

**U.S. SECURITY POLICY IN ASIA AND THE PACIFIC:
RESTRUCTURING AMERICA'S FORWARD
DEPLOYMENT**

HEARING
BEFORE THE
SUBCOMMITTEE ON ASIA AND THE PACIFIC
OF THE
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INTERNATIONAL RELATIONS
HOUSE OF REPRESENTATIVES
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U.S. SECURITY POLICY IN ASIA AND THE PACIFIC: RESTRUCTURING AMERICA'S FORWARD DEPLOYMENT

THURSDAY, JUNE 26, 2003

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ASIA AND THE PACIFIC,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC.

The Subcommittee met, pursuant to call, at 12 p.m. In Room 2172, Rayburn House Office Building, Hon. James A. Leach [Chairman of the Subcommittee] presiding.

Mr. LEACH. The Subcommittee will come to order. On behalf of my colleagues, I would like to warmly welcome our distinguished Administration witnesses. Appearing before us today is the Honorable Peter W. Rodman, Assistant Secretary of Defense, International Security Affairs; Admiral Thomas B. Fargo, the Commander of the U.S. Pacific Command; and Christopher LaFleur, Special Envoy for Northeast Asia Security Consultations, Bureau for East Asian and Pacific Affairs, U.S. Department of State.

We would particularly like to thank Admiral Fargo and the many fine young men and women associated with the Pacific Command for their professionalism in representing America in this crucial part of the world.

In addition, joining us later may well be the gentlelady from Guam, Representative Bordallo.

The purpose of today's hearing is to review the priorities for United States security policy in Asia and the Pacific in light of the global campaign against terrorism, regional threats such as North Korea, technological innovation, as well as our enduring interest in peace and security in this vital region.

As my colleagues are aware, maintaining a robust overseas military presence has historically been a key element of the United States national security policy in Asia-Pacific. The United States presence in the region dating back from World War II has been sustained by forward bases in Japan, South Korea and, until 1992, the Philippines, as well as by active defense cooperation with allied and friendly states in Southeast Asia and Oceania, primarily Thailand, Singapore and Australia.

With the end of the cold war, the basis for our forward-deployed presence shifted from deterring the Soviet threat to ensuring regional stability. This fundamental continued continuity of policy has been maintained by successive United States Administrations, all of which have emphasized the linkage between our network of

alliances and friendships to a regional environment in Asia conducive to confidence in economic growth.

The one area where we can say with some certainty that United States troop relocations are imminent is in South Korea. Here it is important to stress that the purpose of these adjustments is to enhance security in the Korean Peninsula, improve our combined defense, promote regional stability, and lay the basis for strengthened relations with our valued South Korean allies.

It is in this context that we note that the two most challenging geopolitical, as contrasted with geoeconomic, problems in the region relate to North Korea and the capricious violence we sometimes call terrorism.

With respect to North Korea, in recent weeks the Administration has augmented its diplomatic strategy toward the North through the development of a proliferation security initiative. As I understand it, largely from the press, this initiative is designed to search planes and ships carrying suspect cargo and to seize illegal weapons or missile technology. We hope to learn more about this approach during the course of our hearing today.

In terms of the campaign against terrorism, it appears that regional extremist networks are larger, more capable and more active than was previously believed. This is a problem in Indonesia, and our allies in the Philippines in particular are presented with a vexing set of difficulties in Mindanao and elsewhere in the southern reaches of the country.

While Congress is firmly supportive of United States assistance to Manila, I would hope the Executive Branch understands the negotiations involving the commitment of U.S. troops to potential areas of conflict are a subject the Administration would be wise to consult Congress about in advance. In that regard, we are fortunate to have before us this very distinguished group of witnesses, and we would look forward to your testimony.

[The prepared statement of Mr. Leach follows:]

PREPARED STATEMENT OF THE HONORABLE JAMES A. LEACH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IOWA, AND CHAIRMAN, SUBCOMMITTEE ON ASIA AND THE PACIFIC

On behalf of my colleagues, I would like to warmly welcome our distinguished trio of Administration witnesses. Appearing before us today is the Honorable Peter W. Rodman, Assistant Secretary of Defense, International Security Affairs, Admiral Thomas B. Fargo, Commander, U.S. Pacific Command, and Christopher LaFleur, Special Envoy for Northeast Asia Security, Bureau of East Asian and Pacific Affairs, U.S. Department of State. I would particularly like to thank Admiral Fargo, and the many fine young men and women associated with Pacific Command, for their professionalism in representing America in this crucial part of the world. In addition, joining us again today as an "honorary Member" of the Subcommittee, is the gentlelady from Guam, Representative Bordallo. You are most welcome.

The purpose of today's hearing is to review the priorities for U.S. security policy in Asia and the Pacific in light of the global campaign against terrorism, regional threats such as North Korea, technological innovation, as well as our enduring interest in peace and security in this vital region.

As my colleagues are aware, maintaining a robust overseas military presence has historically been a key element of U.S. national security policy in the Asia-Pacific. The U.S. presence in the region, dating from World War II, has been sustained by forward bases in Japan, South Korea, and until 1992 the Philippines, as well as by active defense cooperation with allied and friendly states in Southeast Asia and Oceania, primarily Thailand, Singapore, and Australia.

With the end of the Cold War, the basis for our forward deployed presence shifted from deterring the Soviet threat to ensuring regional stability. This fundamental

continuity of policy has been maintained by successive U.S. administrations, all of which have emphasized the linkage between our network of alliances and friendships to a regional environment in Asia conducive to confidence and economic growth.

The two most challenging geopolitical as contrasted with geoeconomic problems in the Pacific region relate to North Korea and capricious violence we call terrorism.

With respect to North Korea, in recent weeks the Administration has augmented its diplomatic strategy through the development of a "Proliferation Security Initiative." As I understand it, this initiative is designed to search plans and ships carrying suspect cargo and to seize illegal weapons or missile technology. We hope to learn more about this approach during the course of our hearing today.

Change is also imminent in U.S. troop deployments in South Korea. Here it is important to stress that the purpose of these adjustments is to enhance security on the Korea, improve our combined defense, promote regional stability, and lay the basis for strengthened relations with our valued South Korean allies. From a Congressional perspective, there is unanimity in Washington that America's commitment to South Korea has to be steadfast and our alliance held very much unquestioned as the unpredictable unification process with the North proceeds.

In terms of the campaign against terrorism, it appears that regional extremist networks in Southeast Asia are larger, more capable and more active than was previously believed. Our allies in the Philippines, in particular, are presented with a vexing set of problems in Mindanao and elsewhere in the southern reaches of the country. While Congress is firmly supportive of U.S. assistance to Manila, I would hope the Executive Branch understands that negotiations involving the commitment of U.S. troops to potential areas of conflict are a subject the Administration would be wise to consult Congress about in advance.

In any regard, we are fortunate to have before us a distinguished group of witnesses, and we look forward to your testimony.

Mr. LEACH. Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman. Once again, I thank you for calling this hearing this afternoon. This hearing completes what I would call probably the—kind of like a stool having three legs, so to speak. The fact that we have just about completed the discussions and dialogue on the three fundamental areas that is within the jurisdiction and responsibility of this Subcommittee of reviewing and assessing United States foreign policies toward the Asia-Pacific region. Previous hearings we held touched upon our Nation's policies, on our trade and commercial interests in the Asia-Pacific region, and how these issues fall within the framework of our overall foreign policies toward this region.

Today we are to assess the current status of our strategic and military interest in the Asia-Pacific region, and it is without question in my mind that our trade and commercial ties to this region is inherently connected with our policies, our national security and the capability of our country to establish a military presence in order to provide not only regional stability, but to protect our interests in this region of the world.

It is always a pleasure for me to remind my colleagues and the American people of how important and vital the Asia-Pacific region is to our Nation. Our country is just as much a part of the Pacific region, and we are a Pacific Nation. Two-thirds of the world's population resides in the Asia-Pacific region. It is my understanding our Nation's trade and commercial ties with the Asia-Pacific region is twice that of Europe or any other region of the world, for that matter.

I recall Senator Inouye's observation about the differences between the Asia-Pacific region and the ties that we have with other regions of the world. Senator Inouye said that for every 747 that

flies between the Atlantic into our country, four 747s fly in between the Asia-Pacific region and the United States.

It is my understanding also, Mr. Chairman, that 6 of the 10 largest armies of the world is in the Asia-Pacific region. Japan alone is second only to our Nation as far as an economic power. Unless that has changed, Mr. Chairman, it is my understanding that Japan is the second most powerful economy in the world. It is also my understanding that 60 percent of the world's GNP resides in the Asia-Pacific region.

It is my real, real pleasure to see that there is a major shift in our commitments and the actions that our government has taken in dealing with the Asia-Pacific region because of its diversity and because so much of our own security, national interests lie within this area.

We are to review our military presence in this region. There is no question about these serious concerns as it was enunciated by our Secretary of State Colin Powell—the crisis with North Korea. The current problems we have in the Taiwan Straits between the People's Republic of China and Taiwan. We have some very serious problems of terrorism, Indonesia being the largest Muslim nation in the world. We have elements of al-Qaeda supposedly within Malaysia and also within the Philippines. We have problems dealing with Pakistan and India, their rivalry, not only having in their possession of nuclear weaponry systems. The question of our military presence in South Korea, as well as in Okinawa.

It is my understanding that the Administration is now taking a very firm action in restructuring our military forces throughout the Asia-Pacific region as it relates also to the Atlantic and countries in Europe.

So these are some of the things that I am looking forward to learning from our witnesses this morning and certainly want to offer my personal welcome to Secretary Rodman and Admiral Fargo and Mr. LaFleur, and I am certain that the expertise and the substantive knowledge that they have in this region will be very helpful not only to our Subcommittee, but certainly to this body.

I want to say this especially to Admiral Fargo, because he happens to have the largest military command in the world with some 100 million miles of ocean and country, all the way from Madagascar, Africa, throughout all the Asian countries, and going as far as even Latin American countries and the Pacific Rim. Even in San Diego he has this command, Mr. Chairman. I mean, I don't know how Admiral Fargo is ever able to administer such a vast and comprehensive area, and I am sure that his testimony this afternoon will be welcome by the Members of our Committee, and not to say that any less of the substance that is going to be discussed with Secretary Rodman and also Mr. LaFleur.

So I welcome our witnesses this afternoon, and I look forward to hearing from them. Thank you.

Mr. LEACH. Mr. Bereuter, do you have an opening statement?

Mr. BEREUTER. Thank you, Mr. Chairman. I will just commend you on the hearing and say I am looking forward to the testimony, and I yield back.

Mr. LEACH. Thank you, sir.

Let me briefly introduce our witnesses. Secretary Rodman has served as the Secretary of Defense for International Security Affairs since July 2001 during the Reagan and first Bush Administration. He served as Director of the State Department's policy planning staff and also as a Deputy Assistant to the President for National Security.

Admiral Fargo, as I was told yesterday, has been in the United States Navy for 63 years. That is an exaggeration. His father was a career Navy officer, so he was brought up in the Navy, and that is a very impressive circumstance. He is a graduate of the United States Naval Academy and heads the most important command in the United States Navy, and we welcome you, sir.

Mr. LaFleur is a graduate of the—Secretary LaFleur is a graduate of Oberlin College, and he joined the Foreign Service in 1973. That was after they lowered their standards when I left, but we appreciate your career service, and we are very appreciative of your joining us.

Let us begin, unless there is agreement otherwise, in the order of the introduction. If you would rather testify in another order, let me know.

Mr. FALEOMAVAEGA. Will the Chairman yield? I am sorry. Our good friend and colleague Congresswoman Bordallo is with us on the dais, and we certainly want to welcome her.

Mr. LEACH. You are welcome, Ms. Bordallo.
Secretary Rodman.

STATEMENT OF THE HONORABLE PETER RODMAN, ASSISTANT SECRETARY, INTERNATIONAL SECURITY AFFAIRS, U.S. DEPARTMENT OF DEFENSE

Mr. RODMAN. Thank you very much, Mr. Chairman and Members of the Subcommittee.

Mr. LEACH. You have to press it and pull it close, Mr. Secretary.

Mr. RODMAN. It is working now, Mr. Chairman.

Mr. Chairman and Members of the Committee, I want to thank you very much not only for your courtesy to us today, but for convening the hearing. I think all of us in the Executive Branch see this as an opportunity to reassure not only to Members of Congress, but our friends and allies in the region that the United States remains absolutely committed to being a factor in the Pacific, a bulwark of stability and security and freedom in this vast region that has been described. There have been some confusing reports out there about what our plans are, and this is an opportunity for us to clarify and, as I said, to reassure, most of all to reassure, that the United States remains committed to being a loyal ally and friend and to remaining a factor for peace and security.

You have my prepared statement, which I respectfully ask to be—

Mr. LEACH. Without objection, it will be placed in the record. All three opening statements will be placed in the record, and all three of you may proceed as you see fit.

Mr. RODMAN. Thank you.

So I will just say a few brief words based on the prepared statement.

There are a number of new things going on in the region in recent years. The war on terrorism has introduced a new factor in our national security policy. The technological change in the nature of war, which we have seen in Iraq, leads the Administration to think about new ways of improving our effectiveness and capability as an ally and friend in the region. Transformation is the word that Secretary Rumsfeld likes to use. So there are a lot of new factors in our defense planning, but there are also some things that are not new.

The solidity of our alliances is, of course, an old thing. It has been for 50 years or so we have been an ally of alliances which remain the bedrock of our policy.

In addition, there are geopolitical realities that don't change, and there are the traditional needs of deterrence. Those basic principles have not changed, and I would draw, as the Ranking Member did, some contrast with Europe.

In Europe we see integrated institutions that have reached a high stage of development, pulling the continent of Europe together in a positive way.

In Asia the institutions—regional integrating institutions are only in their rudimentary stages, and so America's bilateral security relationships in Asia make up most of the regional security structure that exists.

Europe in an important sense was a main beneficiary of the end of the cold war. Europe is settling into some new patterns of stability, but in the Asia-Pacific region, in contrast, we see some more delicate conditions, some more fluid geopolitical conditions, changing geopolitical realities. We see China emerging. We see Japan and the Republic of Korea looking at their defense needs in new ways. North Korea, of course, is still a problem. We see the rise of Islam. You can extremism in Southeast Asia. So that just reemphasizes the importance of the American security, the American security involvement in Asia as a crucial determinant of peace.

And this brings me to the issue of the so-called footprint, the American military posture in the Asia-Pacific region. The buzzword in the Pentagon is our military footprint. And I want to say a few words, and my statement and Chris LaFleur's statement go into some of these principles, but let me make just a few brief points.

This is a global issue for the Department of Defense. We are looking—it is not just about Asia. We are looking at our presence globally because of, first of all, the end of the cold war, which has made dramatic changes in what our needs are in many parts of the world; technology, as I mentioned, the capabilities and possibilities of fighting wars differently and enhancing our capability in different ways; new missions, some relating to the war on terrorism. But this is something we are reviewing all over the world, and—but one conclusion is clear from this review, at least one conclusion, which is that a forward military presence still remains necessary, not only militarily necessary, but politically necessary, because we have allies and friends who look to us for our commitment, and the forward presence has that political function.

But it is clear that in new conditions our forward presence may need to change. It needs to be modernized. It needs to take the fullest advantage of new technologies, new possibilities. It needs to be

flexible. One reason it needs to be flexible is that we do—we look at the theaters globally. We don't look at each theater in isolation. More and more we see the breakdown or the reduction of the so-called seams that separate the regional commands, and we look at the world as a theater in which we want the flexibility to operate maybe one place, maybe move forces from one place to the other. So that is a way we are looking—new way we are looking at things.

We are looking at ways to diversify our overseas presence. We know that political conditions change. Having a multiplicity of options is smart strategy, politically as well as militarily. Jointness is one of the new features of our operations we saw again demonstrated very well in Iraq. So a lot of our facilities we look at in a new way, not just as a naval base or an Air Force base, but as a combined joint facility. So we are looking for that kind of presence qualitatively changed.

We are also looking to allies themselves to make the contribution that they must make to the common defense, and certainly we are fortunate to have capable allies who are capable of doing more and benefitting themselves from these new forces of transformation.

The bottom line is that whatever review or reassessment we are undertaking has the goal of enhancing, improving, upgrading and modernizing our presence and our ability to fight wars, to defend, deter, not to reduce our commitment, not to pull out. Just the opposite. It is to leave—it is to exploit new technological capabilities. It is to adapt to new threats that exist. The net result is meant to be a stronger commitment to our allies and more effective ability to fulfill our commitments, and I would say just in conclusion that after what was done in Iraq, I think no ally or friend should doubt either our capability or our political will to defend our interests and to defend our friends. Thank you very much.

[The prepared statement of Mr. Rodman follows:]

PREPARED STATEMENT OF THE HONORABLE PETER RODMAN, ASSISTANT SECRETARY,
INTERNATIONAL SECURITY AFFAIRS, U.S. DEPARTMENT OF DEFENSE

INTRODUCTION

Mr. Chairman and Members of the Subcommittee: Thank you very much for this opportunity to join you in addressing some of the most important security challenges before us in the Asia-Pacific region.

U.S. DEFENSE STRATEGY

U.S. defense strategy today, broadly considered, is a response to a variety of security challenges, many of which are new challenges that may well dominate the first decades of the 21st century:

- the threat of international terrorism;
- uncertainty about where new security threats will arise, and the need that this creates to be prepared to respond quickly to problems around the world;
- the growing challenge of the proliferation of weapons of mass destruction (WMD), including the threat arising from the nexus of WMD proliferation, rogue states, and terrorists; and
- advances in technology and asymmetric threats at the hands of potential adversaries, which, for us, place a premium on knowledge, precision, speed, lethality and surprise in the conduct of military operations.

But not everything changes in a new era. In the Asia-Pacific region, while the war on terrorism has affected many relationships and redefined many requirements, there are also some enduring strategic factors—our solid and vitally important alliances and some enduring requirements of deterrence.

Thus, the four key tenets of our defense strategy today are:

- *to assure* allies and friends by strengthening existing security ties and developing new partnerships;
- *to dissuade* military competition by influencing the choices of key states, raising the costs of military competition, and experimenting with transformed forces overseas;
- *to deter aggression and coercion forward* by increasing our capabilities for swift military action within and across critical regions; and
- *to defeat* any adversary if deterrence fails.

Let me apply these principles to the Asia-Pacific region.

U.S. NATIONAL SECURITY STRATEGY IN ASIA

Security and stability in Asia remain a vital U.S. strategic interest. Some critical facts about Asia illustrate why:

- More than 50% of the world's economy and more than half the world's population reside in Asia.
- U.S. businesses conduct more than \$500 billion in trade with Asia each year.
- Half a million U.S. citizens live, work, and study in the region.
- Asia is home to four of the seven largest militaries in the world, some of them nuclear powers.
- Real defense spending has risen 30 percent in the region since 1985, despite the end of the Cold War and Asia's economic crisis of 1997–1998.
- There are more than two dozen unresolved territorial disputes left over from historical conflicts.

Unlike Europe, the Asia-Pacific region has few, or only rudimentary, integrating institutions. U.S. bilateral alliances make up most of the regional security structure that exists. Whereas Europe was a principal beneficiary of the end of the Cold War, settling into a broad stability, the Asia-Pacific region in contrast finds its geopolitics all the more fluid after the Soviet collapse. For example:

- The rise of China is a major new factor, economically and strategically.
- Japan is taking important new steps in the security field.
- The Republic of Korea is assessing its security and diplomatic requirements in new ways.
- The North Korean threat has grown.
- The end of the Cold War has freed India and the United States to rediscover options towards each other, including in the security field.
- The rise of Islamist extremism has introduced new challenges to stability, especially in Southeast Asia, but also on the Eurasian mainland.

In this complex new environment, the United States is well positioned to play a positive and effective role for stability and freedom.

We start with our strong security cooperation with our five treaty allies—Japan, Australia, South Korea, Thailand, and the Philippines—and other close partners, such as Singapore.

Their support for a strong U.S. military presence, and our bilateral military cooperation with them, allow us to maintain a strong deterrent posture. Even broader cooperation, bilateral and multilateral, has characterized the Asia-Pacific dimension of the war on terrorism.

Australia has long been a steadfast ally and partner, and recent events have only magnified the value of our alliance with it. The key role that Australia's brave forces played in Iraq and Afghanistan, and its commitment to a leading role in regional security, only demonstrate Australia's growing importance.

Our alliance with *Japan* has long been the anchor of stability in Northeast Asia. Our security relationship with Japan is now evolving into one that is relevant globally. Japan's support in Operation Enduring Freedom has been unprecedented; its refueling operations for coalition ships in the Indian Ocean, for over 18 months now, have been invaluable, as have been some strategic lift missions it has undertaken. Japan has strongly supported us in Operation Iraqi Freedom and is considering ways to send its military there as well. We have also been cooperating with Japan in the area of missile defense.

In the *Republic of Korea*, where our alliance has endured for over 50 years, we and our Korean allies have launched a joint review of our military posture. The

process is guided by how best to take advantage of new technology to counter North Korean capabilities and strengthen deterrence in new conditions. Modernization of our combined forces—transformation—is a necessity and also an opportunity. Our two Presidents have pledged to work closely together on what they called, in their May 14 joint statement, “the transition to a more capable and sustainable U.S. military presence on the peninsula.” We have also reached agreement on plans to expand the role of ROK forces in the defense of the peninsula, to relocate the garrison at Yongsan, and to consolidate U.S. forces in Korea around key hubs.

U.S.-*Philippine* relations have grown closer in recent years. Our two governments share concerns over growing evidence of links between Philippine and international terrorist organizations, including Jemaah Islamiyah. We are providing security assistance to enhance the capabilities of the Armed Forces of the Philippines to counter terrorism. We are currently planning a combined training exercise, Balikatan 03-1 in the 4th quarter of this calendar year.

Thailand has provided critical support for Operation Enduring Freedom and has cooperated with us on all aspects of the war on terror. Its commitment to support postwar reconstruction efforts in Iraq is a positive reflection of our ability to work together on issues of global importance. Thailand’s willingness to afford us unimpeded access to valuable facilities enables us to maintain a high level of readiness in the region. Cobra Gold, the centerpiece of the US-Thai annual training and exercise schedule of over 40 activities, is now focused on peace enforcement and peacekeeping. Our training relationship has expanded over the last decade to include cooperation also on counter-drug matters, disaster response, humanitarian assistance, demining, and now counter-terrorism.

Singapore has been a strong supporter of the U.S. presence in Asia. Singapore has provided the U.S. with essential access to ports and facilities, including Paya Lebar Airbase and Changi Naval Base. A U.S. Navy logistics unit of approximately 160 people was established in 1992, in part to facilitate over 100 U.S. naval ship visits per year in Singapore. Singapore has been one of our strongest counter-terrorism partners and a leader in multilateral counter-terrorist efforts in Southeast Asia. It has made a number of high-profile arrests of suspected Jemaah Islamiyah members and has disrupted terrorist plots targeting U.S., British, and Singaporean interests.

The U.S. and the region have a great stake in Indonesia’s success as a modern and stable democracy. Reform of the Indonesian military is an essential piece of that effort. Indonesia is a crucial player in the global war on terrorism, and an important friend.

Our relations with *China* have improved in recent years. We seek a constructive and candid relationship with this emerging and important power. President Bush has met four times with top Chinese leaders, and relations have improved in the military-to-military sphere as part of the overall normalization of our relations. We look to China as an important interlocutor on a number of strategic issues, including the current tensions over North Korea’s nuclear weapons program.

Taiwan is a success story—a thriving democracy with a resilient economy. We have a firm commitment to Taiwan’s defense embodied in the Taiwan Relations Act. The United States is concerned by the trend in the military balance across the Taiwan Strait. Most disturbing is China’s missile build-up, which is proceeding at a pace of 75 new deployed missiles a year. Our task is to assist Taiwan to improve its deterrent capability, which we consider essential to the maintenance of peace in the Taiwan Strait.

