HOUSE APPROPRIATIONS COMMITTEE

STATEMENT OF

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HOUSE APPROPRIATIONS COMMITTEE-DEFENSE

Chairman Frelinghuysen, Congressman Visclosky, and distinguished members of the Committee, thank you for this opportunity to present an update on the U.S. Pacific Command (USPACOM). I have had the privilege of leading soldiers, sailors, airmen and Marines for over two years in the Asia-Pacific and the Indian Ocean region; these young men and women are doing great things in support of the United States, allies and partners throughout a region critical to U.S. national interests. In concert with our allies and partners, USPACOM balances historical, geographic, and cultural factors against modern day political and economic events in an ever-evolving effort to manage friction and conflict in the most militarized region in the world. USPACOM's actions in our nation's rebalance toward the Asia-Pacific region are a visible and enduring demonstration of U.S. commitment to the region. Our actions are reflected in a continued and steady investment in forces, infrastructure, and engagement in the Indo-Asia-Pacific and are designed to defend the homeland, strengthen and modernize our alliances and partnerships, maintain our access to the global commons, deter aggression, and prevent the proliferation of weapons of mass destruction.

Security Environment

Since last year's testimony before this Committee, four critical leadership transitions have been completed, seven national elections were conducted on democratic principles, and the region is readying for free and open elections in two of the most populous countries on earth. When I last testified, Xi Jinping had just assumed the position as China's new President, completing the formal leadership transition in China. Since then President Xi put forward a comprehensive agenda of domestic, economic, and social reforms. In North Korea, Kim Jong Un is beginning his third year in power. The recent purge of his uncle, Chang Song-Taek and frequent reshuffling of military commanders suggest that the struggles between new and old guards are not fully resolved. To the south, Republic of Korea (ROK) President Park Geun-Hye continues to strengthen the U.S.-ROK alliance and to maintain a path to peaceful reunification of the Korean peninsula. In Japan, Prime Minister Shinzo Abe implemented policies such as establishing a National Security Council and passing the Secrets Protection Act that allow it to better address the persistent and emerging security challenge of the next decade.

The last year saw elections in Australia, Bangladesh, Bhutan, Cambodia, the Maldives, and Mongolia. In Bangladesh and Cambodia, the results were strongly contested and are not fully resolved, creating uncertainty and political instability. A sharp political division continues in Thailand, despite new elections. Next on the horizon are important national elections in India in May and Indonesia in April and July. Burma continues to undergo its dramatic democratic and economic transition, including the release of over a thousand political prisoners and the possibility of a national ceasefire agreement.

The countries of the Asia-Pacific region are not only more stable politically; they are also more engaged in multilateral political organizations and economic institutions. A multilateral security architecture -- comprised of groups such as the Association of Southeast Asian Nations (ASEAN) and regional actors collaborating on issues ranging from humanitarian assistance to maritime security to counterterrorism -- is emerging to help manage tensions and prevent conflict. ASEAN has grown in this leadership role under Brunei's chairmanship in 2013, and hopefully has opportunities to grow even more under 2014 chairman Burma. We've seen encouraging examples of states using international fora to resolve disputes peacefully, such as the Philippines using the United Nations Tribunal on the Law of the Sea (ITLOS) to argue its case against China's territorial claims in the South China Sea, and Thailand's and Cambodia's pledge to abide by the International Court of Justice's recent decision in their long-standing border dispute.

Indo-Asia-Pacific economies increasingly drive the world economy. Forty percent of global economic growth is attributed to this region. Yet the area is still home to some of the most devastating poverty on earth. As with other parts of the world, the divide between "haves" and "have-nots" grows wider, leading to political and economic disenfranchisement and disturbing population shifts across borders. The International Organization for Migration estimates that 31.5 million people in Asia have been displaced due to economic disparities. These hardships are further aggravated by intense competition for natural resources. In an area home to more than half the earth's population, demand for food, water, and energy is increasing. Friction caused by water shortages is evident between India and Pakistan, India and Bangladesh, and China and Southeast Asia. Much of the region is unable to adequately provide for their own food requirements, highlighting the need for stable, plentiful supplies through international commerce. The same is true for energy supplies. Disruption of these supplies or unexpected price increases quickly strain many governments' ability to ensure their people's needs are met.

North Korea: North Korea remains our most dangerous and enduring challenge. As many Indo-Asia-Pacific countries seek to achieve greater prosperity, improve compliance and adhere to regional and international law, and strive for stable relations, North Korea remains isolated and unstable. North Korea's pursuit of nuclear weapons and ballistic missiles, in contravention of its international obligations, constitutes a significant threat to peace and security on the Korean Peninsula and in Northeast Asia.

