. But one thing history has also shown us, time and again, is the enduring value of this remarkable transatlantic alliance.

Though the strategic and fiscal challenges are very real on both sides of the Atlantic, this historical moment offers us a critical opportunity, one acknowledged by former Secretary Panetta: "I believe that today's strategic and fiscal realities offer NATO the opportunity to build the alliance we need for the 21st century—an alliance that serves as the core of an expanding network of partnerships around the globe in support of common security objectives. But it is an alliance that remains rooted in the strong bonds of transatlantic security cooperation and collective defense."

The men and women of U.S. European Command and NATO Allied Command Operations are building, strengthening, and preserving those vital bonds to provide for the forward defense of the United States, our collective security, and the viability of this critical partnership. This is critical work, as the transatlantic partnership continues to serve as the security foundation for the world's economic center of gravity, America's secure Eastern flank, and the "vital cornerstone of global security and stability" to deal with the challenges of a rapidly changing century and security environment. Through this work, European Command and NATO form that vital "core" of an "expanding network of partnerships"—through joint and coalition forces, civil-military security partnerships, and international security structures—that provide us with what I call the "sum of all security."

In his remarks at last year's NATO summit in Chicago, President Obama reiterated and reinforced the importance of this security and an enduring truth of the global security environment; one that bridges the past and current centuries in order to guide us into the future. In that statement, the President acknowledged: "NATO has been the bedrock of common security, freedom and prosperity for nearly 65 years. It hasn't just endured—it has thrived—because our Nations are stronger when we stand together."

For nearly 4 years now, the motto of U.S. European Command has been that we are, clearly and unequivocally, 'Stronger Together.' For nearly 65 years, this has been NATO's historic organizing principle. It is even truer today in light of the economic challenges and increasing threats we face. We must continue to work together, trust each other, and continue building and evolving this historic partnership to meet the needs and challenges of the 21st century. In doing this, we will not only endure; we will prevail, we will thrive, and we will continue to grow and to be STRONGER TOGETHER.

"Our transatlantic partnership is the most successful alliance and the greatest catalyst for global action. I am determined to keep it that way."—
President Obama

APPENDIX

EUROPEAN COMMAND SERVICE COMPONENTS



Service Component Commands. Except when assigned to a joint task force for military operations or participating in joint exercises, European Command forces are managed, trained, and equipped by our five Service component headquarters: U.S. Army Europe; U.S. Marine Forces Europe; U.S. Naval Forces Europe/Naval Forces Africa; U.S. Air Forces Europe/Air Forces Africa; and U.S. Special Operations Command Europe. These organizations provide forces for our military-to-military engagements, serve both an assurance and deterrence function in the region, deploy units for contingency operations, and, when necessary, may be tasked to provide a tailored joint task force headquarters. Understanding our service component commands is essential to understanding European Command, as they conduct the majority of our steady-state activities. A brief description of each Service Component Command, and its recent activities, is provided in this appendix.

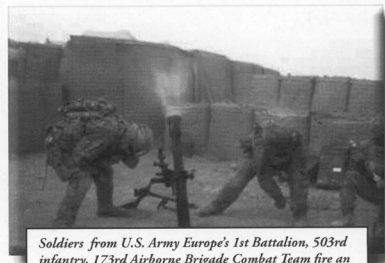
*U.S. Army Europe
Wiesbaden, Germany*

Introduction & Overview: United States Army Europe leads Army forces in support of U.S. European Command and the Department of the Army by training and preparing for unified land operations, strengthening alliances, and conducting theater security cooperation. Executing this mission, U.S. Army Europe supports numerous U.S. combatant commands around the world as America seeks to prevent conflict, shape the global environment with our international partners, and win any contemporary fight. U.S. Army Europe plays a critical role in strengthening and preserving European Command's strategic partnerships, specifically by increasing interoperability, building partner capacity, and enhancing allied and partner expeditionary capabilities.

Major Accomplishments: In 2012, U.S. Army Europe provided trained and culturally aware units and enabling forces, capable of conducting full-spectrum operations in support of ISAF and other contingency operations. Supporting ballistic missile defense in Europe, U.S. Army Europe played a leading role in operating and maintaining the ground-based AN/TPY-2 radar site in Turkey. Theater enabler units also provided vital intelligence, logistics and sustainment support to U.S. European Command, U.S. Africa Command, and U.S. Special Operations Command forces operating across Europe and Africa.

In accordance with the 2012 Defense Strategic Guidance, U.S. Army Europe is aggressively continuing consolidation efforts and theater force rebalancing. As mentioned, key modifications include the inactivation of the 170th Infantry Brigade Combat Team (BCT) last year, and the inactivation of the 172nd BCT and U.S. Army V Corps Headquarters this year. As a result of ongoing reductions, the U.S. Army will have closed 102 theater sites from FY 2006 to FY 2012. The closure of an additional 30 sites, including the entire communities of Heidelberg, Mannheim, Darmstadt, Schweinfurt, and Bamberg, has also been publicly announced and is on track for completion by FY 2015.

Operations & Operational Support: U.S. Army Europe stands ready to support contingency operations and meet future global threats. Though some operations have been ongoing for years, others are completely new and unexpected, requiring flexibility and innovation to support. Last year, an average of 20% of U.S. Army Europe's forces were deployed to support to U.S. Central Command and ISAF. In 2012 alone, the U.S. Army's V Corps, 173rd Airborne BCT, and 12th Combat Aviation Brigade all deployed to Afghanistan.



Soldiers from U.S. Army Europe's 1st Battalion, 503rd infantry, 173rd Airborne Brigade Combat Team fire an 81-mm mortar while executing operations at Combat Outpost Kherwar, Afghanistan, on August 6, 2012.

Critical to supporting operations in Afghanistan, U.S. Army Europe has established and maintained a transportation node in Romania. Located at Mihail Kogalniceanu Airfield and operated by U.S. Army Europe's 21st Theater Sustainment Command, this transportation node is a critical link in the Northern Distribution Network. Since its establishment, this facility has supported over 130 flights, transporting nearly 10,000 service members and approximately 800 tons of equipment between the United States and Afghanistan. In addition, U.S. Army Europe personnel have established a trans-shipment point at Naval Station Rota, Spain, transporting 141 helicopters out of Afghanistan and redeploying them by sea to the United States.

In cyberspace, U.S. Army Europe's 5th Signal Command is addressing the array of rising challenges while, at the same time, providing the backbone for communications between deployed forces and the United States. Already partnered with multinational experts, 5th Signal Command is incorporating simulated cyber threats into U.S. and multinational training exercises and improving operational approaches to these threats.

Exercises, Theater Security Cooperation, and Partnerships: The U.S. Army Europe exercise program remains critical to the pre-deployment training of U.S. and coalition forces supporting ISAF and other contingency operations. It serves to prepare these same forces for future operations across U.S. European Command, U.S. Africa Command, and U.S. Central Command. In 2012, U.S. Army Europe prepared two Polish brigades, two Romanian battalions and, in close cooperation with the Marine Corps, two Georgian battalions for deployment to ISAF.

Leveraging U.S. Army Europe's forward deployed brigades and America's long-standing investment in the premier training facilities at the Joint Multinational Training Command (JMTC) in Grafenwoehr and Hohenfels, Germany, U.S. Army Europe trained and mentored 2,481 multinational soldiers from 22 countries in counter-improvised explosive device (C-IED) skill sets, and trained 1,204 multinational drivers on Mine Resistant Ambush Protected (MRAP) vehicles. U.S. Army Europe teams also mentored and advised the Afghan National Army and Afghan National Police. In partnership with NATO, four mission rehearsal exercises were conducted at JMTC in 2012, training 72 mentoring and advisory teams from 16 European partner nations to support ISAF. U.S. Army Europe also enabled 190 National



U.S. Army Europe's Joint Multinational Training Command (JMTC) is a strategic national asset, providing U.S. forces and our multinational partners an unparalleled training venue to prepare for ISAF deployments and exercise critical theater security skills. Here, Polish Special Operations Forces conduct search-and-rescue drills as part of a downed-aircraft exercise in Hohenfels, Germany.

Guardsmen to co-deploy as part of 14 advisory/mentoring and embedded support teams, deploying with over 4,200 multinational personnel in support of ISAF operations.

Additionally, U.S. Army Europe participated in 21 Joint and combined Army exercises last year, including four major mission rehearsal exercises conducted in 14 countries with 44 participating nations. Highlights from those highly successful events include:

- AUSTERE CHALLENGE 12, supported by the 10th Air and Missile Defense Command, which partnered with the Israeli Defense Forces to exercise missile defense capabilities.
- ATLAS VISION 12, conducted with forces from the Russian Ground Forces Central Military District as an important confidence-building measure and the first exercise of its kind since 2006. The exercise supported European Command's priority for increased cooperation with Russia.
- SABER JUNCTION, a decisive maneuver action training event conducted last October by the 2nd Cavalry Regiment (2CR) with over 1,800 multinational soldiers from 19 partner nations—the largest and most sophisticated such exercise in 20 years.

Way Ahead: With approximately 90% of multinational forces in Afghanistan contributed by our European allies and partners, European armies remain our most likely, willing, and able coalition partners. Accordingly, it is critical that we maintain the strong alliances that U.S. Army Europe has forged over the past 60 years. Forward-based U.S. Army forces in Europe do this, and continue making major contributions to U.S. vital national security interests by extending U.S. strategic reach, assuring access, preserving strategic partnerships in Europe in a post-ISAF environment, addressing a wide array of hybrid threats, and maintaining regional security and stability. Importantly, the consolidation of U.S. Army Europe's command leadership continues, with U.S. Army Europe Headquarters finishing its move from Heidelberg to Wiesbaden this year, the inactivation of V Corps, and the reduction of 2,500 enabler forces. Also in 2013, the Army will commit a CONUS-based brigade to reinvigorate U.S. participation in the NATO Response Force (NRF). As part of this commitment, elements of this brigade will rotate twice annually to Europe to train with our NATO and non-NATO partners. JMTCC will play an important role in hosting and supporting this U.S. component as we implement the Department's pledge to reinvigorate U.S. participation in the NRF.

*U.S. Marine Forces Europe
Stuttgart, Germany*

Introduction & Overview. Marine Forces Europe leverages rotational expeditionary Marine Forces and prepositioned capabilities-based equipment to reassure allies, deter potential adversaries, and maintain strategic access while supporting rapid response to crises and contingencies. Throughout 2012, Marine Forces Europe strengthened strategic partnerships, assured access, enhanced interoperability, and prepared forces for operations in Afghanistan through three critical programs: the Special Purpose Marine Air Ground Task Force, Black Sea Rotational Force; the Georgia Deployment Program for the International Security Assistance Force (GDP ISAF); and the Marine Corps Prepositioning Program Norway (MCPN); as well as an aggressive annual exercise program. Additionally, Marine Forces Europe's 2012 security cooperation activities focused on the Caucasus, Black Sea, Balkan, and Baltic regions, contributing to European stability and the forward defense of the United States.

Major Accomplishments. During the summer of 2012, Marine Forces Europe coordinated with Naval Forces Europe to support three simultaneous theater requirements: configuring vessels in the Mediterranean to posture for contingency operations; supporting Exercise Baltic Operations (BALTOPS 12) with Baltic NATO partners; and trans-loading vital equipment and ammunition from a Military Sealift Command vessel in support of the MCPN initiative. This concurrent planning and execution demonstrated extraordinary in-theater flexibility, organization, and teamwork.

Marine Forces Europe also continues to serve as a vital and integral contributor to U.S. relations with Georgia. Following last year's meeting between the U.S. and Georgian Presidents, Marine Forces Europe was tasked with leading assessments of the Georgian junior officer and non-commissioned officer professional development programs as well as Georgian combat engineer training and education. These efforts have informed the ongoing development of U.S. security cooperation engagement plans directed in the FY 2012 National Defense Authorization Act. Marine Forces Europe is also coordinating Georgian field grade officer augmentation to deploy Marine Regimental Combat Teams. This effort will support enhanced security cooperation for Georgian Brigade command and staff development. Finally, Marine Forces Europe enhanced the Black Sea Rotational Force in 2012 by adding capabilities to support non-combatant evacuation operations, humanitarian assistance, and disaster relief missions.

Georgia Deployment Program—International Security Assistance Force (GDP-ISAF). In support of nationally directed theater strategic end states, Marine Forces Europe is leading European Command's mission to train the Georgian Armed Forces. Performing this mission since 2010, Marine Forces Europe has developed and implemented a program that applies the USMC organizational model for Security Force Assistance, using general purpose forces and security cooperation organizations to train

Georgian battalions for full-spectrum counterinsurgency operations supporting ISAF. The program's first iteration, GDP-ISAF 1, contributed four battalions to the fight in Afghanistan. GDP-ISAF 2 is contributing an additional nine battalions, making Georgia one of the largest non-NATO contributors providing full-spectrum counterinsurgency support to ongoing ISAF coalition operations.

In order to simultaneously train two battalions, the Georgians have added the Vaziani South Training Area (VSTA) to enduring training activities at the Krtsanisi Training Area (KTA). Pre-deployment training at these locations have incorporated lessons learned from previous deployments, and optimized the training curriculum to include biometrics, counter-IED tactics, Pashtu language training, blue force tracker, medical training, driver training, and improved squad and small unit level tactics. This highly successful program continues to develop Georgian institutional capacity to conduct its own full-spectrum counterinsurgency training. It also takes advantage of proximity to the training facilities at U.S. Army Europe's Joint Multinational Training Center for mission rehearsal exercises prior to ISAF deployment. This program's success is clear, as deployed Georgian battalions currently constitute half of the ground combat power in ISAF's Regional Command Southwest. GDP-ISAF Rotations 10 and 11 are currently conducting their pre-deployment training evolutions for subsequent rotation into Afghanistan later this year.

U.S. Marine Corps' Black Sea Rotational Force. Marine Forces Europe also deploys and supports the Special Purpose Marine Air Ground Task Force, Black Sea Rotational Force (BSRF), a program that demonstrates U.S. commitment and maintains strategic access across the Caucasus and Black Sea regions through theater security cooperation and security force assistance. The BSRF uses the well-placed U.S. Forward Operating Site at Mihail Kogalniceanu Airfield in Romania as its staging base.

BSRF focuses its partner engagement on tasks that prepare and train these regional partners for out-of-area operations. The program builds enduring trust while enhancing U.S. strategic objectives in the region. In 2012, BSRF supported European Command crisis response requirements through its capabilities



Macedonian soldiers participating with U.S. Marines from the Black Sea Rotational Force in the Marine Corps Combat Marksmanship Program sharpening their tactics, techniques, and procedures in essential military skills.

to conduct non-combatant evacuation control center actions and provide support to humanitarian assistance and disaster relief operations. Equipped by the Marine Corps Prepositioning Program Norway (MCPN), BSRF executed 97 engagement events with 20 countries (15 of which contribute forces to ISAF), participated in three Joint Chiefs of Staff (JCS) exercises, and conducted five community relations projects. This year, BSRF will continue supporting European Command's crisis response mission, is scheduled for 85 engagement events with 22 countries, will participate in four JCS exercises, and will conduct at least five community relations projects.

Marine Corps Prepositioning Program Norway (MCPN). In 2012, the Marine Corps began transforming this program from the current Marine Expeditionary Brigade prepositioning objective to an equipment set capable of supporting an ashore-based, balanced Marine Air Ground Task Force, built around the core of an Infantry Battalion Task Force. This Marine Air Ground Task Force, equipped through the MCPN for crisis response, can support operations up to the mid-intensity conflict level. European Command has supported MCPN's transformational effort in coordination with the Norwegian Ministry of Defense, the Department of State, Joint Staff, Headquarters United States Marine Corps, and Marine Forces Europe to obtain the necessary Conventional Armed Forces in Europe (CFE) entitlements to store USMC combat vehicles in Norway. MCPN transformation mitigates, but does not replace, the divestiture of the theater's Maritime Prepositioning Squadron which occurred last September. MCPN also continues to support the reinforcement of Norway, reaffirming America's strategic relationship with this important partner.

Exercises. Marine Forces Europe participated in 18 joint, bilateral, and multilateral exercises in 2012, reassuring theater allies and deterring potential adversaries by demonstrating rapid assembly, deployment, and maritime expeditionary capabilities. Noteworthy exercises last year included:

- AGILE SPIRIT, a Warsaw Initiative Fund (WIF)-resourced pre-deployment training workup for Georgian Battalions slated for the Georgia Deployment Program;
- BALTOPS 12, training important amphibious assault, arrival, and assembly skills with our Baltic NATO partners; and
- NOBLE SHIRLEY, building and maintaining critical interoperability with our Levant partners.



U.S. Marines and amphibious forces from Latvia, Lithuania, Estonia, Poland, the Netherlands, and Germany hit the beach during Exercise Baltic Operations (BALTOPS) 2012. BALTOPS '12 reinforced key theater security cooperation efforts through joint maritime, air, and land operations conducted across the Baltic region.

Way Ahead. Marine Forces Europe will continue to pursue an innovative task-organized expeditionary force presence in the European Command theater to meet crisis and contingency response requirements. We will provide bilateral combined arms and amphibious training with key partners, including Israel, Turkey, France, and the United Kingdom. Establishing and exercising expeditionary presence supports important theater reassurance and deterrence objectives. Marine Forces Europe will continue to support Service-led efforts to transform the MCPN, while maintaining our commitment to the reinforcement of Norway. Additionally, Marine Forces Europe will continue to evolve BSRF's crisis response capability, fully aligning this force with maritime crisis response capabilities inside the European Command theater.

*Commander Naval Forces Europe / Commander Naval Forces Africa
Naples, Italy*

Introduction & Overview: Commander, U.S. Naval Forces Europe and Commander, U.S. Naval Forces Africa is a unified organization that reports to both U.S. European Command and U.S. Africa Command. It is responsible for leading full-spectrum maritime operations in concert with allied, coalition, joint, and interagency partners to advance U.S. interests and enhance maritime security and stability in Europe and Africa. U.S. Naval Forces Europe performs Navy Component Commander functions that support daily fleet operations and Joint Force Maritime Component Commander/Joint Task Force Commander missions, strengthen U.S. relationships with enduring allies, and provide leadership for the development of maritime capabilities with emerging partners, particularly in European Command's southern and eastern regions.

Major Accomplishments: U.S. Naval Forces Europe met all mission requirements in 2012 and retained its certification as Joint Force Maritime Component Commander. By concentrating on key theater security cooperation initiatives, the command advanced vital U.S. and partner-nation skills in maritime domain awareness, security, and sea control in the European Command area of responsibility. The command also supported numerous global security and stability operations in 2012, including U.S. Central Command's Operation ENDURING FREEDOM and U.S. Africa Command's Operation JUKEBOX LOTUS, while maintaining its readiness posture for regional crisis response operations.

Operations & Operational Support:

North Africa. Responding last September to attacks on U.S. facilities in Libya, U.S. Naval Forces Europe's forward-stationed and rotational forces played a critical role in the response mission. The availability of Naval Air Station Sigonella, Italy, and Naval Support Activity Souda Bay, Greece, enabled U.S. forces to be rapidly postured, employed, and sustained as tasking evolved over the course of the crisis response, designated Operation JUKEBOX LOTUS. U.S. Navy and Joint force operations could not have occurred without these bases and the direct support they provided. Additionally, the command flagship, USS MOUNT WHITNEY, operating from international waters with the Commander, U.S. Sixth Fleet, embarked, provided command and control, planning, and support coordination during the initial phase of the crisis.

Ballistic Missile Defense. Through the deployment of U.S. Navy Aegis Ballistic Missile Defense (BMD)-capable surface combatants, Naval Forces Europe supported Phase One implementation of the European Phased Adaptive Approach (EPAA) to the ballistic missile defense of Europe. The command also supported EPAA Phase Two, with efforts to complete implementing agreements and prepare for construction of an Aegis Ashore site in Romania. U.S. Naval Forces Europe facilitated NATO's declaration of interim BMD capability through its participation in the European Air and Missile Defense Exercises and NATO Exercise RAPID ARROW, which was the first live fire test of NATO's BMD capability. Weekly BMD exercises with NATO participants are being conducted to sustain the proficiency gained through these events and others, and are expected to continue for the foreseeable future.

Intelligence, Surveillance and Reconnaissance (ISR). U.S. Naval Forces Europe supported theater ISR objectives with persistent coverage of vital operating areas, using air, surface, and subsurface assets. U.S. Navy surface combatants conducted active radar surveillance of airspace over or near regions of potential volatility to provide indications and warnings of aircraft activity as well as surveillance of surface

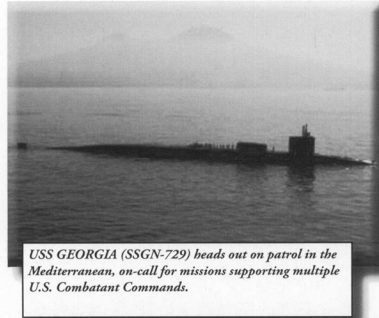


USS McFAUL (DDG-74), an Arleigh-Burke class guided missile destroyer launching a 'Scan Eagle' UAV during Operation JUKEBOX LOTUS last September. These versatile platforms cover multiple theater missions, from Ballistic Missile Defense to maritime interdiction to expanded U.S. Intelligence, Surveillance, and Reconnaissance.

and subsurface vessels. In addition, P-3 Maritime Patrol Aircraft and EP-3 Reconnaissance Aircraft operating from bases in Italy, Spain, and Greece, as well as ship-based Remotely Piloted Aircraft missions (SCAN EAGLE and FIRE SCOUT), also provided mobile, flexible ISR coverage in areas of interest within the theater. Employing a mix of these platforms and capabilities, U.S. Naval Forces Europe was able to support NATO forces in Kosovo, Operation JUKEBOX LOTUS, and operations in the Baltic Sea.

Forward Deployed Naval Forces, Spain. The decision to station four Aegis destroyers at Naval Station Rota, Spain, will significantly increase the availability of these multi-mission surface platforms for training, interoperability, and crisis response operations in the Atlantic Ocean and Mediterranean Sea. Tasking will include theater BMD, maritime security operations, humanitarian missions, and bilateral and multilateral exercises in support of regional security and stability.

Theater Submarine Operations. U.S. submarine forces provided assurance, deterrence, and unique ISR capabilities, while maintaining their readiness to execute anti-submarine and anti-surface warfare



USS GEORGIA (SSGN-729) heads out on patrol in the Mediterranean, on-call for missions supporting multiple U.S. Combatant Commands.

operations, ensure undersea dominance, deliver precision strike weapons, and provide high-value unit protection.

Exercises, Theater Security Cooperation, and Partnerships: U.S. Naval Forces Europe participated in seven JCS exercises and 15 NATO and European Command exercises in 2012. As mentioned, Exercise BALTOPS 2012 brought together 12 European nations, including Russia, to conduct maritime operations and interoperability training in the Baltic Sea. Exercise SEA BREEZE 12, another WIF-funded event, aggregated 13 ships and personnel from 15 nations to train in and around the Black Sea. Exercise FRUKUS (France, Russia, United Kingdom, and the United States)—led by Russia in 2012—joined maritime forces from all four nations for a high-end multi-lateral engagement focused on maritime capabilities and interoperability. U.S. Sixth Fleet also led Exercise NORTHERN EAGLE, which involved Russia and Norway, and culminated in a successful U.S. ship visit to Severomorsk in northern Russia.

U.S. Naval Forces Europe continued to lead Eurasia Partnership Capstone, an initiative designed to integrate numerous efforts across Eurasia into a comprehensive maritime partnership. Training with naval forces from Azerbaijan, Bulgaria, Georgia, Greece, Israel, Russia, Poland, Romania, Turkey, and Ukraine, U.S. Naval Forces Europe focused on non-commissioned officer development, maritime interdiction operations, visit/board/search/seizure, search and rescue, maritime law enforcement, and environmental protection. In associated outreach to the Caspian Sea region last year, U.S. Naval Forces Europe coordinated with U.S. Central Command to include participation from Kazakhstan and Turkmenistan as well. The Partnership of Adriatic Mariners, a similar regional effort, was led by U.S. Naval Forces Europe and joined by Albania and key partners along



U.S. Sailor greeting a Ukrainian Marine at the launch of Exercise SEA BREEZE '12. Co-hosted by the U.S. and Ukrainian Navies, SEA BREEZE brought together naval, air, and land forces from Algeria, Azerbaijan, Belgium, Canada, Georgia, Germany, Israel, Moldova, Norway, Qatar, Sweden, Turkey, UAE, Ukraine, and the United States. The largest multinational exercise conducted in the Black Sea region, SEA BREEZE provides an important venue for U.S. allies and partner nations to improve maritime safety, security, and stability in this vital area.

the Adriatic Sea to increase maritime domain awareness and enhance counter-illicit trafficking capabilities.

Way Ahead: U.S. Naval Forces Europe remains focused on maintaining maritime safety, security cooperation, and crisis response capabilities to defend the nation and secure its interests across Europe and Africa. The command will support, develop, and expand BMD capabilities afloat and ashore in synchronization with other European Command Service component commands and NATO. U.S. Naval Forces Europe will continue to exercise command and control of forward-stationed and rotational forces, focus on its primary mission of warfighting, and provide the nation with robust power projection capabilities across two combatant commands. Equally important, the command will continue to strengthen allied and partner maritime capabilities in foreign humanitarian assistance, disaster relief, and other operations, while responsibly balancing these initiatives within a fiscally constrained environment.

*U.S. Air Forces Europe / U.S. Air Forces Africa
Ramstein Air Base, Germany*

Introduction & Overview: U.S. Air Forces Europe / U.S. Air Forces Africa is a unified organization that reports to both U.S. European Command and U.S. Africa Command, postured to provide forward-based, full-spectrum airpower in support of global, national, alliance, and coalition operations. U.S. Air Forces Europe provides credible, capable, and responsive air forces for U.S. European Command prepared to defend the Homeland forward and respond at any time to crises across the world. Furthermore, U.S. Air Forces Europe maintains critical infrastructure to provide mobility and communications throughput, logistical support, contingency bed-down, and command and control capabilities in support of global operations. Additionally, Europe is a critical entry and relay point for all cyber activities across U.S. European Command, U.S. Central Command, and U.S. Africa Command, including 90% of all ISR feed data. Our forward posture allows us to project U.S. power globally, support the NATO Alliance and multilateral coalitions, and reduce the burden on U.S. forces while providing ready access to European bases, as required.

Major Accomplishments: U.S. Air Forces Europe flew over 37,500 hours in support of ongoing European Command operations in FY 2012. Forward-based air forces were essential to the U.S. rapid response to emergent requirements following the attacks on our diplomatic facilities in Benghazi, Libya, providing forces to support U.S. Africa Command's Operation JUKEBOX LOTUS. The command leveraged its strong international partnerships to facilitate the basing of CONUS forces in Europe in less than five days. U.S. Air Forces Europe's forward-based presence and partnerships also enabled execution of aeromedical evacuation and subsequent security missions in Libya.

U.S. Air Forces Europe has made major contributions to ongoing operations in Afghanistan, deploying aircraft for multi-role ground attack, refueling, combat search and rescue, and operational support missions. Airmen from across the command have deployed in support of Operation ENDURING FREEDOM, and U.S. Air Forces Europe continues to provide critical lift and sustainment for the deployment and redeployment of forces and equipment into and out of the U.S. Central Command theater to support current operations and the future transition in Afghanistan.

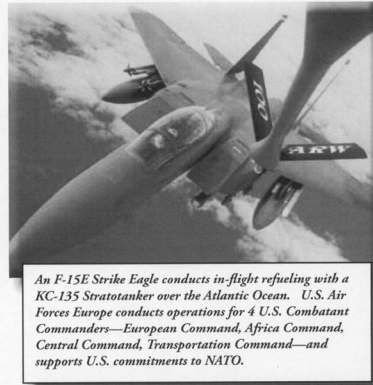
U.S. Air Forces Europe supported four nuclear logistics missions, successfully conducted three nuclear surety inspections of its nuclear-capable units, as well as two joint safety and security inspections, and a strike evaluation in concert with NATO. All of these events ensured that the United States and NATO maintain a safe, secure, and effective nuclear capability.

A critical global communications hub, U.S. Air Forces Europe provides vital data links for worldwide communications, unmanned aerial system command and control, intelligence collection, and space operations. U.S. Air Forces Europe has worked diligently to implement new technologies and expanded

systems enhancing European Command's air component capabilities. In support of EPAA, the command acts as a force provider and performs vital command and control (C2) functions for U.S. BMD forces. Last year, U.S. Air Forces Europe transitioned the NATO European territorial missile defense C2 mission from a U.S. capability to an alliance interim operating capability, and is working with NATO to develop initial operating capability requirements. In other areas, the command's land mobile radio capabilities matured into radio over internet protocol terrestrial connections, maximizing the resources available to emergency services across the region and enabling real-time crisis notification. U.S. Air Forces Europe has also become a defense leader in the improvement of base infrastructure and investment to develop a resilient command, control, communications, computer, and information (C4I) architecture, providing improved support to flight operations and contributing to the BMD mission in Europe.

Operations & Operational Support: U.S. Air Forces Europe supports the operations of U.S. European Command, U.S. Africa Command, U.S. Central Command, U.S. Transportation Command, and NATO, while conducting combat deployments at the same or higher rate than U.S.-based air forces, and maintaining the throughput of over 60% of global air mobility missions. U.S. Air Forces Europe maintains combat air patrols supporting NATO's Icelandic and Baltic air policing and surveillance missions, and conducts ISR missions across the greater Levant.

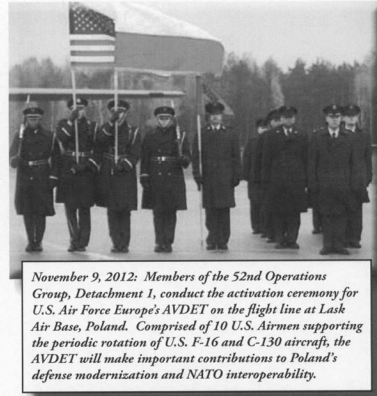
Recent combat support operations in North Africa highlighted the importance of our ability to interoperate with NATO and non-NATO coalition partner nations in all phases of the ISR mission. To this end, we have dramatically increased our contact with potential partners to build partner ISR capacity. Leading the success in this area is the joint U.S. / U.K. 'Project Diamond' initiative, begun in 2007, which seeks to develop a Distributed Common Ground System (DCGS) ISR imagery processing, exploitation, and dissemination capability. This capability, located in the United Kingdom, is tied to the 693rd ISR Group at Ramstein Air Base. A significant success story, Project Diamond has resulted in U.K. analysts conducting processing, exploitation, and dissemination (PED) of U.S. Predator and Reaper Unmanned Aerial System operations in Afghanistan since April 2011. These efforts have supported ISAF warfighters while demonstrating the high degree of cooperation that exists between the U.S. and U.K. ISR communities. Building on these lessons, we have launched the Coalition ISR / PED Integration Initiative. This initiative seeks to build and integrate partner ISR capacity among key partner nations in the U.S. European Command and U.S. Africa Command theaters. These efforts will enhance cooperation, facilitate greater burden-sharing,



An F-15E Strike Eagle conducts in-flight refueling with a KC-135 Stratotanker over the Atlantic Ocean. U.S. Air Forces Europe conducts operations for 4 U.S. Combatant Commanders—European Command, Africa Command, Central Command, Transportation Command—and supports U.S. commitments to NATO.