REALIGNING THE U.S. MILITARY FOOTPRINT IN ASIA

There has been much discussion lately of the changing U.S. military “footprint” in the Asia-Pacific region. Let me explain our basic thinking.

The Department of Defense has been examining the U.S. overseas military posture and presence broadly, across the globe—in Europe, East Asia, Central Asia, and Southwest Asia, as well as in the Asia-Pacific.

Our goals in realigning our forces around the world are:

- to tailor the mix of our military capabilities stationed or deployed in key regions to the particular conditions of each region; and
- to strengthen our capabilities for prompt global military action anywhere in the world.

As the threats of the new era are not confined to a single area and often require immediate military response, the key to effectiveness is capabilities, not particular levels of forces. We saw this demonstrated in Iraq. Nor are forces expected to fight where they are based. We don’t necessarily know where the next threat will be coming from. Mobility and speed of deployment are key.

Our working assumptions include the following:

- U.S. regional defense postures need to be based on global considerations, not just regional.
- Existing and new U.S. bases overseas will be evaluated as combined and/or joint facilities, given the new premium on combined and joint operations.
- Overseas stationed forces should be located on reliable, well-protected territory.
- Forces without inherent mobility must be stationed along major transportation routes, especially sea routes.
- Long-range attack capabilities need forward infrastructure to sustain operations.
- Forward presence need not be divided equally among all the U.S. regional commands, because we are also striving to reduce the barriers associated with the “seams” that separate those regional commands.
- Expeditionary operations require a network of forward facilities (with munitions, command and control, and logistics) in dispersed locations.

A key objective of U.S. transformation efforts will be to *increase the capability of U.S. forward forces*, thereby improving their deterrent effect and possibly allowing for reallocation of forces now dedicated to reinforcement of other missions. We can accomplish this by various means, including:

- Increasing *precision intelligence and strike capabilities* on a global basis; operations in the war on terrorism, as well as a range of other military challenges, reinforce this need.
- Planning globally for U.S. forces stationed and deployed overseas to take advantage of the superior *strategic mobility* of U.S. forces.

Any changes in *overseas basing* will be designed to strengthen U.S. defense relations with key allies and partners and enable us better to respond to unforeseen contingencies. The kinds of changes we have in mind for our overseas presence include:

- diversifying U.S. access to overseas bases and facilities, which should allow for military presence in areas closer to potential conflict regions and provide a broader array of military options in crisis or conflict;
- posturing forces overseas that are more flexible and capable of a wide range of expeditionary operations, which will further broaden options and strengthen deterrence; and
- promoting greater allied contributions, which will make for more durable U.S. defense relationships with allies and facilitate allied roles in future military operations.

The U.S. will maintain its critical bases in Northeast Asia, which may also serve as hubs for power projection in future contingencies in other areas of the world. This is especially important on the Korean peninsula, where we will maintain a strong deterrent capability and, if deterrence fails, a more robust capability for swift military operations on the peninsula.

We have not made any decisions about realigning U.S. forces in Japan, South Korea, or elsewhere in Asia. We will do so only in close consultation with our allies.

Our realignments will in no way lessen our commitment to our allies and friends and to preserving security and stability in Asia. On the contrary, they are conceived as part of a modernized and more effective global posture—one that *strengthens* our ability to fulfill our defense commitments. No ally or friend—especially after recent events—should doubt either our capability or our political will to defend our interests, our values, or our friends.

NORTH KOREA

By far the most serious threat from East Asia is that posed by North Korea. The conventional military threat to South Korea on the peninsula remains undiminished. With its “military-first” policy, the North Korean regime continues to spend a disproportionate amount of its scarce resources on maintaining a million-man army that keeps tensions on the peninsula constantly high.

North Korea’s recent advances in its nuclear weapons program have created an increasingly serious situation. It has been caught in the act of building a highly enriched uranium production capability; it has repeatedly stated it has nearly finished reprocessing the spent fuel at Yongbyon; it has threatened to transfer nuclear weap-

ons to others. By these and other actions, North Korea is posing a grave challenge to the international nuclear nonproliferation regime that the world community has labored so hard to build up over four decades.

Reprocessing of spent fuel is of particular concern. North Korea could recover sufficient plutonium from spent fuel at Yongbyon for several nuclear weapons. This could lead to a larger North Korean nuclear arsenal or the possibility that this economically desperate regime, the world's foremost proliferator could sell plutonium, enriched uranium, or even nuclear weapons to rogue states or terrorists.

The United States and its friends and allies are in agreement that the Korean peninsula must be free of nuclear weapons, and that North Korea must completely, verifiably, and irreversibly dismantle its nuclear weapons programs. This is not a bilateral problem between the United States and North Korea: it is an affront to the international community. North Korea has violated explicit *international* obligations. While President Bush has not taken any option off the table, the United States is actively pursuing diplomatic solutions through international institutions, such as the IAEA and the UN Security Council.

Mr. LEACH. Mr. Rodman—Admiral Fargo.

**STATEMENT OF ADMIRAL THOMAS B. FARGO, COMMANDER,
U.S. PACIFIC COMMAND**

Admiral FARGO. Thank you, Mr. Chairman, Members of the Committee. It is a pleasure to be with you this afternoon. Last March my posture testimony focused on our five priorities in the Pacific Command, and today I would like to provide a brief survey of our four primary security concerns in the region, and then I look forward to your questions.

The dramatic events in Southwest Asia for which the Pacific Command has been a primary force provider have not eclipsed the importance of Asia-Pacific threats to global security.

First and foremost, we are keenly focused on the Korean Peninsula, where, although I believe the likelihood of war is low, the stakes would be very high if war occurred, and even higher if North Korea continues to pursue a nuclear capability.

The Demilitarized Zone borders the most heavily armed strip of territory on Earth, and as a result, millions of South Koreans live within range of North Korea's artillery, some of which we know to be armed with chemical warheads. Further, from its highly enriched uranium program to its illicit drug trade, North Korean policies and performance are abysmal. Nuclear weapons in the hands of the world's greatest missile proliferator would destabilize Northeast Asia and pose the threat of trafficking nuclear weapons or fissile material while undermining international treaties and norms against proliferation.

And our greatest fear, of course, is the nexus between terrorists and weapons of mass destruction. Armed with these weapons, undetachable, unaccountable enemies could inflict enormous damage without warning. It is this sobering conclusion that demonstrates the need for regional unity on a nuclear-free Korean Peninsula and requires multilateral cooperation to irreversibly and verifiably end North Korea's nuclear weapons program.

The President has repeatedly stated our commitment to a multilateral peaceful solution of this issue. Our job at Pacific Command has been to ensure that diplomacy is backed up by viable military strength, and we have done so. During the height of Operation Iraqi Freedom, Pacific Command forces were postured to deter ventures in Northeast Asia, and we continue to remain both vigilant and prepared.

Next we worry about miscalculation resulting in conflict between India and Pakistan or in the Taiwan Strait. I visited Kashmir last year, gaining valuable insight into that sensitive region, where India's border concerns include not only Pakistan, but China as well. China and India are seeking ways to contain and resolve their differences. India and Pakistan, however, teetered on the brink of war just a year ago, and recurring violence creates the potential for military action. For the present, Prime Minister Vajpayee's recent peace initiative adds a measure of reassurance and hope for the future.

Taiwan Strait is the other place where miscalculation could result in a much larger conflict. Taiwan clearly remains the largest friction point in the relationship between China and the United States. We seek peaceful resolution free from the threat or use of force as the only acceptable path. President Bush has made clear our support for the one China policy and the three communiques. It is also equally clear that our national leadership and the Pacific Command are prepared and committed to meet our obligations under the Taiwan Relations Act. So the relatively calm rhetoric across the Taiwan Strait in recent months has been encouraging, as has China's assistance on the North Korean issues.

We are building momentum in the war on terrorism in the Pacific theater. Besides our direct efforts against al-Qaeda, we have been focused on threats like the Abu Sayyaf group in the Philippines and the Jemaah Islamiah, or the JI, a foreign terrorist organization infecting Southeast Asia. Both of these terror groups are linked to al-Qaeda.

Last year we responded to a request from the Philippines to provide training, advice and assistance to the Armed Force of the Philippines in southern Mindanao, including the Basilan Island, then an Abu Sayyaf stronghold. That 6-month effort provided a template, if you will, to help the Republic of the Philippines develop a lasting counterterrorism capability, and as a result we have seen the beginning of stability on Basilan. The terrorists have been separated from the people, and normal activity like children going to school has returned.

There is clearly more work to be done. The ASG is reconstituting and have been active in bombing campaigns and are looking for outside support. We have an active exercise and security assistance program in place to continue to build the counterterrorist capability of the Philippine Armed Forces.

The Jemaah Islamiah has had cells in Singapore, Malaysia and Indonesia, and has attacked American and other interests throughout the region. This group was also responsible for the tragic Bali bombing which killed some 200 people.

We are focused on the JI and are pleased with the cooperation of our friends in the region, including the investigations by the Government of Indonesia to apprehend and bring these terrorists to justice. Well over 100 JI members have been arrested or detained to date.

It is against this backdrop of security challenges and opportunities that we reach my final concern for this afternoon, and that is Transformation.

The world has changed dramatically with the end of the cold war and 9/11, and as a result, so has our strategic guidance. At Pacific Command, like all regional combatant commanders, our task is to “operationalize” this guidance, synchronizing multiple efforts and putting them into action with regional emphasis. So we are examining new ways of commanding, supporting and employing our forces. We call it “Operationalizing the Asia-Pacific Defense Strategy,” which includes six primary elements.

First, we are updating our operational plans. You have already seen some of the benefits of this effort in terms of knowledge, speed, precision and lethality as demonstrated by United States and coalition forces in Iraq.

Second, we are strengthening our command and control constructs to better respond to emerging security threats. Our aim here is to simplify joint structures, reduce overhead and streamline decision-making processes, and this new threat context, success is all about speed of command.

Third, we are working hard to develop expeditionary capabilities for immediate deployment in the Pacific and anywhere else that might be needed. Naval and Marine forces are inherently expeditionary, but they, too, can be enhanced for a variety of scenarios. And air and land forces are moving in the same direction.

These immediately employable capabilities are being integrated into new operating patterns and concepts. Expeditionary forces, collocated with appropriate high-speed lift and interdiction assets, ensure we can respond with regionally tailored power on short notice.

Advances in precision, lethality and the capabilities of our friends and allies provide a great opportunity to improve our force posture and footprint worldwide. We are looking for ways to increase combat power forward in theater while reducing the burden we place on our friends and allies in the region. Our goal is an enduring posture and footprint that demonstrates our commitment and its sustainability for the long term.

And finally, we are looking for access and logistics prepositioning opportunities throughout the theater that allow us to move forces quickly to the location of greatest need.

I am proud to represent the men and women of the U.S. Pacific Command, and thank you for the opportunity to testify today, and I look forward to your questions. Thank you.

Mr. LEACH. Thank you, Admiral.

[The prepared statement of Admiral Fargo follows:]

PREPARED STATEMENT OF ADMIRAL THOMAS B. FARGO, COMMANDER, U.S. PACIFIC COMMAND

INTRODUCTION

Mr. Chairman and Members of the Committee:

On behalf of the men and women of the United States Pacific Command, I thank you for this opportunity to testify on security in the Asia-Pacific region.

Having served as Commander, United States Pacific Command (CDRUSPACOM) over the past year, and previously serving as Commander, United States Pacific Fleet for 30 months, has fortified my belief that a secure, peaceful, and prosperous Asia-Pacific region is of paramount importance to our country and the world. In contrast, an Asia that is uncertain presents grave dangers to our nation and to the security of our friends and allies in the region.

We have a number of security concerns, and they are addressed clearly in our national military strategy and supporting guidance:

- Conflict on the Korean Peninsula
- Miscalculation over the Taiwan Strait or in Kashmir
- Transnational threats like terrorism, the proliferation of Weapons of Mass Destruction (WMD), and illegal drug trade
- Instability associated with a failing nation-state or humanitarian crisis, and
- Ensuring the readiness of our forward-deployed forces in the region.

We are not facing these concerns alone. Since the terrorist attacks of 11 September and in the intervening months, we have had unprecedented regional cooperation in the Global War on Terrorism and in efforts to stop the proliferation of weapons of mass destruction. We have continued to build on the longstanding bilateral alliances and friendships necessary to deter regional aggression and coercion, dissuade military competition, and assure our allies and friends of our commitment to them and the region. We've accomplished this by our forward presence in the theater and by the actions of our forces as they execute tasks and operations in support of our nation's security. In short, we have begun a journey to "operationalize" the strategic guidance we have received. Our destination is a peaceful, stable, and prosperous Asia-Pacific region.

Last year during my confirmation hearing, I provided five broad priorities for Pacific Command. Since then, I've used the priorities as a roadmap for focusing the command, directing operational initiatives and assessing progress. Today, my intent is to provide you an update on these priorities as they pertain to the defense posture of the U.S. Pacific Command (USPACOM).

Sustaining and Supporting the Global War on Terrorism (GWOT)

Our highest USPACOM priority is sustaining and supporting the GWOT. This includes not only operations in the Pacific, but also as a force provider to Operation ENDURING FREEDOM-Afghanistan (OEF-A), Operation Iraqi Freedom (OIF) or wherever international terrorism might threaten our interests worldwide. Although we don't have any government-supported sanctuaries for terrorists in the Pacific, terrorist cells and organizations that operate in the region provide unique challenges to USPACOM and to the countries in which they proliferate.

GWOT Update. Regional and local terrorist groups with ties to al-Qaida pose the most dangerous threat to U.S., allied, and friendly interests in the USPACOM Area of Responsibility (AOR). Bolstered by financial and technical support from al-Qaida, the Jemaah Islamiyah (JI) network and the Abu Sayyaf Group (ASG) in the southern Philippines have demonstrated their capability to attack U.S. and Western interests. Our task, in coordination with other agencies, is to ensure these terrorists do not destabilize governments in the region or threaten Americans or our friends. Regional alliances and partnerships are critical to achieving both our short-term goal of eradicating regional terrorist groups and our long-term goal of establishing a security environment throughout the Asia-Pacific region that rejects terrorism and addresses the underlying factors that breed terrorists.

Southeast Asia witnessed a number of terrorist acts in 2002, including the bombings of tourist nightclubs on the Indonesian island of Bali on 12 October that killed more than 200 civilians, including seven Americans. The Philippines have also experienced a series of terrorist bombings, including an October 2002 attack in Zamboanga that killed one U.S. serviceman and a March bombing at Davao airport on Mindanao that killed 23 people and injured over 100 others. Coincident investigations and arrests in Malaysia, Singapore, Indonesia, Thailand, the Philippines, and Australia have revealed an extensive, sophisticated network, centered on the Jemaah Islamiyah, that continues to plan attacks against U.S. and Western diplomatic interests and less defensible commercial or tourist venues across the region. We have credible information that al-Qaida has long sought to expand its movement in Southeast Asia. By leveraging its connections with sympathetic groups and individuals, some previously trained in Afghanistan, al-Qaida seeks to expand its network and obtain the support of local proponents in establishing a regional pan-Islamic state supportive of radical Islamic ideology.

To meet this challenge, USPACOM and regional governments have strengthened counterterrorism cooperation over the past year. Regional governments have made progress achieving counterterrorism goals through legislation that combats terrorism and its resource methods, by capturing and detaining terrorists, and through interagency coordination and intelligence sharing. To date, over 130 Jemaah Islamiyah suspects have been arrested or detained, primarily in Malaysia, Singapore, Philippines, and Indonesia. The U.S. government has designated JI, the ASG, and the Communist Party of the Philippines/New People's Army as Foreign Terrorist Organizations. This action enables us to identify and freeze the financial assets of these groups and sets the conditions for their isolation. Governments in the

region are also increasing their cooperation with regional counterparts—forming bilateral and multilateral alliances to combat terrorist activity. The Association of Southeast Asian Nations (ASEAN) plan to establish a regional Counterterrorism Training Center in Kuala Lumpur, Malaysia is a noteworthy example. USPACOM continues to support the efforts of these nations to strengthen the rule of law, improve the effectiveness of regional armed forces, and promote democratic ideals of pluralism and religious tolerance. Our long-term effort is to use international, regional, and local relationships to defeat terrorism through coordinated diplomacy, education, information operations, and the use of force when necessary.

We've learned a great deal about terrorism in Southeast Asia over the past year: how these entities organize, how they operate, and what they seek to achieve. We realize we have much more to learn and to accomplish. I am convinced that our best approach is to disrupt terrorist activities where we can while helping build our regional partners' capabilities to do the same. It is a team effort.

To better synchronize our efforts in combating terrorism in the Pacific, we have assumed the offensive while putting in place an "active defense." Offensively, we established a full time Joint Interagency Coordination Group for Counter Terrorism (JIACG-CT) at USPACOM Headquarters. Defensively, we designated our Army component, U.S. Army Pacific (USARPAC), as our joint commander for Homeland Defense/ Civil Support/ Consequence Management. His area of responsibility includes Hawaii and all U.S. territories in the Pacific, as well as the Marshall Islands, Mariana Islands, and Federated States of Micronesia. Commander, Alaska Command (ALCOM) executes these responsibilities as Joint Task Force-Alaska. These command and control constructs are successfully prosecuting the War on Terror while protecting our forces and critical infrastructure.

JIACG-CT. We have established a Joint Interagency Coordination Group for Counter Terrorism (JIACG/CT) to coordinate DoD and other government agency (OGA) activities in USPACOM AOR, develop targets for future military or OGA operations, plan USPACOM regional and country counterterrorism (CT) campaigns, and enhance U.S. and partner nation CT capabilities in support of national objectives in the GWOT. It is an all-encompassing and focused effort, where we are now integrating our Theater Country Teams to assess host-nation concerns and necessary conditions to proceed with our CT campaign. This team endeavor has been extremely successful as demonstrated by the actions of regional countries that are supporting U.S.-led efforts in Afghanistan and regional operations, like those in the Philippines, while conducting CT operations in their own countries—all in the past year.

Forward and Deployed Forces. Within the last 15 months, the USS KITTY HAWK, JOHN C. STENNIS, CARL VINSON, CONSTELLATION, and ABRAHAM LINCOLN battlegroups; maritime patrol aircraft; USS PELELIU, BONHOMME-RICHARD, BELLEAU WOOD, and TARAWA Amphibious Ready Groups with the 11th, 13th and 15th Marine Expeditionary Units; 5th, 11th, and 13th Air Forces; and the 509th Bomber and 40th Air Expeditionary Wings have deployed in support of major roles in OEF-A and OIF. Further, many USPACOM countries continue to provide tangible support to both operations within their means. Australia, India, Japan, Korea, Malaysia, New Zealand, Philippines, Singapore, and Thailand have all contributed support ranging from overflight, access and basing to escort, logistics, and troops on the ground. Many are actively participating in the reconstruction of Iraq. We appreciate their many contributions and valuable cooperation.

Regional Counterterrorism. Information sharing between countries in the Pacific has provided unprecedented insights into the Jemaah Islamiyah (JI) and al-Qaida networks in the Asia-Pacific region. As a result, Singapore and Malaysia have arrested dozens of members of JI, the primary transnational terrorist organization in the Pacific with links to al-Qaida. And Indonesia has arrested and is prosecuting suspected terrorist leaders and bombing suspects since the October bombings in Bali. However, Indonesia faces a difficult situation, including factions that do not want to aggressively investigate domestic groups sympathetic to al-Qaida. We need to cooperate more effectively at all levels with Indonesia on terrorism. An International Military Education and Training (IMET) program for Indonesia remains key to our engagement effort.

The Government of the Republic of the Philippines (GRP) continues to attack terrorist infrastructure and capabilities in the Philippines and throughout the region. President Gloria Macapagal-Arroyo is firmly on our side in the GWOT—strongly supporting the effort. Our advice and assistance, including our maintenance and training packages provided under security assistance authorities, are improving the Armed Forces of the Philippines (AFP) CT capabilities. Operation Enduring Freedom-Philippines (OEF-P) serves as the ideal vehicle for U.S. forces to advise and assist the AFP in the development of skills necessary to fight terrorists. Addition-

ally, the infrastructure improvements to roads, hospitals, and schools and the construction of water wells on Basilan Island under DoD's humanitarian and civic assistance program provide positive impacts on local communities—highlighting America's positive role while assisting the Philippines in dealing with the socio-economic causes that entice disenfranchised Filipinos to support terrorist activities. As a result of this well integrated operation, the ASG is on the run on Basilan and its influence with the local populace there has been dampened.

We also continue our active Security Assistance program to help the Armed Forces of the Philippines build both the capabilities and capacity necessary to continue the courageous struggle against terrorism. Following this SA effort later this year, we will evaluate the effectiveness of our training, and feed back those results into our planning.

USPACOM's Antiterrorism Program is proactive and dynamic in its approach to protect our people and resources throughout the Pacific. It is an "active defense" because it has offensive qualities. Since 11 September, we have come a long way in better protecting DoD personnel and critical infrastructure in the Asia-Pacific region.

Our joint commanders for HLD/CS/CM in Hawaii and Alaska and Joint Area Coordinators in Korea and Japan are the focal points for force protection, coordinating security measures and intelligence fusion among the different services in their AORs. They provide the command and control construct to synchronize our DoD anti-terrorism/force protection (AT/FP) efforts for military installations and property with federal, state, and local agencies and with the host nations in the cases of Japan and Korea. We are working continuously with US Northern Command to standardize and synchronize our efforts and procedures.

USPACOM has an aggressive vulnerability assessment program that covers DoD bases, ports, airfields, and training areas in the AOR that are not under U.S. control. We use assessment teams from the Defense Threat Reduction Agency (DTRA), the services, and our components to ensure our facilities have current assessments and proactive antiterrorism plans. USPACOM personnel work closely with their Department of State counterparts to ensure host-nation support is adequate to protect our deployed forces and that all are employing the latest AT/FP procedures.

Force protection is "operationalized" in USPACOM. Our staff continually monitors threat information and the environment in which our forces are based. Theater and country specific Force Protection Conditions (FPCONs) are continually reviewed and upgraded as necessary. Random Antiterrorism Measures are employed to complicate terrorist planning. USPACOM also has a travel restriction program, providing a tool to declare entire countries or portions thereof "off-limits" to DoD members, thus keeping them out of harm's way. In addition, Force Protection plans are required for all travel in our AOR, from major unit deployments to individuals on leave. The resource drain from increased FPCONs is a formidable challenge to both manpower limitations and Force Protection Technology initiatives. Your continued support is necessary to sustain the progress we are making in this area.

Critical Infrastructure Protection (CIP) program and Homeland Security. Currently, we support Homeland Security and Forward Base security efforts primarily through Information Analysis, Infrastructure/Personnel Protection, and Quick Reaction Forces. The Critical Infrastructure Program is our operational initiative to improve security in the AOR. The program is on track in developing processes and methodologies. The first CIP Appendix to one of our theater Operational Plans (OPLAN) was submitted to the Joint Staff on 30 April 2003. Additionally, a comprehensive USPACOM CIP Operation Order (OPORD), our Theater Infrastructure Assurance Plan, is in final staffing. Notably, the program has resulted in a partnership with the Joint Program Office for Special Technology Countermeasures to develop and field a prototype Combatant Command CIP Database.

Homeland Defense and Civil Support (HLD/CS). With the recent direction to consolidate the security, defense, and support for the homeland, we are working to integrate existing functions as well as expanded mission requirements to enhance our protection of the USPACOM Homeland AOR that includes the State of Hawaii, the Territories of Guam and American Samoa, and the Commonwealth of the Northern Mariana Islands. Missions such as HLD/CS/CM, CIP, Homeland Air Security (HAS), Consequence Management for Chemical, Biological, Radiological, Nuclear, and high yield Explosive (CBRNE), and Domestic Support Operations are but a few of those being combined into one plan to maximize our capabilities and still refine the use of our resources. USPACOM's HAS mission deters, prevents or interdicts aerial threats and aggression directed toward Hawaii, Alaska, Guam, and U.S. territories within USPACOM's AOR. The HAS air threat spectrum ranges from ballistic missiles and aircraft to future low-altitude cruise missiles and radio controlled sub-scale aircraft. The potential for a terrorist to gain this capability is rising. USPACOM has

addressed this challenge with close integration, cooperation, coordination, and collaboration among international, federal, state, local agencies, and governments. This fusion of individual agency capabilities, including our military, into an integrated, multi-layered response is key to our collective success.