During last year's posture hearings, the region was in the middle of a North Korean "provocation campaign"—a calculated series of North Korean actions designed to escalate tensions and extract political and economic concessions from other members of the Six-Party Talks. This campaign began with a satellite launch, in December 2012, which was particularly concerning because

it violated UN Security Council resolutions and verified technology necessary for a three-stage Intercontinental Ballistic Missile (ICBM). North Korea continued its campaign through last spring. They conducted another underground nuclear test, threatened the use of a nuclear weapon against the United States, and concurrently conducted a mobile missile deployment of an Intermediate Range Ballistic Missile, reportedly capable of ranging our western most U.S. territory in the Pacific. Though we have not yet seen their "KN08" ICBM tested, its presumed range and mobility gives North Korea a theoretical ability to deliver a missile technology that is capable of posing a direct threat to anywhere in the United States with little to no warning. In addition, North Korea pledged to "readjust and restart" facilities at Yongbyon Nuclear Research Center – including the plutonium-production reactor that has been shut down for the past six years.

Consistent with previous provocation cycles, recently, North Korea then shifted to a more conciliatory approach and has expressed claimed that it is willing to talk to the United States either bilaterally or within the Six-Party Talks framework with no concrete steps towards required denuclearization obligations or even negotiate on the issue of denuclearization.

North Korea's role in weapons proliferation remains troubling. North Korea continues to violate United Nations Security Council resolutions against selling weapons and weapon-related technologies around the globe. The July 2013 Panamanian confiscation of a North Korean ship loaded with fighter aircraft and other weapons from Cuba in direct violation of UN sanctions is one example. While it has become harder to sell to traditional customers such as Iran and Syria, North Korea is attempting to open new markets in Africa and South America. North Korea's proliferation activities defy the will of the international community and represent a clear danger to the peace, prosperity, and stability of the Asia-Pacific region

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Natural Disasters: The Indo-Asia-Pacific region is the world's most disaster-prone with eighty percent of all natural disaster occurrences. It contends with more super-typhoons, cyclones, tsunamis, earthquakes, and floods than any other region. This past year, a super typhoon hit the Philippines, severe flooding and a major earthquake in New Zealand, devastating flooding in India and Nepal, another earthquake in the Sichuan Province of China, and flooding and drought in the Marshall Islands. During Operation Damayan in the Philippines, we joined the Multi-National Coordination Center (MNCC) as an enabler to relief efforts coordinated by the Government of the Philippines, a testament to the importance of capability building initiatives and theater security cooperation. Our Center for Excellence in Humanitarian Assistance and Disaster Relief serves as a clearing house for information and best practices in disaster relief and supporting preparedness efforts throughout the region. We also stand ready to respond to the all too frequent vectors of disease that plague this region. Large populations, dense living conditions, and poor sanitary conditions in many Indo-Asia-Pacific nations create optimal conditions for the rapid spread of human- or animal-borne diseases. Regional information sharing and rapid response to health crises is improving, but the danger remains high.

<u>Territorial Disputes:</u> The primacy of economic growth, free trade, and global financial interdependency keeps outright inter-nation conflict at bay. The most likely scenario for conflict in this part of the world is a tactical miscalculation that escalates into a larger conflict. There is no more likely stage for this scenario than the complex web of competing territorial claims in the East and South China Seas. Competing territorial claims in East is a significant and growing threat to regional peace and stability. The use of Coast Guards and an implicit rule set imposed by Japanese and Chinese leadership signaled that neither country wants escalation. China's declaration in November of an Air Defense Identification Zone (ADIZ) in the East China Sea encompassing the Senkakus immediately

raised tensions. As Chinese and Japanese reconnaissance and fighter aircraft increasingly interact, and China flies unmanned aerial vehicles over the area the chances for miscalculation or misunderstanding remain high. USPACOM continues to watch this situation very closely.

Territorial disputes in the South China Sea are even more complex. No less than seven claimants have overlapping claims in this oil, gas, and mineral rich sea. By far the most excessive claim is China's, which extends to almost the entire South China Sea and includes other claimants' Exclusive Economic Zones in the region, up to and sometimes including the 12nm territorial sea. China's activities in the South China Sea appear to consist of slowly increasing its naval and air presence in the region, meeting and checking any activity by any of the more aggressive claimants in the disputed areas, and providing political and economic incentives to quiet the other claimants. As evidence of this policy, China increased its maritime presence in 2013 and now maintains three continuous Coast Guard patrols in the South China Sea, backed up by regular transits of Chinese Navy warships. Attempts by other claimants to assert claims and prevent Chinese actions that seek to assert operational superiority provide the potential for miscalculation.