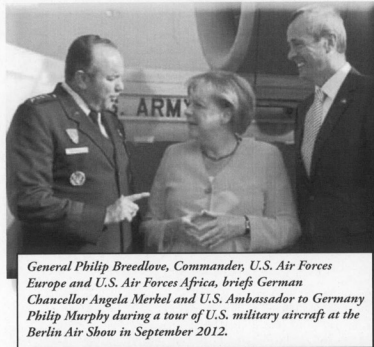
share ISR information and methodologies, and incorporate important PED objectives and capabilities into NATO and non-NATO exercises in order to ensure the alliance is better postured in these critical mission areas for future contingency operations.

Exercises, Theater Security Cooperation, and Partnerships: In addition to our operational missions and support, U.S. Air Forces Europe participated in 21 JCS exercises, to include Exercises AUSTERE CHALLENGE, BALTOPS, and RAPID TRIDENT, and accomplished over 1,870 outreach, engagement, and training events with 21 U.S. allied and partner nations in direct support of U.S. European Command, U.S. Africa Command, and U.S. Central Command. These efforts sustained America's strategic partnerships and achieved a number of significant milestones in 2012. First, engaging one of NATO's newer and increasingly important allies, U.S. Air Forces Europe personnel activated the Aviation Detachment (AVDET) at Lask Air Base, Poland, last November. The AVDET will support the rotation of U.S. military aircraft to Poland, enable cooperative training events between U.S. and Polish Airmen, enhance the capabilities and interoperability of our nations' air forces, and ultimately increase the air resources available for future NATO operations.



November 9, 2012: Members of the 52nd Operations Group, Detachment 1, conduct the activation ceremony for U.S. Air Force Europe's AVDET on the flight line at Lask Air Base, Poland. Comprised of 10 U.S. Airmen supporting the periodic rotation of U.S. F-16 and C-130 aircraft, the AVDET will make important contributions to Poland's defense modernization and NATO interoperability.

Second, U.S. Air Forces Europe achieved initial operational capability at the newly established European Integrated Air and Missile Defense Center, the only one of its kind, dedicated to advancing BMD education, training, and wargaming for our European partners. Third, supporting Joint Force 2020's emphasis on humanitarian and disaster relief operations, we recently celebrated the 20-year anniversary of our 'Eagle Vision' Program, a cooperative agreement with France that has provided imagery for numerous disaster relief operations over the past year. Fourth, eyeing efficiencies, U.S. Air Forces Europe continued its successful 'Tactical Leadership Program,' preparing next-generation combat air leaders from ten allied nations for worldwide operations augmenting, or in some cases reducing the need for, U.S. Airmen. Finally,



General Philip Breedlove, Commander, U.S. Air Forces Europe and U.S. Air Forces Africa, briefs German Chancellor Angela Merkel and U.S. Ambassador to Germany Philip Murphy during a tour of U.S. military aircraft at the Berlin Air Show in September 2012.

U.S. Air Forces Europe continues to help develop a strong cadre of non-commissioned officers through engagement and training, at the Kisling Non-Commissioned Officer Academy, with senior enlisted leaders from nations across Europe and Africa.

Way Ahead: Recognizing the current inflection point and the 2012 Defense Strategic Guidance, U.S. Air Forces Europe continues to implement significant efficiencies executing its mission to support two combatant commands. Most notably, U.S. Air Forces Europe has consolidated its subordinate numbered air forces and their associated Air and Space Operations Centers to create an extremely lean, agile, and flexible headquarters with leadership and staff supporting both U.S. European Command and U.S. Africa Command while maintaining essential service support to forces in and across the theater. As we look to the near term, U.S. Air Forces Europe will continue aggressively implementing EPAA and associated BMD initiatives, and support U.S. global reach and access to achieve national and military objectives through our forward-based forces and infrastructure. Europe's strategic location and our strong international relationships remain critical enablers for rapid unilateral, joint, and multinational response to contingency missions across Europe, Africa, Asia, and the Middle East.

*U.S. Special Operations Command Europe
Stuttgart, Germany*

Introduction & Overview: Special Operations Command Europe operates from two main forward-deployed locations, in Stuttgart, Germany, and the Royal Air Force (RAF) station at Mildenhall, England. The Command is comprised of three assigned components: 1st Battalion, 10th Special Forces Group (Airborne); Naval Special Warfare Unit 2; and the 352nd Special Operations Group (Air Force Special Operations Command). Special Operations Command Europe continues to focus on expanding theater-wide special operations forces (SOF) capabilities, mainly by developing and enabling allied and partner nation SOF to deploy to Afghanistan in support of ISAF. Through the development of allied and partner SOF skills, we seek to enable niche capabilities which, taken together, can translate into unified SOF actions that support U.S. national security objectives, NATO, and our shared security interests.

Major Accomplishments: Special Operations Command Europe focused its efforts to deliver significant results across multiple areas in 2012. First, as mentioned above, the command maintained its emphasis on engagement activities with allied and partner nation SOF preparing them for deployment to Afghanistan. Additionally on this front, the command conducted numerous Joint Combined Exchange Training and other bilateral training activities, Partnership Development Program events, bilateral counter narco-terrorism training, an intelligence conference on Iranian activities in Europe, and numerous key leader and staff engagements to sustain partner SOF development. Second, Special Operations Command Europe continued to develop its important counterterrorism-related bilateral relationships with Russian and Turkish SOF. Third, Special Operations Command Europe was tasked to lead the theater counterterrorism (CT) mission and is responsible for monitoring, facilitating, coordinating, and synchronizing all CT efforts across the European Command area of responsibility.

Exercises, Theater Security Cooperation, and Partnerships: Special Operations Command Europe continued to facilitate SOF interoperability and prepare partners for current and future contingency missions through an intensive 2012 exercise schedule. Last September, Croatia hosted JACKAL STONE '12, our capstone SOF exercise, including 15 nations and over 1,700 participants,



By Sea, Air, or Land: Participants in Special Operation Command Europe's Exercise JACKAL STONE display the uniforms and tools of their trade. The purpose of this capstone exercise is to enhance Special Operations Forces (SOF) capacity and interoperability among 15 participating Allied and partner nations, simultaneously building cooperation and key partnerships for current and future coalition SOF missions.

with Croatian President Ivo Josipovic making a personal appearance to observe joint U.S.-Croatian exercise projects. Other JACKAL STONE activities included a vigorous aviation component featuring Slovakian and Croatian Mi-17 helicopters, and U.S. MH-60 Blackhawks facilitating exercise movements and parachute operations.

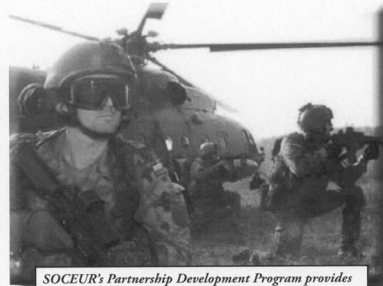
Special Operations Command Europe has also developed and strengthened important theater CT bilateral relationships across a wide range of FY 2012 activities, including:

Russia: The U.S. Army's 10th Special Forces Group hosted Russian airborne forces at Ft. Carson, Colorado. This is the first time U.S. SOF have worked together with Russian forces since 2008. This three-week tactical training event fostered positive relationships, helped to further important interoperability goals, and developed a mutual understanding and working knowledge of each other's CT capabilities. This successful bilateral training event culminated with the stated intention to conduct similar training events annually, another potential area for continued U.S.-Russian engagement.

Turkey: After a two-year hiatus to develop a new memorandum of understanding (MOU) with Turkey, we are once again working closely with our Turkish SOF counterparts. The establishment of the MOU with Turkish Army Special Forces will greatly improve the U.S.-Turkish bilateral SOF relationship, enabling exchanges that will continue to pay strong dividends for both countries in the near future. Special Operations Command Europe key leader engagements with CT forces from the Turkish Ministry of the Interior have also increased potential for important future cooperation.

Operations & Operational Support: Special Operations Command Europe continues to lead European Command's SOF support to U.S. Central Command and the mission in Afghanistan. For the sixth year in a row, Special Operations Command Europe has provided U.S. forces, directly supporting ISAF through the deployment of Combined Special Operations Task Force 10 (CSOTF-10), providing

military assistance to five Afghan Provincial Reaction Companies. Notably, CSOTF-10, commanded by Special Operations Command's 1st Battalion, 10th Special Forces Group, is comprised of multinational special operations forces from eight European nations: Croatia, Estonia, Finland, Hungary, Macedonia, Romania, Slovakia, and Slovenia. Additionally, Special Operations Command Europe continues to provide advisory assistance to Polish SOF in ISAF. By coordinating the Special Operations Command Europe Partnership Development Program with other security cooperation resources, we have been able to



SOCEUR's Partnership Development Program provides valuable support and pre-deployment training for partner-nation SOF forces, including Poland (shown above). These nations have made, and continue to make, vital contributions to ISAF.

assist these developing allies and partners with their concerted national effort to create SOF capabilities that are, at the tactical level, on par with U.S. Special Operations Forces. Once developed, these allies and partners have demonstrated the willingness to employ these forces in a manner that supports and enables heavily-tasked U.S. SOF. Most importantly, these combined efforts have made critical contributions to the Government of Afghanistan and the transition effort, mentoring Afghan National Security Forces and reinforcing their sustained progress into a self-run, confident force capable of contributing to security operations across sizable Afghan population centers.

Special Operations Command Europe also chairs the Stuttgart Effects Group, a multi-headquarters interagency forum established to increase understanding of transnational threats and de-conflict associated efforts with U.S. combatant commands and U.S. Government interagency partners.

As the European Command lead for all theater CT execution, Special Operations Command Europe is focused on intelligence, information-sharing, and developing partner capabilities in step with the Department's highest prioritization for Joint Force 2020's 'Counterterrorism and Irregular Warfare' mission. To meet these responsibilities and synchronize the theater's CT Regional Campaign Plan, the command established the Special Operations Command Europe CT-Core Cell. The CT-Core Cell monitors, facilitates, coordinates, and synchronizes CT efforts across the theater, in concert with other U.S. Government agencies and our partner nation counterparts, in order to disrupt violent extremist organizations and promote an environment inhospitable to terrorism. These efforts, and ongoing coordination with the International Criminal Police Organization (INTERPOL), have assisted investigations in more than 80 countries to date. Special Operations Command Europe continues to work closely with our allies and partners, the U.S. Intelligence Community, and other U.S. combatant commands to identify and counter threats to the United States and U.S. forces originating from Europe, Afghanistan, and Pakistan.

Lastly, Special Operations Command continues to refine and adapt theater-wide strategic SOF requirements while also taking care of our people. Operational concepts, to include the Distributed SOF Network and ongoing coordination with allied and partner SOF through our U.S. Country Team SOF liaison elements, continue to pay dividends. Importantly, after a decade of sustained combat operations, the command remains focused on ways to take care of our warriors and their families. We continue to prioritize several family events and increase service member awareness regarding comprehensive health and well-being.

Way Ahead: Special Operations Command Europe will continue to focus its Partnership Development Program (PDP) efforts on contributing to ISAF SOF preparation beyond 2014. In 2012, the command increased its footprint from a company-size U.S. Special Forces element to a battalion-size task force, while increasing partner nation participation through staff positions, special operations task units, and special operations task groups. Beyond ISAF, Special Operations Command Europe will coordinate

and direct its critical security cooperation resources and authorities (PDP, 1206, etc.) toward working with our allies and partners to develop the national and institutional mechanisms required to sustain the SOF capacity that we have collectively built over the past decade. Our European allies and partners have proven their willingness, with relatively minimal assistance, to deploy their SOF to combat and other operations important to the United States. Our strategic objective is to ensure that we sustain this vital investment in order to have world-class, interoperable SOF available for employment where our national security interests converge in the future, without having to begin capacity building efforts anew. Looking forward, Special Operations Command Europe will continue to support U.S. European Command, national, and NATO objectives, maintain our combat edge, further develop allied and partner SOF, and always be ready for crisis response—a vanguard force for the forward defense of the United States.

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

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

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

On behalf of the men and women of NORTHCOM and NORAD, I appreciate this committee's continuing support of our important missions. In the case of NORTHCOM, our missions include Homeland defense and that's my number one priority mission. It's a mission in which we work very closely with Canada in our integrated NORAD binational command.

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

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

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

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

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

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

availability and development of the capabilities we will need to manage the risks these threats will pose.

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

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

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

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

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

[The prepared statement of General Jacoby follows:]

PREPARED STATEMENT BY GEN CHARLES H. JACOBY, JR., USA

Chairman Levin, Senator Inhofe, distinguished members of the committee, thank you for the opportunity to report on the posture of U.S. Northern Command (NORTHCOM) and North American Aerospace Defense Command (NORAD). As the combatant commander charged with defense of our Homeland, it is a distinct privilege to represent the more than 2,000 men and women of the Commands who stand the watch around the clock on behalf of our Nation. Strengthened by robust partnerships with hemispheric neighbors and interagency communities, my commands execute three primary missions: homeland defense, defense support of civil authorities (DSCA), and security cooperation.

NORTHCOM was established October 1, 2002 to provide command and control of Department of Defense (DOD) homeland defense efforts and to command the Federal military response to requests for DSCA. The imperative to protect and secure the homeland against all hazards is even more important today. Over the last year, Hurricanes Isaac and Sandy, record wildfires, severe drought, and violent tornado activity tested the Nation. The continued opening of the Arctic precipitated significant growth in human activity, potentially posing new domestic, foreign consequence management, and homeland defense challenges and opportunities. In addition to these natural events, internal and external manmade threats continue to proliferate. Cognizant of these challenges, we remain positioned to support our mission partners in their response efforts to restore normalcy following any disaster, while continually honing our capabilities to outpace and adapt to shared security threats to the United States and Canada in accordance with the NORAD agreement. Leveraging the vitally important Combatant Commander Exercise and Engagement Program, we prepare for our missions through training, education, and exercises, and take every opportunity to learn from these events. With each real-world crisis, we apply a candid, rigorous lessons learned process to replicate successes, correct deficiencies, and ultimately strengthen our partnerships.

Defending the Nation requires a reliance on partners in three distinct geographic locations: globally, in the approaches to the Homeland, and within the Homeland. On the outer layer of this defense in depth, my global partners include the Office of the Director of National Intelligence, Defense Intelligence Agency, Department of State, and associated functional and geographic combatant commands, to name a few. In the approaches to the homeland are our partners in Mexico, The Bahamas,

and Canada. Within our homeland, my Federal partners include the Military Departments and Services, National Guard Bureau (NGB), Department of Homeland Security (DHS) (specifically, Federal Emergency Management Agency (FEMA), U.S. Coast Guard (USCG), Transportation Security Administration, and Customs and Border Protection (CBP)), Department of Justice (DOJ), and Federal Aviation Administration (FAA). Finally and perhaps most critically, are my subordinate headquarters strategically placed at key intersections between the approaches and the homeland: Joint Task Force North (JTF-North) on the Southwest border, Joint Task Force National Capital Region, Joint Task Force Civil Support on the eastern seaboard, and Joint Task Force Alaska (JTF-Alaska) in America's high north.

Partnerships are equally important in my DSCA responsibilities. I live daily with the knowledge that any moment can bring news of natural and manmade disasters. To meet the deservedly high expectations of our citizens, we work in support of primary agencies responding to natural disasters as part of a team of Federal, state, and local entities. Disaster response is largely a function of preparedness. As such, our training and exercise program, collaboration, and communications with our partners form the foundation of our ability to execute in times of crisis. The trusted partnerships we have built with some 50 Federal agencies are evident in the presence of more than 60 liaison officers in our headquarters with whom we work side-by-side.

These well-established partnerships achieve two principal effects. In pre-crisis, they enable safety and security activities that mitigate the effects of natural disasters and deter threat activities. Upon transition to crisis, unity of effort and the power of interagency teamwork are a function of our robust, realistic, and comprehensive training and exercise programs.

Today, our partners are pressured by budget constraints that can erode the defense and security of the homeland unless we judiciously build, balance, and protect homeland defense capabilities. We remain mindful of our Nation's budgetary challenges and understand that fiscal responsibility is itself a matter of national security. The nation realizes meaningful security dividends through interagency partnering and cooperative engagement with our Canadian, Mexican, and Bahamian neighbors. As we confront shared challenges such as transnational criminal organizations, terror and weapons proliferation, and other threat networks, prudent investments made possible by Congress equate to a significant down payment on our national security objectives. With a relatively modest geographic combatant command budget, NORTHCOM and NORAD carry out our country's foremost and uniquely solemn duties to protect our citizens and support them in their times of greatest need. We are working smarter in an era of significant budget constraints, knowing threats to the homeland will likely not diminish. Keeping faith with our fellow Americans is our greatest moral imperative, understanding that the physical and moral consequences of a successful attack in the homeland far outweigh those of a similar attack overseas.

HOMELAND DEFENSE

Homeland defense is perhaps the best example of how we defend in depth through our partners. Our Missile Defense, Aerospace Warning and Control, Maritime Warning, Cyber Security, Infrastructure Resiliency, and Antiterrorism/Force Protection mission sets require close cooperation and communication with partners globally, in the approaches, and in the Homeland.

Missile Defense

North Korea's Taepo Dong 2 launch in December 2012, followed by its announcement of a third nuclear test in February 2013, are sobering reminders that our Nation must remain vigilant against nation-states that can threaten the homeland directly. North Korea continues to seek international recognition as a nuclear-armed state and has unveiled a road-mobile Intercontinental Ballistic Missile (ICBM) with claims it can strike targets in our homeland. Although Iran does not yet possess a nuclear weapon, it is developing advanced missile capabilities faster than previously assessed and is apparently positioning itself to produce a nuclear warhead quickly should its leaders choose to do so.

I am confident in our ability to employ the Ground-based Midcourse Defense (GMD) system to engage the current ballistic threats against the United States. The fielded system was developed using a spiral acquisition approach designed to counter a limited, unsophisticated ballistic missile threat from a rogue nation. In light of the challenging threats that loom on the horizon, Admiral Locklear (Commander, U.S. Pacific Command), General Kehler (Commander, U.S. Strategic Command), Vice Admiral Syring (Director, Missile Defense Agency (MDA)), and I are working as a team with the intelligence community to improve our capability to

warn against and mitigate emerging threats. We remain committed to improving current Ballistic Missile Defense (BMD) capabilities to ensure we maintain our strategic advantage and guarantee confidence in our ability to defeat evolving, more complex threats in the future.

In view of the continued development of North Korean threat capabilities, we are partnering with the MDA to improve GMD reliability. To be sure, GMD is a system of systems. Only synergistic and comprehensive improvements across the entirety of the kill chain—intelligence, sensors, interceptors, and command and control—can ensure system confidence and maximize performance. We are working across the entire system to enhance system reliability. The complexity of the GMD system dictates an intricate interplay between development of new capability, operator tactics, component testing, and the continuous calibration of threat profiles.

We have worked closely with the MDA to maintain the right balance in developing and testing missile defense technologies, while increasing our readiness to execute this critical mission set. This requires that we achieve a cadence of at least one operational GMD intercept flight test annually. I am pleased with the successful flight test conducted in January 2013 and expect that future tests will serve to increase confidence in the fielded system.

Our BMD responsibilities include all potential missile threats, regardless of range or source. To evaluate our capability against a regional ballistic missile threat, we have conducted a series of tests and exercises using Joint, Deployable Integrated Air and Missile Defense systems in the protection of designated critical assets (such as population centers, major events, and critical infrastructure) against a limited air, cruise, or ballistic missile attack. These ongoing tests and exercises are oriented on the development of tactics, techniques, and procedures that integrate existing Aegis BMD, Patriot, and Terminal High-Altitude Area Defense (THAAD) systems into a layered defense. We will continue to pursue effective and efficient methods to improve our ability to protect the Homeland. Our citizens expect our vigilance and rigor to protect them from a missile attack on our soil. We work diligently to maintain their trust.

Aerospace Warning and Control

A vital component of homeland defense is NORAD's Aerospace Warning and Control missions. Through the execution of Operation Noble Eagle (ONE), NORAD defends North American airspace from unwanted and unauthorized aircraft on a 24/7 basis and accomplishes this critical mission with a combination of armed fighters on alert, air patrols, aerial refueling, Airborne Warning and Control System (AWACS) surveillance platforms, the National Capital Region Integrated Air Defense System, and our ground-based Air Defense Sector surveillance detection capabilities. These assets allow NORAD to respond to both strategic and asymmetric air threats to the Homeland.

Since September 11, more than 62,000 sorties have been flown in support of ONE. Our continued requirements for air domain awareness and intercept capabilities mean we must ensure that NORAD forces can protect our most critical national infrastructure, and that we maintain a basing architecture that defends key terrain and our most critical national infrastructure.

This has been an extremely busy year for the men and women of NORTHCOM and NORAD, as we have successfully supported the DHS and the U.S. Secret Service (USSS) to plan and execute many National Special Security Events (NSSEs). These include the G-8 Summit at Camp David, MD; the North Atlantic Treaty Organization (NATO) Summit in Chicago, IL; the Republican National Convention in Tampa, FL; the Democratic National Convention in Charlotte, NC; the Presidential Inauguration, and the State of the Union Address in our Nation's capital. In addition to NSSEs, the day-to-day operational planning and support generated by the 2012 National Election involved the cooperation and coordination of an array of interagency organizations. NORAD participated extensively in these efforts with a full array of support, when required by lead Federal agencies. We are proud of NORAD's successful planning and execution for these critical national events.

NORAD continues to demonstrate the ability to respond quickly to potential strategic threats through Northern Sovereignty Operations, which involves the monitoring and detection of announced and unannounced Russian Military Aviation flights entering the United States and Canadian Air Defense Identification Zones. This year again, Russian Long-Range Aviation (LRA) continues a deliberate modernization plan with increasing operational capability. The successful detection and intercept of such flights demonstrates NORAD's ability and intention to defend not only the northern reaches of our sovereign airspace, but all of NORAD's area of operations. Whether in the continental United States or along the northern tier of

Alaska and Canada, NORAD continues to successfully provide Aerospace Warning and Aerospace Control for North America.

Maritime Warning and Maritime Homeland Defense

NORAD's Maritime Warning Mission, which supplements the national intelligence analysis and warning capabilities of the United States and Canada, continues to mature, and we have achieved notable progress in building and maintaining relationships with mission partners and stakeholders in the maritime community of interest. My staff remains engaged with our Canadian partners through the Permanent Joint Board on Defense (PJBD) and the Military Cooperation Committee (MCC) as we continue to improve awareness and develop the NORAD Maritime Warning Mission.

Beyond maritime warning, NORTHCOM supports the execution of the National Maritime Security Strategy through preparations to lead or act in a supporting role to ensure the security of the homeland in the face of a maritime threat. With the recent assignment of Navy North (NAVNORTH), I now have a service component commander and headquarters responsible for maritime operations in my area of responsibility. NAVNORTH will continue to build on the outstanding working relationships with our interagency and Service partners, particularly the USCG, to ensure future operations are coordinated and integrated to the greatest extent possible.

Cyber Security

I share former Secretary Panetta's concern that the United States may be in a "pre-September 11 moment" with regard to a major cyber attack. Global dependencies on electronic information technology offer adversaries attractive opportunities to wreak havoc in this domain. Cyber operations are non-kinetic, asymmetric options that have the added advantage of shrouded attribution. The potential effects of a targeted attack could have severe consequences for U.S. infrastructure and institutions, impede our homeland defense mission, degrade our ability to support military activities overseas, and strain our ability to provide relief to civil authorities. To address growing threats, NORTHCOM and NORAD, in conjunction with U.S. Cyber Command, recently established a Joint Cyber Center (JCC) to recognize and assess when a cyberspace attack is being orchestrated against the homeland. Although in its infancy, the JCC's goal is to provide timely and accurate information associated with the cyber domain through focused situational awareness and integrated operational cyberspace planning. We have also incorporated more robust cyber play in our exercises to refine our cyber-defense capability and enhance our effectiveness to operate within the confines of a degraded environment.

Antiterrorism and Force Protection

Consistent with our Unified Command Plan authorities and guidance from the Secretary of Defense "to preserve the Nation's combat power," NORTHCOM executes an antiterrorism and force protection mission across our area of responsibility. This is achieved by implementing force protection and security-related policy, ensuring compliance with standards, developing new technologies, and engaging with key mission partners. To preempt insider threats as occurred at Fort Hood, NORTHCOM maintains a close, trusted partnership with the Federal Bureau of Investigation (FBI) to share threat information rapidly, and to synchronize the collective military response efforts of the Department.

Protection of our installations, people, and Defense Critical Infrastructure (DCI) is imperative to maintain mission assurance. NORTHCOM advocates to ensure that sufficient resource requirements are considered in Military Department budget deliberations to implement Service component antiterrorism and force protection programs. In addition, NORTHCOM continues aggressive planning and collaboration with DOD components to ensure DCI most vital to mission owners is always available and mission capable, consistent with DOD guidance.

DEFENSE SUPPORT OF CIVIL AUTHORITIES

We assist our domestic mission partners across the spectrum of activities in the homeland. Our civil support actions range from support to law enforcement agencies (LEAs) on our borders, to mitigating the effects of man-made incidents or natural disasters. Unless otherwise directed by the President or the Secretary of Defense, our assistance in this role is always in support of the lead Federal agency.

NORTHCOM, with its homeland in my area of responsibility, is uniquely characterized by domestic laws, policy, culture, and tradition. The nuances of the homeland, coupled with the evolutionary nature of the threat, highlight the criticality of NORTHCOM's close relationship with law enforcement partners. Our continued in-

vestment and partnership with LEAs in the execution of their homeland security activities prevents operational seams and is the cornerstone of our ability to defend the Nation. Underpinning the large majority of our relationship with LEAs is JTF–North, co-located with the El Paso Intelligence Center on key terrain of the Southwest border.

During 2012, we responded to multiple requests for assistance in support of CBP, Drug Enforcement Administration (DEA), U.S. Immigration and Customs Enforcement (ICE), USSS, FBI, and other agencies along the Nation’s Southwest border. Exchange of information and analysis allows DOD and LEAs to be partners in the layered defense and security of the homeland. Our partnerships with Federal, State, and local agencies have never been stronger.

This last year speaks to the critical nature of our strong interagency partnerships and the continued requirement to support our partners. To complement the tremendous capacity of communities and states to deal with crises, DOD has capabilities that can save and sustain lives, reduce suffering, protect property, mitigate the damage to critical infrastructure, and get citizens quickly and solidly onto the path of resuming their daily lives. Our challenge in this environment is not to be late to need. DOD capabilities are only useful if they are accessible and responsive to relief requirements. To improve the agility and effectiveness of our support, we conduct detailed integrated regional planning to better understand concurrent employment challenges of Federal military forces and National Guard, and we employ Dual Status Commanders (DSCs), made possible by Congress, to improve unity of effort.

Dual Status Commanders

A fundamental change in how we execute our civil support mission is the use of DSCs—perhaps one of the most important initiatives taken in the area of DSCA in a decade. The Secretary of Defense and state governors authorize specially trained and certified senior military officers to command Federal and State military forces employed by DOD and a State, respectively, in support of Federal and State civil authorities, thereby promoting unity of effort in military assistance to the affected community. DSCs provide a link between the distinct and separate Federal and state chains of command that is vital to facilitating unity of effort between the operations of Federal and large State military force packages supporting civil authorities. In 2012, the use of DSCs for the Waldo Canyon fire and Hurricane Sandy provided opportunities, through unity of effort, to strengthen NORTHCOM’s close collaboration with the National Interagency Fire Center (NIFC), FEMA, the NGB, and States’ National Guard organizations. Multiple states requested and received DSC designations in 2012, including: California and Colorado (for wildland firefighting); and Florida, Maryland, Massachusetts, New Hampshire, New Jersey, New York, and Rhode Island (for hurricane response).

Wildland Firefighting

When the Waldo Canyon fire erupted less than 12 miles from my headquarters last June, our DSCA role was brought into sharp focus. No one could have predicted the June 26, 2012, firestorm that was fueled by 65 mile per hour winds and rapidly consumed 346 Colorado Springs homes, some of which belonged to members of my staff. In reaction to this crisis, immediate response support from Fort Carson, Peterson Air Force Base (AFB), Schriever AFB, and Buckley AFB was directed toward the effort, and the Secretary of Defense and the Governor of Colorado quickly authorized a DSC. At the request of NIFC, NORTHCOM coordinated the deployment of Air National Guard C–130 aircraft, equipped with U.S. Forest Service (USFS) Modular Airborne Firefighting System (MAFFS) to support the Federal wildland firefighting effort. Without hesitation, the courageous Airmen operating these aircraft continually put their lives at great risk to save and protect American lives and property during these wildfires. I would be remiss if I did not honor the names of Lieutenant Colonel Paul Mikeal, Major Joseph McCormick, Major Ryan David, and Senior Master Sergeant Robert Cannon from North Carolina Air National Guard’s 145th Airlift Wing, who selflessly made the ultimate sacrifice fighting wildfires in South Dakota last July.

With senior leaders from the U.S. Department of Agriculture, U.S. Forest Service, Department of Interior, NIFC, and the NGB, we are focused on getting ahead of the next fire season. Through routine engagement, interagency teamwork, and a collaborative effort of working groups, we have expanded our collective understanding of the implications of and capabilities required to prepare for requests for assistance from our interagency partners’ wildland firefighting operations. These include near-term proposals such as integrated training, improved processes for requesting and implementing support, and clarification of lines of authority, ensuring installation

preparedness and necessary agreements are in place, and identifying technology transfers that can be accomplished before the next wildland fire season.