USPACOM also supports other non-Homeland Security functions. Civil Support operations will be an enhancement of our existing Domestic Support Operations to the Homeland. Although not directly related to securing the homeland against terrorism, this support affects the impact of terrorist action. With Secretary of Defense direction, we quickly support the Department of Homeland in mitigation and recovery efforts relating to natural disasters. Typhoon Pongsona in Guam is a good example. The USPACOM HLD/CS program has taken on a renewed effort with great scope and responsibilities. Our Contingency Plan (CONPLAN) will build on our processes for intelligence sharing, AT/FP, CIP, CBRNE and natural disasters as well as other requested support to the civilian sector, providing a comprehensive program for Hawaii, Guam, and all our territories in the AOR.

Information fusion. USPACOM's Counterintelligence Program remains the key link between DoD and Law Enforcement Agency efforts in the Pacific Theater. We are committed to furthering the integration efforts of the Joint Inter-Agency Coordination Group-Counter-Terrorism (JIACG-CT) and counterintelligence missions with the FBI's Joint Terrorism Task Forces and with allied international agencies. Along these lines, we are pioneering efforts to promulgate all-source intelligence fusion to connect local, state, national, and DoD intelligence, counterintelligence, and law enforcement agencies. These efforts, coupled with a joint international training regimen encompassing asymmetric warfare and analysis from multiple perspectives, hold great promise in developing an "actionable intelligence" capability.

Personnel Requirements. Legislation mandates reductions in Higher Headquarters (HHQ) staffs by 15 percent. USPACOM and our sub-unified commands are executing these reductions in ways that will minimize the impact on our missions. The need for intelligence gathering, analysis, production, coordination, dissemination, campaign planning, and capabilities testing in exercises and coalition building is greater than ever. Adequate personnel resources are essential to mission planning to counter emerging asymmetric threats. Achieving synergy of forces launched from around the globe during conflicts while providing effective reach-back for those forces creates high mission demand on our combatant headquarters (HQ) staff.

The GWOT has created additional personnel requirements. Increased security patrols, both shore-based and waterside, in response to enhanced FPCONs; non-U.S. controlled port and airfield assessment teams; 24/7 coverage for Crisis Action Teams; and the already expanding Homeland Defense, Civil Support and CT missions are a few examples of personnel generating tasks. Additional AT/FP billets are needed to address the full range of force protection, antiterrorism, and CT missions throughout USPACOM. As we continue to develop the Homeland Defense and Civil Support plan, we already see the need for enhanced information analysis capabilities and consequence management resources for CBRNE events.

Integrating Reservists. Throughout the 1990's, we increasingly relied on our Reserve and Guard members to help accomplish our mission. These outstanding service members/citizens contributed not only hard work, but also unique talents and perspectives. It is not an understatement to say that they have helped in every facet of the USPACOM mission. After 11 September, with the sharply increasing demands of the GWOT, we needed their support. Throughout USPACOM, we only mobilized about 5,000 Reservists—about 10% of the immediate 11 September mobilized force capability. They helped with force protection, logistics flow, and increased shifts in myriad areas. As we continue to tap into our Reservists and National Guardsmen to support operations, we need to ensure they receive benefits comparable to our active duty service members. America can be proud of how our Reserve and Guard forces have responded.

Combating Terrorism Readiness Initiatives Fund (CbT RIF). USPACOM received \$4 million in CbT RIF funding in FY02. The FY03 worldwide allocation stands at \$47 million. This initiative provides the Geographic and Functional Commanders additional avenues for resourcing against emergent and emergency terrorist threats. USPACOM received \$4 million (10 projects) of the \$32 million available in the first allocation of FY03 funding, not including \$2.5 million (14 projects) for U.S. Forces Korea (USFK). USPACOM funded CbT RIF projects include emergency Explosive Ordnance Disposal responder gear for USARPAC; a perimeter wall for the new USPACOM Headquarters; vehicle gates and barriers for Tripler Army Hospital; mass notification system for Misawa Air Base (AB), Japan; closed circuit television for Fort Buckner; gates for Yokota AB, Japan flight line; barrier gates for Fort Shafter; crash barriers for Camp Zama, Japan; and a standoff initiative with HQs security upgrades for Yokota AB.

Special Operation Forces (SOF). Through Special Operations Command-Pacific and JTF-510, USPACOM maintains the ability to deploy SOF under the command of a general officer to any location to combat terrorism. We have used this capability in Operation Enduring Freedom—Philippines and continue to refine it to support the GWOT. This capability, however, depends on building and maintaining relations with supporting allies and friendly nations. We build and maintain these relationships through our Joint Combined Exchange Training (JCET) and other Theater Security Cooperation (TSC) programs. We look forward to working with the Congress to ensure these activities continue to receive future resource consideration.

Improving Readiness and Joint Warfighting Capability

Improving the readiness and joint warfighting capability of USPACOM forces is critical to assuring our friends and allies, dissuading future military competition, deterring threats and coercion against U.S. interests, and defeating an adversary if deterrence fails. It includes the force levels, spares, operating dollars, and training needed to maintain ready forces. It also means innovating, transforming, and improving our capabilities and developing operating concepts and technologies needed to keep our forces ready for a wide range of alternative futures.

Intelligence, Surveillance, and Reconnaissance (ISR). The GWOT and traditional regional military threats demand ever-increasing agility and innovation in developing true all-source intelligence analysis capability. In the Asia-Pacific region, Signals Intelligence (SIGINT) remains our best means to provide timely information on threat developments and intentions. It is key to tracking terrorist activities in Indonesia and the Philippines, as well as maintaining warning indicators and situational awareness on areas such as Korea, tensions between India and Pakistan, and China's continuing military modernization and relations with Taiwan.

The ability to integrate National Security Agency (NSA) and service SIGINT is vital in peacetime and in crisis. Rapid advances in telecommunications technologies, and their use by adversaries, present a daunting SIGINT challenge. I strongly support NSA's transformation efforts to defeat any perspective gains the digital technology revolution may present to our enemies.

I strongly advocate the accelerated development and fielding of joint, interoperable, modular, rapidly reconfigurable tactical SIGINT equipment for land, sea, and air platforms. These improvements should be balanced by collaborative intelligence processing systems at national, theater, and tactical levels to make the best use of the increased data obtained.

Without concurrent improvements in NSA's capabilities and in service cryptologic systems it will be increasingly difficult to predict, find, and target the most serious threats in our region.

Substantial improvements are needed to enhance Human Intelligence (HUMINT) collection capability against key USPACOM Indications and Warning requirements, to include hard and deeply buried underground facilities supporting the adversary's command, control, and communications and WMD infrastructure. Focused and coordinated source development is critical. Sustained resources for both CIA and DoD (Defense HUMINT Services) will yield the progress we need. Our military commands must have insight into enemy plans and intentions that only good HUMINT can provide.

Cryptolinguists remain a long-standing shortfall, with Operation ENDURING FREEDOM proving the value of personnel fluent in languages and dialects. We are partially meeting the current challenges by training cryptolinguists to become familiar with low-density dialects and using speakers fluent in these dialects to augment our force. Ensuring the Defense Manpower Data Center's Automated Language Finder database tracks all USPACOM languages and dialects would significantly improve our ability to find speakers of languages/dialects required for future operations. Additionally, it is essential the Defense Language Institute develop tests for languages/dialects that accurately assess language skills of service personnel.

To support future contingencies, crises or OPLANs, we require a full-up and exercised joint ISR architecture with adequate ISR assets. One positive development sponsored by the U.S. Air Force is the multi-intelligence tasking, processing, exploitation, and dissemination (TPED) environment with the Distributed Common Ground System (DCGS) at Hickam Air Force Base (AFB). This system will distribute data from theater, commercial, and tactical ISR sensors to multiple users—national, joint, and combined—involved in a crisis. To fully benefit from the DCGS, additional funding is needed to ensure USPACOM service components have a sustained airborne ISR infrastructure, to include unmanned aerial vehicles (UAVs) and extended tether U-2 high-altitude surveillance and reconnaissance aircraft.

Command, Control, Communications, and Computers (C4). Over the past 3 years, improving the C4 posture in the Pacific has been a top USPACOM priority and still

is one of the most critical challenges we face today. The C4 infrastructure must be continually sustained and protected. We've invested heavily in command and control systems and equipment, communication devices, and computers across the command. We do this because our current and future requirements demand that we do. For example, the Air Force recently declared initial operating capability for a new Air Operations Center at Hickam AFB in Hawaii. This function can deploy in part or as a whole to operate through the full spectrum of contingency operations, reaching back for support from the rest of the Air Operations Center at Hickam. Every planning action, training event, operation, and weapon system in existence today relies heavily on the ability to communicate. Providing our fighting men and women with the weapons they need comes with a large price tag, but it's worth it. To do otherwise would be tantamount to denying them ammunition in the heat of battle.

C-4 Challenges. The GWOT demands effective communication systems and equipment to link national authorities and local first responders with real-time information. We have made great strides in improving C4 capabilities in the Pacific Theater, but we must continue improvements at a rapid pace to keep up with expanding requirements for connectivity, capacity and security. C4 ties all technology together and is the underpinning for Transformation, both directly and indirectly. We must enhance our information infrastructure to be more robust, able to rapidly capitalize on improving technology, and more cost efficient.

To achieve information superiority we need to move large volumes of information to and from the warfighter to maintain vivid and complete situational awareness and achieve understanding at a glance. Many folks envision large volumes of information as pages and pages of text messages, which can overwhelm users and result in "information overload." Instead, we are talking about maximum use of multimedia such as video, shared applications through collaboration software, and high-resolution imagery. Through these types of tools, our operators can digest more information and we can collectively move towards a more knowledge-based environment.

This type of capability requires large network capacity. Our warfighting requirements for remote and austere locations require that this network capacity be robust and resilient. Enhanced satellite capability is one of USPACOM's most critical needs. Today we do not have enough bandwidth in any of the military satellite bands, Ultra, Super, or Extra High Frequency, to fully support our operational plans. Commercial SATCOM capacity can support much of this shortfall, however, commercial SATCOM availability is subject to market pressures and is not fully dependable. For example, an important commercial SATCOM service to the Navy was preempted by media coverage of the 2000 Olympics in Sydney, Australia.

Additionally, USPACOM principally relies on geo-stationary weather satellites to track destructive typhoons over the vast expanse of USPACOM's ocean areas. Our current geo-stationary satellite weather information comes from foreign-owned and operated satellites that are reaching their designed service lives.

Consequently, it is absolutely crucial to fully fund and keep on track satellite upgrades, launches of new communications and weather satellites, and new satellite programs.

Our terrestrial communication infrastructure also needs attention. Most of our bases, posts, camps and stations are supported by mid 20th century cable and wire technology. The Global Information Grid (GIG) Bandwidth Expansion Project promises to replace this legacy infrastructure with the fiber optic connectivity needed for our in-garrison forces, command centers and training facilities.

Radio communications that connect us with federal, state and local government agencies are also important for force protection, homeland security and disaster response. We appreciate the congressional support for the Pacific Mobile Emergency Radio System (PACMERS), which will help us meet National Telecommunications and Information Administration (NTIA) mandate for frequency consolidation and allow for excellent interoperability with non-military partners.

Information Assurance and Information Sharing. Communication connectivity and capacity are only part of the solution for network centric warfare. Communication and information security must be maintained while simultaneously sharing information and collaborating with bilateral and multilateral coalitions. Our ability to share information with coalition partners is inhibited by our need to restrict information within enclaves that are not accessible to coalition partners. To be network centric, we need the network to be agile and allow for the dynamic interconnection of nodes that support several communities of interest. Typically, we can have several simultaneous operations involving different coalition partners occurring in the Pacific at any given time. Being able to support these concurrently, with sufficient network capacity, is an information technology challenge.

Our Combined Operations Wide Area Network (COWAN) initiative is helping us achieve this goal by developing an information system that is interoperable with U.S. and coalition forces and is agile enough to allow us to selectively collaborate in multiple joint /multi-national environments simultaneously. We have formed a strong partnership with CENTCOM to roll our COWAN solution into the Combined Enterprise Information Exchange System, CENTRIXS, which may become the single network environment for all joint forces to support coalition operations and intelligence networking requirements. This single, highly meshed environment would be much more responsive and financially efficient than the multiple networks required today to support each individual coalition community.

Communication and information security measures are both part of our comprehensive Information Assurance strategy. As the Internet expands and becomes more pervasive, our adversaries are continuously finding ways of using computer vulnerabilities and network weaknesses to deny access to our information resources or exploit our information content. There are many programs focused on information assurance involving encryption, intrusion detection and network emergency response. Coordination of these programs and computer network defense activities requires a highly trained team of network professionals working around the clock with a strong relationship with the Joint Task Force for Computer Network Operations (JTF CNO). I cannot cite any single program that is more important than any other in the Information Assurance area; however, emphasis in this area is a must if we expect to rely on network centric operations.

With regard to information sharing, we have made great strides in gathering and taking advantage of "open source" information and providing it to our coalition and inter-agency partners to build trust and improve understanding. The vast amount of this information necessitates focused collection and analytical efforts to identify accurate and relevant information to enhance security cooperation. Open source products provided by the Virtual Information Center (VIC) and the regional information exchanges conducted via the Asia-Pacific Area Network (APAN) have increased our situational awareness of events and developments in the Asia-Pacific region that affect all of our operations. More importantly, these web-based activities have enabled us to expand our information base and share the results instantly with our foreign counterparts and potential coalition partners.

Anti-Submarine Warfare (ASW). The Pacific undersea warfare challenge is growing at a significant rate. In recent years, the USPACOM AOR has seen the greatest increase in submarine order of battle in the world. A robust and integrated ASW architecture and more capable force structure are essential to counter the growing submarine threat. The premier ASW asset remains submarines. To ensure sufficient submarines are available to track and kill enemy forces, we must continue to support the refueling of 688-class submarines and follow through in reaching a VIRGINIA-class submarine build rate at two per year in FY 2007. I also strongly support the rapid transition to acquiring Automatic Periscope Detection technology for surface ships and Navy Maritime Patrol Aircraft employed in littoral regions. Congressional efforts last year resulted in funding for a welcomed and much needed 688-class submarine refueling overhaul program and funding that enabled the transition from a science and technology program to an acquisition program for airborne Automatic Periscope Detection technology. I appreciate your support as we make necessary improvements in our ASW war fighting capabilities.

Missile Defense (MD). Short and medium range ballistic missiles pose the most pervasive and challenging missile threat for USPACOM MD. Effectively defending against this threat requires a layered, complementary mix of sea and ground based lower tier and upper tier terminal phase defense systems. Until a robust upper tier system is fielded, lower tier systems remain paramount to successful execution of theater OPLANs. A mix of forward deployed ground systems and sea-based lower tier systems offers the lowest risk and earliest deployment options. Accordingly, I support delivery of a sea-based terminal system as soon as technologically feasible and a moderate increase in Patriot PAC-3/GEM+ missile production/conversion to meet current OPLAN and contingency plan (CONPLAN) warfighting requirements. From a homeland defense perspective, continued development and fielding of a Ballistic Missile Defense System (BMDS) capable of intercepting missiles in all phases of flight (i.e. boost, midcourse, and terminal) against all known threats remains a top priority. Key capabilities that support these requirements, now and in the future (Missile Defense Agency's Block '04-'06 BMDS capabilities), for USPACOM include PATRIOT PAC-3, Sea Based Midcourse Defense Segment, Theater High Altitude Air Defense, and Airborne Laser 1/2 power. Congressional support of the BMDS programs remains vigilant, and I applaud your continued support of Ballistic Missile Defense initiatives.

Mobility and Operations. During 2002, we made great strides partnering with U.S. Transportation Command (USTRANSCOM) to modernize our strategic air and sealift infrastructure to meet potential operational needs ranging from disaster relief to the GWOT and all the way to a major war. The USPACOM En Route Infrastructure Steering Committee has identified, validated, and championed over \$500 million in hydrant, ramp, and runway projects throughout the AOR to support the National Military Strategy as mandated by current Defense Plans and by the Mobility Requirements Study 2005. Our current en route airlift system includes Elmendorf AFB Alaska, Hickam AFB Hawaii, Andersen AFB Guam, and Iwakuni Marine Corps Air Station, Kadena AB, Misawa AB, and Yokota AB Japan. Additionally, we have developed an AOR-wide prioritized list of air and seaports to visit and assess their capability as potential en route locations.

The heavy use of the Naval Supply Facility in Diego Garcia, a British Island in the Indian Ocean, in support of OEF and OIF, has led to its near-term consideration as an en route port supporting both USPACOM and USCENTCOM operations. We have identified over \$38 million in infrastructure improvement projects to expand the facility's current operational throughput capability. Projects nearing completion include improvements in temporary containerized munitions handling pads and storage areas, wharf lightning protection, and transient berthing projects. Similarly at Wake Island, we have identified significant infrastructure improvement projects to ensure continued access to this critical location supporting our Pacific Tanker Air Bridge. The FY02 MILCON \$9.7 million Repair Island Access Facilities is currently restoring the wharf and marine bulkhead in preparation for major airfield pavement replacement starting with the FY03 MILCON \$24.9 million, which replaces the entire deteriorated runway pavement. Following that work, four more phases in FY04 and beyond will complete replacement of the airfield taxiways and aprons and upgrade of the water supply, electrical power and sanitary sewage systems, for an additional \$74 million. These investments and others like them throughout the Pacific will ensure we have the necessary infrastructure readiness when we need them.

As early deployers, air-refueling tankers are critical to executing theater war plans for establishing the Pacific Tanker Air Bridge. Ongoing OIF, OEF and Noble Eagle have demonstrated the operational impact that air-refueling capability has in support of worldwide commitments including the GWOT. The KC-135 aircraft comprises 90% of the tanker fleet and their usage has increased 45% over what was programmed following 11 September 2001.

The High Speed Vessel (HSV) provides a flexible alternative for intra-theater movement in USPACOM, including its use to augment airlift. Since October 2001, III Marine Expeditionary Force (MEF) has been testing and evaluating deployments using a leased HSV with great success and cost savings for exercise deployments and redeployments, as well as operational employment. JOINT VENTURE HSV X1, the Joint Army/Navy HSV that participated in Millennium Challenge 2002 and other exercises, was scheduled to support U.S. Army training in the USPACOM Theater from March to April 2003, but was diverted to support U.S. Central Command (CENTCOM). USPACOM fully supports the pursuit of high speed sealift technology as an Advanced Concept Technology Demonstration (ACTD) and a future force projection transportation platform.

USPACOM supports USAF and USTRANSCOM efforts to procure C-17 aircraft to meet strategic airlift needs in our AOR. Our number one strategic lift shortfall is airlift due largely to the retirement of aging C-141 and C-130 airframes and sub-standard C-5 aircraft performance. Additionally, to better meet operational response in the AOR, we fully support the initiative to forward base eight C-17s each at Hickam AFB and Elmendorf AFB starting in FY06 and FY07 respectively. To have facilities available on arrival of these aircraft, Hickam's C-17 beddown military construction (MILCON) will start in FY04 with six projects totaling \$64 million. Elmendorf's C-17 beddown MILCON will start in FY05, and the MILCON funding stream for these facilities will total about \$105 million each over the FY04 to FY09 MILCON FYDP to provide the needed facilities for these assets to have full mission capability. These strategic mobility aircraft will bring a much-needed aerial delivery capacity to the Pacific Theater and prevent any lapse in capability during the reduction of C-130's in the AOR. We also support USAF efforts to procure F/A-22 Raptors. The F/A-22 will provide a unique, rapid response to swiftly defeat enemy threats in the USPACOM AOR.

A V-22 Osprey tiltrotor capability is truly transformational—exhibiting leap-ahead technology. If the current test program proves successful, this capability will extend our operational reach and access in the AOR. The Osprey's projected design, performance, and reduced vulnerability and susceptibility will provide USPACOM with a highly survivable and flexible capability. The aircraft's enhanced lift abilities provide a significant contribution to the medium-lift requirement.

The Pacific region needs three of the six planned Stryker Brigade Combat Teams (SBCTs) to fully support theater warfighting capabilities and region transformation efforts. The primary military force of our friends and allies in the Asia-Pacific region is their Army. SBCT participation in regional events reinforces our commitment to support allied transformation efforts and coalition building by continuing Army-to-Army high technology training and exercise events. Additionally, the SBCTs show great promise in providing joint commanders the means to better integrate Army force capabilities as part of a joint or coalition task force.

Training Areas. We are tasked to perform an increasing number of missions, from peace operations to strikes and raids to noncombatant evacuation to humanitarian assistance. Each mission requires preparation. The only way to prepare and ensure readiness is through tough, oriented, and realistic training. Dropping dummy bombs and firing inert ordnance cannot replace “live-fire” practice. The first exposure to “live fire” our forces face must be in a controlled training environment where they learn from their experience at less risk than in combat.

However, we routinely receive encroachment pressure on our training ranges throughout the AOR. Restrictions on space, hours, ordnance, and radio frequencies impact our ability to exercise our equipment and train to standard. Last Spring, a suit pertaining to the Migratory Bird Treaty Act (MBTA) temporarily closed our primary aircraft live-fire range, Farrallon de Medinilla, near Guam, until the D.C. Circuit Court of Appeals granted an emergency stay. Fortunately, timely Congressional action amended the MBTA to exempt DoD military readiness activities, and a subsequent appellate court order dismissed the case as moot. Likewise, Makua Range on Oahu is in use, but severe limits in the number and type of ground force training cycles have forced us to accomplish most small unit training in Hawaii through expensive deployments to the Pohakuloa range on the Big Island. Range and training limitations in Japan and Korea cause units to deploy away from their home station for routine training. Moreover, although aircraft, artillery, and pistols are noisy instruments of war, they are basic parts of our business. Developments now demand noise restrictions that force important low-altitude maneuvers to unrealistically high altitudes and limit the use of ranges.

We are good stewards of our environment. Success stories are numerous, but often the stories aren’t well known. We have set aside space for protected species, altered or deferred some units’ training to avoid interference in nesting areas, and developed specific programs to increase the populations of protected or endangered species.

The military’s answer to encroachment challenges has been to work around the problems while seeking to minimize the impact on the quality and quantity of training. But, maneuver space is less, training lanes have become narrow and artificially tunneled, and our individual maneuvers have become too predictable or repetitive. The work-arounds may still accomplish the training, but usually require additional costs—in terms of money, time, and impact to the well-being of our service members. Readiness and training experiences decline; we cannot let this continue.

Many of our environmental laws, while well-intentioned, are vague. For example, the Marine Mammal Protection Act (MMPA) prohibits harassment of protected species without prior authorization from the respective regulatory agency. The current definition of “harassment” of marine mammals can be mere “annoyance” or “potential to disturb” without biologically significant effects. Any Navy test or training activity that harasses a protected species must be approved by the applicable regulatory agencies—often after delays, or subject to restrictions, that degrade the quality of the training. And sometimes inflexibilities in the statute preclude our regulators from approving even activities that many believe have insignificant impacts. Additionally, litigants using the Endangered Species Act are seeking to force the Fish and Wildlife Service to lock up thousands of acres of military ranges as “critical habitat”, even though our own congressionally mandated Installation Natural Resource Management Plans afford habitat protection. In fact, litigants are seeking to force the U.S. Fish and Wildlife Service to designate such critical habitat on significant areas of DoD training ranges for endangered species that are not even present on such lands. As these examples show, such loose language and broad definitions can and do impede essential air, land, and sea activities near marine mammals or endangered species locations. Clear definitions and consideration of national security requirements should be important points in all environmental legislation.