Through multilateral forums, USPACOM supports the U.S. position advocating for adjudication of claims by duly constituted international bodies and multilateral solutions. Unlike other nations involved in this and similar disputes, China consistently opposes international arbitration, instead insisting on bilateral negotiations—a construct that risks China's domination of smaller claimants. The activities by multilateral forums to adopt international codes of conduct for the South China Sea and those efforts to legally adjudicate claims need our support.

<u>**Cyber:**</u> Cyberspace is growing not only in its importance relative to the flow of global commerce but also in its importance to our ability to conduct military operations—making it an

attractive target for those seeking to challenge the economic and security order. Cyber threats come from a diverse range of countries, organizations, and individuals. China is rapidly expanding and improving its cyberspace capabilities to meet their national and military objectives, as are others, including North Korea and Russia, not to mention rogue groups and individuals who are increasingly enabled by technology. These actors seek to exploit our vulnerabilities by gaining unauthorized access to our networks and infrastructure on a daily basis. Potential adversaries are actively probing critical infrastructure throughout the United States and in partner countries.

Violent extremism: Periodic eruptions of religious, ethnic, political, and separatist violence continues to plague some of our closest partners in the region, limiting our engagement efforts. India, Bangladesh, Indonesia, Thailand, and the Philippines are all working against a confluence of criminal and extremist networks that enable transnational facilitation of people, material, and money across the region to support various causes which threaten regional peace and prosperity. A sustained effort to build and enhance the capacity of our allies and partners is the cornerstone of our counter terrorism strategy in South and Southeast Asia. We are encouraged by the persistent pressure that our partner nations are placing on these networks. Through close and continuous cooperation we have eroded localized insurgencies and degraded transnational extremist organizations with global reach such as Al-Qaida, Lashkar-e Tayyiba, and Hezbollah.

The movement of terrorist networks as they seek safe havens and target new areas is a potential challenge. Despite modest gains over the past few years, India-Pakistan relations are promising but fragile and the cease fire violations along the Line of Control in 2013 are certainly cause for concern. Barring another major terror attack in India, a conflict between these two nuclear powers is remote, but continued violence along the contentious border will erode the political space to improve relations. Looking further beyond the immediate term, we should remain guardedly optimistic that

India and China—the two largest Asian powers—value the economic benefits of cooperation and will strive, in New Delhi's words, "for peace and tranquility on the border as the foundation of a stable relationship."

<u>Chinese Military Modernization and Intent:</u> While we recognize and understand China's desire to develop a military commensurate with its diverse interests. The United States remains committed to preserving regional peace and security, to meet our security commitments to our regional allies, and guaranteeing free access to the sea, air, and space domains. We are meeting that challenge by improving our military-to-military relationships with China, while steadfastly standing by our friends and allies in the region. Although U.S./China military-to-military ties are improving, we will need ever more transparency and understanding of Chinese military intentions and capabilities if we are to minimize friction and avoid conflict in the future.

The Chinese military continues to pursue a long-term, comprehensive military modernization program designed to improve the capability of its armed forces to project power to fight and win a short-duration, high-intensity regional military conflict. While preparing for potential conflict in the Taiwan Strait appears to remain the principal focus of their military investment, China's interests have grown and it has gained greater influence in the world, with its military modernization increasingly focused on expanding power projection capabilities into the East China Sea, South China Sea, the Western Pacific, and even the Indian Ocean. This expansion, in part, is focused on developing the capabilities to deny U.S. access to the Western Pacific during a time of crisis or conflict and to provide the means by which China can bolster its broad maritime claims in the region.

Chinese military operations are expanding in size, complexity, duration and geographic location. During 2013, the Chinese People's Liberation Army (PLA) Navy conducted the highest

number of open ocean voyages and training exercises seen to date. This included the largest ever Chinese military naval exercise observed outside the first island chain and into the Western Pacific, highlighting an enhanced power projection capability and increased ability to use military exercises to send political messages to regional allies and partners and others in Asia.

This expansion in Chinese military power projection is driven by the rapid modernization of Chinese military capabilities. Over the course of the last year, the PLA continued large-scale investment in advanced short- and medium-range conventional ballistic missiles, land-attack and antiship cruise missiles, counter-space weapons, military cyberspace capabilities, and improved capabilities in nuclear deterrence and long-range conventional strike, advanced fighter aircraft, integrated air defenses, undersea warfare, and command and control. China's first aircraft carrier, the *Liaoning*, began to integrate its air wing and conduct flight operations.