Hurricane Sandy Response

Hurricane Sandy challenged the agility of the National Response Framework while impacting key terrain in New York City and New Jersey. Working with FEMA (the lead agency for the Federal response), the NGB, and the individual States, we estimated required support and prepositioned Title 10 resources in the region in order to respond as soon as requested. Throughout the response to the storm, NORTHCOM was able to support our Federal, State, and local partners by facilitating the Department's efforts in power restoration, dewatering, fuel distribution, transportation, and public health and safety. In addition, along with the NGB, NORTHCOM supported the Secretary's approval of Governors' requests for DSCs. As the hurricane made landfall, DSCs received orders to facilitate military unity of effort for the response and recovery efforts in New Jersey and New York. The DSCs provided critical leadership to promoting greater unity of effort between Federal and state military forces responding to the devastating effects of this hurricane. As a result, NORTHCOM was able to support our Federal, State, and local partners by facilitating power restoration, dewatering, fuel distribution, transportation, and public health and safety.

As part of the Hurricane Sandy response and recovery effort, and with Military Department Secretary concurrence, we designated a number of title 10 installations as Incident Support Bases and Federal Team Staging Facilities (as requested by FEMA). Located throughout FEMA Regions I and II, these installations provided a platform for FEMA to stage commodities and equipment as well as response and recovery teams (such as Urban Search and Rescue Teams). Additionally, we designated four installations as Base Support Installations with the task to support logistically the Title 10 response effort. Fort Hamilton and Joint Base McGuire-Dix-Lakehurst simultaneously supported both FEMA and DOD response efforts.

During the course of execution, we rapidly recognized the incredible capacity and capability of U.S. Transportation Command (TRANSCOM), the U.S. Army Corps of Engineers (USACE), and the Defense Logistics Agency (DLA). The established authorities, interagency agreements, funding mechanisms, and operational flexibility of these organizations are critical to mitigating large-scale catastrophic events in the future.

Leveraging our relationships with TRANSCOM and our interagency partners, NORTHCOM executed the strategic air and ground movements of DOD assets and private/commercial power utility company trucks and personnel. Together, our teams completed 241 sorties, hauling 4,173 short tons and 1,225 passengers. These numbers included the movement of 262 power restoration vehicles and 429 support personnel from western States to New York and New Jersey. Based on our past hurricane response experience, we pre-identified title 10 electrical generator and water pump availability as Hurricane Sandy approached the New Jersey and New York coasts. One hundred DOD water pumps and almost 300 pump operators were requested by FEMA and greatly contributed to the overall USACE pumping effort, which removed more than 475 million gallons of water from tunnels and other critical infrastructure.

NORTHCOM's success in civil support during Sandy was characterized by anticipation and timely support of our partners' requests for assistance during domestic crises. As a result, I am overwhelmingly convinced that DSCs are the right answer to facilitating military unity of effort before, during, and after a natural or man-made disaster. DSCs are vital for a successful roadmap to readiness that links organizational learning and adaptation to a continuous improvement of interagency preparedness in disaster response.

Chemical, Biological, Radiological, and Nuclear (CBRN) Response

We understand bad actors are committed to gaining access to chemical and biological weapons, as well as nuclear and radiological material, and employing these weapons against us. This truth demands our preparedness and resiliency if a CBRN attack should occur in the homeland.

NORTHCOM, in close collaboration with the NGB and our other military and civilian partners, has made significant progress improving our ability to respond in the aftermath of a CBRN incident by increasing the overall readiness of the Nation's CBRN Response Enterprise. Following a series of external evaluations and confirmatory exercises, the Enterprise achieved full operational capability (FOC) on October 1, 2012. Despite the FOC designation, important work remains to be done to realize the full potential of the enterprise. Through our robust exercise program and partnerships, we are using both title 10 exercises (e.g., Vibrant Response) and regional

state exercises (e.g., Vigilant Guard) to maximize preparedness for the entire range of CBRN threats and hazards.

SECURITY COOPERATION

Security Cooperation with Mexico and Countering Threat Networks

When it comes to the security of North America and the shared pursuit of enduring stability and prosperity, we cannot afford to work in isolation. The ties between the United States and Mexico are deep and growing. The Department of Defense views Mexico as a strategic partner in mutual regional and hemispheric security interests. At the center of our shared security concerns is the proliferation and influence of transnational criminal organizations (TCOs) and other threat networks that greatly undermine citizen security in Mexico.

TCOs are sophisticated international enterprises representing a national security threat based on their unique ability to move people, drugs, money, and weapons across borders. According to the National Drug Intelligence Center, the demand for illegal drugs in the United States continues, fueling the nearly \$40 billion drug trade occurring in the region.¹ Per the Trans-Border Institute, since 2006 there have been more than 50,000 TCO-related homicides in Mexico,² often the result of conflicts over lucrative territory for drug trafficking and other illicit activity, routes, and access points to the U.S. drug market. Although narco-related homicides continued to occur at disturbing levels in 2012, the number modestly declined for the first time in 6 years.

More broadly, we are deepening our defense and military partnership with Mexico in a whole host of areas, including strengthening our ability to work together in humanitarian assistance and disaster relief, cyber security, defense planning, training and education, air and maritime defense, counter-terrorism, and defense acquisition and maintenance.

In support of the President's July 2011 Strategy to Combat Transnational Organized Crime, and his 2012 National Drug Control Strategy, NORTHCOM works with mission partners throughout our region to increase collaboration to confront TCOs. Our current priority of effort resides with the Mexican military where, at their request, we work with the Mexican Security Forces to build our shared capabilities and capacities. With full respect for Mexico's sovereignty and with full understanding that efforts to counter transnational organized crime have a civilian law enforcement lead, over the past year we have worked together in three key areas: increased capacity to conduct intelligence-driven operations; improved awareness and practice in protecting human rights; and increased capacity to work on a whole-of-government basis to address the challenges posed by TCOs.

Mexico's southern border, an area of strategic importance in the counter-TCO effort, also represents a border between the areas of responsibility of U.S. Southern Command (SOUTHCOM) and NORTHCOM, requiring close coordination between our commands to ensure mission success. Illustrative of our partnership, our commands co-sponsor Mexico, Guatemala, and Belize Border Region Workshops. These workshops bring together national security forces to address communications, border security, standard operating procedures, and air, land, and maritime surveillance. Another example of our efforts is the coordinated deployment of a ground-based radar and associated information sharing protocols for Mexico, Guatemala, and Belize.

Mexico and the United States are critical, strategic partners in the security sphere. My goal remains strengthening NORTHCOM's relationship with the Mexican military. We look forward to working closely with the leadership of the Mexican Army (SEDENA) and Navy (SEMAR) as they implement the strategy of President Peña Nieto and integrate their actions with those of Mexico's civilian agencies.

Through our positive partnership, both nations have improved their capacity to respond to TCOs, to terrorist threats, and to natural disasters. I consider my relationship with the U.S. Ambassador to Mexico of utmost importance in the execution of Department of Defense goals and objectives throughout the region and hemisphere. Ambassador Wayne is the U.S. Government lead for engagements with Mexico and, as such, is a vital partner in all coordination and execution of DOD and NORTHCOM's security cooperation mission. Confronting the security challenges we face in the future will continue to require an integrated, whole-of-government approach at home and close cooperation with our partners abroad. Nothing is more

¹ Richard M. Stana, Director of Homeland and Security Issues. Testimony before the U.S. Senate Caucus on International Narcotics Control. March 9, 2011.

² Trans-Border Institute. Drug violence in Mexico, Data and Analysis through 2011. March 2012.

important to our security and prosperity in this region than strengthening those partnerships.

Western Hemisphere Institute for Security Cooperation (WHINSEC)

Located at Fort Benning, GA, WHINSEC remains a key component of DOD's security cooperation outreach in the Western Hemisphere. WHINSEC is the only U.S. Army School that teaches in Spanish and informs the thinking of future Latin American leaders about democracy, human rights, and military topics. It is a strategic tool for international engagement supporting principles set forth in the Organization of American States (OAS) Charter. The training offered at WHINSEC impacts approximately 800–1,000 Latin American leaders annually from military, law enforcement, and civilian institutions and serves to increase collaboration and improve foreign partner capacity in pursuit of NORTHCOM's security cooperation objectives.

Security Cooperation with The Bahamas

The United States and The Bahamas share a strong bilateral relationship founded upon common interests in security, trade, disaster response, and the promotion of meaningful cultural exchange. These shared interests, including a common belief in the rule of law and democratic values, and The Bahamas' geographic proximity to the United States have been integral in building this long-standing partnership. The Bahamian Government is committed to close cooperation with the United States on law enforcement and maritime security concerns, as well as on counternarcotics efforts. This strong security cooperation relationship is highlighted by Operation Bahamas, Turks and Caicos, a trilateral counternarcotics effort conducted by personnel of the Royal Bahamas Police Force, Royal Bahamas Defence Force, and the Turks and Caicos Islands police, with counterparts from the DEA, ICE, CBP, and the USCG.

One of the key focus areas in The Bahamas is the Hawk's Nest Forward Operating Base, a staging location for counternarcotics operations. Hawk's Nest is a centrally located facility on Great Exuma, used by Bahamian and interagency counternarcotics partners. We were ardent supporters of U.S. Embassy-Nassau in its successful effort to develop a cost-sharing agreement among the CBP, DEA, and FAA in an effort to maintain Hawk's Nest in a state of minimal operational capacity. The proximity of The Bahamas to the United States means that relatively small sites (like Hawk's Nest) have strategic importance for counter-illicit trafficking and Cooperative Defense mission areas.

Establishment of U.S. Special Operations Command, North (SOCNORTH). On December 31, 2012, the Secretary of Defense approved the establishment of SOCNORTH. This subordinate unified command is the logical progression from our previous Special Operations Detachment (SOD). Reorganizing my existing command structures will improve the Department's ability to command, through a designated accountable commander, special operations forces throughout my area of responsibility under NORTHCOM's existing Defense Support of Civil Authorities, security cooperation, and Homeland Defense responsibilities. The establishment of SOCNORTH provides NORTHCOM with a command and control structure that matches that of all other geographic combatant commands, where a component commander is placed in charge of things we are already doing with a staff element. SOCNORTH will enhance NORTHCOM's ability to meet our current security cooperation mission requirements, and improve our ability to support our interagency and regional partners. This organizational change is consistent with the new Defense Strategic Guidance that calls for low-cost, small-footprint approaches to accomplish our national security objectives.

PARTNERSHIP WITH CANADA

We continue to build unprecedented levels of cooperation across our two nations, and Canadian and U.S. cooperation in defending our homelands has been seamless. One of the most important enablers to NORTHCOM and NORAD mission accomplishment remains our ability to conduct sophisticated, multi-echeloned exercises with our mission partners. This past December, the Commander of the Canadian Joint Operations Command (CJOC) and I signed the Tri-Command Training and Exercise Statement of Intent, which provides 2 years of training and exercise planning among NORTHCOM, NORAD, and CJOC.

Beyond combining our exercises, the three commands have improved cooperative efforts in the Arctic. Rapid reductions in the extent and duration of summer ice cover in the Arctic region have led to increased human activity, primarily in the forms of scientific research, speculative shipping, and resource extraction. As countries and private businesses vie for regional access and influence in pursuit of eco-

conomic interests, safety and security concerns will continue to rise. All Arctic nations have publicly stated their emphasis on cooperative approaches to peace and stability in the region.

The spike in regional activity may result in increased requests to militaries to provide support to other agencies, given the austere fiscal and operational environment. Other traditional military actors are already setting priorities for the region. Russia is actively recapitalizing its Arctic-focused fleet. Additionally, China, a nation without Arctic territory, is acquiring a second icebreaker.

In December 2012, NORTHCOM, NORAD, and CJOC signed the Framework for Arctic Cooperation, which acknowledges that Canadian and U.S. forces will support other departments and agencies in response to threats and hazards in the region when requested or directed. The framework also strengthens an already mature partnership, ultimately enhancing joint and combined readiness in support of safety, security, and defense missions through information sharing, planning, and capability development. In this document, CJOC Commander Lieutenant-General Beare and I recognize that our near-term capability gaps in the Arctic are communications, maritime domain awareness, presence, and infrastructure. Along with the CJOC's JTF North, JTF-Alaska, which is my operational lead in the Arctic, is focused on how we will most effectively cooperate and partner to mitigate these capability gaps and effect mission success in this expansive region. Our commands will continue to seek opportunities to, in coordination with, and as part of wider U.S. Government efforts, meet emerging needs associated with increased activities throughout the Arctic, and realize the full potential of our joint, interagency, inter-governmental, multinational, and private sector partnerships.

ENGAGEMENT WITH RUSSIA

We also continue to pursue our engagement with the Russian military, taking advantage of every opportunity to increase cooperation, interaction, and military-to-military training events. I believe these efforts are particularly important to foster shared understanding, especially in light of expanded Russian modernization and training efforts that extend the range of patrol activities by their air forces. For example, NORAD and the Russian Federation Air Force conducted our third annual Vigilant Eagle counter-hijacking exercise in August 2012. By mutual agreement we conducted a non-flying, command post exercise (with each nation) with NORAD and Russian forces practicing procedures to track, intercept, and pass control for monitoring and escorting a simulated hijacked aircraft into the other's airspace. Like our 2011 event, the upcoming August 2013 exercise will be a full-profile, live-fly event, involving a variety of NORAD and Russian military aircraft exercising a counter hijacking scenario. NORTHCOM and NORAD are in the early stages of planning a similar cooperative counter-hijacking exercise with our Mexican partners. This exercise, known as Amalgam Eagle, will provide an opportunity to practice military and civilian roles in responding to a simulated hijacking situation in our respective airspaces.

In addition to fostering mutual trust and increased transparency with Russia, NORTHCOM and NORAD have proposed connecting the Alaskan NORAD Region to the NATO/Russia Cooperative Airspace Initiative (CAI), currently operational in Europe. This proposal, called the Bering Strait Initiative, would provide Russian and NORAD air traffic controllers with information about tracks of mutual interest moving across the Bering Sea, using a web-enabled digital linkage to allow information exchange. Poland, Norway, and Turkey have already established a CAI link with Russia, and the system was declared operational in December 2011. We only await Russian concurrence to begin operational testing and implementation of the data link. This example of increased cooperation with Russia helps us to avoid unintended consequences associated with heightened tensions or misunderstandings.

CONCLUSION

We now face a security environment that is more violent, uncertain, and complex than ever before. This environment is distinguished by myriad global actors and destabilizing events including terrorism, cyber attacks, proliferators of weapons of mass destruction (WMD), turmoil in nations where WMD are stored, rogue threats, nations with nuclear weapons and those processing nuclear material, and transnational organized crime in the Western Hemisphere with a growing concern of a crime-terror nexus. Bad actors seek either to attack the homeland directly, or to diminish the Nation's ability to build strong relationships that foster regional stability, security, peace, and prosperity. In the midst of this environment are near-peer competitors seeking geopolitical advantage over the United States while we are engaged in countering global threats. Since the homeland is the likely confluence

of many of these threats, we face increased challenges as a nation and acknowledge the low level of national willingness to assume such risk. In the homeland, although the probability of existential and catastrophic attacks remains low, the consequences are unacceptable—driving us to seek preparedness and deterrence to reduce those probabilities as low as possible, and keep them there.

Robust, layered partnerships and steady improvement through rigorous training, education, and exercise programs have readied NORTHCOM and NORAD to defend the Homeland against a full spectrum of threats and support of civilian partners in providing life-saving and—sustaining assistance to the American people. We are guided by the belief that smart investment in relationship building with our partners in safety and security endeavors can prevent crises from reaching the Nation by deterring and dissuading adversaries, and arresting threat streams. Should a transition to crisis occur, we are strengthened by the unity of effort and synergy of capabilities made possible by the depth of our partnerships. NORTHCOM and NORAD stand ready to deter, prevent, and defeat any aggression aimed at the United States and Canada as two commands oriented on a single vision: with our trusted partners, we will defend North America by outpacing all threats, maintaining faith with our people, and supporting them in their times of greatest need.

I am grateful for the support this committee has provided my commands and am truly honored to serve as the Commander of NORTHCOM and NORAD. I look forward to your questions.

“WE HAVE THE WATCH”

APPENDIX: Missions and Organization

USNORTHCOM Mission: United States Northern Command partners to conduct homeland defense, civil support, and security cooperation to defend and secure the United States and its interests

- **Missile Defense:** execute and direct missile defense operations to protect the homeland from hostile acts while assisting the Missile Defense Agency in developing improved capability
- **Antiterrorism and Force Protection:** improve information sharing with our interagency partners and streamline reporting within the DOD to proactively detect emerging threats directed against our nation, our military personnel, and our critical capabilities and infrastructure
- **Civil Support:** support primary federal agencies, when requested, in responding quickly to natural and man-made disasters and to the effects of terrorist attacks in the homeland
- **Security Cooperation:** support and enable other agencies, advocate for complementary resources, and work toward common objectives to improve Interagency planning and coordination that synchronize U.S. support for building our partners' capacities
- **Arctic Activity:** prepare and plan for emerging Arctic challenges to ensure economic access and freedom of maneuver

Area of Responsibility: the USNORTHCOM geographic area of responsibility for the conduct of normal operations includes North America, the Gulf of Mexico, the Straits of Florida, the Caribbean region (inclusive of the U.S. Virgin Islands, British Virgin Islands, Bermuda, Puerto Rico, the Bahamas, Turks and Caicos Islands), and approaches to the continent including significant portions of the Atlantic, Pacific, and Arctic Oceans

Subordinate Commands

Joint Force Headquarters National Capital Region (Fort McNair, Washington D.C.)

Executes homeland defense, DSCA, and incident management in the National Capital Region

Joint Task Force Civil Support (Joint Base Langley-Eustis, Virginia)

Plans and integrates DOD support to the designated Primary Agency for domestic chemical, biological, radiological, nuclear, or high-yield explosive consequence management operations

Joint Task Force North (Fort Bliss, Texas)

Supports federal law enforcement agencies in the interdiction of suspected transnational threats within and along the approaches to the continental United States

Joint Task Force Alaska (Joint Base Elmendorf-Richardson, Alaska)

(Provisional) Deters, detects, prevents, and defeats threats within the Alaska Joint Operations Area to protect U.S. territory, citizens, interests, and as directed, conduct civil support

U.S. Special Operations Command, North (to be established)

Service Components

U.S. Army North (Fort Sam Houston, Texas)

Executes DOD's homeland defense and civil support operations in the land domain.

Develops, organizes and integrates DOD CBRN response capabilities and operations. Secures land approaches to the homeland

U.S. Naval Forces North (Norfolk, Virginia)

Provides maritime forces prepared to conduct homeland defense, civil support operations and security cooperation activities

U.S. Air Forces Northern (Tyndall Air Force Base, Florida)

Ensures the air sovereignty and air defense of the continental United States

U.S. Marine Forces North (New Orleans, Louisiana)

Executes antiterrorism program and force protection responsibilities. Coordinates with and supports USMC forces to conduct homeland defense operations and provide DSCA

NORAD Mission: conducts aerospace warning, aerospace control, and maritime warning in the defense of North America. NORAD utilizes a network of satellites, ground-based radars, airborne radars, and fighters to detect, intercept, and when necessary, engage threats to Canada and the United States. NORAD assists in the detection and monitoring of aircraft suspected of illegal drug trafficking, ultimately passing information to civilian law enforcement agencies to help combat the flow of illegal drugs into North America

Chairman LEVIN. General Kelly.

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

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

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

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

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

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

Finally, our most critical no-fail mission today is detention operations at Guantanamo Bay. I would just offer that I am concerned at this point in time that the facilities down there, the infrastructure down there, built to last 2 or 3 or 4 years, has now been in existence for 11 years. It's rapidly deteriorating and in large measure has deteriorated, and we have some initiatives that certainly in terms of infrastructure need to be taken seriously this year.

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

[The prepared statement of General Kelly follows:]

PREPARED STATEMENT BY GEN. JOHN F. KELLY, USMC

INTRODUCTION

Chairman Levin, Ranking Member Inhofe, and distinguished members of the committee: thank you for the opportunity to appear before you today. As U.S. Southern Command enters its 50th anniversary year, we continue to work diligently to build relationships that enhance the defense of the United States and the security of the region, and I am proud to now be part of this important mission. In my first months in command, I am struck by the stark contrasts in our area of responsibility. It is a region of enormous promise and exciting opportunities, but it is also one of persistent challenges and complex threats. It is a region of relative peace, low likelihood of interstate conflicts, and overall economic growth, yet is also home to corrosive criminal violence, permissive environments for illicit activities, and episodic political and social protests. Given the global security realities and the fiscal constraints facing the U.S. Government, some might argue that we should disengage from the Americas, turn our attention to other partners, other priorities. Mr. Chairman, members, let me be frank: we must not take progress and overall stability for granted; we must not disregard our geographic proximity and the economic, cultural, and social interconnections of Latin America and the Caribbean to the United States. I thank Congress for sharing this sentiment, for its longstanding commitment to our security partners, and for its continued support to U.S. Southern Command's mission. However, our ability to fully execute this mission is at extreme risk

as we face present-day budget uncertainty and the potentially devastating long-term impacts of sequestration and its associated out-year budget reductions.

BUDGET UNCERTAINTY AND SEQUESTRATION CONCERNS

Reduced Spending Plan

Due to shortfalls associated with the allocation of funding in the current Continuing Resolution and the cuts we face as a result of sequestration, U.S. Southern Command is facing an immediate, combined 26 percent reduction to our already lean headquarters operating budget. Although this reduction applies only to this fiscal year, we could easily face another dire budget situation next year as well. We have implemented a reduced spending plan to ensure continued operations this year under the Continuing Resolution, and as a practical measure, we have incorporated potential sequestration cuts into our planning efforts. We have already undertaken painful cost-savings measures, including a civilian hiring freeze, eliminating overtime costs, not extending temporary and term hires, and reductions in travel and administrative costs, as well as cutting back or cancelling numerous exercises, training activities, and military-to-military engagements for the remainder of the fiscal year. We are also preparing for furloughs of our 851 dedicated and patriotic civilian employees, beginning in April and lasting through September.¹ I expect morale and financial effects to be severe, especially for our civilian professionals in the lower pay grades, who will face significant financial hardships due to the resulting 20 percent reduction in take-home pay for the last 6 months of the fiscal year. This reduction is compounded by living and working in Miami, one of the most expensive cities in the world.² I have directed our manpower division to offer all means of advice, support, and guidance to our people if furloughing indeed occurs. Simply put, budget uncertainty in fiscal year 2013 is already having very real, deleterious effects on our readiness, effectiveness, and day-to-day operations in the region. Mandated sequestration cuts only amplify these effects.

Sequestration Impact—Assigned/Allocated Forces

Although I am able to accept risk associated with this year's reduced spending plan, sequestration presents significant additional strategic and operational risks. The severe cuts to U.S. Southern Command, and the numerous second and third order effects from the force-providing Service cuts, will adversely impact our training and ability to respond to crises. U.S. Southern Command has traditionally achieved valuable ends with limited means through a low-cost, small footprint approach. This approach, while effective, does carry inherent risk that increases exponentially under sequestration. Due to our minimally assigned forces and diminishing availability of surface assets, we are already challenged to respond to large-scale contingencies such as mass migration, natural disasters, the evacuation of American citizens, or ensuring the security of our embassies; maintain comprehensive awareness in the southern approaches to the United States; and support the National Drug Control Strategy's interdiction objectives. Across-the-board spending cuts will only exacerbate this situation, at a time in which several regional security challenges require active engagement by the United States.

Sequestration Impact—Future Operations

Mr. Chairman, members, let me be blunt: sequestration in fiscal year 2013 and its associated out-year budget cuts in future years will severely degrade our ability to fulfill the Department of Defense's title 10 statutory obligations and provide operational support to the U.S. interagency and our partners in the region. Given the drastic magnitude of cuts being contemplated by the Services, the day could soon come when U.S. Southern Command has no assigned DOD surface assets to conduct detection and monitoring operations.³ This would not only impact our ability to detect and monitor the illicit transit of drugs towards the United States, but we would also be unable to fully support U.S. and partner nation law enforcement interdiction operations to disrupt this drug flow. Under sequestration, the Coast Guard has indi-

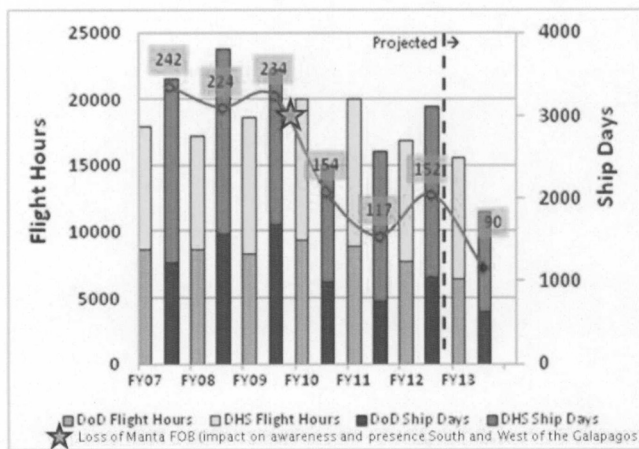
¹This number includes: all Department of Army and Defense Intelligence Agency employees at our headquarters, including term and temporary hires, and civilian employees at Joint Interagency Task Force (JIATF) South, U.S. Special Operations Command South, JTF-GTMO and security cooperation offices.

²UBS. Pricings and Earnings Report, Edition 2012. Geneva: September 2012; Center for Housing Policy. Losing Ground: The Struggle for Middle Income Households to Afford the Rising Costs of Housing and Transportation. October 2012.

³As one example, the Chief of Naval Operations indicated in a memo dated January 25, 2013 (Ser N000/10005) that due to sequestration, the Department of the Navy will be compelled to reduce OMN expenditures through numerous actions, to include stopping all naval deployments to the Caribbean and South America.

cated that it too will curtail air and surface operations, affecting several missions including drug interdiction and other law enforcement operations. Taken together, these limitations would undermine the significant gains we have made through the highly successful and ongoing Operation Martillo; the 152 metric tons of cocaine seized to date represents over \$3 billion in revenue that will not go to fund powerful criminal groups, violence in Mexico, and the destabilization of our Central American partners. These 152 metric tons will also not reach the streets of America nor fuel costly crime and drug addiction. Due to sequestration, and its associated out-year budget cuts of over \$50 billion per year across the Department of Defense, we may no longer be able to support future interagency initiatives like the Department of State's Regional Aviation Program in Central America. Additionally, we could be forced to suspend our cooperation with U.S. Northern Command and Mexico on information operations, which had been heralded as the model for cross-Combatant Command collaboration. Finally, we will face challenges to resource and sustain our emergent cyber defense capabilities, at a time when cyber concerns are increasing in scope and magnitude.

Declining Assets and Cocaine Disruptions



Sequestration Impact—Operational Effectiveness

It is my position that scarce assets must be deployed where they have the greatest impact, but sequestration will cripple our proven operational effectiveness. As responsible stewards of taxpayer dollars, we have long employed a “defense forward” approach to attack the drug trafficking problem near its origin, before bulk shipments are broken up for transit into the United States. Although the U.S. Southwest border has received the greater share of public attention and counternarcotics funding, Joint Interagency Task Force South is more effective at the removal of large quantities of cocaine than U.S. Southwest border operations, as bulk cocaine shipments are broken up into numerous smaller quantities upon reaching the transit zone of Central America. While this success is noteworthy, diminishing assets already place significant limitations on JIATF South’s ability to target the majority of documented drug trafficking events and support Coast Guard interdiction efforts. Sequestration cuts will only intensify this challenge, potentially allowing hundreds of tons of cocaine and other illicit products to flood into our cities. Likely second and third order effects include an increase in supply and purity and a decrease in cost of cocaine in the United States, undermining the significant progress that has been made in U.S. demand reduction. En route to our country, this largely unimpeded flow will chart a corrosive pathway through Central America and Mexico, contributing to instability, corruption, and violence and impacting efforts to improve citizen safety.

Sequestration Impact—Security Cooperation and Partner Engagement

Building the capabilities of regional militaries is a cost-effective strategy to help our partners confront internal challenges to security, stability, and sovereignty; in-

crease professionalism; and strengthen defense and security institutions. Mr. Chairman, Members, I am deeply concerned by the adverse impact sequestration will have on these efforts, many of which have yielded significant and valuable security dividends. Take, for example, how U.S. Southern Command has provided persistent, focused training to the Naval Special Forces (FEN) in Guatemala over the past 4 years. As a result, the FEN can now effectively locate and interdict target vessels, seize drug shipments, and cooperate as a cohesive unit. Severe budget cuts will likely reduce this type of sustained relationship building and training, the repercussions of which could be harmful to U.S. interests. Reduced engagement by the United States could result in a partnership “vacuum,” which nations like China, Russia, or Iran may seek to fill. In recent years, these countries have made in-roads, deepening diplomatic, economic, and military ties with the region. Declining U.S. influence will provide an opportunity to expand these relationships at the expense of the United States.

From a strategic perspective, our government-to-government security relationships are critical to the United States’ ability to meet complex global security challenges, facilitate U.S. military and coalition operations, and ensure regional stability. With the corresponding growth of globalization, economic integration, and a changing geopolitical landscape, expanding and deepening these bilateral relationships have become even more essential to U.S. national security and foreign policy. Sequestration cuts lead to the exact opposite outcome, forcing U.S. Southern Command to reduce support to partner nations’ efforts to respond to internal and external threats and impeding our ability to provide defense support to U.S. foreign policy objectives, and those outlined in the 2012 Western Hemisphere Defense Policy Statement. Ultimately, sequestration undermines our efforts to help build and maintain an international community of nations that are stable and reliable partners, whose security forces fill an appropriate role in a society that is characterized by effective, accountable, democratic governance.

Mr. Chairman, members, this leads me to my final thought on the impacts of sequestration and its associated out-year budget cuts of over \$50 billion per year across the Department of Defense. I will speak plainly: severe budget cuts will have long-term, detrimental effects on U.S. leadership in the hemisphere. Significantly reduced U.S. military engagement will make it difficult to counter those who would seek to exploit perceptions that the United States is abandoning our longstanding commitment to the region. Sequestration and its associated out-year budget cuts will result in damage to the United States’ leadership, national security, readiness, and ability to deter or respond to global crises and regional security challenges.