In April 2002, the Administration sent a legislative package to Congress recommending clarifications to certain environmental statutes as part of the Readiness and Range Preservation Initiative (RRPI). The proposed package was prepared to help DoD maintain its ability to train forces and continue to protect the environment in which we train. Last year, Congress enacted three elements of our proposal but did not act on the remaining five. This year, the President has resubmitted the

remaining RRPI proposals, with some modifications based on both discussion with Congress and other environmental stakeholders and a significant decision last year concerning the MMPA in the SurTASS lawsuit. We thank Congress for their support of the RRPI thus far and ask for your continued support on future encroachment issues that impact our readiness.

Logistics. An aging aircraft inventory and some parts shortages continue to drive reduced Mission Capable and reduced fill rates for our “go to war” Readiness Spares Packages and high cannibalization rates. The result is lower than expected readiness at increased costs. Although funding for spare parts has improved over the last 2 years, some shortages continue. For example, only three of eight Pacific Air Force (PACAF) A-10, F-15, and F-16 wings maintained minimum Mission Capable standards during fourth quarter FY02. PACAF requires excess cannibalization to meet wartime mission planning sortie generation rates. PACAF cannibalization rates are higher than 8% for the F-16, F-15C/D, F-15E, and A-10. Likewise, the U.S. Army uses controlled substitution to achieve peacetime mission-capable Aviation Fleet goals. Delays in stock availability due to 12–18 month spares delivery lead-times are a root cause of controlled substitution and create difficulty in matching funding lines with projected capabilities. Increased spares at the Army wholesale level are required to meet the increased flying hours necessary to surge to wartime Operational Tempo.

We have made progress but need your continued support in fully funding materiel and personnel requirements for organizational, intermediate, and depot maintenance levels. Additionally, we need support for each Service’s Life Cycle Support program to extend the life of our aging aircraft fleets.

Chemical, Biological, Radiological, Nuclear, and high yield Explosive (CBRNE) defense is a significant concern in the Pacific theater, and a potential showstopper for U.S. military operations, causing significant operational risk to Major War OPLAN execution. CBRNE is a critical operating condition and potentially the greatest theater threat I face, affecting everyone, everywhere, including our allies and the homeland. Aircraft exposure on the Korean Peninsula or an attack on a few strategic choke points, including Guam and key Japanese air and seaports, could stop U.S. force flows and other critical support operations. Significant differences exist between what we would like to achieve against CBRNE threats and our actual capabilities. Specific shortages include Individual Protective Equipment, Chemical/ Biological Point and Standoff detection, inadequate decontamination standards, and significant shortcomings in detailed and actionable intelligence on adversary WMD processes and facilities.

We are active in the Joint Service Installation Protection Program and with other ongoing studies and demonstrations. For example, we are sponsoring a Restoration Operations (RESTOPS) Advanced Concept Technology Demonstration (ACTD) to examine the actions necessary to protect against and immediately react to the consequences of a chemical or biological attack at a fixed site. Through this venue, we are investigating new tactics, techniques and procedures, as well as exploring new detection, decontamination, early warning networks, and medical technologies. The RESTOPS ACTD had its final demonstration at Osan Air Base, Korea, in February 2003 and was a great success.

U.S. Pacific Command is the DoD lead for operationalizing biological warfare (BW) defense. The DoD WMD community collectively assessed the shortfalls within DoD for responding to enemy BW and gave us a way-ahead to resolve these issues. Using the Biological Countermeasures Initiative, we are working to integrate procedures and technologies that allow us to mitigate the impact of such an attack. We cannot do this alone. USPACOM needs support from the entire joint community to improve our abilities to protect our forces and to operate in this difficult environment should the need arise. Your continued support is critical to CBRNE defense readiness.

Quality of Service for our Men and Women

While winning the war on terrorism and transforming our forces to ensure a qualitative military edge, we must improve on the Quality of Service (QOS) for our Soldiers, Sailors, Airmen, and Marines. QOS means providing the high quality operating facilities, the tools, and the information technology necessary for our service men and women to achieve their goals and execute their missions with efficiency and a minimum of frustration. My travels throughout the Asia-Pacific region—first as Commander, Pacific Fleet, and now as Commander, Pacific Command—confirm my belief you have done a great service to our military members and their families in the area of personnel entitlements.

The QOS initiatives included in the FY03 National Defense Authorization Act (NDAA) show service members that military and congressional leaders are taking

actions to meet the needs of our service men and women and their families. Thank you also for your support on recent initiatives in the FY04 NDAA, including the average 4.1% pay raise and increases in Imminent Danger and Family Separation Pay. These QOS initiatives will assist in retaining highly skilled troops and their families. Many USPACOM personnel will benefit from the ability to defer their Consecutive Overseas Tours travel entitlement, from recent increases in Basic Housing Allowance, and from the additional Basic Allowance for Subsistence provisions in areas with inadequate messing facilities. Deployed personnel will be more at ease knowing that additional family assistance has been provided in the form of childcare, education, and youth services for our men and women who are in harm's way, supporting contingency operations and the GWOT.

Military Family Housing remains a top priority. All services have devised plans to eliminate inadequate housing by 2007 with a combination of traditional military construction (MILCON) and privatization (Public Private Venture or Residential Communities Initiative). Congressional support has provided immediate benefits to our men and women who serve. Continued funding is essential, however, to enable further progress in reducing the number of inadequate quarters and in limiting out of pocket expenses to our service members and their families while maintaining a high standard of construction and quality. While we have made progress, we still have considerable work remaining. We appreciate your continued attention on this important issue.

Dorms and Barracks for our single service members is another area where we have seen significant improvement. Our service components are now pursuing well thought out plans to meet the FY08 goal of eliminating open bay berthing and central latrine-style barracks. We must retain our current operational funding stream, however, to maintain existing facilities as renovation proceeds. Again, congressional support has had a direct and beneficial impact on our young service members.

Our base infrastructure is still below standards. Sustainment, Restoration, and Modernization (SRM) of facilities and infrastructure throughout the USPACOM AOR continues to be an important concern. FY01 Installations Readiness Report rated about 80% of USPACOM facilities at C-3 (having serious deficiencies) or C-4 (not supporting mission requirements). In many areas, USPACOM facilities are 1940's vintage and not mission conducive. For example, modern weapons no longer fit into WWII vintage magazines and require improved piers for safe, proper handling. As you know, the DoD goal directs components to achieve a 67-year recapitalization rate by FY07 and restore readiness of existing facilities to C-2 (minimum acceptable performance) status on average, by the end of FY10. In addition to maintaining our facilities, we have equally important infrastructure requirements above SRM needs that require attention. These include new mission bed-downs and essential environmental requirements. Our facilities and infrastructure provide a foundation for optimum readiness and quality of service critical to mission success. We appreciate Congress' past funding efforts and call upon your continued assistance to ensure adequate facilities and proper maintenance for the long term.

By far the most important weapons systems in our inventory are our Soldiers, Sailors, Airmen and Marines. These individuals require life-cycle support and maintenance just like other systems. Force Health Protection is that maintenance program. Ensuring the health of our forces directly relates to our ability to implement effective disease countermeasures that include vaccines, antibiotic stockpiles, and automated disease surveillance systems. I ask you to continue your support for on-going research and development efforts that will improve our disease detection capabilities.

The upkeep and replacement of military medical facilities remains one of our top QOS priorities. We are working to replace or renovate our substandard facilities, particularly for Naval Hospital, Guam, further degraded by Typhoon Pongsona in December. We must continue to ensure our military medical infrastructure is safe, modern, and secure.

We appreciate the MILCON appropriations to the USPACOM AOR. These funds are vital to maintain our ability to work and fight together with our allies and to help transform and modernize our forces. In FY03, \$1.1 billion was allotted toward mission and mission support requirements and \$300 million toward family housing needs. In FY04, we need continued MILCON support for vital readiness and QOS issues. For example, we require MILCON for new mission bed-downs, such as the Stryker Brigade Combat Teams and the C-17 aircraft. Our backlog of major infrastructure repairs is reflected in the need for complete or major repair of airfield pavements at all U.S. Pacific Air Force bases, as well as the major repairs needed on critical infrastructure at bases and long-range radar detection in defense of the homeland. In the wake of destruction from Typhoon Pongsona in November 2002, it is clear we require supplemental MILCON support for a "typhoon-proof" concrete

aircraft hangar that will provide reliable support for critically important current and future Air Expeditionary Force and OPLAN requirements. I thank Congress for using MILCON where enhanced force protection is necessary.

Pacific Warfighting Center (PWC). Increasing operational and exercise activity, training complexities, and C4I modernization have rendered obsolete USPACOM's exercise simulation infrastructure and support capabilities. This deficiency significantly reduces the ability to train USPACOM and Joint Task Force commanders in crisis action readiness procedures; limits their ability to rehearse key operational orders; degrades the ability to improve combined interoperability with friends in the region; and contributes to increased OPTEMPO, training time, and associated costs for USPACOM forces before responding to contingencies. The current facility does not support future technologies or meet force protection requirements. The planned, state-of-the-art operations and simulation center will improve total force readiness and achieve OSD's goal for transforming training by exploiting emerging technologies to create a robust, networked, live, virtual, and constructive training and mission rehearsal environment for joint and combined force commanders and their staffs.

PWC will be a key node on the Joint National Training Center's global grid of operational warfighting centers. Specifically, it will fully integrate with, and extend the capability of, the Joint Forces Command's Joint Training Analysis and Simulation Center and U.S. European Command's Warrior Preparation Center. Accordingly, the PWC will provide an effective venue for decision support, OPLAN mission rehearsal, and combat analysis for headquarters and deploying forces. The planned simulation center will transform USPACOM through the use of emerging information technologies to support advanced warfighting concepts and joint experimentation. The PWC promises to save exercise funds and enhance regional security cooperation using INTERNET-based information exchange opportunities via the Asia-Pacific Area Network. This MILCON project will provide a secure facility in Hawaii for assembling military, civil-military and interagency representatives from throughout the Asia-Pacific region for interoperability exercises, collaborative research, and seminars. The facility will also support component conference requirements in a secure and protected setting.

Again, much has been accomplished in QOS improvements, but we still have more to do. Thank you again for the support you have provided and I thank you in advance for your continued future support.

Reinforcing the "Constants" in the Pacific Region

Our long-standing bilateral alliances in the Asia-Pacific region, our friendships and the presence of our forward-deployed combat forces continue to be the foundation of the region's peace and stability. One of my goals is to build on these relationships while nurturing multinational efforts that support the region's mutual interests. Our forward posture is fundamental and our combat capability essential to deter regional threats. We look for initiatives that help shape our overseas posture.

Theater Security Cooperation (TSC). Dramatic events of the past 2 years have brought into focus new and challenging national security demands for the 21st century. A mix of traditional and non-traditional threats jeopardizes the unprecedented levels of Asia-Pacific security and prosperity of the last 50 years. These threats are reminders that evolving challenges require more prompt and effective responses to ensure peace and prosperity in the Asia-Pacific region. At USPACOM, we "operationalize," national and defense security strategy with regional emphasis. Attaining national security and defense objectives in the Asia-Pacific region requires a broad understanding of threat capabilities, a frank assessment of political-military realities, and a well-charted course supported by meaningful and mutually beneficial security cooperation.

Our acute theater security concerns include conflict on the Korean Peninsula (where although the likelihood of war is low, the stakes are high); miscalculation in places such as the Taiwan Strait or Kashmir; transnational threats such as terrorism, proliferation, drug-associated violence; and instability from failed nation-states. Although we anticipate peaceful resolution of longstanding security concerns in places like the Korean Peninsula, Taiwan Strait, and Kashmir, the strategic situation in these potential flashpoints and elsewhere mandates vigilance and preparedness. We are strengthening our current security relationships and military capabilities while developing new relationships and capabilities to deter conflict and dissuade would-be regional competitors.

The USPACOM Theater Security Cooperation (TSC) Plan supports the overall mission by enhancing U.S. influence, expanding U.S. operational access to train (and deploy) forward-deployed and forward-based combat forces, and increasing interoperability with our coalition partners to support potential efforts across the

spectrum of military operations. Every TSC activity we undertake enhances our joint/combined capabilities and communicates our intent to assure friends, or dissuade, deter, or defeat potential enemies. Security Cooperation is an engine of change that, along with our Joint Training and Experimentation Plans and our operational focus, solidifies the link between national strategy and focused, enduring regional security.

The dividends of a relevant, adaptive TSC plan are clear—our treaty allies and friends have provided incomparable support to OEF, OIF, and the GWOT. Every day, our TSC planners, exercise planners, security assistance personnel, and forward-deployed forces coordinate, plan, and execute meaningful security cooperation activities that strengthen military-to-military cooperation and prepare U.S. forces and their prospective Coalition partners for the next challenge. We appreciate your continued interest and support of our Asia-Pacific Regional initiatives.

Japan. The U.S.-Japan alliance has never been stronger. From the outstanding rapport at the highest levels of our governments to the action officers, our two countries are moving forward in strengthening ties and resolving problems. Nearly 38,000 U.S. armed forces personnel are stationed in Japan, which also serves as a forward-deployed site for about 14,000 U.S. naval personnel. Japan provides over \$4.5 billion in annual host-nation support, the most generous of any U.S. ally. Without these forward-stationed and forward-deployed forces, it would be much more difficult for the U.S. to meet commitments and defend American interests throughout the Asia-Pacific region. The U.S.-Japan alliance is fundamental to security and peaceful development in the region.

Since becoming Prime Minister (PM) nearly two years ago, PM Koizumi has stressed the importance of the alliance and has sought to move Japan's security policies forward. He exerted exceptional leadership in response to the 11 September terrorist attacks, pushing support for the GWOT. After 11 September, the Government of Japan (GOJ) rapidly passed legislation and obtained Cabinet approval of a Basic Plan that provides the framework for significant Japan Self-Defense Force contributions to the war on terrorism. The speed with which Japan reacted is unprecedented in the 50-year history of the Japan-U.S. security relationship. GOJ contributions to the GWOT include the provision of over 80 million gallons of fuel oil to coalition ships by the Japan Maritime Self-Defense Force. The Japan Air Self-Defense Force has provided over 1700 flight hours moving tons of important cargo and passengers throughout the theater. We take every opportunity to express our appreciation to the GOJ for its support following 11 September.

The significant progress in building national support against terrorism does not eliminate concerns, however, about U.S. military activities in Japan. Although Japanese public support for the alliance remains high, about 70 percent—a majority of Japanese citizens—would like to see a reduction in the burden of our presence. The normal range of base-related issues, including constraints on training and concerns about crime and the environment require continued careful management.

Efforts continue to implement the Special Action Committee on Okinawa (SACO) Final Report. While 15 of 27 SACO initiatives have been completed, 12 (2 of 5 noise reduction and 10 of 11 land release initiatives) are still in progress. The cornerstone of the Japan-U.S. SACO Final Report is the Futenma Replacement Facility (FRF). GOJ approval of a Basic Plan for the off-shore portion of the FRF highlights the progress in the SACO process. However, we continue to emphasize to the GOJ that our requirements have not changed, and a complete replacement facility is required before returning Futenma.

The U.S.-Japan alliance requires our proper attention. At the same time, significant growth opportunities exist for advancing U.S. interests. U.S. forces' presence here, from the country team perspective, is secure, and careful management of the issues will ensure it remains so. My hope for the coming year is that our security dialogue with Japan will continue to advance beyond the discussion of current issues related to bases and training to address our longer-term interests in sustaining our vital alliance. We also look to expand and improve U.S.-Japan coordination with other countries within the region to address regional security issues.

Republic of Korea (ROK). The ROK remains one of our strongest allies. The new Korean government is committed to the alliance. Unfortunate incidents marred the relationship this past year—the most tragic was the June 2002 death of two young Korean girls in an accident involving a U.S. Forces Korea vehicle. In this regard, the U.S. has at every level offered our profound sympathy and condolences.

The late Fall protests indicate the depth of emotion the Korean people feel on issues related to perceived inequalities in the ROK-U.S. relationship. However, they are not indicative of the solution sought by most Koreans or the Korean government. The Korean people in general recognize the great contributions made by the

United States to their nation's security and believe the relationship is in their interest, as it is in ours.

In coordination with the Office of the Secretary of Defense, we continue to review our Northeast Asian force presence with both Japan and the Republic of Korea. We seek an enduring force posture that takes into account the changing threat, our enhanced capabilities, and the improving contributions of our friends and allies.

As a partner, the ROK has been steadily increasing its regional security role. USPACOM is working with the ROK Joint Staff to ensure our regional security cooperation efforts are in consonance with one another and integrated where appropriate. In particular, the ROK supports USPACOM exercises and seminars aimed at increasing regional cooperation and interoperability among U.S. friends and allies. Korea's contributions to regional peace and stability were clearly demonstrated this past year in Timor-Leste, where ROK Army troops participated in UN peace-keeping efforts to support the region's newest nation. This growing regional role for Korea contributes to the security of the region while not detracting from its peninsular defense responsibilities.

The ROK continues steadfast support to anti-terrorism efforts. The Korean Armed Forces are with us in the GWOT, from Guam to Central Asia and on the ground in Afghanistan, supporting our efforts with transportation and medical support. In the USPACOM area, the ROK Air Force has flown over 2000 hours moving tons of important cargo and passengers throughout the AOR. Similarly, the ROK Navy has provided important sealift to bolster our efforts in South Asia, moving 3500 tons of material. In the aftermath of Typhoon Cha'taan, the ROK Landing Ship Tanks (LSTs) provided emergency sealift of over 350 tons of bottled water and other disaster relief supplies and materials to Guam. The ROK Army deployed a Mobile Surgical Hospital initially to Manas, Kyrgyzstan, and subsequently to Bagram, Afghanistan. A civil engineering battalion will soon join these forces to assist in rebuilding the infrastructure of that emerging nation. Similar contributions have been provided for the reconstruction of Iraq. These contributions have been, and will continue to be, important to the success of OEF and OIF, and we thank the Korean people for their support.

The events of 2002 remind us of the dangers posed by the Kim Jong-Il regime and the threat our ROK-U.S. combined team faces on the peninsula. The conventional threat from the Democratic People's Republic of Korea (DPRK) remains unabated, illustrated by the unprovoked naval attack on 29 June 2002 on an ROK Navy vessel that resulted in the loss of five young ROK sailors. The DPRK maintains more than 60 percent of its forces within 100 kilometers of the Demilitarized Zone (DMZ), and the Kim regime persists in its "military first" policy, providing sufficient resources to keep its large force fed, equipped, and exercised, while its citizens face deprivation and starvation. The DPRK has so far not broken its self-imposed moratorium on conducting ballistic missile test flights, it continues development efforts including static engine tests. Additionally, the DPRK exports missiles and missile technology, posing a grave counter-proliferation concern. Finally, the Kim regime continues to engage in nuclear brinkmanship, with the disclosure of its Highly Enriched Uranium program and recent announcement on the resumption of their plutonium production and reprocessing programs. These actions are in violation of the 1994 Agreed Framework, DPRK pledges to the IAEA, and the 1992 North-South Basic Agreement calling for denuclearization of the Peninsula. The DPRK is not above precipitating a crisis to strengthen its bargaining position. Now more than ever it is critical our ROK-U.S. partnership stand firm.

The Korean people are looking for ways to foster reconciliation with the DPRK. We recognize the importance of these efforts to the Korean people and their government. Moreover, we agree on the crucial role of the Armistice Agreement in maintaining peace on the Korean Peninsula, and we are committed to ensuring that efforts at reconciliation do not increase risk for the security of the ROK or the United States.

In sum, through continuing support to the coalition to combat global terrorism and efforts to participate fully in regional security, the ROK plays a very positive role in the region. U.S. and ROK forces remain prepared, and we are looking for ways to strengthen the alliance to deal with current and future challenges.

Australia. Our strong ally and partner, Australia has demonstrated steadfast commitment and bold leadership in the GWOT and in essentially every other security endeavor in the region. Its military contributions to the coalition against terror are substantial and include Combat Air Patrols (CAP), tankers, Special Air Service (SAS) troops, guided missile frigates and, most recently, support for Sea Swap, our USN initiative to exchange crews of select vessels forward in theater. Additionally, Australia has become a regional leader in pursuing multilateral counter-terrorism initiatives in Southeast Asia by signing counter-terrorism MOUs with Indonesia,

Malaysia, and Thailand while pursuing others. USPACOM remains focused on maintaining strong levels of interoperability with the Australian Defence Forces across the full spectrum of contingency operations including counter-terrorism. Support for legislation to improve the arms export process will improve interoperability with this important ally. Australia continues to lead international support for the struggling nations of the Oceania region, providing humanitarian assistance and training. Australia is the southern anchor of our security architecture in the region, and we will maintain the vibrancy of this strategic relationship.

Republic of the Philippines. Our relationship with the Government and Armed Forces of the Philippines (AFP) developed and matured throughout the last year. Through comprehensive security assistance packages and focused security cooperation, the AFP has improved its ability to fight terrorism on its homeland as demonstrated by the AFP Southern Command's effective neutralizing of the Abu Sayyaf Group (ASG) on Basilan Island and the continuing fight in Jolo. This has not come without cost. Both American citizens and service members have been wounded, or lost their lives to the terrorists in the Southern Philippines.

Despite these losses, Operation ENDURING FREEDOM—Philippines (OEF-P) has produced tremendous successes. The Joint Task Force advised and assisted AFP forces in their mission to rid ASG terrorists from Basilan Island. As a result, the ASG threat declined significantly on Basilan Island. Although the road that circled Basilan was repaired to support AFP/U.S. tactical mobility, it will also help the people of Basilan in their economic livelihood as will the new water wells, repairs to school buildings, critical hospitals, and other medical treatment areas throughout the island. These humanitarian and civic assistance program successes acted as force multipliers for U.S. and AFP operations because the programs separated the citizens of Basilan from supporting the terrorist threat.

To ensure the AFP can successfully respond to the terrorist threat, the U.S. developed a Security Assistance (SA) Program that will provide the AFP with additional counter-terrorism training and equipment. This program is well underway, including light infantry battalion, light reaction company, night-vision, intelligence fusion, Non-commissioned Officer, and Civil Military Operations training. These five SA modules, funded through \$25 million dollars in FY 2002 supplemental appropriations, are occurring at various locations in the Philippines to benefit the AFP beyond its Southern Command units.

When this first series of SA modules is complete later this year, we will conduct a combined exercise (Balikatan 03-1) to evaluate our progress and to inform of our plans for the next round of assistance modules. This feedback mechanism is crucial to making rapid and efficient progress in the AFP's CT capabilities.

Additionally, USPACOM is implementing a Foreign Military Financing (FMF) Maintenance Assistance Plan that will sustain AFP critical tactical mobility platforms, including UH-1H helicopters, C-130 transport aircraft, two-and-a-half ton trucks, and 78-foot patrol craft. We seek your continued assistance in ensuring funding for this program in the future, through the next 3 years. This will give the AFP an opportunity to address current equipment maintenance shortfalls.

Action has not been limited to the southern Philippines. We have completed various large-scale exercises in Luzon and continue to plan for security cooperation events in 2003. On 21 November 2002, the AFP signed a Mutual Logistics Support Agreement with USPACOM—a positive sign of reciprocity and an improving relationship. We have already used the agreement by leasing 500 pieces of body armor to the AFP. This small gesture will improve the AFP force protection posture and support Philippine efforts to combat terrorism.

The Philippines plays a strategic role in the USPACOM AOR. As training areas for U.S. forces dwindle, excellent training facilities in the Philippines remain available, though repairs are required.

We have accomplished a lot in the GWOT and in securing our strategic objectives with the unwavering support of the Philippine Government. The security situation in the Philippines needs continued improvement to attract investments and promote economic stability. Continued U.S. support through comprehensive, focused and timely SA funding is one way we can influence the situation in the Philippines. Supporting the GRP in their fight against the ASG is another way. A sustained GRP counterterrorism capability is the goal.