China's advance in submarine capabilities is significant. They possess a large and increasingly capable submarine force. China continues the production of ballistic missile submarines (SSBN). The platform will carry a new missile with an estimated range of more than 4,000 nm. This will give the China its first credible sea-based nuclear deterrent, probably before the end of 2014.

Allies and Partners

The United States' five treaty allies the USPACOM AOR, Australia, Japan, Republic of Korea, Philippines and Thailand, each play a critical role in addressing aspects of these challenges. The bilateral relationships we build with our allies is key to mutual defense but also form the basis for multilateral security arrangements that can strengthen efforts to address Asia-Pacific security challenges. <u>Australia</u>: Our alliance with Australia anchors peace and stability in the region. The Australians take a leading role in regional security issues, and we are coordinating our Theater Campaign Plan with their Regional Campaign Plans to synchronize and optimize our mutual efforts.

USPACOM is working closely with the Australian Defence Staff to advance U.S. force posture initiatives including the Marine Rotational Forces in Darwin and dispersed rotational U.S. Air Force capabilities at Royal Australian Air Force bases. Increased rotational presence in Australia with a more robust bilateral training and exercise program continues to enhance U.S.-Australia interoperability and regional stability.

Japan: The alliance between our two countries is stronger than ever. USPACOM remains ready to carry out the U.S. security commitment to Japan through a full range of military capabilities. U.S. Forces Japan and Japanese Self Defense Forces (JSDF) collaborate and work towards greater shared responsibilities in realistic training, exercises, interoperability and bilateral planning. With the 2006 establishment of the Japanese Joint Staff, U.S. Forces Japan is building a close relationship to enhance interoperability and information sharing. The October, 2013 agreement by our "2+2" Security Consultative Committee (SCC) to review the U.S.-Japan Defense Cooperation Guidelines for the first time since 1997 should enable the JSDF to play a greater role in both the defense of Japan and in response to contingencies further afield. We will continue to maintain a robust military presence in Japan in order to meet future security. Last year, the Marines replaced aging CH-46 helicopters with MV-22 Ospreys and recently the Government of Japan approved a land-fill permit on Okinawa to allow the construction of a new airfield that will facilitate improved posture of U.S. Marine aircraft. The U.S. Navy has begun the gradual replacement of P-3 maritime patrol aircraft with the newer and

more capable P-8s. We will continue to deploy well-equipped, highly trained and ready forces along with our newest equipment to best support Japan and the region.

During North Korea ballistic missile provocations last year, the U.S. and Japan worked very closely to defend against potential threats. It became apparent to both USPACOM and Japan that we need an additional TPY-2 radar in Japan to provide intelligence, surveillance and reconnaissance (ISR) against missile threats. This will serve to provide early warning of missile threats to improve defense of the U.S. homeland, our forces forward deployed, and to Japan.

We continue to work with Japan and the Republic of Korea (ROK) towards a trilateral militaryto-military arrangement capable of addressing North Korea provocations. Trilateral military-to-military exercises and operations will improve each participant's understanding of the mutual challenges and shared opportunities that exist in and around the Korean peninsula.

Philippines: USPACOM is identifying opportunities, informed by a proposed Agreement on Enhanced Defense Cooperation with the Philippines, for an enhanced rotational presence of U.S. forces to improve the training and capability of both our forces. U.S. forces are assisting the Philippine force efforts to improve its maritime security capabilities. Key Philippine efforts include improving Maritime Domain Awareness through development of long-range aircraft and waterborne patrols within the Philippines' Economic Exclusion Zone and enhancing integration among the National Coast Watch system.

The typhoon response in November provided evidence of the strength of the U.S.-Philippines alliance. During Operation Damayan, U.S. military relief operations assisted the people of the Philippines. More importantly, the Philippines Armed Forces were well-prepared for the emergency. Their participation in two previous DoD-sponsored humanitarian assistance/disaster response (HA/DR) planning exercises enabled a rapid damage assessment to response and recover execution process. USPACOM continues to stand by our ally as they undergo recovery efforts.

<u>Republic of Korea</u>: The U.S. and ROK alliance remains strong. For 61 years, we have worked together to provide peace and stability in Northeast Asia, and we continue to work to enhance our relationship and collective capabilities. We recently concluded negotiations for the 9th Special Measures Agreement (SMA) and have developed a new cost sharing arrangement that will be in place through 2018.