REGIONAL SECURITY CHALLENGES

Unfortunately, the sequester, a full-year Continuing Resolution, and associated out-year budget cuts due to sequestration are not accompanied by a corresponding decline in security challenges within our area of responsibility. These challenges are non-traditional in nature, networked in design, and transnational in scope, requiring constant vigilance, regional cooperation, and collective action. When it comes to South America, Central America, and the Caribbean, I cannot overstate the importance of awareness, access, and the enormous return on investment from personal, on-the-ground security relationships. As the United States turns its attention to the home front to address domestic economic and budget issues, I firmly believe we must remain engaged with the Nations in our shared home, the Western Hemisphere, for one very simple reason: proximity. Left unaddressed, security concerns in the region can quickly become security concerns in the homeland.

Transnational Organized Crime

The prevalent problem in the region—particularly in Central America—is the growing power and destabilizing activities of criminal networks, whose illicit operations are funded in significant part by U.S. and international drug consumption, as well as diverse illicit funding streams like kidnapping and extortion. As recognized by the President’s 2011 Strategy to Combat Transnational Organized Crime, transnational organized crime is a global issue with global implications that directly impact the United States.⁴ In the U.S. Southern Command area of responsibility, these powerful groups exploit under-governed areas—where state capacity is weak and corruption and impunity are rampant—to consolidate control over drug, money, weapons, and human smuggling networks that span the hemisphere. This corrosive expansion is taking place in the context of deteriorating citizen security, especially

⁴National Security Staff. Strategy to Combat Transnational Organized Crime: Addressing Converging Threats to National Security, 25 July, 2011.

in Honduras, where the number of people killed rivals that of Iraq at the height of sectarian violence. Like many Members of Congress, I am troubled by this rising violence and its impact on regional stability.

2012 HOMICIDE RATES PER 100,000, SELECT CITIES⁵

San Pedro Sula, Honduras	169
Caracas, Venezuela	118
Tegucigalpa, Honduras (Distrito Central)	101
New Orleans, LA	56
Detroit, MI	54
Baltimore, MD	35
Washington, DC	17

The impact on our own country is also clear. Transnational criminal organizations, which have expanded their presence throughout Central America, were responsible for several high-profile murders of American citizens across or on our border in recent years. Additionally, a 2007 report estimated that illicit drug use cost the United States an estimated \$193 billion in combined health and criminal justice impacts.⁶ According to an analysis of arrestees carried out for the Office of National Drug Control Policy, more than half of the adult males arrested for crimes in 10 metropolitan areas tested positive for at least one drug at the time of their arrest.⁷ A recent survey estimated 6.5 million Americans 12 years and older are dependent on or abuse an illicit drug,⁸ while in 2009, 39,147 people died from drug-induced causes, more than double the amount that were murdered that same year.⁹

Mr. Chairman, members, I'd like to sketch an image of illicit trafficking operations in our hemisphere to illustrate the magnitude of this problem. Picture an interconnected system of arteries that traverse the entire Western Hemisphere, stretching across the Atlantic and Pacific, through the Caribbean, and up and down North, South, and Central America. Complex, sophisticated networks use this vast system of illicit pathways to move tons of drugs, thousands of people, and countless weapons into and out of the United States, Europe, and Africa with an efficiency, payload, and gross profit any global transportation company would envy. In return, billions of dollars flood back into the hands of these criminal enterprises, enabling the purchase of military-grade weapons, ammunition, and state-of-the-art technology to counter law enforcement. This profit also allows these groups to buy the support—or silence—of local communities through which these arteries flourish, spreading corruption and fear and undermining support for legitimate governments.

- According to the 2011 National Drug Threat Assessment, Mexican-based transnational criminal organizations and their associates operate in upwards of 1,200 U.S. cities, working with domestic U.S. gangs to distribute and traffic illicit drugs throughout the United States.
- The FBI reports that MS-13 gang leaders in El Salvador have initiated assassination plans against U.S. law enforcement personnel and target American citizens.

The tactics, techniques, and procedures of these criminal networks have advanced far beyond the typical activities of “traditional” organized crime. These are superbly financed, well-organized, and ruthless adversaries for our partner nations, especially our Central American ones. These networks conduct assassinations, executions, and massacres, and with their enormous revenues and advanced weaponry, they can outspend and outgun many governments. Some groups have similar—and in some cases, superior—training to regional law enforcement units. Through intimidation and sheer force, these criminal organizations virtually control some areas. In my view, the proximity of the U.S. Homeland to criminally-governed spaces is a vulnerability with direct implications for U.S. national security. I am also troubled by the significant criminal capabilities that are available to anyone—for a price. Transnational criminal organizations have access to key facilitators who specialize

⁵Security, Peace, and Justice (Seguridad, Paz y Justicia). 50 Most Violent Cities in the World, 2012 Rankings. (available online at: <http://www.seguridadjusticiaypaz.org.mx>) Washington, DC figures are from the Metropolitan Police Department's 2011 Annual Report (most recent data available).

⁶National Drug Intelligence Center (2011). The Economic Impact of Illicit Drug Use on American Society. Department of Justice.

⁷Office of National Drug Control Policy. (2012). Arrestee Drug Abuse Monitoring Program: 2011 Annual Report. Executive Office of the President: Washington, D.C.

⁸2011 National Survey on Drug Use and Health

⁹Kenneth D. Kochanek, M.A.; Jiaquan Xu, M.D.; Sherry L. Murphy, B.S.; Arialdi M. Minino, M.P.H.; and Hsiang-Ching Kung, Ph.D., “Deaths: Final Data for 2009.” Division of Vital Statistics (Atlanta, GA: Centers for Disease Control), Vol. 60, Number 3, Dec. 29, 2011, p. 11.

in document forgery, trade-based money laundering, weapons procurement, and human smuggling, including the smuggling of special interest aliens. This criminal expertise and the ability to move people, products, and funds are skills that can be exploited by a variety of malign actors, including terrorists.

Crime/Terror Nexus

Mr. Chairman, members, the presence of all these so-called “bad actors” raises the question of possible nexus between international terrorist organizations and criminal networks in the region. The answer is complex. While regionally-based Shi’a who support Lebanese Hezbollah are involved in drug and other illicit trafficking, we have only a partial understanding of possible interconnections and overlap between terrorist financing and illicit revenue streams, both within the hemisphere and on a global scale. The 2011 Iranian plot to assassinate the Saudi Ambassador to the U.S. demonstrates Iran is willing to leverage criminal groups to carry out its objectives in the U.S. Homeland. This only underscores my concerns over the exploitation of criminal capabilities. In my judgment, any group seeking to harm the United States—including Iran—could view criminal middlemen, facilitators, and support networks as potential operational enablers, although not necessarily operational requirements. As distinguished members of this committee have noted, an attack in or through the region would have major consequences for the entire Western Hemisphere. We remain vigilant against this possibility and its potential criminal facilitation, but need the assets to remain so.

Iran in the Western Hemisphere

This brings me to the next issue I would like to discuss, which has serious implications for U.S. national security. I share Congress’ concerns over Iran’s attempts to increase its influence in the region. The reality on the ground is that Iran is struggling to maintain influence in the region, and that its efforts to cooperate with a small set of countries with interests that are inimical to the United States are waning. In an attempt to evade international sanctions and cultivate anti-U.S. sentiment, the Iranian regime has increased its diplomatic and economic outreach across the region with nations like Venezuela, Bolivia, Ecuador, and Argentina. This outreach has only been marginally successful, however, and the region as a whole has not been receptive to Iranian efforts.

Members and supporters of Iran’s partner, Lebanese Hezbollah, have an established presence in several countries in the region. The Lebanese Shia diaspora in our area of responsibility may generate as much as tens of millions of dollars for Hezbollah through both licit and illicit means. There is also precedent for Iranian and Hezbollah collusion to conduct attacks in the region, as evidenced in the 1992 and 1994 bombings in Argentina.¹⁰ In Venezuela, government officials have been sanctioned for providing financial support to Hezbollah, and for providing support to the FARC’s narcotics and arms trafficking activities in Colombia.¹¹ We take Iranian activities very seriously and, along with U.S. Government agencies and international partners, we remain vigilant to the activities of Iran and affiliated extremist groups and remain prepared to work with our partners to counter any direct threat to U.S. national security. I would be remiss, however, if I did not share with Congress my assessment that U.S. Southern Command’s limited intelligence capabilities may prevent our full awareness of all Iranian and Hezbollah activities in the region.

Terrorist Presence in the Region

Additionally, both Sunni and Shia extremists are present in our area of responsibility, and I am watchful for an evolution in operational presence, capacity, or radicalization, particularly among “homegrown” extremist groups. Proselytizers with ties to global Islamic extremism are attempting to radicalize and recruit among the Muslim communities throughout the region. Outreach by external extremist groups from the Middle East, Africa, and South Asia, such as Jama’at al Tabligh, has increased. As many Members of Congress have noted, the United States and our partners should be extremely concerned whenever external extremist groups or state-sponsors of terrorism see the Western Hemisphere as attractive—or even worse, vulnerable.

¹⁰This refers to the 1992 and 1994 bombings of the Asociación Mutual Israelita Argentina (AMIA) and Israeli Embassy by Hezbollah operatives.

¹¹U.S. Department of the Treasury’s Office of Foreign Assets Control. “Press Release: Treasury Designates Four Venezuelan Officials for Providing Arms and Security to the FARC.” September 8, 2011; U.S. Department of the Treasury’s Office of Foreign Assets Control. “Press Release: Treasury Targets Hizballah in Venezuela.” September 19, 2008.

- The U.S. Treasury Department has imposed sanctions against seven current or former senior Venezuelan Government and military officials, including the former Minister of Defense, for providing direct support to the FARC's narcotics trafficking activities.
- In 2008, the U.S. Treasury Department imposed sanctions on two Venezuelans—Ghazi Nasr al Din and Fawzi Kan'an—for providing financial and other support to Hezbollah. Nasr al Din served as Charge d' Affaires at the Venezuelan Embassy in Syria and the Director of Political Aspects at the Venezuelan Embassy in Lebanon.

Terrorist groups represent a persistent challenge that has plagued the region for decades. The FARC is the region's oldest, largest, most capable, and best-equipped insurgency. The Government of Colombia is currently in peace negotiations with the FARC, but the fight is far from over and a successful peace accord is not guaranteed. Although weakened, the FARC continues to confront the Colombian state by employing improvised explosive devices and attacking energy infrastructure and oil pipelines. In Peru, Sendero Luminoso (The Shining Path), while smaller than the FARC, remains committed to violence and overthrowing the government. Both the FARC and Sendero Luminoso rely on drug trafficking, kidnapping, and extortion to fund attacks on the Colombian and Peruvian Governments. The hundreds of millions of dollars in revenue the FARC receives from cocaine trafficking alone enable them to purchase surface-to-air missiles and fund the construction of multi-million dollar "narco subs." Utilized by a variety of illicit trafficking groups in the region, fully submersible vessels are capable of transporting up to 10 metric tons of a variety of cargo and have a range capacity of 6,800 nautical miles, a range that could reach Africa. In other words, these subs, which are extraordinarily difficult to detect, can travel from the Caribbean coast of Colombia to just about any major city in Florida, Texas, or California in 10–12 days.^{12, 13}

The U.S. Southern Command area of responsibility has the highest improvised explosive devices (IED) activity in the world outside of Afghanistan and Iraq, with Colombia accounting for over 90 percent of IEDs in the region.

External Actors

Finally, I view the expanding influence of countries "external" to the Western Hemisphere as having uncertain implications. As I stated earlier, personal relationships are of enormous importance in this region, a fact other nations recognize. China is increasing its economic role in the region, and government-owned companies are funding or acquiring strategic infrastructure to facilitate commercial logistics. Chinese companies own and operate an interest in at least five ports in the region, while telecommunications firms such as Huawei Technologies and ZTE have a rapidly expanding presence in South America. With an unprecedented three naval deployments to Latin America since 2008, including a hospital ship visit in 2011, China is attempting to directly compete with U.S. military activities in the region. I believe it is important to note that sequestration will likely result in the cancellation of this year's deployment of the USNS *Comfort* to the region, an absence that would stand in stark contrast to China's recent efforts. In my judgment, Chinese interest in cultivating relationships with countries in the Western Hemisphere reaffirms the importance of strengthening our own partnerships with the region.

2012 Regional Investments by China:

- Two Chinese banks provided \$8 billion in credit lines for 60 projects in 12 countries in the region.
- \$2 billion loan to Argentina to finance railway modernization through soy-producing regions.
- \$1.4 billion investment in copper mines in Ecuador.
- Joint agreement with Venezuela to develop Las Cristinas gold mine, one of the world's largest gold reserves.

STRATEGIC APPROACH

The transnational nature of many of these challenges I described cannot be addressed by any one nation or agency alone. In my view, this illustrates the efficiency

¹² Depending on the type and dimensions of the cargo, up to 10 metric tons of a variety of products could be transported. Range estimates based on Office of Naval Intelligence assessments of seized fully submersible vessels.

¹³ Written Testimony of Read Admiral Charles Michel, Director, Joint Interagency Task Force South. Subcommittee on Border and Maritime Security, House Committee on Homeland Security. June 19, 2012.

of working with and through our partners in the region and the U.S. Government. U.S. Southern Command's strong, established relationships with regional militaries and security forces can serve as a catalyst for encouraging greater unity of effort on hemispheric security, from terrorism to illicit trafficking to the security of the Panama Canal. Many of the issues we face in the region transcend borders, requiring more than just a "whole-of-government" approach; they require a whole of community, a whole of society, a whole of hemisphere approach. Time and again—whether during Plan Colombia or Operation Unified Response in Haiti; whether in an interdiction operation that denies drug traffickers billions of dollars in revenue; or in multinational training exercises that improve the capability of regional armies, air forces, marines, navies, and special operations forces—our partnerships are the key enablers for ensuring regional security. It is my position that strengthening these partnerships is a cost-effective use of government resources. A layered defense can help the U.S. detect and deter threats before they reach the homeland, and help the hemisphere collectively respond to an uncertain and complex security environment. I would like to provide Congress with a brief overview of what, in my view, is the invaluable return on investment from partnering and engaging with Central America, South America, and the Caribbean. I am gravely concerned, however, that sequestration and its associated out-year cuts to the defense budget will imperil our ability to sustain these successful partnerships and regional progress.

OPERATION MARTILLO 2012 RESULTS

Cocaine disrupted	152,389 kgs
Marijuana disrupted	21,488 kgs
Bulk cash disrupted	\$7.2 million
Assets seized (total)	101
Partner nation supported disruptions	67 percent
Revenue denied to TCOs	\$3 billion

Operation Martillo

We are currently witnessing the security dividends from regional cooperation as a result of Operation Martillo. In support of Department of State's Central American Regional Security Initiative, U.S. Southern Command launched a joint, interagency, and combined operation to counter illicit trafficking along the Central American coastlines, coordinating with Western Hemisphere and European partner nations to maximize all possible means for support. In addition to the measurable results of the operation, we have also seen greater unity of effort, expanded information sharing, and enhanced interoperability among partner nations and Federal departments like the Department of Justice and the Department of Homeland Security. I am very proud to note that 67 percent of illicit trafficking disruptions in 2012 were supported by partner nations, who have played an enormous role in the success of the operation. This unprecedented level of cooperation could serve as a model for future operations in Central America, although our ability to continue Martillo, build on the nascent progress of our Central American partners, or provide complementary support to the Department of State's Regional Aviation Program will all be in serious jeopardy due to sequestration and its associated out-year cuts to the defense budget.

Cooperation on Counterterrorism

In the region, our engagement on counterterrorism issues centers on promoting interoperability with key partner nations and maintaining a persistent and episodic presence to counter the influence of Islamic extremism, recruitment, and radicalization efforts. We are also conducting contingency planning for a variety of scenarios, but the most valuable deterrent to direct threats to the United States is through presence and partnerships, by maintaining active awareness and nurturing our relationships within the region. Continued budget uncertainty is impacting our ability to ensure this presence, however, as reduced resources have forced us to scale back deployments of Civil Affairs and Special Operations Forces teams to the region.

Interagency and Private Sector Partnerships

Collaboration with our foreign and domestic partners also underscores everything we do at U.S. Southern Command headquarters. Thirty three interagency representatives and detailees, along with five foreign liaison officers, are integrated throughout the command, allowing our military personnel to capitalize on the unique capabilities, authorities, and expertise of other government agencies and partner nations. Likewise, our military planning capability and capacity often can enhance synchronization of interagency efforts, even when the Department of Defense is not

the lead agency. Cooperation with the private sector and non-governmental organizations also serves as significant force and resource multipliers to our activities and those of our interagency partners. In 2012, our collaboration with the private sector leveraged gifts-in-kind and the participation of medical personnel, emergency management practitioners, business leaders, and academics in our humanitarian assistance activities throughout the region. While we will seek to expand these no-cost partnerships with the private sector, budget cuts have compelled us to reduce the interagency presence in our headquarters, which undermines our coordination with the U.S. Government.

NEW HORIZONS 2012: PERU

Total U.S. troops trained	435
Medical Readiness Training Exercises	8
Patients treated	over 26,000
Animals treated	313
Construction and renovation projects	6
NGO Contribution	valued at over \$200,000

Security Cooperation

Within the region, we build relationships with partner nation militaries through a range of engagements, such as training exercises, educational exchanges, and security cooperation activities. Every year, U.S. Southern Command conducts multinational training exercises with our partners, which focus primarily on maritime interdiction, the defense of the Panama Canal, and training for peace support and disaster response operations. These exercises are a unique opportunity to promote regional cooperation, enhance readiness and interoperability of our hemisphere's military forces, and encourage collective action to address shared security challenges. To help mitigate costly disaster relief operations and strengthen state presence in under-governed areas, we conduct low-cost humanitarian assistance programs and exercises that provide training to U.S. and partner nation personnel and demonstrate U.S. values to the region. The shadow of sequestration and its associated out-year budget cuts place the continuation of many of these activities in doubt, however. Our security cooperation mission has borne the brunt of our budget reductions this year, and reduced engagements may have an "eroding effect" on our partnerships far into the future.

In addition to training exercises, our Human Rights Initiative and International Military Education and Training are essential to developing professional armed forces throughout the Americas. The regional trend of deploying militaries in non-traditional roles like domestic security underscores the continued importance of our human rights training, including our ongoing support for Colombian military justice reform. Programs like the Inter-American Air Force Academy, the Western Hemisphere Institute for Security Cooperation, the Inter-American Defense College, and the Combating Terrorism Fellowship build relationships among future senior military leaders in the region. Additionally, the William J. Perry Center for Hemispheric Defense Studies helps strengthen regional defense institutions by promoting security sector reform. These entities are all vital in assisting our partner nations develop the accountable, professional, and transparent defense institutions that are key to long-term hemispheric security. Sequestration and its associated out-year budget cuts could impact these valuable programs. Mr. Chairman, members, we want to avoid losing an opportunity to build strong, enduring relationships with militaries in our own hemisphere.

STRENGTHENING REGIONAL DEFENSE INSTITUTIONS

International Military Education Training	Funded 2,034 students from the region in 2012
Inter-American Air Force Academy	In its 69-year history, ~44,000 graduates
Western Hemisphere Institute for Security Cooperation	In its 12 year history, trained 15,859 students from 34 nations, 2 of whom went on to prominent positions in their respective governments
Inter-American Defense College	More than 2,380 students from 24 countries have graduated from the IADC. 34 percent have gone on to become partner nation presidents, cabinet ministers, ambassadors, or general officers.

Through our engagement and training activities, U.S. Southern Command seeks to build the capabilities of regional militaries to confront internal challenges to stability, sovereignty, and security. In addition to the rotational forces provided by our component commands, we rely on the National Guard's State Partnership Program

to engage with 22 nations in the area of responsibility. The State Partnership Program provides long-term mentorship to our partner nations to advance democratic principles and values and to encourage subordination of the military to civilian authority. Due to budget reductions, however, we were forced to cancel more than 90 events aimed at improving partner nation capacity in areas such as disaster response, defense support to civil authorities, and countering transnational organized crime. If triggered, sequestration and its associated out-year cuts to the Department of Defense budget could further limit the Services' ability to provide forces for future security cooperation activities.

In 2012, U.S. National Guard units conducted 223 events, and Colombia-South Carolina became the newest partnership under the program.

In Central America, we are providing training and security assistance to improve maritime, aerial, and land domain awareness capabilities, focusing on the Northern Tier countries where the threat posed by transnational criminal organizations is greatest. In the Caribbean, we are supporting the development of a regional maritime interdiction strategy, as well as providing equipment and training to improve maritime and air domain awareness. Further south, Foreign Military Financing for the Joint Rotary Wing/Riverine Program has delivered critical mobility to Colombian counterinsurgency efforts, while an expanded Military Justice Program has resulted in invaluable training in the Law of Armed Conflict and Human Rights Law. In Peru, we are supporting planning related to counterterrorism efforts against Sendero Luminoso. Additionally, we have partnered with the Joint IED Defeat Organization to help the Colombian Armed Forces build their counter IED capabilities, and we are in discussions on offering similar training to Peru. Our engagement with Brazil centers on space, cyber defense, intelligence and information sharing, and counterterrorism training for the upcoming World Cup and Summer Olympics. We are also exploring possible collaboration with U.S. Health and Human Services on consequence management. We fully support the proposal presented at the October 2012 Conference of the Defense Ministers of the Americas to advance a coordination mechanism for regional disaster response, and have begun discussions with the Government of Peru, the next CDMA Secretariat, on implementation. Although critical to ensuring the forward defense of the United States, our training and engagement programs have been seriously impacted by this year's budget reductions. Sequestration and its associated out-year budget cuts will result in further debilitating effects to these valuable programs.

In 2012, U.S. Southern Command's DOD Rewards Program facilitated the capture of Florindo Eleuterio Flores-Hala (aka "Artemio³"), the organizational head of the Upper Huallaga Valley (UHV) faction of Sendero Luminoso, landing a blow against the UHV organization.

Partners as Security Exporters

As I travel throughout U.S. Southern Command's area of responsibility, I am continuously impressed by the contributions of our partners to regional and international security. A global leader, Brazil heads the United Nations Stabilization Mission in Haiti, provides security assistance to several African nations, participates in maritime exercises with South Africa and India, and is conducting border security operations with its neighbors. Chile has integrated a Salvadoran infantry unit into a battalion in support of the U.N. Mission in Haiti, and is exploring opportunities for further building partner capacity initiatives in Central America. Colombia is perhaps the best example of the inherent value of security assistance to the region. Once on the brink of falling to a powerful insurgency, Colombia is now a leader in counterinsurgency tactics and provides training to West African and Central American counterparts. U.S. Southern Command shares the commitment of these valued partners to ensuring a strong, secure, integrated hemisphere and global system, but sequestration may limit our ability to deepen our defense relationships with these partners or enhance the collective security of the hemisphere.

Thirteen countries are providing forces to multinational security operations and United Nations peacekeeping missions throughout the world, and El Salvador recently deployed personnel in support of the NATO mission in Afghanistan.

WAY AHEAD

Future Budget Reductions

While we have taken painful steps to reduce spending in 2013, we recognize that sequestration and its associated out-year cuts to the defense budget will result in even more difficult decisions in the future. This year, we were able to decrease

spending by applying equitable cuts across a range of programs, but future cuts may involve wholesale program elimination. As I have told my workforce, spending cuts will force us to “do less, with less.” There will be some missions we will simply no longer be able to conduct, and our regional relationships will likely suffer as a result.

Mitigating Asset Gaps in the Caribbean

Mr. Chairman, members, as I alluded to earlier: presence matters. It is a documented deterrent. Given our likely continued asset reductions, we will need to rely on our partners, wherever possible, to help bridge some capability gaps in terms of assets, authorities, or resources. I credit the support of our European and Canadian allies in the Caribbean whose presence helps mitigate asset gaps, although I remain concerned by the sub-region’s vulnerability to a shift in trafficking tactics. Although an estimated 92–94 percent of cocaine destined for the U.S. still flows through Central America, known cocaine movement towards Hispaniola—mainly the Dominican Republic—appears to have increased by 3 percent to 32 metric tons in 2012.¹⁴ We have experienced the so-called “balloon effect” before, and focusing limited assets on Central America creates a potential gap in other areas, which could be exploited by traffickers seeking to escape pressure from Operation Martillo. Last year, according to local media reports, 885 pounds of marijuana washed ashore on Florida’s beaches, a vivid reminder of the heyday of drug smuggling in the Caribbean, an era I know none of us wants to see repeated.¹⁵ This will be increasingly difficult to prevent, however, given the impact sequestration will have on future asset availability.

Detainee Operations

U.S. Southern Command continues to conduct safe, humane, and transparent detention operations at Joint Task Force Guantanamo (JTF–GTMO). The pending installation of the Guantanamo Bay Naval Station undersea fiber optic cable will save the United States millions of dollars in the long-term by reducing costs associated with using satellite communications. This cable will improve the reliability of communications with Guantanamo Bay facilities and also thereby enhance our ability to support military commissions, periodic review boards, and detention operations.

Two of the major challenges we face at JTF–GTMO are a lack of long-term resource planning, and complex issues related to future medical care of detainees. Mr. Chairman, members, to paraphrase a former JTF–GTMO commander, we haven’t been at Guantanamo for 11 years; we’ve been there for 1 year, 11 times. A temporary detainee operation has now lasted over 11 years, and the expeditionary infrastructure at JTF–GTMO is rapidly deteriorating, placing assigned personnel and operations at increasing risk. Regardless of policy disputes, we must make pragmatic decisions to protect our troops from unsafe and unsanitary living conditions and to ensure the continued safe and humane care of the detainee population. We have been relying on a patchwork of temporary fixes, but there is an urgent need for immediate refurbishment of degraded expeditionary infrastructure at JTF–GTMO. Using fiscal year 2009 Overseas Contingency Funding for military construction, we have identified a series of projects aimed at increasing the security of the detainees, facilitating our ability to support legal processes for detainees, and most of all, meeting basic quality of life requirements for our troops. I look forward to working with Congress as we address this issue. Additionally, the medical issues of the aging detainee population are increasing in scope and complexity. As is the case with any older person, aging detainees could require specialized treatment for issues such as heart attack, stroke, kidney failure, or even cancer. The future emergency and critical medical care of detainees may require specialists and equipment to enhance the current capabilities at Naval Station Guantanamo Bay.

Quality of Life

As a nontraditional installation, U.S. Southern Command faces unique issues in supporting our assigned military personnel and their families, as well as retirees, and veterans living in South Florida who utilize the services available at our U.S. Army Garrison facility. In my first few months at U.S. Southern Command, I have come to realize that military families in South Florida are at a huge financial and benefits disadvantage. Access to a commissary is an integral part of the military benefits package for Active Duty personnel throughout their compensated period of duty or service.¹⁶ Servicemembers stationed at U.S. Southern Command do not have

¹⁴Interagency Assessment of Cocaine Movement (IACM). Cocaine Movement Trends 3rd Quarter 2012.

¹⁵“Drugs found on South Florida beaches recalls smuggling heyday.” October 1, 2012. Sun Sentinel.

¹⁶Department of Defense Instruction 1330.17. December 2008.

access to a nearby commissary, yet live in one of the most expensive cities in the United States. The continued lack of a commissary at our headquarters is not only a disservice to our personnel, but to the entire South Florida military community. In addition to the demonstrated economic returns and benefits, the commissary system ensures our service men and women and their families receive the full compensation they deserve by law.¹⁷

Whenever I visit one of our component commands or joint task forces, I make a concerted effort to address quality of life issues facing our troops, even seemingly minor ones like 24-hour gym access, a small request when you are working long shifts far from your loved ones. At our headquarters, I have spent a great deal of time talking to the servicemembers assigned to U.S. Southern Command, and every single junior enlisted person I meet has told me of the financial hardships they face trying to make ends meet under the current Cost of Living Allowance. For example, a typical E-3 assigned to U.S. Southern Command receives \$1,787 in monthly pay, \$1,437 per month for housing, and a mere \$18 in Cost of Living Allowance,¹⁸ in a city with some of the highest insurance rates and lack of affordable rental housing in the country.¹⁹ I am actively engaging within the Department of Defense to make them aware of my concerns, and we are working to find a solution.

U.S. Southern Command's most important resource is its workforce, and I am committed to enhancing quality of life at our headquarters. In recognition of growing concerns for the health and wellbeing of U.S. servicemembers, we conducted two suicide prevention events, and we are developing a specialized council to address the emotional, mental, and physical health of all our personnel. Although an Army program, our Survivor Outreach Services office recently received approval to provide long-term support to family members of all our South Florida fallen heroes, regardless of service affiliation. As Congress is aware, reports of sexual assault and harassment in the military have been at an all-time high, and U.S. Southern Command is doing its part to address this unacceptable issue. All incidents are handled using the exact procedures outlined in Department of Defense directives and policy, which promote sensitive care, confidential reporting for victims of sexual assault, and 100 percent accountability for those who commit these crimes. We also have a strong Sexual Harassment/Assault Response and Prevention program in place that ensures victims receive all the legal, medical, and psychological support they need. To support the professional development of our workforce, we expanded training opportunities last year, including language and cultural awareness training to enhance our relations with partner nations. Possible furloughs, however, will likely disrupt training and professional development for our civilian employees, while sequestration will impact our language programs, undercutting the readiness of our assigned forces.

CONCLUSION

Finally, I would like to extend my personal gratitude to the outstanding men and women under my command. Day-in and day-out, 1,482 soldiers, sailors, airmen, marines, coast guardsmen, and civilians work to enhance the defense of the United States and build enduring partnerships across Central America, South America, and the Caribbean. Mr. Chairman, members, although I have spoken extensively about the impact of drastic spending cuts to our missions and operations, there is also a human impact. Our dedicated Department of Defense civilians and servicemembers—our people—will disproportionately suffer the long-term damages sequestration and its associated out-year cuts to the defense budget will inflict. U.S. Southern Command is committed to ensuring the security and stability of the Western Hemisphere, and I hope Congress will demonstrate its commitment to our great nation, its people, and its military by resolving budget uncertainty and preventing the devastating effects of sequestration. Mr. Chairman, distinguished committee members, I stand ready for your questions.

¹⁷ Resale and MWR Center for Research. Costs and Benefits of the DOD Resale System. December 2012.

¹⁸ Based on calculations for duty location (33176) for an E3 with 2 years of service and no dependents. 2013 pay information from Defense Finance and Accounting Services; BAH calculator may be found at: www.defensetravel.dod.mil/site/bahCalc.cfm. The CONUS COLA calculator may be found at <http://www.defensetravel.dod.mil/site/conusCalc.cfm>

¹⁹ According to apartment market research firm AXOIMetrics, the average effective rent (which includes concessions) in Miami is \$1,269 per month, compared to the United States as a whole at \$964. According to the Joint Center for Housing Studies at Harvard University, the Miami rental market has the greatest share of severely cost-burdened renters (i.e. renters who pay more than half their income to rent) in the country.