Thailand. The Kingdom of Thailand is a treaty ally that continues to have an outstanding military-to-military relationship with the U.S. Exercise COBRA GOLD (CG) is a centerpiece of this relationship. CG-2003 was our 22nd joint/combined bilateral exercise with Thailand, and the 4th of the expanded observer program—making it USPACOM's premier multilateral event. By adding this multinational exercise dimension in an environment that trains for transnational issues, Thailand is assuming an active role in promoting South East Asia security.

Military-to-military policy with Thailand is managed through annual Thai-American Consultations. Benefits to Thailand include U.S. counterdrug/border security support, demining training, peace operations training and support, and an extensive security assistance program with a robust International Military Education and Training (IMET) component. Thailand's contributions as a regional leader include a peacekeeping troop presence in Timor-Leste, a commitment to providing engineering support in Afghanistan to support the GWOT, and an intent to contribute to the peace process in Aceh, Indonesia.

As a result of our strong relationship with Thailand, we have received access to training facilities, ports, and airfields, and the granting of overflight clearances in support of operational requirements. Our ongoing security cooperation program, including exercises such as COBRA GOLD, helps to address the security interests of both countries and serves as a catalyst for enhancing our regional security posture.

Singapore. Our relationship with Singapore is one of the strongest in the region. Following the 11 September terrorist attacks, Singapore provided access to airfields and naval facilities to U.S. forces, detained 31 suspected terrorists, froze terrorist financial assets, increased protection to shipping in the Strait of Malacca, and was the first Asian nation to implement the U.S. Container Security Initiative. Singapore's recently published White Paper on the Jemaah Islamiyah terrorists and announcement to launch a terrorism research center in 2003/2004 testifies to its comprehensive strategy for combating terrorism in Southeast Asia. Our efforts with Singapore focus on reinforcing our already strong foundation through improved interoperability and cooperation.

Malaysia. Some of the most aggressive action against terrorism in Southeast Asia has occurred in Malaysia. To date, Malaysian security forces have arrested more than 70 suspected terrorists and have taken the lead in several initiatives aimed at increasing cooperation in combating terrorism and other areas of mutual interest. The proposed Regional Counter Terrorism Training Center in Kuala Lumpur is one such initiative and represents an important opportunity to enhance regional efforts at combating terrorism. By providing expertise, information, and funding when appropriate, we can assist Malaysia and other nations of Southeast Asia in developing the skills necessary to defeat terrorism. As a moderate Muslim nation with a secular democratic government, Malaysia's influence extends beyond the region. Its January announcement to discontinue funding for private religious schools is an example of a government taking action against the root causes of terrorism by not supporting deviant extremist teachings that breed hatred. Currently, Malaysia holds the chairmanship of the Organization of Islamic Conference and remains influential in the Non-Aligned Movement. Malaysia's Armed Forces are professional and committed. Together, we are cooperating in areas of mutual interest and improving our ability to operate in combined regional efforts.

India. Based on the policy direction provided by the Indo-U.S. Defense Policy Group, USPACOM embarked on an aggressive security cooperation program with India over the past year. To date, our forces have conducted a number of successful exercises—ranging from airborne operations to surface warfare naval exercises—that have improved the combat effectiveness of U.S. forces. Over the past 10 months, USPACOM and its components have met with their Indian counterparts and established a long-range plan outlining mutually beneficial activities. These programs will increase our interoperability with, and access to, Indian forces. Our growing military cooperation supports the transformation of our relationship with India and serves to further this strategic partnership. This partnership was evident in India's strong support for the GWOT, most notably its naval escorts of U.S. ships transiting the Strait of Malacca last summer. As my recent trip to the troubled state of Kashmir confirmed, terrorists also menace India. Our improved relationships with India and Pakistan were invaluable as we helped these rivals step back last year from the brink of war. Recent overtures between the two countries give us renewed optimism.

Indonesia. The government of Indonesia responded admirably to the terrorist bombings in Bali on 12 October 2002, arresting many key operatives and developing information on the domestic and regional terrorist threat. Globally, radical Islam continues to destabilize Muslim countries and threaten the interests of tolerant, democratic nations. Indonesia is a key battleground in the struggle against terrorism and radicalism. In the face of economic turmoil, separatist and communal violence, and political transition, the world's most populous Muslim nation is struggling to maintain its secular, democratic character, and to cooperate with the international community in eliminating transnational security threats. The Indonesian military (TNI) is also going through a difficult transition from protector of an autocratic regime to defender of a popularly elected government. This significant cul-

tural and institutional transition will not happen by itself, and is experiencing an immediate test following the breakdown of peace negotiations in Aceh.

Accountability, essential to democratic civil-military relations, must improve. Critical to the success of this effort is Professional Military Education that exposes TNI officers to democratic norms and modern defense management techniques while building personal bonds of trust and goodwill. Particularly important is influencing the younger generation of officers to support the struggle against terrorism. International Military Education and Training (IMET) is another important tool.

East Timor. This past May, Timor-Leste became the world's newest democracy following 20 plus years of occupation and over 200,000 deaths. Though the greatest credit for this achievement goes to the Timorese people, the U.S. military provided significant assistance in Timor-Leste's transition to a democratic state. Our U.S. Support Group East Timor (USGET) and Australia played a vital role in providing a stabilizing military presence during Timor-Leste's transition to independence. We conducted monthly ship visits, built schools and roads, repaired water and electrical systems, and provided medical and dental treatment for thousands of Timorese. We are proud of USGET and our military forces that contributed to Timor-Leste independence.

Although USGET deactivated on 17 December 2002, USPACOM continues to play a positive role in Timor-Leste's development as a democratic state. Through IMET and Foreign Military Sales (FMS), we are funding English language training, helping develop the Timor-Leste Defense Force (ETDF) logistics system, purchasing basic equipment, and designing training programs to help develop Timor's Defense Secretariat and the ETDF. My key goals are to support the development of a civil/military defense establishment subordinate to civilian authority and the rule of law and help develop the ETDF as a credible self-defense force.

China. We have a modest but constructive military-to-military relationship with China. Our relationship is guided by PL 106-65 (NDAA 2000), which limits us to the areas of Humanitarian Assistance/Disaster Relief (HA/DR) and other non-warfighting venues. Our activities are part of ongoing DoD efforts to place such contacts with China on a new footing since the April 2001 aircraft collision incident. The USS PAUL FOSTER port visit to Qingdao in November 2002 and my visit to China from 13-17 December 2002 were the first USPACOM bilateral military-to-military contacts with China since March 2001. One objective of these exchanges is to demonstrate the quality of our forces and our values by developing personnel exchanges between the younger generation of China's People's Liberation Army (PLA) and U.S. military personnel.

Taiwan. For Taiwan, our actions are guided by the Taiwan Relations Act. We have worked this past year to support self defense improvements that can best meet Taiwan's identified defense needs. We want Taiwan to remain stable, democratic, and economically prosperous while it develops a professional, civilian-controlled defense establishment with a modernized, joint operations-oriented military.

Asia-Pacific Center for Security Studies (APCSS) brings together current and future military and civilian leaders to discuss regional security concerns. The Center provides a unique platform to discuss security issues while promoting USPACOM and OSD regional cooperation policies. Now more than ever, we realize each country must contribute to regional security to assure its continued political, economic, and social stability. Through executive courses and conferences, the APCSS gives Asia-Pacific leaders a regional forum to recognize security challenges, not only from a U.S. viewpoint but also from the perspective of 45 participating nations, including Russia, Chile, Canada, and Pakistan.

Center of Excellence (COE). COE's peace operations seminars have improved peace support capabilities in countries such as Thailand, Malaysia, Nepal, Bangladesh, and the Philippines. This improvement is evident in Thai and Filipino participation in peace stability operations in Aceh, Indonesia. These and other COE activities demonstrate our long-term commitment to relationships across the civil-military spectrum in the Asia-Pacific region. The Center's contributions complement other efforts to eliminate immediate terrorist threats. COE continues to prepare our forces to perform effectively in more complex environments with new actors and less predictable behaviors toward civilian victims of conflict. The Center's unique position as a civil-military humanitarian organization allows it to engage authorities from diverse countries in non-intrusive ways that help USPACOM reach out to new and otherwise reluctant partners. Your support for the COE in Disaster Management and Humanitarian Assistance provides valuable assistance in executing USPACOM priorities.

Chiefs of Defense (CHOD) Conference. One of our premier theater security activities, USPACOM annually hosts this regional conference, bringing together Asia-Pacific CHODs (CJCS equivalents) for a series of discussions on regional defense

issues. The November 2002 conference, which was held in Singapore and was co-hosted by the Singapore Armed Forces and Chief of Defense Lieutenant General Lim Chuan Poh, gathered senior military leaders from 21 nations, including the Vice Chairman of the U.S. Joint Chiefs of Staff, General Pace. The conference's theme, "Meeting Security Challenges in the 21st Century," provided a forum for candid dialogue among senior leaders. The October 2002 Bali bombings heavily influenced discussions and underscored the ability of terrorists to cut across borders and present a common regional and global threat. The CHOD's conference continues to provide an excellent opportunity to foster understanding, build confidence among participants, strengthen relationships, and promote stability.

Foreign Military Financing (FMF) provides vital support to developing countries involved in the GWOT. Funds provided in the Foreign Operations, Export Financing and Related Appropriations Act, 2002 and the emergency FMF Supplemental directly supported Security Cooperation priorities in the East Asian Littoral and other regions in USPACOM. FMF delivers the military articles, services, and training required to support the efforts of our friends and allies that promote U.S. security interests. We appreciate your support of SA programs and our efforts to improve their effectiveness and responsiveness.

International Military Education and Training (IMET) is an effective, low-cost component of the SA effort. The program provides U.S. access to foreign governments and influences those governments far out of proportion to its modest cost. Furthermore, it exposes future leaders to U.S. values and commitment to the rule of law and the role of a professional military in a democratic society, and it promotes military professionalism. Commitment of funds for full IMET to Indonesia, pending congressional consultations, is a welcome development. Having a core group of well-trained, professional military and civilian defense leaders with first hand knowledge of our values and democratic institutions will make a difference in achieving our strategic security goals in Indonesia and throughout the theater.

Acquisition Cross-Servicing Agreements (ACSA) or Mutual Logistic Support Agreements (MLSA) have enhanced interoperability and readiness and provided a cost effective mechanism for mutual logistics support for U.S. and Allied Forces. USPACOM forces that participated in the FY03 multinational exercise COBRA GOLD greatly reduced their logistics footprint by using an ACSA. Three countries within USPACOM's AOR have deployed forces outside our AOR under ACSA provisions in support of the GWOT—Australia, New Zealand, and the Republic of Korea. Thus far, these countries have benefited from approximately \$350,000 worth of logistics support, supplies, and services via reimbursable ACSA transactions. Primary logistics support provided includes food, medical services, dental support, force protection, transportation/material handling equipment, billeting, vehicle/equipment maintenance, and fuel. Thailand has deployed support forces to the USCENCOM AOR in support of the GWOT, and the ACSA has been instrumental in providing Thai forces with cold weather and NBC gear on a reimbursable basis. USPACOM has 10 ACSAs in place (Philippines, Australia, Korea, Japan, Singapore, Malaysia, Thailand, New Zealand, Fiji, and Tonga) with eight other countries within our AOR in DoD's ACSA—Eligible status (India, Indonesia, Bangladesh, Nepal, Brunei, Maldives, Madagascar, and Sri Lanka). We will continue to negotiate with ACSA-Eligible countries to expand the options we have to integrate coalition capabilities.

Promoting "Change" and Improving the Asia-Pacific Defense Posture

Our country is undergoing the most fundamental transformation of its defense strategy and Armed Forces since the Second World War. Guidance for this transformation is clear and starts with the National Security Strategy. At USPACOM, we are putting that guidance into action, operationalizing it with Asia-Pacific emphasis. Our efforts include strengthening command and control constructs, updating plans, improving force posture, diversifying access and enroute logistics, improving capabilities for immediate employment, and developing new operating patterns and concepts.

Our progress toward successful transformation of our force is the result of a deliberate, iterative process of innovation and experimentation. This process requires that we collaborate and stay in close touch with service initiatives—ensuring they are synchronized into the joint team. Likewise, we continue to build a collaborative bridge between our experimental efforts and the experimentation underway in U.S. Joint Forces Command, the lead command for joint experimentation.

Consistent with Secretary Rumsfeld's Transformation Planning Guidance, USPACOM has a multifaceted program covering a broad range of technological, organizational, and conceptual initiatives. It is a focused effort to explore and integrate innovative concepts and mature technologies to address our toughest challenges to effective joint operations.

Forward stationed or deployed military presence provides the leading edge of U.S. combat power and forms the cornerstone of deterrence. Within the Asia-Pacific region this equates to roughly 100,000 forward-deployed personnel located primarily in the Republic of Korea and Japan. These forces deter conflict, dissuade competition, respond to crisis, man the infrastructure to receive follow-on forces, and fight if necessary. USPACOM is committed to developing the most effective regional command and control constructs to maximize the employment of our forward-deployed forces. In conjunction with ongoing DoD restructuring initiatives, we are reviewing these command and control structures and our force posture to ensure they are consistent with today's operational requirements and geo-political realities. The goal is to consolidate and transform our headquarters in Japan, the Republic of Korea, and throughout the region to provide immediately employable forces capable of decisive operational effects. Of course, these improvements will be undertaken in close consultation with our allies.

Prototype command and control constructs such as the Joint Mission Force or Standing Joint Force Headquarters leverage both enhanced joint warfighting equities and transformation dividends. Along with our efforts to improve our command structure, we will continue to develop diversified access throughout the region. We foresee ongoing requirements to consolidate and improve our facilities in Korea, Japan, and other locations in the region. We also expect to enhance our access to facilities in Southeast Asia (SEA) and the South Asia Indian Ocean (SAIO) area to meet regional and global requirements and support the GWOT and other operational or contingency demands.

Our transformation and experimentation efforts are necessary steps in advancing improvements to the speed of action and effectiveness of joint operations across strategic, operational, and tactical force levels. To date, our new standing operating procedures and enhancements to collaboration have yielded as much as two weeks' reduction in time to stand up and deploy a Joint Task Force (JTF) in response to a contingency. By experimenting with and fielding mature technologies and prototype decision tools—placing them in the hands of operators well within the traditional acquisition cycle time—we have established information superiority and enhanced efficiency for theater command and control. With continued support, we can zero in on even greater improvements to JTF effectiveness, such as integration and synchronization of operational fire and maneuver, surpassing information superiority with decision superiority, and expediting the fielding of mature technologies and concept prototypes to forward-deployed JTF commanders.

Within USPACOM, our Joint Mission Force (JMF) initiative provides the coherent framework for experimentation and transformation to enhance JTF operations across the spectrum of missions from forcible entry through humanitarian assistance. This mature initiative has allowed us to focus our transformational efforts toward a specific end-objective: seamless joint operations. The JMF concept will serve as USPACOM's segue to implementing the Standing Joint Force Headquarters as directed by current DoD plans.

Each year during exercises such as COBRA GOLD, our multilateral exercise co-hosted with Thailand, and TANDEM THRUST, our theater-wide biennial joint exercise with Australia, we experiment with JMF initiatives that address our "Top Ten Challenges" to enhancing JTF speed of action and effectiveness. By experimenting while we exercise, we can accurately assess the military utility of new technologies and procedures. As a direct result of success during exercises, JMF has fielded several key technologies within USPACOM's designated JTFs. Over the past year, Bandwidth Monitoring and Control devices have given our JTFs dynamic control of limited bandwidth for critical communications. The Automated Deep Operations Coordination System (ADOCS) now provides USPACOM Headquarters Joint Operations Center and our JTFs an interoperable tool for sharing a common operational picture for dynamic tracking and targeting and for conducting personnel recovery operations. JMF has provided our designated JTFs with a suite of collaborative tools and the training required for planning, executing, and assessing joint operations. Our design and implementation of a standard JMF web tool provides an internet "one-stop shop" for JTF real-time information sharing, planning, and execution.

Additionally, JMF has operationalized other important command-wide capabilities such as our Combined Operations Wide Area Network (COWAN) for secure operations with our coalition partners, the Asia-Pacific Area Network (APAN) for civil-military and non-government organization operations with coalition forces, telemedicine for joint medical operations (JMO-T), and language translation capability such as DARPA's "Phraselators."

To bridge the gap between our major joint exercises, hone readiness, and provide periodic spiral development opportunities, USPACOM conducts routine command and control exercises (C2X). These short duration, vignette-driven exercises not only

test our JTF command and control procedures, they also provide an important venue for spiral technology and procedural development and fielding. This JMF initiative has proven effective in USPACOM as a readiness-enhancer.

Over the next 2 years, with your support, USPACOM's Joint Mission Force will integrate emerging technologies into information operations and intelligence, surveillance, and reconnaissance management. Our transformation and experimentation initiatives include our coalition partners.

In Korea, we have worked Integrated Total Asset Visibility and language translators during exercise ULCHI FOCUS LENS. USFK has the lead for the Theater Precision Strike Operations ACTD and this year is sponsoring the Theater Effects-Based Operations ACTD.

We have installed our JMF Web tool on the Japan Self-Defense Force bilateral secure wide-area network. We also have an information sharing agreement with Japan, and Japan has used Coalition Rear Area Security Command and Control in exercises such as KEEN EDGE and YAMA SAKURA.

As COBRA GOLD 2002 participants, Singapore Armed Forces and Royal Supreme Thai Command members were directly involved with our initiatives for collaboration tools, virtual Civil Military Operations Center, and COWAN. Additionally, Singapore is participating in the SPARTAN ACTD and is pursuing involvement in other ACTDs, such as RESTOPS and JTF WARNET (Wide Area Relay Network).

The JTF WARNET initiative approved by the Joint Requirements Oversight Council (JROC) on 25 April 2002 provides organic, wireless secure Internet Protocol-based connectivity among tactical components of a JTF. WARNET applications, interfaces, and procedures enhance JTF command and control by sharing tactical situational awareness data among service command and control systems, enabling joint fires and collaborative planning and execution. JTF WARNET provided tactical-level force integration during MILLENNIUM CHALLENGE 2002. We will conduct WARNET regional tests and a pre-deployment exercise in Hawaii and Japan in FY03 before WARNET becomes a JTF operational capability in FY04, culminating in COBRA GOLD 2004.

USPACOM served as the host Combatant Command for the Joint Warrior Interoperability Demonstration (JWID) 2002 and recently hosted JWID 2003 this June. For the first time, Japan, Korea, and Singapore were invited to sit on the Coalition Task Force (CTF) staff. Their inclusion in the traditional mix of U.S., NATO, U.K., Canada, and Australia participants successfully pushed the envelope on coalition interoperability, demonstrating challenges and developing solutions.

The Regional Defense Counter-Terrorism Fellowship Program complements the IMET program. DoD funding has sent foreign military officers to U.S. military institutions and selected regional centers for non-lethal education. This program has provided regional combatant commands with additional flexibility in executing our security cooperation strategies and has had an immediate and positive impact in encouraging reform, professionalism, and regional cooperation in addressing counter-terrorism and other transnational threats.

The fellowship focus for USPACOM has been toward educational programs that encourage these advancements among Asia-Pacific nations addressing transnational threats with a focus on counter-terrorism. Specific courses have assisted in minimizing terrorist threats in the Asia-Pacific region, severing links between indigenous terrorist groups and global terrorist networks, allowing the establishment of a more professional military, developing stronger mutual security partnerships, and enhancing theater security cooperation. We are using the program to provide non-lethal training to Indonesian, Malaysian, and Philippine military officers at U.S. military educational institutions. U.S. military courses provide the basics for success in any military operation. A secondary benefit is the exposure students receive to the higher standards of ethics and behavior associated with a professional military under competent civilian control. Your continued support in providing this flexible funding alternative is appreciated.

C2 for Coalitions. The Multinational Planning Augmentation Team (MPAT) Program involves a group of military planners from the U.S. and many nations in USPACOM's Area of Interest. The purpose of MPAT is to increase operational interoperability among participating countries' interoperable planners who can rapidly augment a multinational force headquarters in response to a regional crisis. Using multinational but standardized skills and procedures, MPAT planners would plan and execute coalition operations to support a multinational and interagency response to a small-scale contingency. Through a series of workshops and information exchange events, including four major crisis action planning exercises, MPAT members have developed a knowledge base of the various national crisis action planning procedures in the Asia-Pacific region. They have also developed a strong working relationship with each other. Military planners from over 25 countries and rep-

representatives from the UN and various non-governmental and international organizations have attended these workshops.

As part of the MPAT initiative, we and other nations in the region are developing multinational force Standing Operating Procedures (MNF SOP) that any nation leading a coalition crisis response relief effort can use. This MNF SOP has coalition/combined task force activation, forming, and planning procedures focused on military operations other than war (MOOTW), from humanitarian assistance through peace operations, and includes counter-terrorism aspects. Planners from 30 nations practice and validate the MNF SOP during MPAT and other multinational exercises each year.

Since the Asia-Pacific region does not have a regional NATO-like organization, the MPAT and MNF SOP efforts represent the major regional program aimed at developing multinational procedures and maintaining a cadre of multinational military planners using common planning and operating procedures for coalition operations. USPACOM's Internet-based Asia Pacific Area Network (APAN) enables the working-level communications required to develop these procedures. APAN's easily accessible collaborative capability enables us to extend regional dialogues begun in functional forums such as CHOD conferences into exercises and operations that improve our regional response to the growing range of military missions we face today. The ability to place instructional material on APAN for mutual benefit of the U.S. and Asia-Pacific partners would enhance the USPACOM Theater Security Cooperation program and U.S. national security interests. The provision of internet-based training and education should include such programs as Advanced Distributed Learning and similar internet tools. USPACOM could thereby more effectively use focused military education programs to develop regional skills required to accomplish cooperative security missions, improve civil-military relations, increase respect for human rights, and strengthen democratic principles.

I would like to express our appreciation for past congressional support of the Asia-Pacific Regional Initiative (APRI) appropriations—support that has ensured a robust beginning for information operations programs and other coalition building events that improve training, doctrine, and experimentation. As we continue with the MPAT and MNF SOP development, we will improve the capabilities and interoperability of countries in the region to support operations that we may lead while enhancing the ability of other countries to lead coalition operations as well.

Joint Task Force Full Accounting (JTF-FA). Achieving the fullest possible accounting of Americans is a high USPACOM priority, and we will continue to devote the necessary personnel and resources to obtain the answers the POW/MIA families so richly deserve. During Fiscal Year 2002, JTF-FA conducted 10 joint field activities (JFAs)—4 in Vietnam, 5 in Laos, and 1 in Cambodia. The JTF-FA field teams investigated 211 cases and excavated 50 sites. In total, they recovered and repatriated remains believed to be those of Americans unaccounted-for from the war in Southeast Asia from 27 sites (9 in Vietnam, 12 in Laos, and 6 in Cambodia). Furthermore, 31 individuals from recovery operations were identified and returned to their loved ones during this period. JTF-FA will maintain its pace of operations in FY03, with 10 JFAs scheduled—4 in Vietnam, 5 in Laos, and one in Cambodia. JTF-FA will also conduct an underwater survey in China.

Following Deputy Secretary Wolfowitz's direction to determine the feasibility of merging JTF-FA and the Army's Central Identification Laboratories, Hawaii, we have put in place a comprehensive plan of action and milestones to ensure a smooth merger and standup date of 1 October 2003. Merging of the two units under a single command is operationally sound and will clearly demonstrate our government's commitment to our unaccounted for citizens. Three critical items remain. First, realignment of the Department of the Army's Central Identification Laboratory Hawaii (CILHI) funding to the Department of the Navy as Executive Agent for USPACOM and the merged organization. Second, transfer of Department of the Army civilian positions and functions to the Department of the Navy. Third, determining the permanent location of this new organization with the attended adjustment and advancement to the CILHI approved FY-08 MILCON headquarters building project.