The United States and ROK have agreed to transfer Operational Control on a conditions- and milestones-based timeline, and deliberations are ongoing to ensure we are developing the right capabilities for the alliance. We believe that the best way to ensure deterrence and maintain the strength of the alliance is through development of combined capabilities to respond vigorously to any future North Korean provocation.

<u>**Thailand</u></u>: Thailand, with whom we have the oldest treaty in Asia, demonstrates a willingness and capability to be a regional leader. Their efforts assist in addressing several issues including negotiating competing South China Sea maritime claim disputes, serving as an enabler for engaging Burma, and encouraging trilateral engagements. Thailand is committed to increased responsibility for regional security matters.</u>**

Activities with the Thai military, including the annual Cobra Gold exercise, the largest and longest running joint/combined exercise of its kind, are the means by which we remain tightly aligned with Thailand. The Thais have expanded this formerly bilateral U.S.-Thai exercise into a premier multilateral event with a dozen participant countries from around the region.

Singapore: Singapore is designated a "Major Security Cooperation Partner," a title that reflects the value of our bilateral relationship. Singapore is critical to U.S. presence in Southeast Asia. Their continued commitment to U.S. military presence in the region is underscored by their support of the Navy's Littoral Combat Ship (LCS) rotational deployments. Singapore's Changi Naval Base, with its modern shore infrastructure and command and control center, is a key enabler of LCS and provides critical support to other key other forward operating naval forces.

India: India continues its rise as a regional and emerging global power. Its increasing, positive presence in the Asia-Pacific and Indian Ocean region as security provider is an important factor in regional stability. Last year, USPACOM participated in the U.S.-India Strategic Dialogue and looks forward to India's participation in this year's Rim of the Pacific (RIMPAC) exercise.

India has had impressive growth in defense trade with the U.S., purchasing C-17s, C-130Js, and P-8s. As we look to mature our defense relationship, there is further opportunity for growth in defense sales, co-development and co-production under the aegis of the U.S. India Defense Trade and Technology Initiative. These systems would expand India's capabilities to provide for their own security and help their efforts to be a security provider for the region.

<u>New Zealand:</u> We continue to improve our relationship with New Zealand. USPACOM recently co-hosted with our New Zealand counterpart an Inaugural Bilateral Defense Dialogue and we plan follow-on dialogue this summer. We will be conducting 22 joint military-to-military exercises with New Zealand this year. We have revised our policy to allow their warships to visit our global

military ports on a case-by-case basis and look forward to New Zealand's participation in this summer's RIMPAC exercise.

Oceania: USPACOM remains engaged by assisting the Pacific island nations to build capacity to detect, deter, and seek redress for illegal activities within their Exclusive Economic Zones (EEZ) and have enhanced expansion of selected partner Coast Guard ship rider agreements to include U.S. Navy ships. In addition to EEZ control, capacity-building for effective HA/DR response remains USPACOM's focus for the Oceania sub-region. USPACOM has increased the regional understanding of the area's security concerns through regular participation in the Pacific Island Forum as a mechanism to discuss mutual security issues.

Association of Southeast Asian Nations (ASEAN): USPACOM has expanded combined and joint training and exercises in the region, notably with Indonesia, Malaysia, and other ASEAN members. There has been success using multilateral forums to build partner capacity in humanitarian assistance and disaster relief, intelligence cooperation, counter narcotics, maritime security, maritime domain awareness and cyber security and peacekeeping operations.

ASEAN's goal to develop a code of conduct for the South China Sea, and the efforts of some ASEAN nations to adjudicate claims using international bodies are positive initiatives which we support. USPACOM will continue to explore ways to support the ASEAN Defence Ministers' Meeting (ADMM) and ASEAN Regional Forum for addressing common security challenges. The recent ADMM Counter-Terrorism Exercise is an example of successful collaboration with regional partners on transnational threats. Other multilateral engagements such as the recent event in Brunei focused on military medicine and maritime collaboration in areas of counter-piracy, search and rescue, and Humanitarian Assistance and Disaster Relief (HA/DR). The recently concluded ADMM-Plus multilateral peacekeeping (PKO) exercise in the Philippines focused on force generation, sustainment and logistics, and field operations.