ANNEX: 2012 Component Accomplishments**U.S. Army South (ARSOUTH)****Headquarters: San Antonio, Texas**

- **U.S. Army South** conducted 31 security cooperation events in 13 countries in U.S. Southern Command's area of responsibility. These events represent 31 instances of engagement and building partner nation capabilities with the other militaries in the U.S. Southern Command area of responsibility.
- **CONFERENCE OF THE AMERICAN ARMIES:** The Conference of the American Armies is a 22 country delegation developed for the contribution to peacekeeping operations and disaster relief operations through the creation and use of mechanisms and procedures designed to improve the collective capacities and interoperability of its members. This year ARSOUTH represented the United States at the Science & Technology Conference in Peru, the Emerging Threats Conference in Colombia, the Disaster Relief Exercise in Mexico and the Extraordinary Commander's Conference in Mexico.
- **PANAMAX 2012:** PANAMAX is a joint and combined operational exercise focused on the defense of the Panama Canal by a multi-national joint task force, as well as building disaster and pandemic outbreak response capabilities of 17 participating partner nations. ARSOUTH hosted and provided mentorship to the Colombian led Combined Forces Land Component Command which included 122 participants from 9 countries. This was a major step forward in regional/coalition operations and the first time a foreign military played this key role in a SOUTHCOM JTF.
 - **Due to budget uncertainty and possible sequestration cuts, USSOUTHCOM significantly de-scoped PANAMAX 2013.**
- **FUERZAS ALIADAS HUMANITARIAS:** Fuerzas Aliadas Humanitarias is a regionally oriented humanitarian assistance/foreign disaster relief (HA/FDR) exercise that brings together partner nation and U.S. military units, civilian disaster management

agencies, and local first responders. This year's exercise was held in Washington, D.C. with 70 participants from 20 nations.

➤ **Due to budget uncertainty and possible sequestration cuts, USSOUTHCOM cancelled FUERZAS ALIADAS HUMANITARIAS 2013.**

- **PEACEKEEPING OPERATIONS AMERICAS:** This annual exercise provides training in international stability and peace operation in support of the United Nations and the Conference of the American Armies doctrine and procedures. ARSOUTH was the Executive Planning Agent for Peace Keeping Operations-Americas 2012 which included three supporting multi-echelon unit level staff training events: two in Chile and one in Dominican Republic, with 170 participants from 16 countries and culminated with a Multinational Task Force staff Command Post Exercise (CPX) held in Chile, with over 261 participants from 22 nations. All participants received training and familiarization in working on a UN based peacekeeping operation.

➤ **Due to budget uncertainty and possible sequestration cuts, USSOUTHCOM cancelled PEACEKEEPING OPERATIONS AMERICAS 2013.**

- **BEYOND THE HORIZON:** Beyond the Horizon is a Chairman of the Joint Chiefs of Staff-approved, U.S. Southern Command-sponsored, Joint, Interagency, and Combined Field Training Exercise. The exercise provides and incorporates Humanitarian and Civic Assistance construction projects, Medical Readiness Exercises (MEDRETES), and other infrastructure projects. ARSOUTH was the Executive Planning Agent for the 2012 Beyond the Horizon exercises conducted in Guatemala and Honduras, which involved the deployment of 1,800 U.S. service members into the two supported countries, resulting in the completion of 18 engineer projects, including schools and clinics in 12 communities, and 6 MEDRETEs that provided care to 33,330 patients and treated 27,800 animals for veterinary support. The exercises also obtained the support of 300 Guatemalan and Honduran military and interagency personnel working side by side with U.S. personnel.

- **OPERATION ENDURING FREEDOM CENTRAL AMERICA AND CARIBBEAN:** In 2012, this program conducted 28 Subject Matter Expert Exchanges in seven countries (Panama, El Salvador, Honduras, Belize, Dominica, Guatemala, and Jamaica) that included over 800 host nation soldiers.
- **HUMANITARIAN MINING ACTION:** Humanitarian Mine Action is a Joint Chiefs of Staff approved, U.S. Southern Command-sponsored demining training. Humanitarian Mine Action is designed to train existing host nation Demining Units using the International Mine Action Standards. This year ARSOUTH conducted training at the Ecuadorian Engineer School in Quito, Ecuador and the Colombian Army (COLAR) Demining Training Center in Tolemaida, Colombia. The goal of the training was to assist both countries in developing the capacity to remove anti-personnel mines and demine affected land for economic development.
- **STAFF TALKS:** ARSOUTH conducted four bilateral Staff Talks in Colombia, Brazil, Chile, and El Salvador and one Rotary Wing Aviation Seminar in Peru. The outcomes of these Staff Talks are more than 60 current Agreed to Actions (ATAs) that represent mutually negotiated bilateral and regional goals. A Working Group with Peru has yielded 12 similar Coordinated Action agreements and opportunities at a permanent staff talk status in the foreseeable future.
- **LATIN AMERICA COOP:** During FY12, ARSOUTH Latin American Cooperation Funds supported 91 engagements/activities in 14 countries in the region. LATAM Coop is a critical resource to execute ARSOUTH Security Cooperation objectives and U.S. Southern Command's Theater Security Strategy. LATAM Coop supports Army to Army Staff Talks with key countries, Foreign Liaison Officers assigned to ARSOUTH, Conference of American Armies, professional development exchanges on multiple topics, army commander and distinguished visitor program, and Joint/Combined/Multinational Exercises and Operations.
- **CIVIL MILITARY RELATIONS:** ARSOUTH conducted Civil Military Relations Professional Development Exchanges in Belize, El Salvador, Guatemala, and Honduras, improving their ability to conduct inter-organizational coordination during humanitarian assistance and disaster relief operations.

12th Air Force (Air Forces Southern)**Headquarters: Tucson, Arizona**

- **Air Forces Southern** conducted 21 security cooperation events in 13 countries in U.S. Southern Command's area of responsibility.
- **PANAMAX 2012:** During PANAMAX 2012, Air Forces Southern successfully trained and integrated partner nation air planners into division processes and pushed 9 ATOs/ACOs with a total of 1,193 missions (310 sorties). The Dynamic Targeting Cell prosecuted 12 time-sensitive targets and provided collateral damage estimate calls and weaponeering solutions. For the first time, a Brazilian Chief of Combat Operations was fully integrated into AOC operations, along with Colombian JAG officers.
 - **Due to budget uncertainty and possible sequestration cuts, USSOUTHCOM significantly de-scoped PANAMAX 2013.**
- **ISR Missions:** Provided C2 for ISR missions in support of U.S. Southern Command's priorities; over 28,000+ images, 1,893.8 hours of signals intelligence led to the seizure of 332,616 lbs (3.02 billion worth) of drugs and weapons; 32 high-value narco-terrorists killed in action.
- **Airlift Missions:** Executed 118 theater airlift missions moving 4,606 passengers and 314.8 tons of cargo throughout U.S. Southern Command's area of responsibility.
- **Medical Deployments:** Planned and executed 12 Medical Deployments for training exercises in 2012, resulting in the treatment of 60,000 patients. Each deployment provided increased readiness of U.S. forces and improved the capability of regional partners to conduct combined operations.
- **NEW HORIZONS:** Trained 435 U.S. active duty, guard, and reserve military, medical, and 60 host nation support forces. Provided medical humanitarian and civic assistance to rural areas in Peru and trained 17 engineers. Construction projects included two clinics, a library, auditorium, SEAHUT, and a large multi-use facility. During the exercise, the medical team treated over 26,000 patients.

- **Sovereign Skies Expansion Program:** Used successful lessons learned from Dominican Republic and Colombia programs to strengthen air force capabilities in Belize, El Salvador, Guatemala, and Honduras. Training included helicopter maintenance, night operations, intelligence, surveillance, and reconnaissance.
- **571 Mobility Support Advisory Squadron:** Successfully completed six deployments of 25 man teams for 6-8 weeks to Honduras, El Salvador, Guatemala, Colombia, and Peru. Provided unit self training as air advisors, supported airfield infrastructure improvements, and built air capabilities, including logistics, communications, fuels, contracting, air traffic control, survival/search/rescue, supply, vehicle maintenance, security forces, command and control, airfield management, maintenance, information operations, and aerial port functions.
- **Support to Counter Illicit Trafficking efforts:** Presented RC-135, C-130 SENIOR SCOUT, JSTARS, AWACS, B-1, B-52, RQ-4 Global Hawk B-30, and TPS-78 ground-based radar in addition to the daily ATO support to Colombia. Provided several thousand hours of coverage in support of detection and monitoring operations, generally under the tactical control of JIATF-South. Deployed TPS-78 ground-based radar (GBR) to Honduras for 90 days in support of Operation MARTILLO, including surveillance coverage of illicit air trafficking routes resulting in law enforcement seizures of approximately 1.4MT of cocaine, 7 aircraft seized/destroyed, and 8 pilots DOA, arrested or missing. Supported four month deployment of Peruvian Air Force TPS-70 GBR for Operation ALL INCLUSIVE and provided detailed trend analysis of current illicit air traffic in Peru.

Joint Interagency Task Force South (JIATF-S)

Headquarters: Key West, Florida

- **Joint Interagency Task Force South** contributed to the disruption of 152 metric tons of cocaine in FY 2012 worth more than \$3 billion wholesale. This was a 30% increase in disruptions from the previous fiscal year. JIATF-S employs an integrated defense forward capability for the ongoing efforts at the US Southwest Border and for US

operations in the Western Hemisphere using TACON ship days, TACON flight hours and the operating cost of FSSC provided ROTH support.

- **The vast majority of JIATF-S successes came as a result of JIATF-S leadership and coordination of Operation MARTILLO**, the multi-lateral effects based operation designed to deny the CENTAM littoral routes by illicit traffickers. Begun on 15 January 2012, Op MARTILLO resulted in the disruption of 152 metric tons of cocaine, the seizure of \$7.2 Million in bulk cash, and the seizure of 101 vessels including 4 self-propelled semi submersibles (SPSS) and 8 aircraft. At its one year anniversary, Op MARTILLO is beginning to show its desired effects: trafficking in the Western Caribbean and Eastern Pacific littorals is seen to be decreasing while the activity in the Eastern Pacific non-littoral route is rising.
- **Operational Results and Impact.** In the air domain, over the past year, JIATF-S assesses a 21 % decrease in illicit air tracks destined for Central America (primarily Honduras); and a 57 % decrease in illicit air tracks destined for Hispaniola (primarily Haiti). In the maritime domain, during the same period JIATF-S assesses a decrease of maritime activity in the Western Caribbean littoral and non-littoral trafficking areas of 36% and 38% for each vector respectively. In the EPAC, the trafficking shows a steady decrease in the littorals (from an overall increase of 71% at the end of FY12 to a current 43% decrease in FY13) while the activity in the EPAC non-littorals appears to be increasing (from an increase of 12% in FY12 to an increase of 51% currently in FY13). These changes are assessed to be a direct result of Op MARTILLO assets working in the littoral areas and reflect the start of achieving the end result of the operation in driving the traffickers out of the littorals.
- **Role of Partner Nations.** Since 15 January 2012, 67% of the disruptions were supported by partner nations who have played an enormous role in the success of the operation. This represents an increase from 57% last year.
- **Innovation to meet the counter-drug mission.** JIATF-S continues to innovate in the face of asset reductions by their demonstrated ability to integrate any and all non-traditional counterdrug assets into their force lay down in order to achieve success. JIATF-S strived to fulfill its counter-drug missions with non-traditional counterdrug assets. In FY12, the USAF deployed JSTARS, B-1, and B-52 detachments to the JIATFS

Joint Operating Area (JOA). Under JIATF-S TACON, these detachments provided critical wide area surveillance and long range maritime patrol capabilities in support of JIATF-S' detection and monitoring mission while maximizing their pre-deployment training opportunities in a semi-benign but target rich JOA.

- **Information Dominance.** Understanding the importance and growing emphasis on information warfare and cyber defense, JIATF-S reorganized their Intelligence and Security, C4I, and Innovation and Technology Directorates under a Senior Director for Information Dominance to parallel the US Navy's reorganization of their N2 and N6. This reorganization resulted in efficiencies in systems development and integration, enhanced information fusion capabilities, and development of capacities to conduct counter network operations against transnational criminal organizations

Joint Task Force Bravo (JTF-B)

Headquarters: Soto Cano Air Base, Honduras

- **Support to Operation ANVIL:** Provided planning and logistical support for proof of concept for Operation ANVIL. Operation resulted in 2,300 kgs of narcotics seized and 16 indictments, and laid the groundwork for future Department of State-led operations in Central America.
- **Air Operations:** Conducted 228 air movements in support of CTOC operations, MEDRETEs, MEDEVACs, and official visitor movement within Honduras and to Nicaragua, El Salvador, Belize, and Guatemala.
- **Support to Government of Honduras:** Assisted with disaster relief at the Comayagua prison fire in February 2012, the worst in Honduran history. Coordinated with five national agencies to recover and transport 352 deceased prisoners and partnered with ATF on investigation matters. JTF-Bravo assistance was praised by President Lobo on national television.
- **Humanitarian/Civic Assistance:**
 - Conducted 14 MEDRETEs, performing 41,948 medical procedures on over 22,000 patients throughout Central America.

- JTF-Bravo assisted with the reception and distribution of 143,290 pounds of humanitarian aid cargo on military aircraft under the Denton Program, which was made available to NGOs for delivery to local families.
- Soto Cano Chapel hosted 6 chapel hikes for 521 people and distributed over 13,000 lbs of food to needy local families.
- JTF-B MSC's sponsored 4 orphanages with over 80 visits by JTF-B personnel, providing approximately \$12k of aid including facility improvements, clothing, school supplies, and food.
- **Disaster Response Training:** As part of CENTAM SMOKE, JTF-B trained 87 firefighting personnel from Honduras and Nicaragua.

Joint Task Force Guantanamo

Headquarters: Guantanamo Bay, Cuba

- **Safe and Humane Care and Custody:** Detainees have been moved from expeditionary Camps I-IV to more modern Camps V and VI. Detainees in Camp VI and parts of Camp V are allowed communal living arrangements, which improves social interaction and overall well-being for detainees, while also significantly reducing detainee-guard interactions, which reduces assaults on the guard force. Outdoor recreation areas of Camps V and VI have been significantly expanded and library holdings for loan to detainees have increased to 25,000 items. In order to further increase social interaction and mental stimulation, educational course offerings have also been broadened in scope and frequency. Detainees maintain family contact with mail, telephone calls and, in areas which support this service, videophone conferences, coordinated by the International Committee of the Red Cross.
- **Legal and Transparent Operations:** Continued assessments by the International Committee of the Red Cross have been expanded to six visits per year. The ICRC verifies compliance with international standards of custody as specified in the Geneva Convention and other international standards and provides confidential advice for suggested improvements to the JTF Commander and U.S. Southern Command. Detainees are granted routine visits by legal representatives, having received more than

898 Commissions and 362 Habeas attorney visits in 2012. JTF Guantanamo is committed to transparency and has hosted 970 visitors and 164 media representatives from 60 domestic and international news organizations over the past year.

- **Military Commissions:** In March 2011, the Obama administration announced that military commissions would resume at Guantanamo Bay. Military commissions proceedings are open to observation by the media, victim family members and non-governmental organizations. The first military commissions proceeding was the arraignment of the alleged mastermind of the USS COLE bombing in November, 2011. In 2012, JTF-Guantanamo supported 8 hearings, including: the arraignment and motions hearings of the five individuals accused of coordinating the September 11, 2001 attacks on the U.S. (referred to in the press as “the 9/11 Five”), motions hearings for the alleged USS COLE bomber, and an arraignment and plea acceptance of Majid Khan, who plead guilty to conspiracy, murder, attempted murder, providing material support to terrorism, and spying, including in conjunction with the J.W. Marriott bombing in Indonesia.

U.S. Naval Forces Southern Command (COMUSNAVSO)

Headquarters: Mayport, Florida

- **Operation MARTILLO:** Seven frigates, one replenishment ship, and four fixed-wing aviation squadrons deployed to support Operation MARTILLO, conducting Countering Transnational Organized Crime (C-TOC) Operations under the direction of Joint Interagency Task Force South (JIATF-South). Navy Forces have played a key role in providing a persistent presence as part of a cooperative effort to shift maritime illicit trafficking away from the Central American littorals. MARTILLO has had a significant impact on illicit trafficking routes (air and maritime). Compared to calendar year 2011, disruptions were up more than 20%.
- **Southern Partnership Station 2012:** Southern Partnership Station (SPS) is a series of Navy/Marine Corps Engagements focused on Theater Security Cooperation, specifically Building Partner Capacity through subject matter expert exchanges with partner nation militaries and civilian security forces. SPS Engagements include Community Relations

(COMREL) Projects that focus on our partnerships, shared interests, and shared values. SPS Deployments included:

- **HSV SWIFT Southern Partnership Station 2012:** High Speed Vessel SWIFT (HSV 2) conducted engagements in six Partner Nations (Dominican Republic, El Salvador, Panama, Guatemala, Peru, and Haiti), which included medical, veterinary, Naval Criminal Investigative Service (NCIS), Maritime Civil Affairs (MCAST), and U.S. Marine subject matter expert exchanges with partner nation counterparts. SWIFT Seabees completed small-scale construction/refurbishment projects. The SWIFT Team also delivered Project Handclasp Gifts-in-Kind during COMREL Projects, and made a special delivery of relief materials to Port Au Prince, Haiti.
- **Navy Dive Southern Partnership Station 2012:** Salvage Ship USNS GRAPPLE (T-ARS 53) conducted engagements in five Partner Nations (Colombia, Trinidad and Tobago, Panama, Guatemala, and Jamaica), and featured Navy Divers conducting subject matter expert exchanges with partner nation counterparts, to include divers from Canada, Chile, and The Bahamas. These expert exchanges included numerous live diving operations. In a historic note, the GRAPPLE Team completed a refurbishment and rededication of the Oliver Hazard Perry Gate at a cemetery in Trinidad, on the Bicentennial of the War of 1812. The original dedication of the Perry Gate was in 1925.
- **Oceanographic Southern Partnership Station 2012:** Survey Ship USNS PATHFINDER (T-AGS 60) conducted hydrographic surveys in the Eastern Pacific to support U.S. Southern Command's priority Oceanographic, Hydrographic and Bathymetric Requirements. As part of this deployment, a Fleet Survey Team traveled to Colombia to conduct joint hydrographic surveys and subject matter expert exchanges with Colombian Oceanographers.
- **UNITAS 2012:** UNITAS (Latin for "Unity") enhances friendly, mutual cooperation and understanding between participating navies by developing interoperability in naval operations among the nations of the region. In 2012, the multinational maritime exercise

series, the longest-running in the world, celebrated its 53rd straight year with two major events, one in the Pacific in May and one in the Atlantic/Caribbean in September.

- **UNITAS PAC (Pacific) 2012:** Peru hosted UNITAS PAC 2012, which included Naval Forces from Chile, Colombia, Ecuador, Mexico, Peru, and the United States. Events included ashore and underway training in maritime interdiction operations, counter-piracy operations, air, surface, and anti-submarine warfare.
- **UNITAS LANT (Atlantic) 2012:** The United States hosted UNITAS LANT 2012 out of Key West, Florida, the largest number of multinational warships to conduct a simultaneous port call at Key West in more than 30 years. Naval Forces from Brazil, Canada, Colombia, Dominican Republic, Mexico, the United Kingdom, and the United States completed shore-based professional symposia and conducted multinational Community Relations (COMREL) Projects in Key West. Once at sea, participants trained in a variety of maritime scenarios to test command and control of forces at sea, while operating as part of a multinational force to provide the maximum opportunity to improve interoperability. In 2012, UNITAS LANT also included the U.S. Marine Corps Forces South field-training exercise known as Partnership of the Americas, which was conducted at Camp Blanding in Starke, Florida, in September.
- **Southern Seas 2012:** USS UNDERWOOD (FFG 36) conducted a variety of exercises and multinational exchanges to maintain access, enhance interoperability, and build enduring partnerships that foster regional security. UNDERWOOD participated in UNITAS PAC, the Silent Forces Exercise (SIFOREX) with Peru, UNITAS LANT, and Operation MARTILLO.
- **PANAMAX 2012:** Commander U.S. Forces Southern Command served as the Commander of Multi-National Forces South (MNFS), leading a coalition of 17 Partner Nations in the 10th annual exercise designed to execute stability operations under the support of United Nations Security Council Resolutions; provide interoperability training for participating multinational staffs; and build Partner Nation capacity to plan and execute complex multinational operations.

➤ **Due to budget uncertainty and possible sequestration cuts, USSOUTHCOM significantly de-scoped PANAMAX 2013.**

- **Navy Seabees:** 85 Seabees deployed to Naval Base Guantanamo Bay (GTMO) to support construction/refurbishment projects throughout the U.S. Southern Command AOR. From this detachment, Seabee details deployed aboard HSV SWIFT to complete projects in support of HSV SPS 2012. Seabees also deployed to complete projects in support of U.S. Army South's Beyond the Horizon Exercises in Guatemala and Honduras, U.S. Air Force Southern's New Horizons Exercise in Peru, U.S. Special Operations Command South's Fused Response Exercise in Guyana, and U.S. Marine Corps Forces South Operation MARTILLO support to Guatemala. Seabees in GTMO completed projects in support of the U.S. Navy Base and the Joint Task Force GTMO Commander.

Marine Corps Forces South (MARFORSOUTH)

Headquarters: Doral, Florida

- **Marine Corps Forces South** conducted 67 Security Cooperation events in 27 countries in United States Southern Command's area of responsibility.
- **Marine Detachment in support of Operation MARTILLO:** Responding to the new National Strategy to Combat Transnational Organized Crime (CTOC), MARFORSOUTH supported JIATF-South and Guatemalan Security Forces with operations to disrupt and deter trafficking along the Central American coast. The Marine Detachment conducted detection, monitoring activities to curtail illicit trafficking routes on the Pacific coast of the Central American isthmus.
- **TRADEWINDS 2012:** The Joint Chiefs of Staff-directed exercise was hosted in Barbados with over 1,000 participants from 19 countries. Participants were trained in counter illicit trafficking operations and Humanitarian Assistance/Disaster Relief responses, as well as receiving training to improve operations center management, basic infantry skills, law enforcement tactics, techniques and procedures, search and rescue, maritime interdiction operations and procedures.

- **UNITAS – Partnership of the Americas (POA):** This exercise enhances multinational operational readiness, interoperability, and security cooperation among U.S. and 9 partner nation naval infantries. In 2012, the exercise focus was amphibious operations, to include amphibious staff planning, training and equipping in support of future peace support operations and humanitarian assistance missions.
 - **Due to budget uncertainty and possible sequestration cuts, USSOUTHCOM cancelled PARTNERSHIP OF THE AMERICAS 2013.**

- **PANAMAX 2012:** As the Marine Service component, MARFORSOUTH sourced and employed a Marine Expeditionary Unit Command Element; placed liaison officers at the JTF and functional components; stood up and operated an Operations Center and Crisis Augmentation Cell; sourced a Marine General Officer, with staff, to serve as the JTF J3; and participated in the exercise as JTF staff.
 - **Due to budget uncertainty and possible sequestration cuts, USSOUTHCOM significantly de-scoped PANAMAX 2013.**

- **Counterdrug/Counternarcotics Mobile Training Team Deployments:** Provided training to build capacity throughout the region to partner nation counterdrug and counter narco-terrorism forces to increase interdiction capacities.

Special Operations Command South (SOC SOUTH)

Headquarters: Homestead, Florida

- **Building Partner Capacity.** Through persistent engagement with its partners in the region, SOC SOUTH builds partner nation security force capacities to confront shared security challenges. SOC SOUTH's focus in Northern Central America is to partner with key security forces that are best able by mission, position, and authorities to counter transnational organized crime.

- In 2012, SOCSOUTH maintained small elements in Guatemala, Honduras and El Salvador working with key units to improve ground and maritime interdiction, civil affairs, and intelligence capacities.
- In the Andean Ridge, SOCSOUTH partnered with Colombia and Peru to confront narco-terrorist insurgencies whose illicit trafficking operations extend throughout the hemisphere. SOCSOUTH elements provided assistance to the Colombian Special Operations Command, the new joint interagency task forces that are conducting operations against key FARC concentrations. SOCSOUTH also provided counternarcotics, small unit tactics, and riverine training to Colombian National Police and military forces. In Peru, SOCSOUTH elements conducted counternarcotics small unit tactics and riverine training with the Peruvian Joint Special Operations Command.
- **Civil Affairs.** In 2012, SOCSOUTH had eleven civil affairs teams helping nine partner nations reduce the vulnerability of key populations to influence by transnational organized crime or violent extremism. These civil affairs teams assisted with counter-recruitment programs and, in many cases, helped partner nations build their own civil affairs capacities.
- **Information Operations.** SOCSOUTH maintained military information support teams in seven key partner nations. These teams supported the DOD Rewards Program, the U.S. government's Anti-Trafficking in Persons Program, partner nation counter-recruitment programs, and active tip lines in support of the wider effort against transnational organized criminal and violent extremist organizations. The teams also helped three partner nations build their own information operations capacity.
- **Intelligence Analytical Support to U.S. Country Teams.** SOCSOUTH provides intelligence and counter-threat financing support to U.S. Country Teams in the region, focusing on terrorism, human smuggling networks, and transnational organized crime. In Colombia, SOCSOUTH supported Colombian War Plan "SWORD OF HONOR" by helping build intelligence collection, analysis, and dissemination capacity in newly established joint interagency task forces fighting the FARC.

- **Logistics Training and Advisory Team.** SOCSOUTH seeks to increase the logistics capacity of key partner nation units with the goal of continued sustainment. In 2012, SOCSOUTH provided subject matter expertise to enable key Colombia partner units to establish a sustainable weapons-repair capability and initiate the development of an aerial delivery capability. SOCSOUTH also assisted Peruvian units engaged in counter narco-terrorism operations to conduct a weapons inspection, which will serve as a starting point for future SOCSOUTH logistics engagement activities.
- **Building Intellectual Capital.** By partnering with academia, SOCSOUTH seeks to build critical thinking skills of key partner unit leadership, helping them to better confront complex irregular warfare challenges. In 2012, SOCSOUTH sponsored a “Counter FARC Ideological Activities” seminar in Colombia, and a “Counterterrorist Operations Planning” seminar in Peru in support of counter narco-terrorist operations. In Brazil, SOCSOUTH sponsored a “Joint Special Operations Task Force” seminar to assist in preparation for four major events, including the World Cup in 2014 and Summer Olympics in 2016.
- **FUERZAS COMANDO 2012:** A CJCS-approved, multinational, special operations interaction exercise consisting of a team-level special operations skills competition and a minister or cabinet-level distinguished visitors program. This year’s team competition was held in Tolemaida, Colombia. The distinguished visitor program focused on regional interagency coordination and joint/combined special operations in support of overseas contingency operations and was held in Bogota, Colombia. Twenty-one partner nations from the Western Hemisphere participated in the exercise, including Mexico, Canada, and Barbados.
 - **Due to budget uncertainty and possible sequestration cuts, USSOUTHCOM cancelled FUERZAS COMANDO 2013.**
- **FUSED RESPONSE 2012:** A CJCS-directed exercise designed to validate USSOUTHCOM crisis response capabilities. This year’s exercise was a level III exercise in Guyana, involving the participation of where interagency partners, US and host nation special operations forces and staff.

Chairman LEVIN. Thank you very much, General Kelly.

Let's try an 8-minute first round.

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

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

General JACOBY. Senator, yes, I do.

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

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

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

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

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

Chairman LEVIN. For the entire United States?

General JACOBY. That's correct.

Chairman LEVIN. Including the east coast at the moment?

General JACOBY. That's correct.

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

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

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

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

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

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

General JACOBY. That's correct, Senator.

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

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

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

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

General JACOBY. I would defer to the EUCOM commander.

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

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

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

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

Admiral STAVRIDIS. Yes, sir.

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

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

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

Admiral STAVRIDIS. Yes.

Chairman LEVIN. Do the Europeans like this approach?

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Admiral STAVRIDIS. Yes.

Chairman LEVIN. Good. Thank you.

Senator Inhofe.

Senator INHOFE. Thank you, Mr. Chairman.

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

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

We're talking about Iran now. Now, when you say that you're comfortable—I ask probably you, Admiral—with what we have in the place of what was taken down to accomplish that, is that depending upon the SM-3 IIA in any way?

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

Senator INHOFE. Europe and eastern United States?

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

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

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

Senator INHOFE. Admiral, you say yes, you need the SM-3 IIA, and yet our intelligence, as you heard me say several times and we talked about it in my office, would give us the system by—Iran would have a weapon and a delivery system by 2015. That's been in our intelligence estimate since 2007. We had General Kehler in here and he said, when I asked him that question—this is a quote now. He said: "I'm confident that we can defend against a limited attack from Iran, although we are not in the most optimum position"—"posture to do that today."

Do you agree with him?

Admiral STAVRIDIS. I think today what we have is the Phase 1 system, which is the SM-3 IA, a radar in Turkey, Aegis ship at sea. I would agree with him that we are not optimally positioned, and the faster we can bring on the additional phases the better, absolutely.

Senator INHOFE. Wouldn't we be better off if we had stayed with a system that would give us that capability by 2015, which was what they were anticipating at that time? Not that it makes a lot of difference. That was done. It shouldn't have been done, but it was done 4 years ago. But nonetheless I don't want to put you in that position.

Admiral Stavridis, how will the budget cuts impact the EUCOM missile defense program called the European Phased Adaptive—now, I want to ask that question—you've partially answered it—I'd like to get that for the record, because I want all the detail in on this as I can get, because I've been deeply disturbed since the

President's first budget came out 4 years ago when we did away with that system.

[The information referred to follows:]

On March 15, 2013, Secretary Hagel announced U.S. policy changes with regard to Ballistic Missile Defense, including Phase 4 of the European Phased Adaptive Approach (EPAA). EPAA Phase 4 was cancelled and the prime component of Phase 4—the SM-3 Block IIB—was put on hold. EPAA Phases 1-3, including Polish and Romanian “Aegis Ashore” sites, will provide the ballistic missile defense resources to meet the requirements to defend U.S. interests and support American commitments to our allies. The loss of EPAA Phase 4 will have no effect on EUCOM's regional ballistic missile defense requirements, but EUCOM will not have the capability to engage in the active defense of the U.S. Homeland.