Land Partnership Plan (LPP). The Commander of U.S. Forces Korea (USFK) has reached agreement with the ROK government on an LPP that will consolidate U.S. force presence. The plan will reduce the number of major U.S. bases in Korea from 41 to 23 while significantly enhancing training and combined warfighting capability—better supporting our long-term regional strategy. The LPP will also have a significant positive affect on the quality of life of our servicemen and women and their families assigned to our forces on the peninsula. Our partner is committed—the LPP has received the full backing of the Korean government and its National Assembly. Further enhancements and efficiencies are being discussed as part of the Future of the Alliance Initiative. We are working closely with U.S. Forces Korea to

ensure our efforts result in enduring footprint improvements that meet both peninsular and regional security goals.

Advanced Concept Technology Demonstrations (ACTDs). USPACOM continues to lead in innovating tactics, techniques, procedures, and concepts of operations that make the nation's investment in science and technology productive for our Soldiers, Sailors, Marines and Airmen in the field. We do so through a continual cycle of experimentation, demonstration, and special projects aimed at our early understanding of emerging technologies and their impact on military operations in the Asia-Pacific region.

Transformation depends heavily on ACTDs. Today we are involved in 19 ACTD projects—more than any other regional command. We have distributed the Transformation workload across the whole theater—almost all service component and Sub-Unified Commanders and most of my Staff Directors have responsibility for executing one or more ACTDs.

Our new FY03 ACTD program will provide us with new tactical capabilities. The Overwatch ACTD will give us a capability to detect and pinpoint sniper fire in an urban environment, enhancing security and situational awareness for our troops in the field. In addition to our new ACTDs, we have pioneered co-development of technology with Singapore with the SPARTAN Unmanned Surface Vessel ACTD. This ACTD provides technological developments to improve capabilities for multi-mission packages in Mine Warfare, force protection, precision strike, and intelligence, surveillance, and reconnaissance. Additionally, it will enhance battlespace awareness and increase force protection for surface and subsurface operations through the use of modular sensor packages.

The ACTD program is clear proof that when system developers and operators come together we can get useful military products into the hands of the user faster than with standard acquisition. However, this is only true if the technology successfully transitions into a program of record. I am proud to report that we will successfully transition all five of our ACTDs completed this year. Soon all combatant commanders will reap resulting benefits in the areas of Joint Fire Control, personnel recovery, small unit logistics, telemedicine, and decision-support tools from our completed projects.

Our Joint Experimentation program focuses on Joint Task Force (JTF) operations. It is fully coordinated with the U.S. Joint Forces Command's Joint Experimentation Program and includes technology insertion experiments during our regular exercises to advance our state of practice of JTF operations, both in the U.S. only venue and in coalition venues. This year, we executed the first two major experiments. The first occurred as part of our C2X exercise series where we train to establish command and control of a deployed JTF. The experiment augmented our normal C4I surveillance and reconnaissance equipment suites with new capabilities to manage and control information flow on the JTF networks and provide enhanced fires management capabilities across the joint force. Our second experiment occurred in a coalition environment during the COBRA GOLD exercise with Thailand, Australia, Singapore, and Malaysia. We also added new technology from Defense Advanced Research Projects Agency (DARPA) to improve network security and the commander's understanding of the war plan. We are finding that by experimenting as we exercise, we can provide a continuous series of warfighting improvements that are field tested in joint and combined operations before we make key procurement decisions.

I've highlighted just a few of the experimentation and modernization initiatives in USPACOM. Our initiatives, like those of other Regional Combatant Commanders and the Services, in concert with USJFCOM, promise to modernize the force and enhance mission capability. We are working hard with USJFCOM to synchronize and bring coherence, prioritization, and continuity to the transformation of our forces.

SUMMARY STATEMENT

America's Armed Forces in the Pacific continue to promote security, peace, and prosperity in the Asia-Pacific region. Through the professional efforts of our dedicated men and women, we continue to assure our allies, dissuade our adversaries and deter aggression. We are relentlessly pursuing terrorists, improving our force protection posture and maintaining our readiness so that if called upon, we will decisively defeat any adversary. And while executing these missions, we are transforming our security institutions to best meet security demands for the foreseeable future.

U.S. Pacific Command's priorities for the near term remain unchanged: sustaining and supporting the Global War on Terrorism; improving our Readiness and Joint Warfighting Capability; improving the Quality of Service for our Soldiers, Sailors,

Airmen and Marines; reinforcing the Constants in the Pacific Region; and promoting change and improving our Asia-Pacific Defense Posture for the Future.

The men and women of the U.S. Pacific Command welcome this opportunity to tell their story. The support of the Congress and the American people is greatly appreciated. Thank you.

Mr. LEACH. Secretary LaFleur.

**STATEMENT OF CHRISTOPHER LaFLEUR, SPECIAL ENVOY
FOR NORTHEAST ASIA SECURITY CONSULTATIONS, BUREAU
FOR EAST ASIAN AND PACIFIC AFFAIRS, U.S. DEPARTMENT
OF STATE**

Mr. LaFLEUR. Mr. Chairman, with your permission, I have covered a fair range of regional issues in my written testimony, and I would like to concentrate, if I may, in my oral remarks on the two areas in which I am principally focused in my work, which is on our discussions with the Republic of Korea and Japan on the future of our alliances.

Mr. LEACH. That is very appropriate, but particularly appropriate if you would pull the microphone closer.

Mr. LaFLEUR. Thank you, sir.

We began our discussions with both the Republic of Korea and with Japan earlier this year, and it is a particularly appropriate time in many ways to be reviewing the future of our alliances with both of our partners.

First and most obviously, we are at the half century mark in our alliances with both countries. We celebrated that with the Japanese 2 years ago in San Francisco, and this year marks the 50th anniversary of our security alliance with the Republic of Korea.

In addition, of course, we have as an ongoing task the adjustment of our respective defense postures to the end of the cold war as well as to the emergence of new and serious challenges to our security, most notably our efforts to deal with the war on terrorism.

In addition, of course, there is the advancement in military technology, which has opened up new possibilities for us to contribute to the defense of our allies, and for their part, our allies are obviously not the countries with which we made these agreements some 50 years ago. They are strong global actors who have new capabilities, and our alliances should definitely reflect that.

These discussions fit into our broader objectives of reinforcing our alliances throughout the region, strengthening our cooperation with like-minded countries, seeking areas of cooperation, even greater areas of cooperation, with other countries, as well as to deter any additional threats and challenges that we may face in the region.

We have started and have covered the most ground, I think, with the Republic of Korea, in large part because we are building on some considerable work that has been done over the years in this area already. Agreements had already been reached in the early 1990s, for example, that we would be moving the bulk of our forces out of the Yongsan Garrison located in downtown Seoul, and the question was how to proceed more expeditiously with implementation.

We had also more recently come to some agreements on consolidating our physical presence in the ROK in what is called the Land

Partnership Program, but recently we have decided, based on some of the factors I mentioned a moment ago, that we could go further; and at our SCM meeting between the Secretary of Defense and his Republic of Korea counterpart last December, an agreement was reached to launch a future of the alliance study between the two countries, and that is what we have embarked on.

We have made good progress in our first two official rounds of these talks, including agreements in principle to accelerate the transition out of Yongsan, to reshape U.S. forces principally into two main hubs, and to transfer certain conventional defense roles to ROK forces as the ROK itself expands its defense efforts.

Both sides, of course, are acutely aware of the threat posed by North Korea, and at the summit our Presidents agreed that we would be proceeding with this plan while we continue to consult closely.

We believe that the ROK appreciates that we want to establish facilities for the long term that will strengthen ROK's security and our joint deterrence.

With the Japan situation, it is somewhat different. Our forces in Japan are already configured in many ways to deploy as rapidly as needed because of their overall assignments in the defense of Japan and the responsibilities in the Far East in general. At the 2+2 meeting between our Secretaries of Defense and State and their Japanese counterparts, also last December, though, we agreed also that we would launch a review of ways to further enhance our alliance, and we have had some preliminary discussions already toward that effort. We are reviewing and have reviewed our shared security objectives, as well as current United States and Japan plans to enhance our capabilities in the future.

Planning is still ongoing, of course, on both sides, so we have not reached the stage where we can identify major changes in our current arrangements. However, I would point out that events are also moving forward as we conduct these discussions, and Japan's decision to support us in Iraq and most recently the Japanese Government's decision to introduce legislation to promote greater participation by Japan in Iraq efforts would constitute, if approved by the Diet, an important change in Japan's policy. This is certainly encouraging from our point of view.

We intend to maintain an active schedule of discussions with both partners in the months ahead, with a view to reporting the results to our superiors as soon as we can. We believe that the end result will be to strengthen both our alliances as our partners recognize that we are committed to long-term partnerships, responsive to their changing capabilities, and intent on sustaining our role in the East Asia and Pacific region. Thank you, Mr. Chairman.

Mr. LEACH. Well, thank you very much.

[The prepared statement of Mr. LaFleur follows:]

PREPARED STATEMENT OF CHRISTOPHER LAFLEUR, SPECIAL ENVOY FOR NORTHEAST ASIA SECURITY CONSULTATIONS, BUREAU FOR EAST ASIAN AND PACIFIC AFFAIRS, U.S. DEPARTMENT OF STATE

Thank you for the opportunity to testify on the subject of U.S. Security Policy in the Asia Pacific region.

NATIONAL SECURITY

Our objectives in the Asia Pacific region are based on the President's 2002 National Security Strategy, which commits the United States to:

- champion aspirations for human dignity;
- strengthen our alliances to defeat global terrorism;
- defuse regional conflicts;
- prevent our enemies from threatening us, our allies, and our friends with weapons of mass destruction;
- ignite an era of global economic growth through free markets and free trade;
- expand development through open societies and the infrastructure of democracy;
- develop agendas for cooperative action with the main centers of global power; and
- transform our national security institutions to meet the challenges of the 21st century.

The Strategy was published almost exactly a year after September 11, 2001. These objectives require new thinking about where we focus our energies in the East Asia region. At the same time, they have also focused our attention on the enduring value of America's alliances in Asia. These five alliances—Japan, South Korea, Australia, Philippines, and Thailand—are important to achieving our objectives in the region in every sense. In addition, we are working with traditional friends, regional groups and others to bolster cooperation to address our concerns.

We are working to enhance our alliances and friendships in East Asia by ensuring that our linchpin ally, *Japan*, continues to play a leading role in both regional and global affairs, based on our common interests, common values, and close defense and diplomatic cooperation.

We reaffirmed those common values and interests with Japan in the meeting of the Security Consultative Committee—commonly referred to as the “2+2”—in December 2002. The “2+2” Joint Statement is testimony to our shared views on threats of proliferation of weapons of mass destruction and ballistic missiles, Iraq, North Korea, regional security issues, China's role in regional stability and prosperity, missile defense and defense planning. I note that the level of Japan's participation in Operation Enduring Freedom has been unprecedented and, for Japan, path-breaking.

We are working with *South Korea* to maintain deterrence towards the North while preparing our alliance to make contributions to the broader international stability over the long term. At their May 14, 2003, meeting in Washington, DC, President Bush and South Korean President Roh Moo-hyun reaffirmed the strength of our relationship, and in a joint statement they underscored that they would not tolerate nuclear weapons in North Korea and insisted on the complete, verifiable and irreversible elimination of North Korea's nuclear weapons program through peaceful means based on international cooperation. With Japan and South Korea, we are coordinating our policy on North Korea through the TCOG meetings, the most recent of which took place in Honolulu on June 12–13, 2003.

Australia has proved yet again to be an indispensable ally in the Asia-Pacific region, international CT, non-proliferation, and other security cooperation. We are building on 50 years of U.S.-Australian alliance cooperation as we focus on regional and global problems. Australia's central role in the Iraq conflict, its support of our troops in Afghanistan, its ongoing peacekeeping efforts in East Timor, and its commitment to fight terrorism at home and in the Asia-Pacific region proves how valuable an ally it is in taking its security commitments to the common defense seriously.

With the *Philippines*, the recent State Visit of President Arroyo illustrated that security relations are deeper and warmer today than at any time in recent history. The two Presidents pledged to strengthen the partnership further in the years ahead. We have redoubled our commitment to assist the Philippines to develop the capacity to counter the terrorist threat in the southern part of the country. President Arroyo also has pledged to contribute personnel to the coalition effort in the reconstruction of Iraq. In addition, we have designated the Philippines a Major Non-NATO Ally.

With *Thailand*, we have deepened our already close cooperation on counterterrorism. Recent successes include the arrest of three members of a Jemaah Islamiyah (JI) support cell who are suspected of plotting to attack diplomatic missions and other targets in Thailand. In addition, Thai authorities, working with U.S.

Customs and Embassy Bangkok, this month apprehended an individual attempting to sell a small amount of radioactive material.

Although not an ally, *China* also plays a critical role in Asia's security and has played a helpful role in the counterterrorism campaign. We have welcomed China's cooperation in helping to resolve our mutual concerns about North Korea's nuclear program. The PRC has stressed its opposition to the North Korea's decision to withdraw from the Nuclear Non-Proliferation Treaty, its concerns over North Korea's nuclear capabilities, and its desire for a non-nuclear Korean peninsula. China also most recently played a key role in organizing the April multilateral talks in Beijing.

Finally, we are seeking to strengthen our relations with other friendly countries in the region and *regional institutions* in East Asia. We are working to expand our cooperation with the Association of South East Asian Nations (ASEAN), the Asian Regional Forum (ARF), and the Asia Pacific Economic Cooperation (APEC) forum to manage change in the dynamic East Asian area and to enhance security in this large and important region. Secretary Powell has just returned from productive Post-ASEAN Ministerial Conference and ARF meetings in Phnom Penh, Cambodia, that addressed critical regional security issues, including North Korea and Burma.

As the Secretary stated, "The ARF members made it abundantly clear that we all need to work together to see a nuclear weapons-free Korean peninsula. ASEAN's help in keeping pressure on North Korea is absolutely necessary to achieve a diplomatic solution that leaves the peninsula, the region, and the world safer."

To support the development of ASEAN as an institution critical to the security and development of the pivotal Southeast Asia region, we are working to implement the ASEAN Cooperation Plan (ACP) and the Enterprise for ASEAN Initiative (EAI), announced by Secretary Powell and the President last year. The goal of these initiatives is to strengthen ASEAN's institutional capacities, to encourage greater integration of the new, less economically advanced states in ASEAN, to enhance ASEAN's ability to contribute to regional stability, and to expand our already strong economic ties through trade agreements with qualified countries in Southeast Asia. We have already concluded a free trade agreement (FTA) with Singapore and are laying the groundwork for possible agreements with other Southeast Asian states in the future.

SECURITY POSTURE

I would like to focus now on the two alliance relationships in which we have launched comprehensive reviews, these being the Republic of Korea and Japan

SOUTH KOREA

South Korea's opportunity to participate actively in shaping regional and global affairs has grown significantly as its economy has developed. The ROK has strongly supported the global war on terrorism and its support for operations in Afghanistan and Iraq reflect Seoul's commitment to an increasingly global partnership. Most recently, President Roh dispatched engineer and medical troops in support of Operation Iraqi Freedom. Korea has agreed to grant \$10 million in humanitarian aid for the Iraqi people, including \$500,000 to help improve prisons. Looking forward, Seoul is already thinking about pledging reconstruction aid to Iraq, following up on the \$45 million it is giving to Afghanistan.

Our discussions on security posture with the ROK were launched first and have made significant progress, in part because we are building on the understandings we have reached over the past decade to reduce the footprint of U.S. facilities in the ROK. We agreed in the early 1990s to relocate U.S. forces at the Yongsan Garrison in downtown Seoul. Over the past several years, we also finalized plans to consolidate U.S. facilities across the ROK.

However, at the December 2002 ROK-U.S. Security Consultative Meeting (SCM) held in Washington, D.C., both sides realized we had the opportunity to take greater advantage of advances in military art and science. The SCM established a "Future of the Alliance Policy Initiative," to conduct policy-level discussions to develop options for modernizing and strengthening the alliance.

The initial "Future of the Alliance Policy Initiative" meeting was held in Seoul on April 8-9, attended by senior officials of the ROK Ministry of Defense and Ministry of Foreign Affairs and Trade. Deputy Assistant Secretary of Defense Richard P. Lawless and I represented the U.S. side. The Koreans and we shared the view that the U.S.-ROK alliance must be developed in ways that contribute to security not only on the Peninsula but also in the larger Northeast Asian region and beyond. We agreed in principle to expand the role of ROK forces in Peninsula defense and to enhance U.S. forces ability to contribute to regional stability, and we proposed

a plan to strengthen the future of the alliance by further developing 21st century war-fighting capabilities.

We agreed to consult further on modernization of the ROK-U.S. combined defense posture and deterrence capability by consolidating the USFK base structure to achieve greater efficiency and to foster the balanced development of ROK national lands. We agreed as well to continue discussion on the timing of the overall realignment process.

President Bush and South Korean President Roh Moo-hyun, reviewed these issues at their first summit in May. The two Presidents pledged to "consult closely on the appropriate posture of the USFK during the transition to a more capable and sustainable U.S. military presence on the Peninsula." They acknowledged the "opportunity provided by the Republic of Korea's growing national strength to continue expanding the role of the ROK armed forces in defending the Korean Peninsula."

On June 4-5, we conducted the second round of talks on the "Future of the Alliance Initiative" in Seoul. Basing discussions on the May U.S.-ROK summit, the U.S. and South Korea agreed on a two-phase, multi-year pullback of ground troops from near the Demilitarized Zone.

We briefed the ROK on our plans to invest in an \$11 billion program for strengthening our defense capabilities in the ROK, including upgraded missile systems, and reinforced military intelligence. These measures will enhance our two nations' military force readiness and build a stronger deterrent posture. Frontline defense capabilities will remain strong as the ROK invests in its own capabilities and assumes a number of roles currently assigned to U.S. forces. In addition, we briefed on our intention to retain a major training facility north of Seoul where U.S. units will rotate for training regularly.

Our close consultations with the South Korea are ongoing. ROK Defense Minister Cho will visit Washington June 26-27, where he will meet with the Vice President, Secretary Powell and Secretary Rumsfeld. We aimed to convene the next round of "Future of the Alliance" talks soon.

The objective of all this activity is to build a stronger U.S.-ROK alliance, restructured for the 21st Century and the new security environment. This will enhance deterrence on the Korean Peninsula and enable U.S. Forces in Korea to make a larger contribution to regional security. Our bases and military personnel will be repositioned so as to be less intrusive to our South Korean neighbors.

JAPAN

Turning to Japan, our bilateral security relationship remains the linchpin of our defense posture in the Asia-Pacific region. Based on our Mutual Security Treaty, we enjoy a very close and mutually beneficial relationship with Japan, the most important feature of which is the broad forward deployment that our bases and facilities in Japan afford, not only for the defense of Japan but for our regional and global interests as well. Many of our Japan-based forces, such as the Third Marine Expeditionary Force in Okinawa, are expeditionary in nature, allowing for rapid deployment as circumstances require.

Although our bilateral security relationship was created to address the more localized security environment of the Cold War, it has been evolving steadily as the global security environment has changed. These changes reflect the need for the alliance to take into account the broader regional and international security environment, beyond the direct defense of Japan. In 1997, we revised the Guidelines for U.S.-Japan Defense Cooperation to establish a framework for the parties to cooperate in responding not only to threats against Japan but also to security situations in the region surrounding Japan. For their part, the Japanese have taken a number of steps allowing them to increase their participation in global security matters, such as the enactment in the early 1990s of a law allowing Japanese participation, albeit in a limited fashion, in international peacekeeping and, during Operation Enduring Freedom, to dispatch military forces and materiel to assist in CT operations far from Japanese shores.

The security relationship continues to evolve and at a rapid pace. Understanding that global terrorism is a threat to Japan, just as to other democratic and free societies, the Japanese responded with unprecedented speed and determination to the September 11 terrorist attacks. They quickly enacted a number of laws that allowed their Self-Defense Forces to provide military logistical rear-area support for Operation Enduring Freedom. They are in the process of enacting similar laws that will allow a comparable level of engagement in Iraq. Japan is a party to all UN conventions aimed at stopping terrorism and has cooperated well in freezing the assets of terrorists and terrorist organizations and in helping build CT capacity among other nations of the Asia-Pacific region. In recent months, Japan has also displayed a

growing interest in adopting some form of Missile Defense, which we regard as an encouraging development.

While Japan continues to observe strict limitations on its defense policies, there are many signs, reflected in some of the changes I have noted, indicating that the Japanese understand that it has become more important to their national interest to broaden their contributions to our alliance.

This new thinking is reflected not only in some of Japan's recent undertakings but also in its willingness to explore with us ways that we can further enhance the alliance and develop Japan's own security posture. Last December, at the "2+2" meeting of our two countries' Foreign and Defense ministers, the Japanese agreed "to intensify security consultations to explore areas of cooperation to reinforce effectively their national efforts." We have begun following up on this agreement in our ongoing discussions with the Japanese on ways we can develop our alliance to address the evolving security environment.

The topics we will be addressing include reassessing the threats we face, the roles and missions we should adopt to address them, force configurations that would allow us to do so, and the basing needs that such forces would require.

We are still at a preliminary stage in our discussions, but we have reviewed our overall strategic interests and reconfirmed that we share a broad range of common values and shared interests. The Japanese have indicated they will take these discussions into account as their own defense plans are updated. For our part, we have apprised our Japanese counterparts of our ongoing review of future force structure and assured Japan that we would be consulting with them closely before we reach any final conclusions.

In sum, our alliances with Japan and South Korea are moving forward, growing, and adjusting to today's changing security environment. We are trying to make the most of our Northeast Asian allies' evolving attitude towards local, regional, and global security so that we are both more capable, jointly and singly, of responding to threats we face today and may face tomorrow.

The process is a complex one, but Japan, South Korea, and the United States are approaching this effort with confidence and good will. We believe the end result will be to strengthen our alliances with both South Korea and Japan, as our partners see we are responsive to changes in their capabilities and intent on sustaining our long-term role in the Asia Pacific Region.

Mr. LEACH. I first want to just address a query to Secretary Rodman on the force restructuring issue from a congressional perspective. It strikes me that from a congressional perspective, we should delegate to you in the Defense Department all of the niceties of how you think American forces should be structured, but when it comes to commitment that is political and involving both purse as well as the potential loss of life of the United States, we have to be careful about commitment which is a public responsibility, broader than simply the Department of Defense.

And so it seems to me from your testimony—and I—that what you are saying is that our commitment in the region will be absolutely steadfast, but how we arrange our forces may change with the times for political and technological reasons. Is that a valid description? And as it changes, my sense is that you are intending to upgrade the commitment rather than downgrade it. Is that a valid way of describing the issue?

Mr. RODMAN. I would say that the hope is to upgrade and modernize our capability. I mean, a political commitment is a national commitment, as you said. I mean, I didn't mean to imply something about changing our political commitments as a Nation. I think the political commitments are given. They are treaty relationships, long-standing relationships of other kinds. I think what we are talking about adapting is our physical capability, and that is something which involves consultation with the Congress necessarily, because that is how our defense programs are formulated, and certainly our forward presence is also a matter of congressional, executive, you know, cooperation, given the budget process.

Mr. LEACH. I appreciate that. I just want to stress that from a congressional perspective, there is no desire of this Congress that I know of anywhere to downgrade a commitment, and that we are fully behind the maintenance and upgrading of our commitment to the Pacific. And we respect the discretion of the Executive Branch to rearrange the forces as it thinks is most effective. That is the only point I am trying to make.