Improving partner relations remains vital toward building multilateral cooperation arrangements. The multilateral forums of ASEAN provide an ideal mechanism to build multilateral capabilities. The ADMM forum is beginning to formalize those relationships to address the region's security challenges. In fact, the U.S. Secretary of Defense is hosting the next ADMM forum in Hawaii. There are also key ASEAN member countries building close bilateral military relationships which can greatly enhance regional stability. For example, in adherence to the 2013 U.S.-Vietnam Comprehensive Partnership, we will continue to assist Vietnam in developing its non-lethal defense capabilities in specialized areas such as maritime security, search and rescue, disaster management, and peacekeeping.

<u>U.S. - China Relationship:</u> The last year has seen some progress in improving the cooperative aspects of our military-to-military relationship with China. There are three major areas of military-to-military engagement opportunities with the Chinese. First, we use current mechanisms to exchange views on the international security environment and expand common understanding of common problems, including discussions on Iran and North Korea. U.S. and Chinese participation in the Fullerton Forum, the Strategic Security Dialogue in Singapore, along with China's invitation to join the USPACOM Chiefs of Defense Conference are examples of forums for discussing common problems.

Second, we work to develop increased institutional understanding. The Mid-Level Officers Exchange is a program where the Peoples' Liberation Army (PLA) and USPACOM host a delegation

of each other's field grade officers to better understand cultural, linguistic, and historical factors. A group of officers from the USPACOM staff and components traveled in early March to three cities in China, at the PLA's invitation, to gain an appreciation of how their military organizations and institutions work.

Third, we can build areas of mutual cooperation. The Military Maritime Consultative Agreement (MMCA) dialogues are held to exchange views on maritime domain safety. Chinese ships recently completed a port visit berthing in Pearl Harbor last November. Sixty-three PLA soldiers participated in Humanitarian Assistance training at a Hawaiian training area. Next year, the Chinese are scheduled to reciprocate and will host a similar number of U.S. soldiers. The Chinese participation in the Cobra Gold exercise, as well as their upcoming participation in the world's largest naval exercise, RIMPAC, illustrates a growing effort to include China in large multilateral activities to increase awareness and cooperation. All of the activities were scoped to ensure they fall within Congressional guidance regarding U.S. and China military-to-military interaction.

Resources

Budget uncertainty has hampered our readiness and complicated our ability to execute longterm plans and to efficiently use our resources. These uncertainties impact our people, as well as our equipment and infrastructure by reducing training and delaying needed investments. They ultimately reduce our readiness, our ability to respond to crisis and contingency as well as degrade our ability to reliably interact with our allies and partners in the region.

The USPACOM joint forces are like an 'arrow.' Our forward stationed and consistently rotational forces – the point of the 'arrow'-- represent our credible deterrence and the "fight tonight" force necessary for immediate crisis and contingency response. Follow-on-forces from the continental

U.S. required for sustained operations form the 'shaft of the arrow.' Underpinning these forces are critical platform investments and the research and development needed to ensure our continuous dominance. Over the past year we have been forced to prioritize readiness at the point of the arrow at the great expense of the readiness of the follow-on force and the critical investments needed for these forces to outpace emerging threats, potentially eroding our historic dominance in both capability and capacity.

Due to continued budget uncertainty, we were forced to make difficult short-term choices and scale back or cancel valuable training exercises, negatively impacting both the multinational training needed to strengthen our alliances and build partner capacities as well as some unilateral training necessary to maintain our high-end warfighting capabilities. These budgetary uncertainties are also driving force management uncertainty. Current global force management resourcing, and the continuing demand to source deployed and ready forces from USPACOM AOR to other regions of the world, creates periods in USPACOM where we lack adequate intelligence and reconnaissance capabilities as well as key response forces, ultimately degrading our deterrence posture and our ability to respond.

Posture, Presence, and Readiness

Driven by the changing strategic environment, evolving capabilities of potential competitors, and constrained resourcing, we have changed the way we plan for crises, internationalized the USPACOM headquarters to better collaborate with allies and partners, and created a more agile and effective command and control architecture - a command and control architecture that can seamlessly transition from daily routine business to crisis. Strategic warning times in the USPACOM AOR are eroding and key to addressing this is our ability to rapidly assess and shape events as crises emerge. This approach places a premium on robust, modern, agile, forward-deployed forces, maintained at the highest levels of readiness, and capable of deploying rapidly.

USPACOM is doing much to prepare the force for 21st century threats. Our components are looking at new ideas for employment of forces to better fit the needs and dynamic nature of the Indo-Asia-Pacific and to send a powerful and visible message of our commitment across the region. The Marine rotational force deployments to Darwin, the *USS Freedom* (the first Littoral Combat Ship rotating through Singapore), and rotational deployments of F-22s to Japan and F-16s to South Korea are just a few examples of these efforts. Likewise, U.S. Army Pacific (USARPAC) is currently exploring a future employment model that helps us work with allies and partners, using existing exercises and engagements as the foundation.