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

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

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

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

They have fallen, if you will, to the number three producers of cocaine in the world. Number one and number two are Peru and Bolivia. The vast majority, in fact I would say 100 percent, of that cocaine goes into Brazil. Brazil is now the number two consumer of cocaine and also is the traffic path, if you will, to Africa and then further to Europe.

As I mentioned, Brazil is the number two consumer. When the cocaine gets to the west coast of Africa by various means, Africa is not a particularly big consumer of cocaine, but it's a trafficking

route up to northern—to the north and to Western Europe, which is a very big consumer of cocaine. Everyone takes a little bit. All the cartels, all the bad guys along the way, take a little bit of a cut.

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

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

General KELLY. Exactly. Exactly right, Senator.

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

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

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

Senator INHOFE. General Jacoby?

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

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

General?

General KELLY. No.

Senator INHOFE. Thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Inhofe.

Senator Reed.

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

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

Let me just begin with a question to Admiral Stavridis. Part of our long-term strategy with respect to Afghanistan, since it's a NATO operation as well as a United States operation, is continued support for the Africa security forces. Given the economic crises in Europe today, what's your perspective about their long-term commitment to supporting these international efforts?

Admiral STAVRIDIS. Sir, I think the Europeans will stay with us in Afghanistan. Historically, they've provided about one soldier for every two of ours, so about 33, 35 percent of the total force. That

holds true today. There's 68,000 U.S. and about 35,000, 40,000 Europeans there.

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

Senator REED. Thank you very much.

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

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

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

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

Senator REED. Thank you.

General Jacoby, your perspective?

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

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

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

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

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

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

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

Senator REED. Thank you.

General Kelly, from your perspective in SOUTHCOM?

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

Senator REED. Thank you.

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

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

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

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

One area that's been mentioned before is the foreign policy, if not the military role, of Iran and China in areas like SOUTHCOM. Have you noticed a significant increase in activity, not military ac-

tivity, but diplomatic activity, economic activity, by both these countries?

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

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

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

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

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

Senator REED. Thank you very much.

Thank you, gentlemen.

Chairman LEVIN. Thank you, Senator Reed.

Senator McCain.

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

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

Admiral STAVRIDIS. Yes, sir. It is obviously significant and negative in all elements that you mentioned. I want to begin by saying the particular area that I'm concerned about in morale and retention is in our civilian workforce, where we have these marvelous civilians who do extraordinary work, stand with us every single day, and yet they are facing the possibility of furloughs, 20 percent pay cuts, and so forth.

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

build this base of support I was talking to Senator Reed about in Afghanistan.

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

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

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

I would also say from a soldier's point of view on this, Senator, you know we have a generation and a force out there that knows what right looks like, and they know it's not right that they don't have the tools that they need to train and maintain readiness. Through 2013 the Services are very challenged to meet their readiness requirements and 2014 is really unknown at this point.

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

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

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

General KELLY. Exactly right.

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

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

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

General KELLY. I think the Senator knows—

Senator MCCAIN. I notice that all three are—

General KELLY. I have time in the ranks. I was a former enlisted marine. I admittedly look at a lot of these things through a sergeant's eyes and I'm proud of that. They're wondering what the heck's going on. Less than 6 or 8 months ago they were "Thank you

for your service” and “You guys are the greatest” and “You fought the wars.” The families, the Gold Star families, they’re confused now because it’s now dollars and cents. I think there’s a sense that we’ve begun to turn our backs on them, is how I see it.

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

Admiral STAVRIDIS. Yes, sir.

General JACOBY. I concur, Senator.

General KELLY. Yes, sir.

Senator MCCAIN. Thank you very much.

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

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

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

Admiral STAVRIDIS. Yes, sir, they are.

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

Admiral STAVRIDIS. Yes, sir, they are.

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

Admiral STAVRIDIS. Yes, sir.

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

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

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

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

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

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

Senator MCCAIN. But could I ask your personal opinion?

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

Senator MCCAIN. I thank you.

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

Isn’t it true—I think, General, you told me that the majority of drugs, cocaine, that comes into the United States comes across our

southern border? Maybe you could talk a little bit about the challenges that we face in securing this Nation from the flow of drugs, as well as that of people who come to this country illegally?

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

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

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

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

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

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

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

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

But once it gets ashore in Guatemala, in Honduras, and starts to flow through Guatemala, gets up into Mexico, which is again outside of my zone but a tremendous partner, it essentially enters a distribution system that is at least as effective as Federal Express. It is moved, broken down into packages, and makes its way across our southern border.

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

On the technology issue, there's a time—and this wasn't Kelly's idea. My predecessor put this together. Rather than have U.S. Navy ships and Coast Guard cutters just meandering their way across the ocean looking for people, they have it down to such a science down there now, basically using ISR, electronic intercepts,

and a lot of other means, highly technical means, essentially they can tell a U.S. Navy ship, we can tell a U.S. Navy ship or cutter, to go to a certain location on the ocean, kind of look off the starboard bow, and you see that guy going 40 knots, stop him. He has 4½ tons, and by the way, they can almost always give the name of the driver.

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

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

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

Senator MCCAIN. Thank you, Mr. Chairman.

Chairman LEVIN. Senator Blumenthal.

Senator BLUMENTHAL. Thank you, Mr. Chairman.

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

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

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

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

Senator BLUMENTHAL. Let me pursue the illegal drug trafficking question with a question about human trafficking, that is the flow of people, in effect, who are exploited either with bad working conditions, substandard working conditions there or in this country, sex exploitation and so forth. To what extent has that been a concern and what measures can be taken against it?

General KELLY. Let me—

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

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

So I look at high-value, high-interest people. You don't pay a lot of money to come from, say, Pakistan, fly to Latin America, and then get up into the United States. We're not talking about the

kind of people who are economic refugees. They have other business, if you will.

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

Senator BLUMENTHAL. General Jacoby.

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

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

Senator BLUMENTHAL. Admiral?

Admiral STAVRIDIS. Could I, two quick points on that. One is, in addition to everything Chuck just reeled off that moves on these networks, we need to remember the truly dark edge of the spectrum is WMD. These routes, the ability to move ten tons of cocaine in a mini-sub, well, if you can move 10 tons of cocaine you can put a crude nuclear device in that and move it into the homeland. So that's what I really worry about as the SOUTHCOM commander, and I think it is also very pertinent today when you look at proliferation.

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

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

Senator BLUMENTHAL. Are these—

General KELLY. Senator, if I could just comment.

Senator BLUMENTHAL. I'm sorry. Go ahead.

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

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

networking, the ruthlessness of it. But we need to remember they're true heroes in every sense of the word.

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

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

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

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

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

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

Admiral STAVRIDIS. Could I just add, one thing we've done, speaking of the away game, in EUCOM is put together a joint interagency counter-trafficking center, kind of modeled on Joint Interagency Task Force (JIATF)-South, the one down in Key West. Very low-cost, whole of government, bring in the partners and try and find and get at these routes, land, sea, and air. It's that whole-of-government interagency approach that will succeed.

Senator BLUMENTHAL. Thank you.

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

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

Chairman LEVIN. Thank you, Senator Blumenthal.

Senator Chambliss.

Senator CHAMBLISS. Thanks, Mr. Chairman.

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

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

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

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

[The information referred to follows:]

At this time we cannot confirm anything with respect to alleged chemical weapons use in Aleppo. The international community had proposed investigating chemical weapons use in Syria—which would include Aleppo but I understand such an investigation is held up over questions of scope and jurisdiction.

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

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

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

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

I think to the degree there are lessons learned here, you alluded to the intelligence piece, which I think is really the critical thing, because we have to defend hundreds of these critical locations all around the world. We need to ensure that as the intelligence breaks we are reacting as quickly as we can. Time and distance are a tyranny of their own.

I think the bottom line from this particular incident from a EUCOM perspective is the value of having these bases in Europe so that we can move these forces forward, and even within the European area we can move them from the north to the south and get

as close to the action as possible to support the combatant commander who's in charge, in this case Carter Ham.

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

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

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

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

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

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

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

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

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

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

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

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

change between our country and the Venezuelan Government, at least in the short term.

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

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

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

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

Admiral STAVRIDIS. Aye-aye, sir.

Senator CHAMBLISS. Thanks, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Chambliss.

Senator Donnelly.

Senator DONNELLY. Thank you, Mr. Chairman.

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

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

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

Senator DONNELLY. Sure.

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

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

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

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

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

Senator DONNELLY. Admiral, in regards to Syria, is there a fear or is there planning as to if and when Assad falls, fears of ethnic cleansing, religious cleansing and the danger that shows us?

Admiral STAVRIDIS. Sir, there is a great deal of danger in the end game scenario in Syria. Of course, I'm not a Syria expert. That's really General Mattis and CENTCOM. But I watch it closely because of my NATO hat. The closest analogue I could give you, sir, is think back to the Balkans in the 1990s, when we had competing ethnic, demographic, religious groups that really turned the Balkans into a nightmare for the better part of 10 years.

We saw in the Balkans 100,000 killed, 1 million people, 2 million people pushed across borders, 2 significant wars, 1 in Bosnia-Herzegovina, 1 in Serbia-Kosovo. I think, unfortunately, that's probably the future in Syria. It's going to be—after the Assad regime falls, I think there is every potential for a great deal of revenge killing, inter-religious conflict between various segments of the population. It's very difficult to see the pieces of Syria going back together again very easily.

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

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

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

Admiral STAVRIDIS. Yes and yes are the two quick answers. I think, just to put perspective on it, if you recall, 20 or 30 years ago, Cold War, we had 450,000 troops in Europe, 1,200 bases. We've come down 85 percent since then. So we have taken a great deal

of infrastructure out of Europe. As we've talked about at the hearing this morning, what remains are really forward operating bases that we need for access into Africa, the Levant, the near Middle East, and into Central Asia.

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

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

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

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

That means I have to be closely connected with all the other COCOMs and intelligence agencies. We cannot take our eye off the ball on the terrorist threat and al Qaeda; I think they still remain determined to attack the United States.

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

Finally, the no-notice catastrophic event in the Homeland and making sure that DOD is not late to need is something that increasingly occupies my attention. In just the year and a half I've been the commander, we've had three major hurricanes and two major wildfires, Hurricane Sandy being the worst of those. Those really are times where the expectations of our people are that DOD is going to provide assistance.

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

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

Thank you.

Chairman LEVIN. Thank you, Senator Donnelly.

Senator WICKER.

Senator WICKER. Thank you, Mr. Chairman.

Admiral Stavridis, let me do a little follow-up. Senator Donnelly just asked if and when Assad falls and you discussed his question about ethnic cleansing. If and when Assad falls, does EUCEM or

NATO have contingency plans to deal with the Syrian stockpile of chemical weapons?

Admiral STAVRIDIS. EUCOM does not. That would fall under General Mattis in CENTCOM.

Senator WICKER. Can you tell us anything about that?

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

Senator WICKER. Okay, thank you very much.

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

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

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

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

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

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

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

Senator WICKER. It does.

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

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

Admiral STAVRIDIS. All 28 nations had to agree.

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

Admiral STAVRIDIS. As I look back on 4 years as the NATO commander for operations, I look at all the things we've done—Afghanistan, counter-piracy, the current Syria mission with the Patriots, the Balkans. We've typically got 150,000 people out doing five or six operations around the world at any given moment. All of those decisions have been done by consensus.

There have been times when that has been frustrating and there have been times when it takes consensus-building, just like it does in any deliberative body. But as I look back on 4 years, I would say that it is reasonably effective at delivering operational capability. Having said all that, there are always going to be times when each nation must reserve to itself the right to act immediately. The United States has done that. I think we will continue to do that. We're not bound by NATO, but when we want to bring NATO along we go into this process. Again, looking back on 4 years, it's been reasonably successful in delivering capability for operations.

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

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

Senator WICKER. In what respect?

Admiral STAVRIDIS. In the sense that the Libyan operation began as a series of unilateral coalition of the willing operations, initially the French and the British. The United States jumped in, the Italians came in. At that point, after about 10 days to 2 weeks of that coalition of the willing operation, NATO stepped up and took over that operation and then ran the Libyan operation for the next 9 months.

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

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

Senator WICKER. We're far from that at this point?

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

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

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

Admiral STAVRIDIS. It has made it stronger.

Senator WICKER. Really?

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

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

Admiral STAVRIDIS. Right.

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

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

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

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

Admiral STAVRIDIS. Correct.

Senator WICKER. We certainly know that.

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

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

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

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

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

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

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

Senator WICKER. What suggestions would you have?

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

Senator WICKER. Thank you very much.

Admiral STAVRIDIS. Yes, sir.

Chairman LEVIN. Thank you, Senator Wicker.

Senator Kaine.

Senator KAINE. Thank you all for your testimony today.

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

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

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

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

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

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

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

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

Senator KAINE. It would also drive up prices—

General KELLY. It would drive up prices.

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

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

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

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

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

General KELLY. Yes, sir, zero or one.

Senator KAINÉ. While drugs are interdicted other than by the surface ships, the surface ships are really the key component to the interdiction effort?

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

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

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

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

General KELLY. They are that, yes, Senator.

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

We talked yesterday about just a small example of it, the Inter-American Defense College here in Washington that for 50 years has trained military officers from the hemisphere, who have often gone back and assumed key positions militarily or even in civilian political leadership. That is a very small line item, but it's something that's definitely jeopardized by our current budget woes?

General KELLY. Yes, Senator. I think in the last 50 years the Inter-American Defense College, which is here in Washington, doesn't work for me, but they've graduated something on the neighborhood of 2,500 graduates. Many of them have become general officers, admirals, down south. Many of them have become presidents, ministers of defense. It's a very effective program.

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

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

Senator KAINÉ. \$800,000.

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

General KELLY. They do. They have kind of a wide-open program, much as we have, but for the Chinese it's much easier. If you want to go, you can go. As I mentioned yesterday, a lot of the offi-

cers from Latin America go. They don't get much out of it, but it's a year abroad and it's very easy, where we have similar programs in the United States and they're very popular down south.

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

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

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

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

General JACOBY. Senator, I'm happy to report we have a strong military-to-military relationship with Mexico. It's a relatively recent phenomenon. I've been involved with Mexico over the last decade or so, and it's really in the last 3 to 4 years that our military-to-military engagement has become a rich exchange between equals. We're developing a great partnership.

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

Senator Kaine. Great.

Thank you very much.

Chairman LEVIN. Thank you, Senator Kaine.

Senator Fischer.

Senator FISCHER. Thank you, Mr. Chairman.

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

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

How long would it take to construct a missile defense site on the east coast?

General JACOBY. It's a pretty complicated proposition, from the studies required, the environmental impact statements, and then, depending on the site, this could be an issue of years to get another missile site done, whether it's on the east coast or wherever it might be. So it's quite a proposition, and to that end we are happy to be conducting the study that was directed in the NDAA to pro-

vide decision points along the way to make sure that we're outpacing the threat.

Senator FISCHER. I know in my home State in highway construction an environmental impact statement can take 5 to 7 years sometimes. Would that apply to a missile site as well?

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

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

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

Senator FISCHER. Will the SM-3 Block IIA missile be deployed by 2015?

General JACOBY. I'll defer to—that won't be part of the Homeland defense, the Block IIA.

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

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

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

Senator FISCHER. Thank you.

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

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

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

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

Senator FISCHER. Thank you.

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

General KELLY. Yes, Senator. The Chinese first and foremost are very, very active in Latin America commercially. When they want to buy something, they buy it in very, very large numbers, whether it's soybeans in the far south of the Southern Cone, oil from Ven-

ezuela. They're in there in a big way buying up commodities primarily.

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

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

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

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

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

They're also looking to the U.N. and influencing the U.N. They have certain agenda items that if they could get more votes in the U.N. they might be—they might get those agenda items. So that's where they are on this.

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

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

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

But they're all, I think, good trading partners with a country that is willing to trade and undercut things and make it happen. Again, not a threat in that regard, but certainly if we want to remain the partner of choice, we the United States of America, we're certainly doing that at the military-to-military level for the most part. We're doing that in the law enforcement level, as we help them, many countries, deal with their drug problems and their

money-laundering problems. But there are other aspects of military or national instruments of power that other countries have replaced us or certainly are enjoying success in replacing us.

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

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

Senator FISCHER. Thank you, sir.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Fischer.

Senator King.

Senator KING. Thanks, Mr. Chairman.

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

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

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

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

General KELLY. They have managers and personnel. There are many Panamanians that are involved in the process as well, but they do have contractual arrangements with the ports on either end of the canal.

Senator KING. Thank you.

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

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

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

Senator KING. You gentlemen would agree?

A different question. Again Admiral Stavridis: Benghazi and forces in Europe in a time of fiscal austerity, reducing footprints. Is there a middle ground that would allow the positioning of small-

er strike forces, if you will, to respond to a situation like Benghazi, as opposed to maintaining a large footprint generally? Do you see what I'm getting at?

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

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

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

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

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

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

Senator KING. Again changing the subject, trying to hit a lot of areas, several of you—you all have mentioned the criminal network. I was interested. How organized and unified is it? Is it a criminal network? This is reminding me of the old James Bond movie, books in the 1970s, where there was this criminal network that was organized, that had a boss and a set of underlings and a structure. Is that what we're dealing with, or are we dealing with a whole bunch of random bad guys?

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

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

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

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

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

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

Senator KING. Thank you.

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

Chairman LEVIN. Thank you very much, Senator King.

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

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

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

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

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

Your answers were very, it seems to me, illuminating, that yes, there could be that kind of protection of a, I think you indicated or he indicated, a 20-mile wide zone. I think that really is subject

to some very serious consideration myself, because I think we have to step up the military—our military effort against Assad in some ways, whether it's some kind of a safe zone that we help protect along the border inside of Syria, whether it's going after their air defenses, or whether it's going after some of their air force.

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

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

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

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

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

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

Admiral STAVRIDIS. Yes, sir.

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

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

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

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

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

Admiral STAVRIDIS. Yes, sir.

Chairman LEVIN.—we'd appreciate it.

I will stop right there. Senator Inhofe.

Senator INHOFE. Thank you, Mr. Chairman.

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

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

Senator INHOFE. Yes, I think that was the idea. I believe you said that in terms of the eastern United States, the SM-3 IIA is not something that would work, not fast enough and so forth. However, that would have application in Europe. Is that correct?

Admiral STAVRIDIS. Exactly, exactly.

Senator INHOFE. All right, it would have application in Europe. I know that something less desirable, less effective, would be the SM-3 IB, which is ready now or pretty close to it, is that correct?

Admiral STAVRIDIS. Yes.

Senator INHOFE. But the IB does not have the protection that the IIA has, is that correct?

Admiral STAVRIDIS. Yes, sir.

Senator INHOFE. I guess what I was trying to get to is, the IIA—right now we're still looking, we're looking at 2018. Our intelligence still says that they're going to have, Iran would have that capability by 2015. Now, it's that time frame in there in terms of Europe that I am concerned about. So I ask the same question in terms of what is your concern over that 3-year period between 2015 and 2018 in Europe, not in the United States?

Admiral STAVRIDIS. We are concerned about it. We'll need to continue to analyze the Iranian movement, and if it continues to move we'll need to go back and see if we can accelerate our own capability. It is of concern and we'll track it very closely, Senator.

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

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

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

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

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

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

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

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

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

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

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

Senator INHOFE. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Inhofe.

Senator Shaheen.

Senator SHAHEEN. Thank you, Mr. Chairman.

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

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

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

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

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

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

defense spending here in the United States, so we get the resources back in balance between both sides of the Atlantic.

Now, that's the challenge. On the positive side, in terms of the strategic concept, it's now been in place for almost 3 years. I think NATO is living up to the strategic concept, which is to say we are doing crisis management operations in places like Afghanistan, where we still have 100,000 troops, on piracy off the Horn of Africa, where we typically have 4 to 6 ships operating, and we've seen piracy go down by 70 percent, the Balkans, where we have 6,000 troops, 90 percent of them Europeans, our operations in Libya a year ago.

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

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

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

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

Senator SHAHEEN. I think we all appreciate the financial situation that Europe has been in over the last 4 years. How much of your concern is related to a commitment to the burden-sharing and how much of it is concern that once they come out of the financial situation that that commitment may not be there?

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

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

My sense in my conversations, what I can read and see and feel after 4 years in Europe, is that the commitment to the alliance remains strong.

Senator SHAHEEN. Good.

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

Admiral STAVRIDIS. I can. I'd actually start by looking back for a moment. If we look back, 10 to 15 years ago we saw a disaster in the Balkans comparable to what we see in Syria today. In that

period of time we saw 8,000 men and boys killed in Srebrenica in a matter of days. We saw genocide. We saw 100,000 people killed, millions pushed across borders, two major wars.

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

I think we're very close to a real settlement between Kosovo and Serbia. That will allow us to draw down our forces in KFOR, Kosovo. Today we have about 6,000 there. When I came into the job 4 years ago we had 15,000. That's in and of itself a sign of real progress. If the talks bear fruit, I think we'll be able to drive that force down as early as late this year. So stay tuned. I think there's more progress ahead in the Balkans.

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

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

Senator SHAHEEN. That would be great.

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

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

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

Senator SHAHEEN. Good. Thank you very much.

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

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

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

General KELLY. I'll say thanks then.

Senator SHAHEEN. Thank you.

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

Chairman LEVIN. Sure.

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

Senator SHAHEEN. Thank you.

Thank you, General Kelly.

Chairman LEVIN. Thank you, Senator Shaheen.

Senator Kaine for your second round.

Senator KAINE. Thank you.

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

This is a very important partnership and all the testimony I would have a strong accord with. But there is this concern that you raised in your written testimony, that I know concerns many of us, and that's the eroding relationship between Turkey and Israel. What is your command doing or what can the EUCOM do to begin to try to make that better, at least on the military to military level?

Admiral STAVRIDIS. You're absolutely right to be concerned about it. We are very concerned about it, both from an Israeli friend perspective and a Turkish friend perspective. This was a very strong relationship 3 years ago before this tragic incident that caused the two of them to split apart.

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

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

Senator KAINE. Great. Thank you very much.

Admiral STAVRIDIS. Yes, sir.

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

Senator SHAHEEN. Okay. I just have two follow-up questions. One is on Georgia. Admiral Stavridis, there's been a lot of discus-

sion with Georgia about potential future NATO membership, and I just wondered where you think they are in terms of the prospects. I know many of us have watched their election with some concern in the post-election period and we're looking to see that they continue the democratic reforms that have been started there.

But I wonder if you could give us an update?

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

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

You're correct to focus on the political element of this. That will be very important to NATO moving forward. I'm headed over to Georgia in about 2 weeks and I'll have a chance to meet the new leadership team over there, as well as the continued president.

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

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

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

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

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

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

General KELLY. Senator, if I could, since we're talking about the Guard, I do want to mention that we lost some guardsmen this

year fighting fires, brave men and women of the North Carolina Air National Guard, 145th Airlift Wing. It just reminds us that even supporting our citizens in the Homeland can be a dangerous activity—

Senator SHAHEEN. Absolutely.

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

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

Chairman LEVIN. Thank you very much, Senator Shaheen.

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

Admiral STAVRIDIS. I do.

Chairman LEVIN. Any additional questions, colleagues? [No response.]

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

Thank you. This hearing is adjourned.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR CARL LEVIN

HEALTH ISSUES AT GUANTANAMO DETENTION FACILITY

1. Senator LEVIN. General Kelly, as the detainee population at the Guantanamo Bay (GTMO) detention facility ages, concerns have arisen over how well that facility is equipped to address age-related health issues. What medical issues or challenges do you anticipate in the coming years at Joint Task Force-Guantanamo (JTF-GTMO), in particular with respect to age-related health issues?

General KELLY. In the coming years, detainees are likely to require more health care due to a number of factors. First, as mentioned, the population is aging and like any other aging population we expect them to have more health problems and require health care that outpaces current capability on island. This would likely include heart and circulatory problems like hypertension, liver and kidney disease, diabetes, stroke, or cancer. This problem becomes more complex when the health care issues require specialized treatment for emergencies, chronic medical issues, or mental health issues. Second, many detainees came to GTMO with health issues that had been unrecognized or untreated in their countries of origin, resulting in accelerated progression of disease. Finally, many of the detainees do not consent to health care treatment and/or medication that is prescribed by the military health care professionals caring for them. This circumstance often prevents healing, or exacerbates an existing condition.

2. Senator LEVIN. General Kelly, what is the legal obligation of the United States to provide for the medical treatment of detainees, including in particular with regard to providing lifesaving or emergency procedures that are readily available in the contiguous United States (CONUS) but not at the GTMO detention facility?

General KELLY. The legal obligation of the United States for the medical treatment of detainees is rooted in international law, Common Article 3 of the Geneva Conventions, and the Detainee Treatment Act of 2005. These principles of law are reflected in Department of Defense Instruction, "Medical Program Support for Detainee Operations," which provides that "to the extent practicable, treatment of detainees should be guided by professional judgments and standards similar to those applied to personnel of the U.S. Armed Forces."

Detainee health care is provided by the JTF-GTMO Joint Medical Group (JMG), a group of more than 100 uniformed military health care professionals, and supported by the Guantanamo Bay U.S. Naval Hospital. These doctors, nurses, and support personnel provide detainees the same level of general health care given to U.S. Armed Forces, applying identical professional judgments and standards in caring for the detainee population. This health care includes providing lifesaving and emergency services to the extent they are available at Guantanamo through the

JMG detainee health clinic and the Naval Hospital. Sustained medical care for more complex and enduring illnesses may exceed the capabilities of Guantanamo Bay, and are case dependent.

QUESTIONS SUBMITTED BY SENATOR BILL NELSON

601ST AIR OPERATIONS CENTER AT TYNDALL AIR FORCE BASE

3. Senator NELSON. General Jacoby, the 601st at Tyndall Air Force Base (AFB) supports 1st Air Force (AFNORTH), the North American Aerospace Defense Command (NORAD), and U.S. Northern Command (NORTHCOM). The Air and Space Operations Center (AOC), which operates 24 hours a day, 7 days a week, 365 days a year, provides aerospace warning and control for NORAD defensive counter-air activities, and directs joint air, sea and land forces in support of NORTHCOM homeland security and civil support missions. Given the vital nature of its mission, will the 601st AOC receive adequate funding under the sequester to provide for the proper air defense of North America?

General JACOBY. The 601st AOC's NORAD mission to provide Aerospace Warning and Aerospace Control is an important part of the entire Homeland Defense mission. We continue to work with our force providers and interagency partners to ensure infrastructure and personnel are resourced appropriately in order to provide a robust and sustainable aerospace defense network. In fiscal year 2013, adequate funding for the 601st AOC was provided through the recently passed fiscal year 2013 DOD Appropriations Bill. At this time, it is too early to make a determination on fiscal year 2014 funding levels; however, I will continue to work with our force providers to ensure this mission is resourced at appropriate levels.

FLORIDA AIR NATIONAL GUARD

4. Senator NELSON. General Jacoby, Florida Air National Guard F-15s of the 125th Fighter Wing, located in Jacksonville and forward deployed to Homestead, provide air sovereignty for the Southeastern United States. The sequester has cut their flying hours by 57 percent. How will you ensure that the National Guard Pilots are ready to fly when they have to scramble to intercept an enemy aircraft?

General JACOBY. The Air National Guard (ANG) as a whole began cutting their flying hour budget by 57 percent in February 2013 in anticipation of sequestration and the Continuing Resolution not being passed. In the weeks since those initial cuts, the fiscal year 2013 DOD Appropriations Bill passed, which restored original Air National Guard flying hours. ANG Aerospace Control Alert (ACA) units will have adequate flying hours to maintain required Combat Mission Ready (CMR)/Basic Mission Capable (BMC) levels to conduct the ACA mission throughout fiscal year 2013. It is unknown if sequestration will impact ACA for fiscal year 2014.

NORAD maintains a regular dialogue with our force providers to ensure that, as a team, we get the missions right. Throughout the course of sequestration, our staff (and in the case of air defense missions, our air component, Continental NORAD Region) has expended a great deal of effort to monitor and coordinate with our force providers to ensure that DOD's primary mission for defense of the homeland remains capable and robust.

QUESTIONS SUBMITTED BY SENATOR JOE MANCHIN III

ISRAEL'S SECURITY

5. Senator MANCHIN. Admiral Stavridis, the United States does not have a greater ally in the Middle East than Israel. In your posture statement, you discussed several aspects of our military partnership with Israel. With the continued development of Iran's nuclear program and the transitions underway throughout the Arab world, Israel is entering a period of increasing uncertainty and needs our strong support more than ever. How will U.S. European Command (EUCOM) continue to prioritize its high level of support for the defense of Israel despite the fiscal challenges we currently face?

Admiral STAVRIDIS. Israel remains my first priority country as Commander of EUCOM. We enjoy the strongest military-to-military relationship I've ever seen, and I expect that will continue. Nonetheless, the recent fiscal restraints in DOD creates new challenges for EUCOM in sustaining our military-to-military relationship with Israel, and sequestration requires creative solutions. For example, Israel has the greatest number of key leader engagements compared with our other partners. We

will continue these engagements, but, where appropriate, reduce the size of the accompanying support staff. Additionally, we will use to a greater extent the video tele-conferencing capability developed over the last several years. I can assure the committee, however, that we will continue to maintain our established relationships at all levels with the Israel Defense Forces and to press forward with critical planning events. Sequestration will not immediately affect U.S. or Israeli Defense Forces readiness or capabilities to meet the challenges of the potential threats in the Middle East.

NATIONAL GUARD STATE PARTNERSHIP PROGRAM

6. Senator MANCHIN. General Kelly, I am proud that West Virginia was one of the first States to implement the National Guard's State Partnership Program (SPP) by forming a partnership with the Peruvian Government in 1996. This program was created to strengthen the relationship between the military and civilians, and I know we've had rural health experts accompany our National Guard to Peru. I read in your posture statement that you have been forced to cancel more than 90 events within this program. What specific impacts will sequestration have on the National Guard Partnership Program?

General KELLY. The fiscal year 2013 sequestration has forced me to make tough decisions about SPP activities in the SOUTHCOM area of responsibility. For example, in Peru, sequestration has a relatively minor impact on the program. Budget cuts to Traditional Commander Activities (TCA) funding resulted in the cancellation of three SPP engagement events in Peru. On the opposite side of the spectrum, sequestration has a major impact on the program in Nicaragua, where TCA funding cuts resulted in a loss of 11 military-to-military engagements in that country, 7 of which were under the SPP. fiscal year 2013 sequestration has disrupted the Security Cooperation Organization's ability to pursue short-term objectives identified within individual Country Cooperation Plans and the SPP's ability to leverage the additional funding from TCA, due to large cuts that also occurred in that program.