There is a new geopolitical strategy, however, that is worthy of serious review, and that applies to DoD in particular, as well as to the responsibilities of the Navy. That relates to the new Proliferation Security Initiative which could involve some sort of interdiction in trade, particularly of illicit weaponry, particularly stemming from North Korea. I am wondering if either you, Mr. Rodman, or Admiral Fargo can explain how this initiative will work. And then have you thought through the international legal dimension in terms of will you be seeking new international legal rationales or sanctions in this arena?

Mr. RODMAN. Well, let me start on that, and my colleagues can elaborate. This is only at the early stages of development. This is an initiative that the President broached in his Krakow speech. There was a meeting in Madrid a few weeks ago of the countries that are interested in it, and I think as it stands now, it includes a number of components. It is countries looking at their own national authorities under which they can take practical steps to tighten restraints on this kind of commerce in WMD, to look at export control regimes, for example, but certainly it does—there was a Madrid statement on June 12th which did explicitly refer to, “proactive measures to interdict shipments.” That involved some new—certainly some new practices, and I think one—my sense is that it is something that we might, for example, raise at the U.N. Security Council, but there may be other forums as well in which we would develop some multilateral consensus on new measures. That is my understanding of where we are heading.

Mr. LEACH. Secretary LaFleur, do you want to comment on that?

Mr. LAFLEUR. I think Secretary Rodman has laid it out fairly clearly. We are at a preliminary stage in this discussion, and I don’t think we have reached any conclusions yet about what we will need in the way of—

Mr. LEACH. Clearness is lack of clarity.

Admiral Fargo.

Admiral FARGO. Mr. Chairman, let me just address it from the operator standpoint, and certainly this is the kind of initiative that would produce the kind of architecture that we would certainly look forward to from the standpoint of being able to execute a maritime interdiction operation against not only drugs, but proliferation as well as terrorism. So this, I think, has great potential to close up some of the seams that we see within the international spectrum that are there right now, that we need to address to ensure that illegal activity can’t exist.

Mr. LEACH. Let me just conclude with one question before turning it over to Mr. Faleomavaega. Secretary LaFleur commented on our looking carefully and watching Japanese legislation. We also, in reference to Admiral Fargo, note the commitment of the United States Navy to the area of the Taiwan Straits, and that this is an

area that could have potential explosiveness if the situation isn't handled steadily and correctly.

And Admiral Fargo made reference to the dual obligations or the dual assumption of American foreign policy being rooted in the one China policy since the Administration of Mr. Nixon, but also in reference to the Taiwan Relations Act, which implies that we don't want to see the status of Taiwan change by use of force.

I have always thought that—as I discussed it yesterday with Admiral Fargo, that there is in international affairs two words that are usually synonymous, that being self-determination and independence, but that in Taiwan you have the one place in the world where they are juxtaposed, that Taiwan can have a maximum degree of self-determination if it does not declare independence. If it declares independence, that self-determination will be immediately placed in jeopardy, and the United States will be involved in ways that could be very stark.

And so it is my understanding that there are some initiatives in Taiwan to seek referendums on an independence movement that our AIT in Taiwan has suggested this might be unhelpful, and so I would like to make it clear that is it the position of the United States Government that looks to support, or is it apprehensive about an independence movement on Taiwan? And it is my understanding that this is inconsistent with U.S. policy. Is that correct? For Secretary LaFleur.

Mr. LAFLEUR. We, of course, maintain fully our obligations under the Taiwan Relations Act. We also, of course, do not support Taiwan independence.

Mr. LEACH. That is the Department of Defense's position as well? Secretary Rodman.

Mr. RODMAN. It is the President's position and the position of the Administration that that has to change. As you said yourself, there has been continuity, I think, over several Administrations on these principles.

Mr. LEACH. And this is the way that the Department of the Navy looks at it as well. Is that right, Admiral Fargo?

Admiral FARGO. Yes, sir. It is fully consistent.

Mr. LEACH. Fine. Thank you very much.

Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman, and thank the witnesses for their testimony this afternoon.

I just wanted to ask Admiral Fargo, as I mentioned, that you have a military command that spans for some 100 million square miles, and I am curious what does this mean for soldiers and sailors? How many soldiers and sailors are under your command?

Admiral FARGO. There is a little over 300,000.

Mr. FALEOMAVAEGA. How many ships are under your command—

Admiral FARGO. The ship count is in the neighborhood of 160 today.

Mr. FALEOMAVAEGA. One hundred and sixty? I thought it was 230 at that last count that I had. Maybe not.

And do you foresee—and maybe Secretary Rodman could also be helpful to me. Do you foresee any restructuring of CINPAC, the way it is now composed? Do you see—because it seems that the

magic word being taken by the Administration is flexibility, and I am just curious how flexible is CINPAC Command if it comes to any major conflict that we have in the Asia-Pacific region? In your opinion, Admiral Fargo, will you have the flexibility to deal with any given situation in the region?

Admiral FARGO. Congressman, I think I have got clear flexibility, and that is kind of the hallmark of our forces and the hallmark of our strategy.

Mr. FALEOMAVAEGA. Sweet and short. I like that.

There was an announcement, I think. Under Secretary Wolfowitz had made an announcement that it was the intention of the Administration to relocate some 37,000 soldiers currently stationed in South Korea further south, I guess, away from the DMZ. What seems to be the reaction of the South Korean Government to this? It seems like it implies that we seem to be running away from our responsibility to shoulder with the South Korean forces if there should be a conflict or if there should be an invasion from the North Korean Army. Can you comment on that, Mr. LaFleur?

Mr. LAFLEUR. Sir, we have explained in some detail to the Republic of Korea's government our intentions with respect to the movement of the bulk of our forces from their current locations north of Seoul largely into two new hubs to be located around existing facilities further south.

The logic here, I think, is very clear, and I think the Koreans have come to understand what our approach is and to support it. And the logic is that given our new capabilities, the opportunity to further enhance the mobility of our forces and the requirement to be able to deploy our forces rapidly, it makes much more sense to have them repositioned and located in other facilities from which such deployment is possible. In their present locations, north of Seoul, they run into a number of logistical problems in terms of their ability to move rapidly, since these facilities were largely designed for another era of warfare.

But in addition, over some 50 years that we have had many of these facilities, the city of Seoul and surrounding communities have expanded dramatically, and if you fly today overhead over those facilities, you will see the encroachment of new communities around our facilities, which makes it very difficult to maneuver, makes it difficult to train. So moving those forces to new locations, concentrating them, we think, will actually enhance our ability to deter aggression on the Korean Peninsula, as well as to reduce further any possibilities for incidents or frictions.

Mr. FALEOMAVAEGA. So you are saying it is mainly because of congestion and logistics and not because of lack of commitment on our part to be part of the defense structure that we have there in defending the South Korean people?

Mr. LAFLEUR. It is absolutely not because of lack of commitment. As a matter of fact, a few days before our last round talks, General LaPorte, the Commander of United States forces in Korea, reviewed for the Korean public the some \$11 billion in investments in our capabilities that we intend to make in our forces in South Korea in the years ahead. So what we are indicating is that we want to move our troops into enduring facilities so that we can sustain the alliance for the long term.

Mr. FALEOMAVAEGA. Our security agreement with Japan—and this always seems to be a sticky issue every time. I am talking about Okinawa, and looking at it, it is about as far as away from Japan as you could ever get it, and I am curious if relations between the locals—always the problems dealing with our Marines there—and our Marine force structure there. How many are stationed there in Okinawa?

Mr. LAFLEUR. About 20,000.

Mr. FALEOMAVAEGA. And do you see that our presence in Okinawa is just as vital in that area? Do we really need to be in Okinawa?

Mr. LAFLEUR. My colleagues may want to comment from their perspective. I think from ours, indeed Okinawa occupies a strategic position in the region, and I think from our point of view, it will continue to do so for many years to come.

Mr. FALEOMAVAEGA. Secretary Rodman or Admiral Fargo.

Mr. RODMAN. Just briefly, we and the Japanese Government and the Okinawa authorities are looking at adjustments of our presence in Okinawa. As Chris LaFleur said, in the Korean case we want to—there may be ways to have a military presence that is less of a burden on the local population and yet also gives us more flexibility. So we are looking at adjustments, and we have been for a number of years, involved with the Japanese on ways of perhaps realigning our forces there, but we don't expect to leave there. I think we are talking about small adjustments.

Mr. FALEOMAVAEGA. The reason why I raise the issue is that I believe the Japanese Government is second only to our government as far as spending on its military capabilities, and maybe you could correct me on that, Admiral Fargo. Is it true that Japan is second only to the United States in spending on its military defense forces? And for that reason, why should we be in Okinawa if the Japanese can defend themselves in that regard?

Admiral FARGO. Well, I can't speak to what the Japanese are spending on their own military forces in a precise number. I can tell you that the host nation assistance the Japanese provide to us is in the neighborhood of \$4.7 billion. So it is very substantial.

And so to get back to the fundamental question, certainly, as Secretary Rodman said, you know, we are always looking at the appropriate adjustments with the Government of Japan, but those forces—those marine forces and air forces on Okinawa are absolutely central to our planning and our ability to meet our security concerns in the Pacific.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman. I know my time is up.

Mr. LEACH. Mr. Bereuter.

Mr. BEREUTER. Thank you, Mr. Chairman.

Secretary Rodman, in light of the North Korean nuclear development program and their ongoing missile development program, what measurement of concern and interest would there be in Japan on a missile development program? And what would be some assessment of how the Japanese people may have a changing attitude on this, if at all?

Mr. RODMAN. In offensive missiles or—

Mr. BEREUTER. Defensive.

Mr. RODMAN. Defense. This is, as you know—we have had a robust R&D program with the Japanese over the years, and they are now approaching a decision on how to carry that forward. And they haven't yet made a decision, but I think there was a hint in the President's—the joint statement of the President and Prime Minister Koizumi that they are approaching making a decision, and I think you can expect, given the nature of the threat, that they are quite interested in pursuing missile defense.

Mr. BEREUTER. Is there a time line for their decision that has been announced?

Mr. RODMAN. I don't know if it has been announced. I think it will be soon. I don't know anything more specific than that.

Mr. BEREUTER. I think it was you, perhaps, Mr. LaFleur, that first mentioned the Yongsan base in Seoul. This has been on the agenda for quite some period of time; I think since 1991 formally it has been considered. My understanding has always been that we were willing to leave that facility if an adequate replacement was made available to us, and that there would be a significant financial contribution from the Republic of Korea for us to make that move. Has there been any retreat from that understanding? Are we any closer to having a commitment of how much Korean currency will be generated for that purpose?

Mr. LAFLEUR. Sir, we have, in fact, had some considerable discussion on what would be needed to move our forces out of Yongsan into new facilities located around and alongside some of our existing facilities further south, notably Osan Air Force Base. And indeed the Korean Government has indicated that they are prepared to move forward to try to procure additional land that we would need in order to realize that relocation. Finally, and as a demonstration of this, they are looking to make a rather substantial increase in their defense budget—

Mr. BEREUTER. May I simply express to you a concern that they do, in fact, make a significant contribution. That contribution ought to be substantial, and you ought to push hard on that.

Is there any evidence, Secretary Rodman and Mr. LaFleur, of a change in the sunshine policy which was enunciated by previous President Kim? Is there any change noticeable?

Mr. RODMAN. The sunshine policy? No. I think the new President is of the same party and has the same philosophy, and this is something we discuss with him on a regular basis.

Mr. BEREUTER. Would you agree, Mr. LaFleur? Is that your assessment?

Mr. LAFLEUR. I think that is broadly true. Certainly events have evolved since the new President has taken over, and I think in our discussions with the Republic of Korea, both at the summit level on down, and also in partnership with the Japanese, we have all agreed that we also need to take a firm approach with North Korea.

Mr. BEREUTER. Thank you.

Admiral Fargo, you mentioned the IMET program in specific reference to Indonesia and the consultations that may go on. I would ask you the breadth of those consultations, and how you will proceed in DoD to do that.

I am an advocate of the IMET program. This Committee has given in recent years everything requested in terms of our authorization. We have occasionally moved it up. Secretary Cohen and some former Chairman of the Joint Chiefs and Vice Chairman have actually come to the Hill speaking very specifically to Congress about the importance of the IMET program. May I suggest that was very salutary, and that might need to be continued in the Bush Administration.

What would you tell me about the consultation—or anything else you would like to offer for our consideration about the IMET program? You made reference to specifically the change in Indonesia.

Admiral FARGO. Well, I think the IMET program is very important, as well as the regional defense counterterrorism fellowships that we use. You know, fundamentally it is a moderate secular Muslim democracy, and one whose success is, I think, very important to the stability and security of Southeast Asia.

The TNI, the Indonesian military, is one of the coherent institutions there, and they need reform. Certainly we all agree to that. IMET and these other programs are a clear path to provide the TNI the kind of model that they need to facilitate that reform.

Mr. BEREUTER. Well, I would just say in closing that we have all had our concerns about the TNI, but they are a crucial institution—some people would say the major institution—in the coherence of that very difficult country. And I think the past Administrations, maybe present, I am not sure, have been too cautious in assessing a few critics when we had an IMET program which was specifically directed toward the problem in Indonesia. I would encourage you to consult a little more broadly than has been the case in the past so we can go forward with the program that should be in our national interest. Thank you.

Thank you, Mr. Chairman.

Mr. LEACH. Well, thank you, Mr. Bereuter.

The gentlelady from Guam, Ms. Bordallo.

Ms. BORDALLO. Thank you very much, Chairman Leach, for asking me to—or inviting me to be a part of the hearing this morning, and to our Ranking Member Faleomavaega, to Secretary Rodman, Secretary LaFleur and our good friend Admiral Fargo.

The questions that I am going to ask this morning are very important to the leaders of Guam and to the people of Guam. First to the panel, the recent visit at the USS Carl Vinson has shown Guam's capabilities in hosting an aircraft carrier. Could the panel here today evaluate the visit in the context of suggesting what steps can be taken to further Guam's suitability to permanently home-port an aircraft carrier in the future? Would the Chairman of the panel like to answer it?

Admiral FARGO. Congresswoman, as you know, and we have discussed this personally on any number of occasions, we think Guam is absolutely strategic, in our view, with respect to the Pacific. It has the ability to maintain our ships and certainly provide logistic support, and its key location in the near vicinity of the East Asian littoral makes it a very attractive location. We have moved, I think, two submarines right now, and the third one will be there shortly, and certainly we view Guam as being a place where our presence is welcome, as has been indicated by the people of Guam. I think

83 percent have said they would like an increased military capability.

We are still in the process of looking at our force posture and footprint throughout Asia and the Pacific, and I think it is way premature right now to make any commitments beyond the point of saying to you that I think that Guam's future is very bright and positive, in my view, as a key location for our military forces.

Ms. BORDALLO. Thank you. Thank you, Admiral, and I am glad that we are still in the picture.

Second, this is for you, Admiral, I just received an e-mail this morning raising the possibility of an A-76 study at Andersen Air Force Base in October, which may affect approximately 184 Federal civilian positions at the base. I have never seen a better run base than Andersen Air Force Base, and we have both seen firsthand the problems with deprivatized base operation support contract at COMNAVMAR.

So what are your thoughts, Admiral, with regards to further A-76 studies in Guam?

Admiral FARGO. Well, let me address the fundamental piece of privatization. I actually am a fan of privatization in most respects. Certainly what I have seen is when we have outsourced capabilities that aren't core military capabilities to the private sector, that really is in our best interest. We look at each of these very carefully in terms of the most efficient organization and try to decide what can be done by the private sector and what ought to be done by core military people to use their skills properly. But I think what we have found is that as these outsourcing efforts mature, they certainly get much better, and we have lots of good examples. Bangor, Washington, is a good example. El Centro, California is a good example, and I think the outsourcing effort at COMNAVMAR is improving every year as we better understand how to manage that.

I don't know the specifics of Andersen, but once again I would refer to my previous comments that I think Andersen has a particularly bright and positive future. It is going to be a place that we are going to use increasingly in the future.

Ms. BORDALLO. Thank you very much, Admiral. I think our concern is mainly with misplacing Federal employees when we do this privatization, and I think that is what our concern is.

The third question, Admiral, could you share with the Committee your view of how the current impasse between the Air Force and the Marine Corps over the cleanup of Andersen South could be resolved? Does the withdrawal of the Marine Corps from Guam represent a shift in planning with regards to training Marines in other areas within the Asia-Pacific region such as Australia?

Admiral FARGO. Well, I think the specific decision that the Marine Corps has made with respect to Andersen South is that, you know, they have surveyed it and taken a look at it, and they feel that Andersen South doesn't meet their specific training needs. However, that has nothing to do with any other efforts.

I know specifically you had some concerns about Australia and the newspaper articles about Marines moving to Australia. Those were, you know, way off the mark and certainly not part of any plans that we are contemplating.

Ms. BORDALLO. I think my last windup, Mr. Chairman—my list of questions comes from Guam's close association with the military and our enduring support of a strong American presence in the Asia-Pacific area. So let me ask lastly and for the record, is there absolutely any doubt in your mind that the people of Guam are grateful for the outstanding work you do, and that we stand ready to welcome an increased military presence on our island? I would like to ask all three members of the panel.

Mr. RODMAN. I am absolutely convinced of that.

Ms. BORDALLO. Thank you.

Admiral FARGO. I have had lots of interaction with the people of Guam over many, many years, and there is no doubt in my mind that they welcome our presence tremendously.

Mr. LAFLEUR. And certainly everything I have heard about that also convinces me of Guam's welcome and support.

Ms. BORDALLO. I just want to end by saying that we are all very patriotic Americans, and we look forward to increased military activity in the future. Thank you, Mr. Chairman.

Mr. LEACH. Well, thank you, Representative Bordallo, and let me just say from a mainland congressional perspective, we are very appreciative of the attitudes and feelings and patriotism of the people of Guam, and we are very respectful of your presence and your presenting their perspective to this Committee.

Ms. BORDALLO. Thank you, Chairman.

Mr. LEACH. And it is very helpful, and we thank you very much.

I would like just to briefly turn to the subject of terrorism. Secretary Rodman, what is the likelihood that the United States will be committing Armed Forces to the Philippines in any significant way in a counterterrorism effort this year?

Mr. RODMAN. As you know, we have been working with the Armed Forces of the Philippines in the last couple of years, in operations last year, and we have been discussing with them for many months a program for this year. I think I will ask Admiral Fargo to say a little bit more about it, but it is likely to be a training exercise later this year and a way of—an exercise that will assess the training component of our security assistance package. I don't expect it to be a combat operation.

Mr. LEACH. Admiral?

Admiral FARGO. I think that is exactly right. Of course, the Philippines are a good friend and have been very supportive in the global war on terrorism, and we want to help the Philippines in ways that they find helpful. We are doing a great deal with the Philippines right now. It is the largest security assistance program in my area of responsibility. I think we have about \$20 million this year in funds to improve the maintenance of their equipment and about \$30 million counterterrorism funds. That supports a very robust counterterrorism training program, actually five separate modules that are developing light reaction companies and light infantry brigades, a night capability to allow them to MediVac their people, as well as the ability to fuse intelligence in an actionable manner.

So we are going to continue to move forward with those programs and the multiple exercises we do throughout the year with the Philippines. Our instinct right now is to do another exercise,

another Balikpapan, if you will, at the end of this first increment of security assistance training, and we will be able to use that exercise to, one, evaluate the effectiveness of the training and then adjust it appropriately for the next year.

Mr. LEACH. I appreciate that very much, and that strategy seems to me to be very reasonable. I think if there is an upgrading into using U.S. Special Forces for active combat, this would certainly be a subject that I think a lot of congressional consultation might be appropriate.

Let me turn to the other great—well, not the only other great, but a great Asian island circumstance out of Indonesia. Secretary Rodman, do you have any assessment on the terrorism issue in terms of do you find it escalating? Do you find it contained? Do you find it a problem that is increasing with events in other parts of the world? And what kinds of both attitudinal and policy and approaches should the United States be using to help the Indonesians?

Mr. RODMAN. In Southeast Asia as a whole, we have been very pleased with the way most governments have tackled this problem. Indonesia has been perhaps the hardest case, given it is a Muslim country, and perhaps more vulnerable to this kind of extremism, and we have been working for a long time to persuade the Indonesian Government to take the problem seriously and to do as much as it could to crack down.

I have to say since the Bali bombing, the Indonesian Government has been much more galvanized and more energetic, and that, of course, was a great—not only a great tragedy, but I guess a wakeup call that this was not an American problem or a problem somewhere else, but it affected Indonesia directly. So my sense is that they are more—working harder at the problem, but it is difficult given the nature of the terrain and the vast scale of the country. But it is, I think, a reason for us to be engaged with the Government of Indonesia, to be helping them, to be engaged with their military and other institutions of the society in order to help them do what they have to do.

Mr. LEACH. Well, one of the more controversial programs, Admiral Fargo noted in his prepared testimony, relates to IMET, and you are suggesting that it would be helpful to institutionalize more contacts between the Indonesian military and the United States military; is that a fair assessment?

Admiral FARGO. Mr. Chairman, that is a very fair assessment.

Mr. LEACH. Can I turn to Secretary LaFleur? On security of Americans in Indonesia, in this case particularly American diplomatic personnel, are we confident of their security?

Mr. LAFLEUR. We obviously monitor the situation continuously as events transpire that might produce demonstrations or increased levels of threat to our personnel, and certainly in recent months the security situation did reach a level of real concern, but it is clear that the government does want to provide security for our personnel there and is certainly working at the problem. Secretary Rodman said they do face challenges there, and we need to have a continuing dialogue to assure the security of our personnel. We will be working with them on that.

Mr. LEACH. What is your current status of advisories to the American business community? Are you encouraging or discouraging American visits and American entrepreneurial people?

Mr. LAFLEUR. Sir, we are continuing to urge caution, I believe, but you are taking me a little beyond my normal range of responsibilities here. So if you will permit me, we will get you the latest travel advisory.

Mr. LEACH. Thank you.

Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman. Just a little note.

It is my understanding that we have over 36,000 United States citizens living in Indonesia right now, and I would be curious as to how we are going to extricate these people if there is an emergency in that country. Maybe Admiral Fargo will help us. Do you think we have the capability to extract some 36,000 U.S. citizens if there is a major conflict in that country?

Admiral FARGO. Well, as you know, Congressman, one of my principal responsibilities is planning, and I assure you that is one of the plans that we have looked at very carefully, and we have confidence that we could execute.

Mr. FALEOMAVAEGA. Someone once said that if you want to look at a country's priorities, look at its budget. With some \$400 billion budget that we now have for the Department of Defense, I am curious, Mr. Rodman, what percentage of that goes into our military structure throughout the Asia-Pacific region? If you don't have it offhand, can you submit that for the record. I am curious. Maybe one-third or—

Mr. RODMAN. I will get that for you.

Mr. FALEOMAVAEGA. I would be very curious.

Mr. RODMAN. Unless the admiral knows the percentage of our defense budget that goes to your region.

We will get you some information on that.

Mr. FALEOMAVAEGA. Admiral, maybe you can tell us exactly how much for CINPAC alone—might give us a sense.

Admiral FARGO. Well, it is a little difficult for me to quantify that. As a combatant commander, the money actually comes to the service components to execute operations and maintenance and military construction and so on, and I can give you some numbers that will get you close. For example, when I had command of the Pacific Fleet, my budget was about \$7 billion a year to cover the full range of our responsibilities, maintenance, operations, military construction and so on, and I am sure it is about the same for the rest of the components.

Mr. FALEOMAVAEGA. Secretary LaFleur, you had indicated earlier that you have conducted consultations with our security alliance in Japan, and I had raised the question earlier about what exactly Japan's capability, current capability, is militarily. I think I mentioned that Japan is probably second only to the United States in its expenditures of its military budget, and I would request if you can submit that as part of the record exactly how much Japan does have.

This raises another question. The times that I have had excellent dialogues with Parliamentarians from Japan, they always come up

with this issue—oh, our Constitution tells us we cannot wage war, we cannot take an offensive posture toward other countries. The second most powerful economy in the world. Does the Administration support the idea that Japan should be a permanent member of the Security Council?