Critical to continued success in the USPACOM AOR is properly setting the theater to ensure a full range of military operations can be supported by the necessary forces postured, capabilities, and infrastructure.

Forward pre-positioning (PREPO) is a vital. Agile, responsive and sustained operations demand a resilient network of capabilities to deploy and sustain my most demanding contingency plan required forces. While we have made some strides to address current theater issues, I remain focused on building capacity in these areas:

- Army PREPO stocks: FY16-20 sustainment funding to ensure reliability/availability.
- PREPO Fuel: Continue to build capacity for forward positioned stocks.
- PREPO Munitions: Remove expired assets to create space for needed resources.
- PREPO Bridging: Procure additional resources to enhance capacity.
- Combat Engineers: balance active/reserve mix to meet plan timelines.

Our \$1.4B FY14 military construction (MILCON) program supports operational capability requirements to base MV-22s in Hawaii and an additional TPY-2 radar in Japan, and improve theater logistics and mobility facilities. Coupled with active and passive defense measures, MILCON pays for selective hardening of critical facilities and the establishment of aircraft dispersal locations to improve critical force and asset resiliency. Projects like the General Purpose and Fuel Maintenance hangers and the command post at Guam are examples. Continued targeted investments are needed to support "next generation" systems such as the Joint Strike Fighter, address airfield requirements, and co-locate mission support and maintenance facilities which enhance readiness, improve mission response and reduce costs associated with returning aviation assets to CONUS. Support for other dispersed locations like those in Australia also offer increased security cooperation opportunities, deepening our already close alliance. Additional sites we are considering in the Commonwealth of the Northern Marianas Islands offer expanded opportunities for training and divert airfields as well.

Many of our bases, established during World War II or in the early years of the Cold War, require rehabilitation. Infrastructure improvement programs like MILCON, Host-Nation Funded Construction (HNFC), and Sustainment, Restoration and Modernization (SRM) ensure the readiness of forces and facilities needed to meet the challenges of a dynamic security environment. In addition to continuing the outstanding support Congress has provided for MILCON, we ask for consideration to fully fund Service requests for SRM, which contribute directly to the readiness of critical ports/airfields, command/control/communication, fuel handling and munitions facilities.

Continued engagement by the U.S. Army Corps of Engineers (USACE) further supports our objectives. USACE's unique expertise builds capacity in critical areas, including disaster response and water resource management, and their Planning and Design (P&D) funding directly supports the HNFC program. FY15 P&D funding for USACE (\$20M) will enable efficient utilization of billions of

dollars of HNFC in Japan and Korea, ensuring our base sharing approach supports current budget trends.

Cooperative Security Locations (CSLs) are important to our ability to respond agilely in the Indo-Asia-Pacific. CSLs are enduring locations characterized by the periodic (non-permanent) presence of rotational U.S. forces. Although many of these locations, like Thong Prong Pier in Thailand, provide important strategic access, we lack the authorities to make low cost improvements. Increased funding to enable low cost improvements would enhance our security cooperation effectiveness with key allies and partners in the region. To address this gap, we are requesting a new \$30M 'Security Cooperation Authority', managed by the Joint Staff under the MILCON appropriation. The new authority will provide us the flexibility to rapidly fund CSL development in support of DOD priorities in theater.

USPACOM posture is also dependent on the need to build stronger Security Cooperation capacities with our partners.

Engagement resources like Foreign Military Financing (FMF) and International Military Education and Training (IMET) are also powerful engagement resource tools. FMF and IMET are critical to demonstrating U.S. commitment to priority regional security concerns such as maritime security and disaster relief; enabling troop contributing countries to participate in peacekeeping and coalition operations; and providing professionalization opportunities in support of deeper partnerships with the United States and U.S. interests, including strengthening democratic values and human rights. Two other tools that help build capacity are the Global Security Contingency Fund (GSCF) and the Excess Defense Articles (EDA) program. GSCF is a broad-based pilot program (ending in 2015) that allows improved interagency security cooperation. I highly encourage you to continue this authority beyond 2015, especially considering the benefits from the \$40 million GSCF allocation largely applied

to the Philippines' law enforcement and maritime security capabilities, including the establishment of the Interagency Maritime Technical Training Center. The EDA program also allows us to build vital capabilities, but current statute limits transfer of certain ships to partner nations. Equally important is continued Congressional support of the Combatant Commander Exercise Engagement Training Transformation Program. These resources enable funding for joint exercises and engagement that sustain force readiness, strengthen alliances, expand partner networks, and prepare for a full range of military operations. The Asia-Pacific Center for Security Studies (APCSS) remains a uniquely effective executive outreach tool to convey our strategic interests to multi-national audiences and needs our continued support.