While no irreparable damage was done in the fiscal year 2013 cuts, in my assessment, a multi-year sequestration would critically damage long term enduring relationships between the United States and partner nations. Sequestration over a longer period will degrade partner nation security forces capability, decrease partner nation confidence in U.S. commitment to security in the region and further degrade our ability to access partner nation senior leadership for key leader engagement, crisis response planning, or other Defense Department issues.

NORTHCOM-SOUTHCOM COOPERATION ON COUNTERNARCOTICS

7. Senator MANCHIN. General Jacoby and General Kelly, your geographic areas of responsibility touch (AOR) each other, meeting at the southern border of Mexico with Central America. It is clear that you both share the mission of countering the drug trade and the insecurity that it brings with it. How are your two commands working together to stem the flow of narcotics into the United States from Latin America?

General JACOBY. NORTHCOM and SOUTHCOM are working with the Mexican and Central American authorities to enhance their capability and capacity to counter illicit narcotics trafficking activity throughout the region through staff talks, regional syndicates, and mutual attendance at Theater Security Cooperation engagements. This approach includes an emphasis on the Mexico, Guatemala, and Belize border region where the goals for reducing regional insecurity include improving border security, enhancing partner country interdiction capabilities, improving domain awareness, fostering regional cooperation (including interoperability), and building the security foundation for whole-of-government approaches to extending the effective authority of the state in vulnerable regions.

NORTHCOM co-hosted a Mexico/Guatemala/Belize Working Group Meeting with SOUTHCOM to discuss the Mexican Southern Border. This resulted in NORTHCOM, SOUTHCOM, and our regional partners agreeing to conduct a series of workshops emphasizing the improvement of communications, surveillance, and border security. We focus on enhancing the partnerships between U.S. law enforcement agencies and respective partner nation law enforcement agencies to build capacity along the Mexico, Guatemala, and Belize border. This parallels the efforts of NORTHCOM and SOUTHCOM with the Mexican, Guatemalan, and Belizean militaries.

General KELLY. SOUTHCOM works with NORTHCOM on several initiatives to disrupt the flow of narcotics into the United States. First, the two combatant com-

mands partner with the governments of Mexico, Belize, and Guatemala to host regular conferences and operational workshops addressing the shared security challenges that transnational organized crime exacerbates. Second, SOUTHCOM assists NORTHCOM by disrupting illegal products and criminal networks along the southern approaches to the United States. Toward this end, SOUTHCOM supports Department of State and partner nation eradication efforts in the source zones located in South America. We also fulfill our statutory responsibility for the detection and monitoring of aerial and maritime transit of illegal drugs into the United States, primarily through Joint Interagency Task Force-South.

Further, SOUTHCOM and NORTHCOM consistently share information and intelligence on people, products, networks, tactics, and operations that facilitate transnational criminal networks. Other information sharing mechanisms include joint discussions on partner nation engagement, strategic communication, and the evolution of our command arrangement agreement to harmonize counter-narcotic efforts. These interactions focus primarily on an integrated, hemispheric approach to combating transnational organized crime in the Western Hemisphere, especially along the border shared among Mexico, Guatemala, and Belize.

8. Senator MANCHIN. General Jacoby and General Kelly, how are you each encouraging your partner nations to work together and share intelligence to combat the drug trade?

General JACOBY. Our commands sponsor the Mexican/Guatemalan/Belizean Border Security Workshop series, which emphasizes communications, surveillance, and shared border security interests. The workshops focus on enhancing partnerships between U.S. law enforcement agencies and respective partner nation law enforcement agencies to build capacity along the Mexico, Guatemala, and Belize border. This parallels the efforts of NORTHCOM and SOUTHCOM with the Mexican, Guatemalan, and Belizean militaries.

(U) Operation Martillo is another salient example of regional partners working together and sharing information. Operation Martillo is a counter illicit trafficking operation, led and implemented by the Department of Defense under the auspices of Joint Interagency Task Force-South, SOUTHCOM, and NORTHCOM. The operation includes participation from Central American partner nations, Mexico, Colombia, Canada, and several European countries. Operation Martillo has proven to be a critical component of the U.S. Government's coordinated interagency regional security strategy in support of the Central America Regional Security Initiative and the President's Strategy to Combat Transnational Organized Crime.

General KELLY. The expanded awareness of illicit activities as a hemispheric problem has resulted in the expansion of traditional partnerships to include extra-regional countries like Mexico and Canada, bringing an added dimension to international collaboration. We have been able to leverage strategic partners, like Colombia and Brazil, to take on leadership roles and export knowledge and lessons learned throughout the region.

SOUTHCOM also provides the technology employed by most partner nations to share intelligence and information with their counterparts with intelligence networks that span the entire AOR.

SOUTHCOM promotes regional cooperation and intelligence sharing among partner nations by underscoring that transnational organized crime (TOC) as a hemispheric problem requiring regional collaboration to counter it successfully. Through conferences, workshops, bilateral and multilateral events, we have been able to expose partner nations to a new analytical tool that has changed the way intelligence and information is shared with and among our partner nations. The Whole-of-Society Information Sharing for Regional Display (WISRD), enables each country to share their respective intelligence in the form of layers (time, event, survey, gangs, cartels, etc), which result in a three dimensional regional common operating picture (COP) of the TOC environment. The COP provides a comprehensive common characterization that helps identify intelligence gaps so nations can work together to satisfy these intelligence gaps. Several Central/South American countries are currently using WISRD successfully.

Operation Martillo, a joint and combined operation against illicit trafficking, is a great example of how successful we have been in reaching our partners with our TOC message. Its success is attributed to the increased cooperation among all the participating nations as they fight against national, regional, and international security TOC challenges. All the Central American nations, the United States, European allies, Canadians, et cetera, are collaborating more than ever before as a direct result of Operation Martillo.

DUAL-STATUS COMMANDER

9. Senator MANCHIN. General Jacoby, I have long said that the National Guard presents the best value for the taxpayer's dollar. I would like your views on the dual-status commander concept that aligns both National Guard and Federal forces under a single leader. While first responders and local volunteers might suffice in routine emergencies, complex disaster responses like Hurricane Sandy often span multiple States and municipalities. The dual-status commander was designed to bring a unity of effort to the Department of Defense (DOD) disaster response. What lessons did you learn from Hurricane Sandy about the relatively new dual-status commander concept?

General JACOBY. DSCA is a core DOD task for which the total force is committed. A fundamental change in how we execute our civil support mission is the use of Dual Status Commanders (DSC)—perhaps one of the most important initiatives taken in the area of DSCA in a decade. The Secretary of Defense and State Governors certify senior military officers to simultaneously command Federal and State military forces employed in support of civil authorities, unifying DOD assistance to the affected community. DSCs provide effective organizational structure and leadership that are vital to the successful management and operations of Federal and large State military force packages supporting State and local authorities.

Hurricane Sandy offered us a glimpse of what a complex catastrophe spanning several States and regions could look like, when flooding and winds knocked out power, disrupted fuel and food distribution and pushed the limits of what local responders could handle themselves. But Sandy helped us to mature the new Dual Status Commander concept that allows a single officer to oversee both State National Guard and Federal military response, enabling us to be even better prepared and ready to act swiftly and with unity of effort if the unthinkable happens in our Homeland.

Three key lessons we learned from Hurricane Sandy include: (1) continue to mature the process for establishing DSCs during limited/no notice events like hurricanes—we are working with OSD to codify this process in a new Department of Defense Instruction to make sure we all understand and follow this process; (2) establish clear reporting chains for our DSCs so there is no confusion on what the T10 reporting chain will be—we are working internally as well as socializing with National Guard Bureau and States to ensure we have appropriate options for the proper command and control of our DSCs for future events; and (3) continue to analyze how multiple DSCs will be resourced for catastrophic events where we will have many demands for limited DOD resources—we are continuing to work with OSD on catastrophic event response to include the employment of DSCs in multiple adjacent states.

I am convinced that DSCs are the right answer to manage a total force response—to include DOD Active Duty, State National Guard, and Reserve Forces—to both facilitate unity of effort and leverage NORTHCOM's supporting role to primary agencies before, during, and after a natural or manmade disaster.

 QUESTIONS SUBMITTED BY SENATOR KAY R. HAGAN

HEZBOLLAH'S ACTIVITIES IN EUROPE

10. Senator HAGAN. Admiral Stavridis, last month, the Bulgarian Government implicated Lebanese as a Hezbollah proxy of Iran in the fatal bomb attack on Israeli vacationers in Sofia last summer. What is your assessment of this announcement on other European Governments and militaries?

Admiral STAVRIDIS. [Deleted.]

11. Senator HAGAN. Admiral Stavridis, in your view, are military leaders in other European capitals fully aware of Hezbollah activities across Europe?

Admiral STAVRIDIS. [Deleted.]

12. Senator HAGAN. Admiral Stavridis, will Hezbollah's involvement in this bombing change the posture of governments in Europe on Hezbollah and its motives?

Admiral STAVRIDIS. [Deleted.]

QUESTIONS SUBMITTED BY SENATOR JAMES M. INHOFE

HOMELAND MISSILE DEFENSE

13. Senator INHOFE. General Jacoby, you stated during your testimony that you agreed with a recent statement by General Kehler, Commander of U.S. Strategic Command, in which he said “I’m confident that we can defend against a limited attack from Iran, although we are not in the most optimum posture to do that today.” You went on to say that you “remain concerned about Iran” and “exploring a third site is an important next step. What a third site gives me, whether it’s on the East Coast or an alternate location, would be increased battle space. That means, increased opportunity for me to engage threats from either Iran or North Korea.” In what ways will the “increased battle space” provided by a third site on the East Coast help mitigate risk in defending the United States against an evolving ballistic missile threat from Iran?

General JACOBY. [Deleted.]

14. Senator INHOFE. General Jacoby, will you please provide unclassified and classified details as to the benefit for the Ground-Based Midcourse Defense System (GBMD) of deploying the GBR-P (X-Band) Radar to a location on the east coast of the United States?

General JACOBY. [Deleted.]

REGIONAL MISSILE DEFENSE

15. Senator INHOFE. Admiral Stavridis, after Exercise Austere Challenge last fall practiced our air and missile defense coordination with Israel, what areas do you assess that we need to work on to improve our capability to defend Israel?

Admiral STAVRIDIS. [Deleted.]

16. Senator INHOFE. Admiral Stavridis, what is your assessment of our current missile defense cooperation with Israel?

Admiral STAVRIDIS. [Deleted.]

17. Senator INHOFE. Admiral Stavridis, does cancellation of the SM-3 IIB system leave any part of North Atlantic Treaty Organization (NATO) territory in Europe unprotected from a missile attack from Iran?

Admiral STAVRIDIS. No. Analysis of the defensive capability of the European Phased Adaptive Approach (EPAA) Phases 1–3 is based on intelligence of threat capabilities, as well as initial, low fidelity modeling of planned capabilities—including the Polish and Romanian Aegis Ashore sites. This analysis confirms that EUCOM will have the ballistic missile defense resources to meet U.S. requirements to defend U.S. interests and support American commitments to our allies in the 2018 timeframe. The loss of EPAA Phase 4 will have no effect on EUCOM’s regional ballistic missile defense requirements.

18. Senator INHOFE. Admiral Stavridis, how have our allies reacted to the cancellation of the SM-3 IIB?

Admiral STAVRIDIS. I think the overall reaction is neutral, but may be trending slightly negative. We received very subdued responses since the announcement. I would highlight the reaction of two allies, the Czech Republic and Poland. The Czechs were not surprised, which I attribute to their understanding of U.S.-European politics and being able to see the larger picture. Similarly, the Poles have indicated they were satisfied with how they were notified on the cancellation of Phase IV. I think the U.S. message is solid and reinforces progress through Phase III, but all maintain a watchful eye for further cuts and their potential impacts.

19. Senator INHOFE. Admiral Stavridis, assuming Iran acquires the ability to launch an intercontinental ballistic missile (ICBM) in 2015, 3 years before the integration of the SM-3 IIA, will you please provide one or more graphic depictions of the territory that can be protected by the SM-3 IB assuming you are limited to the Romanian land-based interceptor site and have access to only two Aegis Ballistic Missile Defense (BMD)-capable ships that are tethered to a specified limited operating area?

Admiral STAVRIDIS. As the SM-3 IB is still in development, and since EUCOM does not possess the modeling software for such an analysis, I respectfully request this question be referred to the Missile Defense Agency.

COUNTERNARCOTICS/ILLCIT TRAFFICKING

20. Senator INHOFE. General Kelly, U.S. Southern Command (SOUTHCOM) has historically been under-resourced. Now under sequestration, your efforts stand to be significantly impacted. The Navy has already cut short or cancelled the deployment of several ships to your AOR in 2013, including 3 frigates and the hospital ship USNS *Comfort*. You note in your opening statement that sequestration will “cripple your operational effectiveness”. What priorities within your AOR will suffer the most under sequestration?

General KELLY. The primary Intermediate Military Objective (IMO #1) in SOUTHCOM's Area of Responsibility (AOR) is Countering Transnational Organized Crime. Under sequestration, the loss or curtailment of maritime, aviation, personnel, and funding assets across the services and organizations that provide this command with resources to accomplish this objective will have significant detrimental effects to our ability to effectively execute our assigned mission. Specifically, the loss or curtailment of scheduled deployments of ships and aircraft means that the persistent U.S. presence required to ensure the success of Operation Martillo will be substantially degraded. Operation Martillo is the multinational, effects-based operation originally designed to deny use of the littoral trafficking routes of Central America. It is the first truly whole of region response to transnational organized crime. The loss of a persistent U.S. presence in the Operation Martillo focus areas sends an ambiguous message to our regional partners about our willingness to counter a regional threat and to conduct sustained detection and monitoring (D&M) against the flow of cocaine towards the United States.

21. Senator INHOFE. General Kelly, where do you stand to accept the greatest risk?

General KELLY. The greatest risk and the one that presents us the greatest challenge is the impact of sequestration on our ability to effectively execute SOUTHCOM's statutory detection and monitoring (D&M) mission under 10 U.S.C. § 124. The loss of air and maritime assets and associated systems will result in a commensurate loss of capability to effectively execute this mission. The extensive size of the SOUTHCOM AOR imposes a significant challenge with respect to domain awareness, and although we will still be able to execute detection and monitoring operations in areas where an asset is available and assigned, the expected loss of air and maritime assets will mean vast areas of the AOR will simply go unmonitored.

Additionally, the loss of these mission-critical assets will significantly degrade our ability to contribute to the Office of National Drug Control Policy's (ONDCP) goal of 40 percent interdiction of cocaine by 2015.

22. Senator INHOFE. General Kelly, one of the most effective tools you have to support the interdiction of drugs and illicit materials before they enter the United States is through the Joint Interagency Task Force-South (JIATF-South). You note in your prepared remarks that in 2012 alone, JIATF-South was directly responsible for the interdiction of 152 tons of drugs worth an estimated \$3 billion. How would you assess the importance of JIATF-South to your operations and priorities within the SOUTHCOM AOR?

General KELLY. JIATF-South operations are critical to SOUTHCOM's mission and to the operations of four other Combatant Commands (COCOM). JIATF-South Joint Operations Area extends across all COCOMs with the exception of United States Central Command, and their detection and monitoring mission supports the statutory efforts of all of these commands. JIATF-South serves as the primary executor of daily statutory 10 U.S.C. § 124 detection and monitoring operations and provides command and control for interdiction operations in the SOUTHCOM AOR. JIATF-South also acts as the primary conduit for intelligence flow throughout the AOR, and is the central hub for the interagency fusion, collaboration, and exploitation of available information. In 2012, working with an operating budget around \$50 million, JIATF-South contributed to the removal of over 152 metric tons of cocaine worth over \$3 billion by focusing their efforts near the Source Zone. This is 61 percent of all the cocaine removed from the Western Hemisphere Transit Zone. To provide the value in perspective, of the \$25.2 billion ONDCP's U.S. Counterdrug Budget, \$9.4 billion was spent by U.S. domestic law enforcement which interdicted or disrupted 26 metric tons of cocaine at all the land, air and sea ports of entry in the United States, and 35 metric tons taken internal to the country by domestic Law Enforcement. Each year, JIATF-South demonstrates its value as a center of excellence for intelligence fusion and interagency coordination. Despite the relative lack of operational assets in this AOR, these other activities have dramatically en-

hanced SOUTHCOM's operational effectiveness. Without the necessary aircraft and ships to support the mission, reliance upon intelligence and our work within the interagency and with Partner Nations take on a greater role. Fused-Intelligence Driven operations conducted in support of, and coordinated with, Interagency priorities will enhance the precision and effectiveness with which JIATF-South executes their D&M mission. The role has not changed from how we do business now, but even greater emphasis will need to be placed on fewer resources to perform the same mission.

23. Senator INHOFE. General Kelly, what do you assess the impact of sequestration will be to the effectiveness of JIATF-South operations?

General KELLY. My assessment is that JIATF-South's ability to perform their statutory 10 U.S.C. § 124 detection and monitoring (D&M) mission will be degraded. Their operational effectiveness will be reduced by an estimated 37 percent when compared to fiscal year 2012. Additionally, their ability to contribute to ONDCP's 40 percent cocaine interdiction goal by 2015 will be similarly affected. Simply put, more cocaine will reach American shores due to this degradation.

24. Senator INHOFE. General Kelly, what, if any, ongoing or planned programs within JIATF-South will be cancelled as a result of the cuts associated with sequestration?

General KELLY. No specific programs will be cancelled as JIATF-South operates under three funding programs that remain intact; however JIATF-South planned operations have been severely impacted. For example, Operation Atlantic Watch, a combined operation with the United Kingdom, France, Brazil, and the U.S. Coast Guard (USCG) has been cancelled as a direct result of sequestration impacts on available U.S. resources. Without U.S. air and maritime assets to support this operation, the British, French, and Brazilian Governments were unwilling to commit their valuable resources towards this operation. Atlantic Watch focused on the Atlantic area of operations and typically provided enhanced awareness of the illicit trafficking departing South America for Europe and Africa, a critical concern for our allies.

Additionally, Operation Martillo has also been negatively impacted by sequestration-related cuts. Specifically, a 30 percent reduction in maritime assets to conduct this joint, interagency, international counter illicit trafficking operation has adversely affected mission execution. While JIATF-South continues to execute their statutory detection and monitoring mission with limited aviation assets, the handoff to law enforcement for interdiction and apprehension of illicit traffickers is dramatically constrained as a direct result of this reduction in maritime assets. These mission critical assets provide the platform for law enforcement based interdictions in the form of USCG Law Enforcement Detachments and boarding teams. The interdiction and apprehension of illicit traffickers is critical to acquiring the witnesses and evidence necessary to continue effective operations against Transnational Criminal Organizations, and to demonstrate the United States commitment to our allies and partners in the region.

STRATEGY-RESOURCE DISCONNECT

25. Senator INHOFE. Admiral Stavridis, Deputy Secretary Carter said, "One of the ways our strategy would need to change is we couldn't do ... what we want to do in the rebalance in the Asia-Pacific theater." If we cut \$500 billion above the \$487 billion already cut from defense, can we execute the President's military strategy that requires rebalancing as laid out in the January 2012 Strategic Defense Guidance?

Admiral STAVRIDIS. The Secretary has directed a Strategic Choices and Management Review to address this question. The review, led by the Deputy Secretary of Defense and the Chairman of the Joint Chiefs of Staff, will be complete by 31 May 2013. EUCOM, along with the other Combatant Commands, is participating in the review. The review will examine ends, ways, and means in light of potential further budget reductions and consider significant choices necessary to better align the Department to execute the President's strategy.

26. Senator INHOFE. Admiral Stavridis, what are the strategic risks over the next 5 years in your AOR if the current sequestration and continuing resolution (CR) budget cuts remain in place?

Admiral STAVRIDIS. Additional budget cuts could pose strategic risks in several areas, depending upon the measures the Department must take to fund these reduc-

tions. For example, steps to reduce personnel and infrastructure costs could increase the risk to our most important resource: our civilian and military personnel. Additional cuts in force structure, the delay and/or cancellation of modernization programs, and reduced readiness will all negatively impact our ability to respond to crises and execute contingency plans. There will be greater risk to our leadership of NATO, the credibility of our commitment to the alliance, and interoperability with allies and partners if forces and funding for combined exercises, security cooperation programs, and other steady state activities are significantly reduced.

27. Senator INHOFE. Admiral Stavridis, you have said the drawdown of 11,500 troops, most coming from the loss of two Army brigades, will be mitigated by rotating a brigade through EUCOM from the United States. What size of an Army force will be rotated through the EUCOM AOR on an annual basis and how long will they stay in theater for exercises and training?

Admiral STAVRIDIS. Under the current plan, the U.S. Army will source elements from a Brigade Combat Team to rotate to EUCOM twice a year for up to 60 days each. These elements include the Brigade Headquarters and one Battalion Headquarters in October-November 2013, and also a Brigade Headquarters and maneuver Battalion (HQ and maneuver companies) in May to June 2014.

These forces have a two-fold purpose. First, as the U.S. ground contribution to the NATO Response Force (NRF), they will participate in NRF exercises in order to enhance interoperability with our allies. Second, they will participate in bilateral training with partners, and will also gain familiarity with EUCOM plans and operations.

28. Senator INHOFE. Admiral Stavridis, how important is the rotation of a force of this size to your theater cooperation plan?

Admiral STAVRIDIS. The rotation of a force of this size is critical to my Theater Campaign Plan. The regular deployment of forces based in the United States to Europe provides a powerful, tangible demonstration of the continued U.S. commitment to NATO. The rotation of elements of a Brigade Combat Team to Europe creates opportunities to maintain interoperability across the alliance, especially at higher echelons of command. Finally, the participation of the rotational force in NRF exercises and in other training events with the NRF forces of allies and partners enhance NRF training and readiness in support of NATO's Connected Forces Initiative.

29. Senator INHOFE. Admiral Stavridis, will Army budget cuts prevent them from rotating a brigade to Europe for annual exercises?

Admiral STAVRIDIS. As far as we understand, the Army intends to rotate a Brigade Headquarters and a Battalion Headquarters to Europe for participation in Exercise Steadfast Jazz 13 in October-November 2013. In May to June 2014, the Army will rotate a Brigade Headquarters and a maneuver battalion, including a Headquarters and maneuver companies for training in Exercise Rochambeau 14.

30. Senator INHOFE. Admiral Stavridis, what will be the impact to U.S. capability, NATO capability, and interoperability if the rotational concept is not executed and how do you think our allies and partners will react?

Admiral STAVRIDIS. In terms of U.S. capability, Army forces based in the United States will lose a significant opportunity to exercise deployment procedures and to train with European allies and partners. Such opportunities will be especially important for U.S. forces to maintain readiness and interoperability once regular rotations to Afghanistan come to an end after 2014. A critical opportunity to enhance NATO capability—specifically the training and readiness of the NRF—will also be lost if the rotational concept is not executed. Finally, the United States has publicly committed, most recently at the February 2013 NATO Defense Ministerial, to reinvigorating its participation in the NRF and to rotating battalion task forces to Europe to train with allies and partners. Failure to fulfill this pledge will likely raise questions among allies and partners about our commitment to NATO and our strategic partnership with Europe.

EUCOM SUPPORT OF U.S. AFRICA COMMAND

31. Senator INHOFE. Admiral Stavridis, EUCOM provides forces for U.S. Africa Command (AFRICOM) and strategic access to Africa and the Middle East while sharing Air Force and Navy component commanders. Will you be able to adequately

support AFRICOM operations given the cuts in EUCOM personnel coupled with additional cuts in the defense budget?

Admiral STAVRIDIS. [Deleted.]

32. Senator INHOFE. Admiral Stavridis, what are the additional risks in supporting AFRICOM as your resources are reduced?

Admiral STAVRIDIS. As resources are reduced, EUCOM will experience a corresponding reduction in strategic flexibility. Please refer to further classified discussion relating to AFRICOM in my response to question 31.

33. Senator INHOFE. Admiral Stavridis, can EUCOM respond quickly to a rapidly emerging crisis in central or southern Africa?

Admiral STAVRIDIS. EUCOM maintains scalable, rapidly deployable forces to protect and preserve U.S. lives and facilities in the event of regional unrest in the EUCOM and AFRICOM areas of responsibility (AOR). These response forces provide a variety of pre- and post-crisis response options. However, based on the significant distances involved, it would be challenging for EUCOM response forces to reach central or southern Africa rapidly without positioning forces in advance of a crisis in the AFRICOM AOR.

EUCOM and AFRICOM staffs collaborate weekly to review threats, intelligence products, and other indications/warnings that would potentially require crisis response forces. EUCOM is prepared to provide assigned forces to AFRICOM with sufficient depth and flexibility to respond to crisis. Upon providing forces, AFRICOM would then be responsible to position them appropriately across their expansive AOR to support an emerging crisis.

34. Senator INHOFE. Admiral Stavridis, the budget is decreasing while threats are increasing in Africa and the Middle East. How will the President's strategy shift to Asia impact EUCOM's support to AFRICOM operations?

Admiral STAVRIDIS. Currently the convergence of the Asia pivot with the budget impact has a limited impact on EUCOM's ability to support AFRICOM. Over time, the reduction in the number of forward-deployed forces, and the readiness of those forces, will reduce EUCOM's ability to provide forces to AFRICOM.

AFGHANISTAN AND NATO TRANSFORMATION

35. Senator INHOFE. Admiral Stavridis, the International Security Assistance Force (ISAF) has been in Afghanistan now for a decade. Can you describe some of the successes of the NATO partnership with the United States in Afghanistan?

Admiral STAVRIDIS. Since Afghanistan is in the area of responsibility of the U.S. Central Command, I respectfully request this question be referred to that command.

36. Senator INHOFE. Admiral Stavridis, General Mattis has recommended 13,600 U.S. troops and about half as many international troops in post-2014 Afghanistan. In your professional opinion, what are the missions and force size we need in post-2014 Afghanistan to preserve our investment in blood and treasure over the past decade?

Admiral STAVRIDIS. Ultimately, Afghans must be able to secure and stabilize their country themselves. Our objective is to develop the capability for Afghans to assume these tasks.

Achieving this objective requires a comprehensive program which trains, mentors, and advises the Afghan National Security Forces through army and police advisory teams and within the NATO Training Mission-Afghanistan (NTM-A). NTM-A brings together both NATO and national training efforts to develop professional, capable and self-sustaining Afghan National Security Forces.

In parallel with the training and mentoring efforts, ISAF troops are implementing a phased process to facilitate the transfer of full security responsibility to Afghan security forces as their capabilities improve, in keeping with the end of 2014 transition timeline.

The training, advising and assisting of the Afghan National Security Forces will continue after transition is complete at the end of 2014, when the ISAF mission will end.

NATO has agreed to lead a post-2014 mission focused on continued support the development of ANSF capacity. Allies and my NATO military staffs are currently going through an in-depth review to determine what assets and capabilities will be required post-2014 to maintain the momentum of ANSF development and sustain the progress we have already made. We have not yet reached the point of defining

a formal recommendation as to what the number of forces and required capabilities will be.

37. Senator INHOFE. Admiral Stavridis, NATO has been transformed by the expeditionary requirements of operations in Afghanistan. After 2014, what do you perceive to be the primary means to maintain those hard-earned skills and further evolve NATO to be able to meet 21st century threats?

Admiral STAVRIDIS. The primary means will be a reinvigorated NRF and a robust NATO exercise program, which will maintain the links and interoperability between allies and, importantly, non-NATO partners across the globe.

38. Senator INHOFE. Admiral Stavridis, as the percentage of Gross Domestic Product (GDP) that NATO nations are spending on defense drops from the goal of 2 percent towards an inadequate 1 percent, how do we ensure that Europe will continue to shoulder its share of the global security burden?

Admiral STAVRIDIS. We need to continue to encourage allies to meet the agreed commitment of a minimum of 2 percent of GDP spending on defense. Defense budgets in most countries have declined at a time when the alliance has undertaken its most demanding and significant mission ever in Afghanistan, and when the need for investment in future capabilities is essential. However European NATO nations do recognize the global security challenges—we have seen this recently with the French led intervention into Mali as one example. NATO allies have taken steps to address the issues related to falling defense budgets, with the announcement at the Chicago Summit in 2012 of a Defence Package and key initiatives such as Smart Defence and the Connected Forces Initiative. Alongside the 2 percent guideline, allies have agreed that at least 20 percent of defense expenditures should be devoted to major equipment spending. While only four other allies have met this goal, investment in major equipment by the non-U.S. allies has held steady at about \$50 billion per year for the last decade.

39. Senator INHOFE. Admiral Stavridis, what areas of defense cooperation with our NATO allies do you think have the most potential to yield productive relationships?

Admiral STAVRIDIS. There are four areas that are extremely productive:

Operations. NATO allies have provided the core of global missions from Kosovo to Libya to Afghanistan, to European Air Policing and maritime operations (counter-piracy) in the Mediterranean and in the Indian Ocean.

Increased interoperability, which is enabled and maintained by exercising together, will increase as our forces drawdown in Afghanistan.

The successful SPP strengthens links between the United States and a number of allies, at a small cost. This in turn enables increased participation in operations and exercises.

Foreign Military Sales equip a number of allies with common equipment.

COUNTER PIRACY

40. Senator INHOFE. Admiral Stavridis, NATO has had success in anti-piracy operations off the Horn of Africa. With expanding oil discoveries in the Atlantic Ocean off of the coast of western Africa, and drug trafficking that runs from South America through that same area to Europe, do you see the need for an anti-piracy mission off of the west coast of Africa?

Admiral STAVRIDIS. Each region is faced with its own unique root causes of crime and piracy; each will require unique solutions.

The strategic environment and imperatives which led to NATO's involvement in the current counter-piracy mission are quite different from that off the coast of West Africa. NATO's mission to counter maritime piracy began in 2008 with the request from the United Nations to provide escorts to U.N. World Food Program vessels transiting through dangerous waters to deliver humanitarian aid to Somalia.

In addition to the threat piracy posed to humanitarian efforts in Africa, there was a broad international recognition of a threat to the safety of vital sea lines of communication and economic interests off the Horn of Africa and in the Gulf of Aden. This included risks to the safety of one of the busiest and most important maritime routes in the world—the gateway to and from the Suez Canal.

What we have found during NATO's Operation Ocean Shield, is that countering piracy requires a mix of maritime security capabilities, use of best practices by the commercial shipping industry, with stability and rule of law ashore. NATO's contribution to international counter-piracy efforts mission continues to this day, in full

accordance with the relevant U.N. Security Council Resolutions relating to Somali-based piracy, and with the consent of Somali authorities.

An increase in piracy and maritime crime in the Gulf of Guinea is indeed of growing concern to the maritime community, but represents a different challenge. Whereas the counter-piracy mission off the coast of Somalia, a failed state, has taken place in international waters of a vital sea line of communication and required an international response, the Gulf of Guinea is lined with sovereign, functioning nations and much of the criminal activity takes place within territorial waters. The United Nations and other relevant actors have called for nations of West Africa to develop a comprehensive and integrated regional anti-piracy strategy for the Gulf of Guinea.

The Gulf of Guinea is neither in EUCOM nor NATO's area of responsibility. I understand that AFRICOM is successfully working with West African nations to assist in the development of their maritime capabilities in order to improve safety and security in the Gulf of Guinea.

41. Senator INHOFE. Admiral Stavridis, what support is Brazil providing to support the anti-piracy mission? Should the United States, through increased security assistance resources, support Brazil's anti-piracy efforts?

Admiral STAVRIDIS. Since Brazil is in the area of responsibility of the SOUTHCOM, I respectfully request this question be referred to that command.

42. Senator INHOFE. Admiral Stavridis, do you envision this as a U.S. force, a NATO force, or some combination?

Admiral STAVRIDIS. Since Brazil is in the area of responsibility of SOUTHCOM, I respectfully request this question be referred to that command.

ISRAEL-TURKEY RELATIONSHIP AND REGIONAL STABILITY

43. Senator INHOFE. Admiral Stavridis, given the standoff over the Mavi Marmara incident between Israel and Turkey, are Israel and Turkey reconcilable?

Admiral STAVRIDIS. Yes, Israel and Turkey are reconcilable; however, the relationship is first and foremost between those two countries. EUCOM supports a closer relationship between these two key allies of the United States. We have seen recent moves to better the relationship by the governments of both countries. Of note, Prime Minister Netanyahu's recent apology for the Mavi Marmara incident of May 30, 2010 is a positive first step in this incremental process. Although many variables and challenges remain that the governments of both countries must address together, they both have demonstrated they are capable of a dialogue to proactively attempt to resolve disputes.

44. Senator INHOFE. Admiral Stavridis, what is your assessment of Prime Minister Erdogan's regional ambitions?

Admiral STAVRIDIS. Prime Minister (PM) Erdogan is committed to establishing optimum security within his own borders in a conflict with the Kurdistan Workers' Party (PKK), a conflict which has spanned three decades and cost over 40,000 lives. PM Erdogan is sensitive to regional perceptions of Turkey acting unilaterally within the region and generally takes the position that Turkey should act as a part of a coalition in any action. PM Erdogan appreciates that, comparatively, Turkish power within the region is on the rise. However, we have no indications that he generally advocates greater unilateral Turkish regional activity.

45. Senator INHOFE. Admiral Stavridis, do you think Turkey's cooperation with EUCOM and with NATO on Syria is adequate?

Admiral STAVRIDIS. Turkey's cooperation with EUCOM and NATO on Syria has definitely been adequate. As Syria's northern neighbor, Turkey understands the threat, takes it seriously, and is engaged with the international community for support. Turkey is a strong and reliable partner for EUCOM and NATO in an unstable region. In response to the Syrian threat, Turkey has requested and welcomed cooperation in a number of areas. In January, EUCOM rapidly deployed two Patriot batteries to Turkey's southern border in support of NATO. Over the past year EUCOM has worked with Turkey to support and enhance its capabilities to respond to various Syrian threats. Several of these efforts have been in support of broader Department of Defense and Department of State initiatives, such as counter- and non-proliferation. It is important to note that Turkey is currently home to over 250,000 Syrian refugees; has lost two Air Force pilots to Syrian air defenses; and has sustained multiple cross-border indirect fire incidents due to the Syrian crisis.

46. Senator INHOFE. Admiral Stavridis, does EUCOM and/or NATO have a plan to support efforts to secure chemical weapons in Syria if the Assad regime falls given the threat to Israel and Turkey of proliferation of weapons of mass destruction (WMD) from Syria?

Admiral STAVRIDIS. Since Syria is in the area of responsibility of the U.S. Central Command, I respectfully request this question be referred to that command.

47. Senator INHOFE. Admiral Stavridis, what are the major challenges you see as a military commander to addressing this situation and what are potential roles do you see for international partners?

Admiral STAVRIDIS. Since Syria is in the area of responsibility of the U.S. Central Command, I respectfully request this question be referred to that command.

QUESTIONS SUBMITTED BY SENATOR ROGER F. WICKER

U.S. AND RUSSIA RELATIONS

48. Senator WICKER. Admiral Stavridis and General Jacoby, last month, it was reported that two Russian bombers, both of which were capable of carrying nuclear weapons, circled Guam and caused the U.S. Air Force to scramble jets to intercept. It appears that the incident occurred at about the same time that President Obama was giving his State of the Union Address. General Jacoby, you note in your testimony that NORAD's increased ability to detect and respond to Russian Military Aviation flights entering U.S. and Canadian Air Defense Identification Zones. You also state that Russia is in the process of modernizing and enhancing the capability of its long range aviation. The fact that you mention these two issues in your testimony indicates to me, at the very least, a passing concern with Russia's intentions towards the United States and our allies. At a period in time when Russia appears to be modernizing its military and flying long range bomber missions near U.S. territory, how would each of you characterize the nature of U.S.-Russia relations?

Admiral STAVRIDIS. As Russia continues to modernize its strategic forces, it has increased its long-range aviation (LRA) training flights to previous levels and areas of activity to test its own capabilities and readiness. Additionally, Defense Minister Shoygu and other senior military leaders recently conducted "no notice" evaluations of ground, naval and air forces in Southern, Central and Eastern military districts to gauge current and emerging capabilities in these regions. We do not assess that the capability to conduct these activities presents an imminent threat to U.S. territory or U.S. forces. These activities have strained, but not significantly altered, our bilateral working relationship. Along with our allies, we should continue to track Russian activities near NATO territory in order to maintain a persistent deterrent to assure allies and partners of our commitments to supporting their security. We must do this while attempting to build mutual transparency and trust with Russia to avoid misunderstandings and miscalculations over its training activities.

General JACOBY. Senator, while we have seen a definite increase in past years in the number of long range training flights in proximity to U.S. air space, I would defer to EUCOM—which is the designated combatant command for coordinating U.S.-Russia Military cooperation efforts—for a broad brush, big picture, overview of the wider military-to-military relationship.

From a NORAD perspective, we have not seen any significant change in our military-to-military relationship with the Russian Federation. We continue to use the U.S./Russian Military Work Plan to schedule items of mutual interest and benefit. These cooperative efforts culminate in the annual Exercise Vigilant Eagle, a very successful counter-air terrorism event conducted in the Bering Sea area between NORAD and Russian Eastern Military District. I am encouraged that we have seen no indications that the Russians intend to curtail or eliminate this yearly event. However, while NORAD would like to expand the scope and complexity of Vigilant Eagle, the Russian military is clearly more comfortable with the existing state of cooperative efforts at this time.

49. Senator WICKER. Admiral Stavridis and General Jacoby, have you seen anything to indicate that the administration's Russia reset has or has not had the intended effect?

Admiral STAVRIDIS. The answer is somewhere in the middle between success and failure. I think that the level of military cooperation with Russia has increased in areas of mutual interest and benefit, especially if one looks at where the relationship was in the fall of 2008. We still have many differences with Russia such as missile defense, its support for the Assad regime in Syria, and its desire for a

“sphere of influence” in its periphery. Also, while Russia wants us involved in Central and South Asia to stabilize Afghanistan, it works at every turn to have us ejected from the Manas Transit Center in Manas, Kyrgyzstan. We must however continue to work to develop a constructive partnership despite our significant political disagreements. No one wants to stumble backwards toward the Cold War, so the best course for the future is open discussion, frank airing of disagreements, and, hopefully, seeking to build a wider strategic partnership.

General JACOBY. NORAD pursues all appropriate avenues for cooperation with the Russian military. We continue to work through issues of mutual concern through NORAD specific items in the U.S.-Russia Military Work Plan. This coordination is highlighted through the annual anti-terrorism Exercise Vigilant Eagle. It’s clear to me that in spite of the ebb and flow of the ongoing political discourse between the Nations, we can continue to build cooperation on areas of mutual interest with the Russian military.

That said, whatever the status of reset, the Command’s mission calls for demonstrating the capability and intentions to defend North American from threats, to include those that might be presented by Russia.

50. Senator WICKER. Admiral Stavridis, RT reported on March 18, 2013 that Russia is going to establish a permanent naval task force, composed of five or six combatant ships, in the Mediterranean Sea. The article further reports that “Russia is prepared to send combat ships to the Pacific and Indian Ocean.” How would you characterize the nature of this announcement?

Admiral STAVRIDIS. In strategic terms, Russia’s establishment of a rotational naval task force in the Mediterranean with plans to follow up in the Indian and Pacific oceans is an attempt to regain some measure of its former maritime presence, and a continuation of evaluations and exercises across the Armed Forces under new Defense Minister Shoygu. Given the current instability in the Levant, especially in Syria, Russia is making moves to protect its interests in the region while appealing to an internal audience nostalgic for its former global reach. Syria contains Tartus, Russia’s only base outside of the territory of the former Soviet Union, and can provide logistical and materiel support for some of its smaller warships, alleviating the need to navigate the Turkish-controlled Dardanelle and Bosphorus Straits into the Black Sea.

The composition and size of the 5-ship fleet (three combatants and two support ships) indicate that it is not capable and likely not intended to challenge NATO for dominance in the Mediterranean, where the U.S. Sixth Fleet is permanently stationed.

51. Senator WICKER. Admiral Stavridis, do you believe that the Russian task force will be a help or a hindrance to U.S. and NATO efforts to promote maritime security in the Mediterranean?

Admiral STAVRIDIS. I think we can look at the example of the Russian counter piracy operations in the Gulf of Aden/Horn of Africa. The Russian Navy has been extremely useful to the overall counter piracy efforts in the region even though it has not integrated into Combined Task Force efforts. Nevertheless, they have been able to relieve some of the burden on the Combined Task Force by providing extra escort and protection services for ships/convoys. We will likely see the Russian Navy also be of assistance in promoting security in the Mediterranean Sea, with the possible exception of Syria. The Russian Navy has actively participated in Operation Active Endeavor and frequently joins Partnership for Peace exercises in the Mediterranean. The goals of Operation Active Endeavour and the Partnership for Peace exercises are promotion of interoperability, search and rescue, counter smuggling, and maritime interdiction operations. The addition of a Russian Task Force will possibly enhance these two programs.

52. Senator WICKER. Admiral Stavridis, in your prepared testimony, you acknowledge that U.S. force posture in Europe has been declining for decades, and you state, quite rightly I believe, that “Power, like nature, abhors a vacuum.” I also believe you are correct in asserting that the diminishing U.S. presence in Europe provides an opportunity for our adversaries. It seems to me that the timing of this announcement is not a coincidence. It is no secret that the Chief of Naval Operations (CNO) recently announced that significant impacts that sequestration will have on our naval readiness and ability to meet planned deployment schedules. Do you believe the establishment of the Russian task force is, at least in part, in response to the diminished U.S. military presence in the AOR?

Admiral STAVRIDIS. I do not think there is a direct correlation with the diminishing U.S. military presence in the AOR, though the Russians will definitely take

advantage of the situation. Since 2007, the Russian Navy has been declaring a desire to return to the world's oceans and the new Mediterranean Task Group will be a natural follow on to these plans. This commitment to a worldwide presence has been reflected by KUZNETSOV Task Group deployments to the Mediterranean in 2007, 2008, and 2011; near continuous counter-piracy operations in the Gulf of Aden/Horn of Africa since 2009; and multiple deployments by Kirov-class battle cruisers to the Mediterranean and Caribbean Seas, and the Indian and Pacific Oceans since 2008. Accordingly, the establishment of a Task Group would seem to be a continuation of plans likely put into place several years ago.

QUESTIONS SUBMITTED BY SENATOR SAXBY CHAMBLISS

SYRIA AND USE OF CHEMICAL WEAPONS

53. Senator WICKER. Admiral Stavridis, from open source news outlets, Syria's Government and rebels accused each other of launching a deadly chemical attack near the northern city of Aleppo on March 19, 2013 in what would, if confirmed, be the first use of such weapons in the 2-year-old conflict. What can you confirm about the possible use of chemical weapons in Aleppo and what contingency plans does EUCOM have in place in the event of continued use of chemical weapons?

Admiral STAVRIDIS. At this time we cannot confirm anything with respect to alleged chemical weapons use in Aleppo. The international community had proposed investigating chemical weapons use in Syria—which would include Aleppo—but I understand such an investigation is held up over questions of scope and jurisdiction.

EUCOM does not currently have in place any contingency plans related to the continued use of chemical weapons in Syria which, as you know, is within the area of responsibility of the U.S. Central Command. My team is working with counterparts in CENTCOM to ensure we support their contingency plans relative to Syria.

EUCOM RESPONSE TO BENGHAZI

54. Senator WICKER. Admiral Stavridis, you gave a brief overview of EUCOM's actions during the response to the Benghazi attacks of September 11, 2012 during the posture hearing. Please discuss in detail the actions that EUCOM conducted during the attack to include but not limited to: the requests that were submitted for support from AFRICOM; contingency plans to include units that were slated to respond to a Benghazi like attack to AFRICOM; and their actions during the attack?

Admiral STAVRIDIS. Immediately upon notification of the attacks in Benghazi, EUCOM went into action, initiating coordination and support for AFRICOM and U.S. Special Operations Command (SOCOM). AFRICOM requested, and EUCOM provided, the following operations, intelligence, logistical, and communications support:

Operations Support:

- Postured EUCOM Commander's In-Extremis Force (CIF) to Naval Air Station Sigonella, Italy, to respond to AFRICOM requirements.
- Deployed one Fleet Anti-Terrorism Security Team (FAST) Platoon to U.S. Embassy Tripoli, Libya.
- Postured one FAST Platoon at Naval Station Souda Bay, Greece to respond to AFRICOM requirements.
- Provided multiple U.S. Navy surface combatants and aviation platforms for intelligence collection and forward presence, to include the IWO JIMA/24 Marine Expeditionary Unit Strike Group and E/F-18G electronic warfare support.
- Provided Intelligence, Surveillance, and Reconnaissance (ISR) support to AFRICOM throughout the operation.
- Working closely with U.S. Embassy Country Teams, coordinated basing, access, throughput, and overflight permissions with Spain, Italy, Greece, Germany, and other European nations for responding U.S. forces.

Intelligence Support:

- Provided intelligence support to AFRICOM from the EUCOM Intelligence Directorate and EUCOM's National Intelligence Agency Representatives.
- Supported personnel recovery efforts by coordinating strategic debriefing of U.S. State Department members evacuated to Landstuhl Regional Medical Center and Ramstein Air Base.

- Coordinated with AFRICOM Intelligence Watch, Theater Cryptologic Operations Center, and National Military Operations Center to gain and maintain situational awareness.
- Supported AFRICOM with geospatial information and services support.

Logistical Support:

- The EUCOM Logistics Directorate established and executed a daily Basing Support Working Group that deconflicted movements, intra-theater lift, basing activities, and logistical support requirements between EUCOM, AFRICOM, SOCOM, and various subordinate commands.
- Due to a staffing shortage at AFRICOM, EUCOM Mortuary Affairs supported AFRICOM by providing the safe and expeditious repatriation of the four Americans killed in the attack.
- Supporting response airlift operations, EUCOM synchronized the execution of 55 airlift missions at 12 different bases delivering over 1,000 personnel and 700 short tons of cargo.

Communications Support:

- U.S. Air Forces Europe deployed communications personnel and equipment to Trapani Air Base, Italy, in order to provide secure and non-secure voice and data communications support to U.S. personnel recovery assets stationed there.
- The EUCOM Communications Directorate processed and managed 10 high-priority, ad-hoc satellite communications (SATCOM) requests, meeting AFRICOM's planning and operational requirements.

TACTICAL NUCLEAR WEAPONS IN RUSSIA

55. Senator WICKER. Admiral Stavridis, we suspect that the Russian Government continues to increase or modernize their tactical nuclear weapons inventory. What information can you provide relative to the continued production and/or modernization of Russian tactical weapons versus Russian strategic nuclear weapons especially from a NATO perspective?

Admiral STAVRIDIS. [Deleted.]

QUESTIONS SUBMITTED BY SENATOR KELLY AYOTTE

STATE PARTNERSHIP PROGRAM

56. Senator AYOTTE. General Kelly, what is your assessment of the SPP?

General KELLY. The SPP is an important instrument for advancing international cooperation to effect key defense and security issues in the SOUTHCOM area of operation. SOUTHCOM leverages the close ties that exist between National Guard units, their communities and States to develop holistic government and society solutions.

The SPP improves my ability to provide a persistent United States presence and enhances the Command's ability to counteract the increasingly negative influences in the region while promoting United States National Security Goals.

Since 1996, the SPP in the SOUTHCOM theater has grown from 4 to 22 partnerships, with the latest, Colombia, being partnered with South Carolina in 2012. Through the efforts of Congress and the Office of the Secretary of Defense, the program's oversight and executions have been formalized. Now, SPP activities and events are planned, coordinated, and executed to achieve my theater security cooperation program objectives, the objectives of the Chief of Mission, as well as the national security objectives of the partner nation.

57. Senator AYOTTE. General Kelly, what role does the SPP play in helping SOUTHCOM accomplish its mission?

General KELLY. The SPP provides approximately 10 percent of the total annual theater engagement in the SOUTHCOM area of responsibility. It builds enduring civil-military relationships that improve long-term international security while building partner nation capacity across all levels of society with partner nations of strategic importance to the United States.

All National Guard SPP activities and events are planned, coordinated, and executed to achieve objectives of the Combatant Commander and the Chief of Mission in each partner nation.

58. Senator AYOTTE. General Kelly, what is your assessment of the New Hampshire National Guard's SPP in El Salvador?

General KELLY. I am proud of the work all the National Guard does in support of SOUTHCOM through the SPP. New Hampshire's State Partnership is a model program, and its mature partnership with El Salvador has a solid mix of military-to-military, military-to-civilian and Civil Security Cooperation events. New Hampshire's National Guard has executed nearly 85 events over the past 12 years under the SPP, and all of their efforts have been well harmonized with the Intermediate Military Objectives within SOUTHCOM's Theater Campaign Plan.

In particular, New Hampshire has done an excellent job in focusing their engagement efforts on Defense Support to Civilian Authorities. El Salvador's defense capabilities are evidenced by its ability to export its security capability during 11 deployments to Operation Iraqi Freedom and two deployments to Operation Enduring Freedom.

SEQUESTRATION IMPACTS

59. Senator AYOTTE. Admiral Stavridis, General Jacoby, and General Kelly, how will sequestration impact each of your combatant commands?

Admiral STAVRIDIS. Sequestration will have several near-term effects over the remainder of fiscal year 2013. The lack of sufficient funds for training hours, steaming hours, flying hours, and sustainment will reduce the readiness, maintenance, and availability of assigned and rotational forces required to execute ongoing operations, steady state activities, and crisis response. Sequestration will also entail cuts to Defense and State Department programs that support EUCOM steady state activities to preserve our strategic partnerships in Europe, ensure strategic access, and promote regional stability. In addition, the ability of EUCOM and our Service component headquarters to plan, direct, and execute military operations and steady state activities will be degraded due to reductions in headquarters funding, the furlough of civilian personnel, and cuts to facilities maintenance. Finally, sequestration will adversely affect the services that support our military and civilian personnel and their families, such as schools and health services.

General JACOBY. NORTHCOM has very few assigned forces. I rely on trained, available, and equipped forces from the Services. Thus, if sequestration causes the Services to mortgage their readiness, it will put at risk my ability to defend in depth and potentially erode my ability to conduct critical homeland defense missions. Service readiness will also directly impact the exercises and training NORTHCOM conducts and executes alongside our mission partners, through reduced Service or partner participation and fewer engagements or touch points. Building partnerships is essential to responding to events in the homeland; a reduced capacity to build those partnerships adds to the existing challenge of protecting the homeland. Each of my mission sets will be further impacted by furloughs, as my civilian workforce is associated with all aspects of homeland defense and support of civil authorities. In summary, NORTHCOM and NORAD are postured to defend the Nation against a full spectrum of threats, but we will have to work hard with the Services to sustain that posture as we deal with sequestration, and the program and budget uncertainty that comes with it.

General KELLY. Sequestration cuts have forced the military services to cut personnel, ships, and aircraft deployments to the region, affecting several missions including support to drug interdiction and other law enforcement operations. Out-year cuts associated with sequestration will degrade SOUTHCOM's ability to fulfill its title 10 statutory obligations to conduct detection and monitoring (D&M) and limits its ability to provide operational support to U.S. interagency and partner nation interdiction operations. Execution of SOUTHCOM's Partnership of the Americas strategy that includes deployment of the medical ship USNS *Comfort*, whose regional stops included Costa Rica, El Salvador, and Honduras, has also been canceled for fiscal year 2013. The deployment of the USNS *Comfort* has historically been an enormously successful and positive event in the region.

Security Cooperation Activities have been reduced by approximately 25 percent (\$15 million) in fiscal year 2013, forcing the cancellation of three major exercises (Peace Keeping Operations Americas, Fuerzas Comando, and Fuerzas Aliadas Humanitarias); the descoping of the exercise Panamax and exercise Unitas; and the elimination of approximately 200 engagement activities. These activities range from medical readiness training exercises to small group training activities and infrastructure development projects. Decreased out-year funding associated with sequestration, in addition to potential furloughs to my civilian workforce, will further impact SOUTHCOM's ability to improve the security and defense capabilities of part-

ner nation forces in the region. Nonetheless, we remain committed to supporting regional security and to strengthening our valued defense partnerships in South and Central America, and the Caribbean.

IRANIAN BALLISTIC MISSILE THREAT AND U.S. MISSILE DEFENSE

60. Senator AYOTTE. General Jacoby, in your prepared statement, you conclude that Iran “is developing advanced missile capabilities faster than previously assessed and is apparently positioning itself to produce a nuclear warhead quickly should its leaders choose to do so.” Does the United States currently have a shoot-look-shoot capability against an ICBM launched from Iran that is heading toward Boston, New York, or Washington, DC? In other words, would the United States currently have one chance or two chances to shoot down an Iranian ICBM headed toward the east coast?

General JACOBY. [Deleted.]

61. Senator AYOTTE. General Jacoby, would an east coast missile defense site provide additional missile defense protection against a prospective Iranian ballistic missile threat against the east coast of the United States?

General JACOBY. [Deleted.]

62. Senator AYOTTE. General Jacoby, from start to finish, what is your understanding as to how long it would take to build an east coast missile defense site?

General JACOBY. [Deleted.]

GUANTANAMO BAY

63. Senator AYOTTE. General Kelly, how would you characterize detention operations at GTMO?

General KELLY. Detention operations in Guantanamo are executed in accordance with humanitarian principles, applicable domestic and international law, and Department of Defense policies, regulations, and directives.

JTF-GTMO normally houses detainees under two different detention models. The majority of detainees are held in single-cell detention, which means that a detainee has his own cell, usually in close proximity to other detainees in adjacent cells, whereby he is able to participate in no less than 2 hours of open-air recreation per day and to worship in accordance with his religious beliefs. A smaller number of detainees are held in a communal setting, where detainees are not locked in their cells during the day, but they are permitted to leave their cells and move freely within shared common spaces within their detention camp, including outside areas for open-air recreation. Whether a detainee is held in single-cell detention or communal detention depends upon his behavior and compliance with camp rules: only “compliant” detainees are afforded the increased freedom of socialization and movement granted by communal detention. Whether housed in single cell, or communally, all detainees are treated humanely as required by international law and U.S. policy.

Regardless of the detention model, all detainees with pending legal processes, including military commissions, habeas corpus litigation, or periodic review boards, are permitted access to their attorneys through personal visits, mail, and in many cases, telephone calls. Additionally, in coordination with the International Committee of the Red Cross, JTF-GTMO facilitates quarterly hour-long telephone or video teleconference calls between detainees and their families, regardless of whether the detainee is held in single-cell or communal detention.

64. Senator AYOTTE. General Kelly, what are the challenges you face with respect to the infrastructure at GTMO?

General KELLY. Most of the current facilities are aging, dilapidated temporary structures well beyond their expected life expectancy and present risk to JTF-GTMO and their mission. The environment at Guantanamo Bay is not suitable for the long term use of temporary facilities. Year-to-year funding hampers any real master planning efforts and execution. Legal and policy issues are intertwined in the infrastructure decisions relative to their repair and replacement.

65. Senator AYOTTE. General Kelly, you say that you “have identified a series of projects aimed at increasing the security of the detainees, facilitating our ability to support legal processes for detainees, and most of all, meeting basic quality of life

requirements for our troops". Did you recommend that these projects be included in the President's fiscal year 2014 budget request?

General KELLY. No; the projects identified by JTF-GTMO that I endorsed were submitted to the Assistant Secretary of the Army (Installations, Energy, and Environment (ASA/IE&E) by our Army component (U.S. Army South) for Army Overseas Contingency Operations (OCO) Military Construction (MILCON) funding consideration. The ASA/IE&E identified uncommitted MILCON for possible use to satisfy JTF-GTMO requirements; final resolution of funding availability is pending approval of the Secretary of Defense.

66. Senator AYOTTE. General Kelly, would our servicemembers stationed at GTMO be well-served by ensuring that facility sustainment, restoration, and modernization (FSRM) funding for GTMO is incorporated into the Future Years Defense Program (FYDP)?

General KELLY. SOUTHCOM submitted a Program Budget Review (PBR) Issue Nomination in fiscal year 2012 to include all JTF-GTMO funding into the base budget (FYDP) for the specific purpose of increasing fiscal discipline and to enable planning for facility sustainment and restoration.

67. Senator AYOTTE. General Kelly, how often do representatives of the International Red Cross visit GTMO?

General KELLY. In 2012, the International Committee of the Red Cross (ICRC) began visiting JTF-GTMO six times per year on a bimonthly schedule. Representatives of the ICRC now annually carry out four 1-week visits and two 2-week visits, for a total of 8 weeks per year, inspecting facilities, delivering Red Cross Messages, and conducting private interviews with detainees from all of JTF-GTMO's detention camps.

68. Senator AYOTTE. General Kelly, how often do the media and Congressional delegations visit GTMO?

General KELLY. There is a steady flow of media into JTF-GTMO, both to visit the detention facility itself and to report on commissions. Since opening the facility in 2002, more than 2,300 media members have visited. In 2012, JTF-GTMO hosted 164 media representatives from 60 U.S. and international news organizations.

Since 2003 there have been 75 congressional delegation trips to JTF-GTMO, with anywhere from 1 to 7 people on each visit.

69. Senator AYOTTE. General Kelly, is it fair to say that GTMO is one of the most well-supervised and professional detention facilities in the world?

General KELLY. Yes. JTF-GTMO is unique. JTF-GTMO is staffed by a well-trained, professional guard force consisting predominantly of Army military policemen. Through the dedicated efforts of dozens of committed commissioned officers, noncommissioned officers, soldiers, and sailors, the JTF-GTMO Commander, Rear Admiral John Smith, enforces the highest standards despite a very challenging detention environment.

COORDINATION BETWEEN NORTHCOM AND SOUTHCOM

70. Senator AYOTTE. General Jacoby and General Kelly, what are your assessments of the illegal activities in this border area between the United States and Mexico?

General JACOBY. As well as we do on securing the border, we will always be in a position of needing to improve. The security environment constantly changes as criminal enterprises become more sophisticated and aim to exploit vulnerabilities in terrain and institutions. NORTHCOM supports U.S. law enforcement partners (principally CBP, CBP-Office of Air and Marine, ICE-Homeland Security Investigations, and U.S. Border Patrol) with unique military capabilities to directly pressure criminal networks on both sides of the border. With persistent, agile application of capability to support our partners, the command gains strategic depth in our homeland defense mission.

(U) NORTHCOM is taking a broader approach to looking at the U.S./Mexico border area. We view criminal networks operating across the border as a part of a sophisticated, integrated, global network that poses a national security threat to the United States. To address this elaborate network of networks that traverses through physical and cyber space, we advocate working across governments and using inter-agency approaches to understand and attack the network. Through a coalition of

partners, we can put pressure on the financiers, leaders, logisticians, and operators that enable illicit activity.

General KELLY. NORTHCOM, based on its assigned responsibilities in the Unified Command Plan, is best suited to characterize the illicit activities along the U.S./Mexico border. SOUTHCOM assists NORTHCOM by disrupting illegal products and criminal networks along the southern approaches to the United States. Specifically, SOUTHCOM supports Department of State and partner nation eradication efforts in the source zones located in South America. Additionally, SOUTHCOM fulfills its statutory responsibility for the detection and monitoring of aerial and maritime transit of illegal drugs into the United States primarily through Joint Interagency Task Force-South. Further, SOUTHCOM and NORTHCOM consistently share information and intelligence on people, products, networks, tactics, and operations that facilitate transnational criminal networks.

71. Senator AYOTTE. General Jacoby and General Kelly, what are each of you doing to ensure optimal coordination between your two commands?

General JACOBY. NORTHCOM, in collaboration with SOUTHCOM, is focused on enhancing the partnerships between U.S. Law Enforcement Agencies with our respective counterparts and Mexican, Guatemalan, and Belizean militaries to build capability and capacity. Currently, the commands are working together to update our Command Arrangement Agreement, which establishes coordination procedures and delineates responsibilities between our two geographic combatant commands.

General KELLY. SOUTHCOM coordinates with NORTHCOM at all levels, including participation in mutually-relevant conferences, exercises, and planning events. My staff coordinates with NORTHCOM on strategy, engagement, and strategic communication efforts in the Western Hemisphere, focusing primarily on an integrated, hemispheric approach to combating transnational organized crime in the Western Hemisphere, especially along the border shared among Mexico, Guatemala, and Belize. A NORTHCOM-SOUTHCOM Command Arrangement Agreement describes and directs formal inter-combatant command relationships essential for operational planning and execution in the vicinity of our shared area of responsibility boundary and on topics of common interest.

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