Expansion of the DoD's State Partnership Program (SPP) run by the National Guard Bureau has begun in the Indo-Asia-Pacific. Recent collaborative efforts to fully integrate SPP into our Security Cooperation programs have led to the successful introduction of five Bilateral Affairs Officers and the establishment of DoD's newest partnership (Nevada – Tonga). We now have 8 of 66 SPP programs world-wide (Mongolia, Philippines, Indonesia, Vietnam, Cambodia, Bangladesh, Thailand, and Tonga). In order to meet theater objectives and opportunities in 11 additionally identified Asia-Pacific nations, we continue to establish new partnerships in the region.

To sustain our current technological superiority, we must rapidly develop affordable and innovative capabilities that force our potential adversaries to respond with more costly solutions--costly in terms of money, time and resources. Our ability to successfully develop innovative capabilities will ensure we continue to be the world's most dominant and lethal fighting force. In order to meet this challenge, innovative approaches through affordable / high payoff science and technology programs as well as through innovation and experimentation must be accelerated. Specifically, the unique challenges in terms of distance and threat require we maintain our technological advantages in

areas such as – mobility, unmanned platforms, long-range strike, ISR, sub-surface capabilities, cyber, space, and missile defense.

We continue to look for opportunities to leverage the capabilities and resources of our allies and partners. Sharing and co-development of technologies with allies, as well as conducting experimentation and demonstrations within the operationally relevant environments offered by our partners will help to achieve this goal. USPACOM will continue to work closely with our partners, and allies, generating capabilities that achieve regional security.

USPACOM's success depends on our ability to accurately assess the theater security environment with penetrating and persistent ISR and domain awareness. These capabilities depend on resourcing for agile command and control of ISR; modernized sensors and platforms with the reach to excel in a non-permissive environment; and secure, assured means for sharing critical information with our allies, partners, and our forces. The nexus for leveraging these capabilities—the USPACOM Joint Intelligence Operations Center—also requires modernization of aging and dispersed infrastructure which is costly to operate and sustain.

USPACOM continues as a global leader in intelligence and cyber systems. It has established and is maturing the Joint Cyber Center-Pacific (CYBERPAC), which plans, integrates, synchronizes and directs theater cyberspace operations. The aim is to set the theater for cyberspace operations, provide assured command and control and information sharing with joint and inter-organizational partners and forces, and direct regional cyber missions to meet USPACOM objectives. USPACOM continues to work with DoD counterparts to receive additional cyber forces and build appropriate mechanisms to command and control such forces across all operations.

Agile and resilient C4 (Command, Control, Communication, and Computers) capabilities are critical for assuring our ability to maintain communications and situational awareness; command and

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control forward deployed forces; and coordinate actions with coalition partners. This holds particularly true for USPACOM, which must overcome the "Tyranny of Distance" posed by the vast Indo-Asia-Pacific region. From moving supplies in support of a humanitarian assistance/disaster relief effort to full spectrum coalition operations, modern joint forces depend upon assured command and control and interoperability.

Future globally integrated operations will require even more integrated communications with mission partners on a single security classification level with a common language. Therefore, a more defensible and secure C4 cyber architecture designed to communicate with mission partners is needed. USPACOM was recently designated to lead Increment 2 of the Joint Information Environment (JIE), which will accommodate Service networks and joint/coalition warfighting networks in a standard network infrastructure with improved security capabilities. JIE will further strengthen collective cyber security in the region and will redefine joint/coalition communications, establish a credible cyber defense posture, and improve staff efficiency and support. We have already expanded traditional communications interoperability forums with Korea, Japan, Singapore, Thailand, and the Philippines to include cyber defense.

Conclusion

At USPACOM, we are committed to maintaining a security environment that protects and defends U.S. interests throughout the Indo-Asia-Pacific region. If adequately resourced, we will make efficient use of these resources in order to ensure we are properly postured and ready to respond to any crisis that threatens U.S. interests. I would like to thank the Committee on behalf of the many men, women, and their families that live and work in the Indo-Asia-Pacific Theater for all your continued support and I look forward to answering your questions.