Mr. LAFLEUR. Yes, we do.

Mr. FALEOMAVAEGA. Are we making efforts to push the idea that Japan should be a permanent member of the Security Council?

Mr. LAFLEUR. I would have to get to you whatever the current status of those discussions are. They come up from time to time up in New York at the U.N., but I can assure you that we do support the position that Japan ought to be represented on the Security Council.

Mr. FALEOMAVAEGA. And in your consultations with Japan, have we made any changes to our current security agreements with Japan?

Mr. LAFLEUR. No. We are at a preliminary stage in those discussions. We are reviewing from a very general base what our shared strategic interests are, somewhat going through these one by one and just reconfirming our analysis and understanding. And so we really haven't reached the stage where we would be discussing concrete changes.

Mr. FALEOMAVAEGA. I assume you are also involved with the current negotiations with North Korea?

Mr. LAFLEUR. No, sir. That is not part of my area of responsibility. I work with the Republic of Korea.

Mr. FALEOMAVAEGA. When you said Northeast Asia, I thought maybe North Korea was a part of that.

In dealing with China, there always seems to be a basic question raised about China's military capability. In some circles China does not really even come close to our military structure and capability, and I am curious, what is your understanding of China's ability? I suppose for purposes of defending it herself if she is being attacked, how does China rank among the military armies in the Asia-Pacific region?

Mr. LAFLEUR. Sir, I think you alluded earlier to defense spending by Japan and the place that would put Japan relative to other countries. I think, though—and I will have to defer to my better-informed colleagues on military affairs, but I think generally speaking, we want to look not only at how much money is being spent, but also what it has to be spent on. In the case of Japan, for example, much of their military budget goes, as does ours, to payments for salaries for personnel, and that is, of course, in Japan extremely expensive, as it is increasingly for us as well.

So we have to look also at what you can acquire for the money spent. In the case of China, obviously much more could be acquired for a similar amount of money. And there is also the question of the degree of transparency of the military budget figures. There is no question that the Chinese military capabilities, though, are expanding.

Mr. FALEOMAVAEGA. One of the issues, Secretary Rodman, that Members of the Committee have had time to debate, and maybe you can help us, help me at least, relates to the recent advent of our waging war against Iraq, and the magic word that seems to be

floating around these days is preemption. Can you share with the Members of the Committee the Administration's position? Or, what is your understanding of what preemption is as it references our basic military policy now, not only relating to what we have done in Iraq, but I suppose we can apply the same principle in the Asia-Pacific region if there is a conflict.

Mr. RODMAN. I think our basic text on preemption is the President's national security policy report of last September, and it is a doctrine that—first of all, I think we are first—it was prompted by the threat of terrorism. If we know something is about to hit us or is likely to hit us, do we sit back and wait for thousands of Americans to be killed and then respond? And the answer is no. But we have also—I think the President has also described the problem in slightly broader terms than just terrorism. We talk about the nexus between terrorists and state sponsors of terrorism and weapons of mass destruction, and the possibility that at some point some terrorist group will get hold of weapons that are capable of causing mass casualties. I mean, after all, 9/11 was done by conventional means, if you will, and we know the terrorist groups are trying very hard to get chemical or biological weapons or some kinds of radiological weapons to inflict mass casualties perhaps on a greater scale.

So I think the doctrine of preemption is a simple principle that says we can't—we cannot wait to be struck; if we find a threat, you know, we need to be willing at least in some conditions to act against it. I don't think it is meant as a broad blueprint for attacking everybody out of the blue, but I think it is a simple principle, and I think, stated in those terms, it is hard to refute. And what it means as a practical matter, I think, I leave to the President and his colleagues to decide in particular cases.

Mr. FALLOMAVAEGA. I think this is where you hit it right on the nail, Mr. Secretary, the concern that I have in defining preemption. But there is also this phrase called clear and present danger, and this is one of those major issues now that seems to be evolving for our security measures and what decisions we make as a government. Do we do it out of just sheer hearsay, or do we make absolutely certain that there is clear and present danger before we go after that enemy in justifying preemption? You are suggesting that in preemption you don't have to—just a little tweak, and I am going to shoot the bugger if he dares tries to attack me.

I think this issue is very much prominent right now. I think, among the Members of the Congress and working with the Administration, how we can justify preemption, and then at the same time, to what extent can we justify ourselves if there really was or is a clear and present danger to our own Nation's security. I guess there is no clear answer to that either except an opinion, as it would be the opinion of the vast knowledge and understanding that the Administration has on this issue.

Mr. RODMAN. Well, let me just say a little bit more. I think you are right there is no clear answer that predirects what we are going to do in every case, because every case is different, and ultimately it depends on the decision of a President based on the intelligence he has before him.

I mean, one other point that we have made is that the standard of proof cannot always be the same standard of proof you would use in a courtroom, because that may never exist. So ultimately it depends on the quality of intelligence and the difficult judgment that rests on a President's shoulders in any particular case that he is presented with.

Mr. FALCOMAVAEGA. I would like to ask Admiral Fargo, when you mention the word "miscalculations," in your best judgment, as far as lessening any miscalculations on our part, on our military structure, we are pretty good at that, but the danger lies on miscalculations and what could happen in the Taiwan Straits, another area of the Asia-Pacific region, what is your assessment on the possibility of miscalculations in the Asia-Pacific region?

Admiral FARGO. Well, I think right now it is relatively low, and we work very hard at this, obviously, to make sure that we have clear policies, a solid deterrent posture. We aim to deter and not provoke, and those particular efforts that are reinforced by our forward posture and the manner in which we operate and deploy our forces, I think, help work toward ensuring that the potential for miscalculation is low.

Mr. FALCOMAVAEGA. Thank you.

And, Mr. Chairman, I do also want to thank the gentlelady from Guam for the questions and the concerns that she raised. It affects her constituents in her district. We are always delighted to have her come join us in our Committee, and, gentlemen, I want to thank you for your testimony.

Thank you, Mr. Chairman.

Mr. LEACH. Well, thank you, Mr. Faleomavaega.

Ms. BORDALLO. Mr. Chairman, I have just one final question I would like to ask Admiral—

Mr. LEACH. You are very welcome.

Ms. BORDALLO. Thank you. Thank you very much.

Inasmuch as you have said that the Marines have more or less turned down the—using Andersen South as their training ground, I understand there is a process in the military once the property is surplus, then the Air Force would offer it to the Navy. If the Navy is not interested, then it would probably go back to the Government of Guam.

What are your views, Admiral? What is the future of this property? Do you have anything to share with us?

Admiral FARGO. I think it is too early to speculate right now. As you point out correctly, to my understanding, there is a very clear process of how a piece of property moves through the different government organizations first and then is made available. I have just received the Marines' letter, that says that they have conducted these surveys and they don't think it meets their training needs for about a week. So I think we are early in this process.

Ms. BORDALLO. Thank you very much.

And thank you again, Mr. Chairman and our Ranking Member.

Mr. LEACH. Well, thank you very much, and let me just conclude with underscoring a phrase that I think is very profound of Admiral Fargo's, that it is the goal of his command and, I think, American foreign policy generally, to deter and not provoke in this very

vital region, and I think that is a well-stated and thoughtful reflection of what U.S. policy is.

Thank you all very much. This Subcommittee is adjourned.

[Whereupon, at 1:30 p.m., the Subcommittee was adjourned.]

APPENDIX

MATERIAL SUBMITTED FOR THE HEARING RECORD

PREPARED STATEMENT OF THE HONORABLE MADELEINE Z. BORDALLO, A
REPRESENTATIVE IN CONGRESS FROM GUAM

I would like to thank Chairman Leach and Ranking Member Faleomavaega for welcoming me to take part in this hearing and also thank the witnesses for their testimony. This hearing raises important issues of concern because U.S. forces have a tremendous impact on diplomacy and statecraft taking place in the Asia Pacific region.

The security of our trading partners, Japan, Korea and Taiwan is underpinned by military planning much of which involves the use of Guam as a staging point for operations and as a logistics support facility.

Guam is proud of the role it plays in projecting American power into the Asia Pacific region. Just as the military depends on Guam as a vital way-station, the people of Guam look to the military as good neighbors upon whom their economic development depends. Strengthening this relationship for the future raises many questions, especially as the Department of Defense seeks to reposition its forces world-wide to place a proper emphasis on emerging threats.

First, the recent visit of the U.S.S. Carl Vinson has shown Guam's capabilities in hosting an aircraft carrier. Could the panel here today evaluate the visit in the context of suggesting what steps can be taken to further Guam's suitability to permanently homeport an aircraft carrier in the future?

Second, I just received an email this morning raising the possibility of an A-76 study at Andersen Air Force Base in October, which may affect the approximately 184 CE federal civilian positions at the base. I have never seen a better run base than Andersen and we have both seen firsthand the problems with the privatized base operations support contract at COMNAVMAR. So what are your thoughts Admiral Fargo, with regards to further A-76 studies in Guam?

Lastly, Admiral Fargo could you share with the committee your view of how the current impasse between the Air Force and the Marine Corps over the clean up of Andersen South could be resolved? Does the withdrawal of the Marine Corps from Guam represent a shift in planning with regards to training Marines in other areas in the Asia Pacific region such as Australia?

My list of questions comes from Guam's close association with the military and our enduring support of a strong American presence in the Asia Pacific Region. So let me ask lastly and for the record, is there absolutely any doubt in your mind that the people of Guam are grateful for the outstanding work you do and that we stand ready to welcome an increased military presence on our island?

Thank you and I look forward to your response.

QUESTIONS FOR THE RECORD SUBMITTED TO ADMIRAL THOMAS B. FARGO, COMMANDER, U.S. PACIFIC COMMAND, BY THE HONORABLE JAMES A. LEACH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IOWA, AND CHAIRMAN, SUBCOMMITTEE ON ASIA AND THE PACIFIC, AND ADMIRAL FARGO'S RESPONSES

PLANS FOR REGIONAL REDEPLOYMENT

Question:

In the past, U.S. officials have pointed to the figure of approximately 100,000 armed forces personnel as a tangible signal of America's commitment to Asian security. Given new technological innovations and the ability to strike from long distance, does it make sense to remain fixated on numbers of troops deployed to the theater?

What do you expect the eventual regional force level to be once we have completed our process of restructuring?

Response:

Historically, our friends and allies in the Asia-Pacific have viewed our forward deployment of approximately 100,000 troops as a signal of our enduring commitment to the region. In this, the information age, as we leverage technology and transformation into greater military capabilities, numbers like these will be less relevant to our decisive combat capability. However, the perceptions of the nations in our region are no less relevant. As we seek to realign our forces to maintain an enduring combat-capable presence we must continue to assure our friends and allies, and dissuade and deter potential adversaries. Changes to our footprint will be done in close consultation with our allies and will enhance our regional/global capability to meet an evolving threat.

As part of the Integrated Global Presence and Basing Strategy (IGPBS) we are currently assessing force posture requirements. Identification of endstate troop strength would be premature at this point. We will continue to execute our Defense Strategy in support of the National Security Strategy to maintain a “balance of power that favors freedom”. A capable Joint warfighting force continues to be a pillar of our strategy to further U.S. interests in the PACOM region. Even if the Cold War confrontation between North and South Korea forces should disappear tomorrow, the U.S. will require forward-stationed and deployed, combat ready forces in the Asia-Pacific to protect its interests, to include prosecuting the War on Terrorism. Forward stationed forces demonstrate a lasting commitment, while temporarily deployed and rotational forces provide flexibility to rapidly reposition in times of crises. The presence of forces, with the capability to transition from peacetime roles to crisis response, sends an unmistakable signal of U.S. resolve to defend its interests and sustain its commitments to its multinational partners. They contribute to ensuring access in key regions and can provide an immediate response capability. Our forces also provide early warning, regional intelligence, and, through security cooperation activities, promote regional understanding, cooperative military-to-military relationships, trust, interoperability, and foster U.S. influence; bolstering our ability to defeat would-be aggressors. Seeking an enduring presence in the region, we will continue to transform our forces towards an increasingly regionally focused, strategically agile capability, while reducing our “tail to tooth” ratio where possible. In summary, we will continue to support the initiatives we have begun in concert with the IGPBS, adapting our force posture to the future challenges we may face, while leveraging transformational and technological advances. The results of the IGPBS will likely increase presence in some areas and decrease troop strength in others, with the net difference unknown at this point. We will maintain and strengthen our commitments to our allies and friends in the region and approach change from a global perspective.

Question:

Has PACOM identified facilities in East Asia to which the U.S. could seek either new or augmented access agreements in order to further the proposed restructuring of the U.S. force presence in the Asia-Pacific theater? If so, what are they and how would they further U.S. strategic interests in the region?

Response:

Securing access in-time-of-need is a critical pillar in Operationalizing our Asia-Pacific defense strategy. Diversified access in East Asia has a number of beneficial effects for the Pacific theater. An increase in the number of places in the region to which the U.S. has some form of access improves our posture for responding to the two potential crisis areas for which we have standing Operations Plans (OPLANs), minimizes single-point vulnerability, and provides a hedge against surprise. We are currently working in concert with the Integrated Presence and Basing Strategy (IGPBS) to determine our force laydown.

The habitual relationships built through exercises and training and a coherent view of regional security with regional partners is our biggest guarantor of access in time of need. These mil-mil activities are administered in accordance with our Theater Security Cooperation (TSC) plan. Access to ports, airfields, and training areas, as well as overflight clearances, in peacetime as well as during contingencies is a security cooperation objective in virtually every nation within our Area of Responsibility (AOR). We endeavor to create a hub-and-spoke architecture to provide the prompt application of combat power and throughput in support of global action. This network will consist of Regional Hubs (HUBs), Forward Operating Bases (FOBs), Forward Operating Locations (FOLs), and Forward Support Locations (FSLs). Power projection and contingency response in Southeast Asia in the future

will depend on this network of U.S. access in areas with little or no permanent American basing structure. [DELETED—CLASSIFIED] Access in this region is also essential for the throughput of forces and sustainment to the CENTCOM theater. Additional reasons for increasing the number and diversity of access options include: affording U.S. forces increased opportunity for realistic training towards better expeditionary capabilities; varied and increased training areas also serve to relieve the pressure on sensitive areas like Okinawa where troop density is a factor. [DELETED—CLASSIFIED] U.S. presence associated with tailored access can also serve to strengthen U.S. influence with our allies and friendly nations in the region. Access over time can develop into habitual use of certain facilities by deployed U.S. forces with the eventual goal of being guaranteed use in a crisis, or permission to preposition logistics stocks and other critical material in strategic forward locations.

Question:

To what extent would possible troop deployment changes be taken into account by the force structures and equipment acquisitions of Japan and South Korea? How would you describe the current state of any discussions about developing more complementarity in forces and equipment?

Response:

Possible force structure and equipment acquisitions by Japan and Korea are part of the ongoing Future of the Alliance Initiatives and Defense Policy Review Initiative (DPRI) discussions with Korean and Japanese counterparts, respectively. As an example, in the Republic of Korea's (ROK) case, the ROK Ministry of National Defense submitted the 2004 defense budget proposal in June to the Ministry of Planning & Budget, requesting \$18 billion for next year's defense spending, up 28% from this year. The budget provides over \$6 billion for force investment, a 42% increase, and over \$11 billion for Operations & Maintenance, a 21% increase over this year. If approved, ROK defense spending would increase the proportion of defense budget to Gross Domestic Product (GDP) from 2.7% to 3.2%. This increase partly reflects changes the ROK armed forces must make in response to U.S. Future of the Alliance Initiatives and be fully relevant to their own defense and complementary to our capability.

Some of the new programs included in the ROK budget proposal are shown below. Of particular note, spending for SAM-X (Surface to Air Missile project) listed in the air defense category will most likely be spent on U.S. made Patriot systems. U.S. commanders have long encouraged Korean counterparts to develop Command, Control, Communications, Computers, and Intelligence (C4I)/electronic warfare capabilities. Mobility/Strike capabilities (\$11 million): five programs including reorganization of 3rd Cavalry Brigade, and tape-typed explosives. Naval/amphibious capabilities (\$5 million): two programs including the next generation escort vessel, and Korea Navy Tactical Data System 2nd project. Air/air defense capabilities (\$120 million): 6 programs including SAM-X, air refueler, GPS-guided explosives. C4I/electronic warfare capabilities (\$26 million): four programs including AWACS, ground tactical C4I system, and the military intelligence integration system.

ROK-U.S. and Japan-U.S. discussions to develop more complementary forces and equipment are on track and progressing well.

KOREA

Question:

What are the reasons for the redeployment of U.S. forces away from the demilitarized zone (DMZ) on the Korean peninsula? Will the lack of a "tripwire" mean a reduced U.S. commitment to South Korea's security? What is the timetable for the movement of U.S. troops south of the Han River?

Response:

Redeployment of U.S. forces away from the DMZ increases our combined Republic of Korea (ROK) and U.S. defensive capabilities by ensuring the 2nd Infantry Division's "punch" is ready when needed. [DELETED—CLASSIFIED] Redeployment of the 2nd Infantry Division and other U.S. forces away from the DMZ is part of an overall ROK-U.S. agreement called Future of the Alliance Initiatives. These initiatives are designed to strengthen and maintain the ROK-U.S. alliance. The ROK and the U.S. agreed to undertake these initiatives in December 2002. As these initiatives become reality, U.S. forces will be optimally positioned for increased warfighting capability with decreased impact on Korean people.

This movement does not mean a reduced U.S. commitment to South Korea's security. It means just the opposite—an increased commitment to South Korea's security. The repositioning of U.S. forces and other initiatives increases the U.S. ability

to defend the ROK and respond to a range of regional threats. More importantly, repositioning U.S. forces recognizes South Korea's increased ability to take the predominant role in its own defense. The word "tripwire" is becoming an outdated term, which in some Koreans' minds implies U.S. commitment only if U.S. forces are attacked.

The Mutual Defense Treaty between the Republic of Korea and the United States of America signed in 1953 guarantees U.S. commitment to South Korea's security. U.S. commitment to this alliance was forged in blood and should not be held hostage to a "tripwire" mentality. A more recent sign of U.S. commitment to South Korea is our pledge to invest 11 billion dollars over the next four years for some 150 enhancements to combined defense (June 2003). These enhancements include Patriot missile defenses to protect Korea against North Korea's missiles, a Stryker brigade that can be rapidly airlifted by C-17s to reinforce the peninsula in a crisis, and high-speed vessels that could swiftly carry in Marine reinforcements from Okinawa.

The ROK has agreed in principle to Future of the Alliance Initiatives, and ROK-U.S. discussions on the details of the U.S. troop movement timetable are ongoing.

Question:

What has been the extent of deterioration of North Korean conventional forces since the early 1990's, if any?

Response:

[CLASSIFIED.]

THE PHILIPPINES

Question:

What is the likelihood that U.S. Special Forces and other troops will be committed later this year to counterterrorism operations in the southern Philippines? What operations and joint training exercises is the U.S. currently contemplating in the Philippines?

Response:

Mr. Chairman, we have no immediate plans to deploy additional forces to the Philippines to conduct counterterrorist activities. However, as part of Operation Enduring Freedom—Philippines, Joint Special Operations Task Force—Philippines, which consists of approximately 200 US forces, will continue to provide limited advice and assistance to the Armed Forces of Philippines Southern Command Headquarters in Zamboanga until the end of the year. Security Assistance (SA) training in the Philippines will also continue in order to enhance the Armed Forces of the Philippines capability to conduct counterterrorism operations now and over the long-term.

Currently, USPACOM has a robust schedule of military-to-military activities with the RP. These events include Joint Chiefs of Staff exercises, joint and combined exercise training, Inter-agency working groups, conferences, etc. Some of the many exercises we are planning to conduct in the near-term ('04) include; a US-Armed Forces of the Philippines (AFP) Bilateral Exercise during BALIKATAN with AFP units that have been trained under the Security Assistance Program, to assess the SA training modules and to validate US and AFP interoperability and Combined Joint Task Force operations; CARAT (Cooperation Afloat Readiness and Training Exercise, and Interoperability Exercise), and MARSURVEX (US Navy Bilateral Exercise in maritime patrol, surface detection, tracking and reporting), PALAH (US Navy Bilateral Special Warfare exercise with Philippine Navy Special Operations), TALON VISION (Ground Air Integration exercise, air control and mutual support, rotary wing interface), MARSEAEX (US/Philippine/ Thailand Multilateral exercise in maritime Search and Rescue procedures), MTWS (Maritime Tactical Warfare Simulation, a combined Command Post Exercise), PIX (a US Marine / Philippine Marine interoperability exercise), SEACAT (Southeast Asia Cooperation Against Terrorism—a multilateral, scenario-driven exercise involving CARAT participants (Thailand, Philippines, Singapore, Malaysia, Brunei and Indonesia) centered on multi-national cooperation on an information gathering/sharing effort, and WESTERN PACIFIC MCMEX (Mine countermeasure exercise with Western Pacific Nations), to name a few. The primary focus of these activities is to increase US and RP military interoperability and enhance our bilateral capabilities in combating terrorism.

We are committed to helping the Philippines when they ask for our assistance, in keeping with the constitution of their country and the United States.

Question:

How successful were last year's "Balikatan" (bah-LEEK-I-tan) exercise in increasing the counterterrorism capabilities of the Armed Forces of the Philippines? To what extent are their capabilities limited by lack of equipment, poor training, or even corruption among some Philippine officers?

Response:

The annual Balikatan exercise is a Joint Chief of Staff-level series of exercises designed to allow both US Forces and Republic of the Philippines' (RP) Forces to validate interoperability while executing Combined Joint Task Force operations. In the past the exercise was focused on external defense. It is now focusing on Most Likely Operations—Transnational Crimes, specifically counterterrorism. Through Balikatan '02 and '03, the Armed Forces of the Philippines (AFP) and US have enhanced our interoperability in combating terrorism. Balikatan 02-1 on Basilan Island developed critical skills in the AFP and led to a significant improvement in the security environment. During a future phase of Balikatan, the US will exercise with AFP units that have been trained through the Security Assistance training modules aimed at improving the combating terrorism capabilities of the AFP. This exercise will validate US-RP interoperability and assess the training provided by US forces to determine effective follow-on activities.

AFP capabilities are definitely limited by their lack of equipment, as well as training, maintenance and logistics shortfalls. Through a revitalized and refocused Theater Security Cooperation Program (TSCP) utilizing Security Assistance (SA), we are addressing the shortcomings. All efforts are focused through TSCP to ultimately provide a sustainable capability to combat terrorism in the Philippines. To address equipment issues, we provide assistance to the Government of the Republic of the Philippines (GRP) to fix and sustain the equipment and systems they currently have under the SA program, discouraging the idea of acquiring new systems which they cannot sustain.

Under the Security Assistance Program, training programs were developed to train-the-trainer, that is, to give the Philippines a sustainable capability to train themselves. We will provide assistance primarily through mobile training teams aimed at increasing their capabilities. Additionally, we will maximize the use of Joint Combined Exercise for Training (JCETs), exercises, and other venues aimed at increasing interoperability in combating terrorism.

We continue to address corruption. We have been working with the GRP through mil-to-mil contacts, meetings, and classes to encourage the proper conduct of military business and accountability. Our presence with them improves their performance. To further mitigate potential corruption, direct funding of projects is avoided and assistance is provided through spare parts, Excess Defense Articles (as applicable and where needed), and SA funded training.

Question:

In her recent dealings with the Moro Islamic Liberation Front (MILF), Philippine President Arroyo has pursued both peace talks and military offensives. What is the policy of Government of the Philippines toward the MILF, and how do you assess the prospects for resolving that longstanding conflict?

Response:

Mr. Leach, the Department of State might better answer this question, however, as we know it, the policy of the Government of the Philippines (GRP) is to negotiate a peaceful settlement with the Moro Islamic Liberation Front (MILF). While they are seriously attempting to bring the conflict in Mindanao to a peaceful, long-term conclusion, the process is fraught with posturing by both sides. We are encouraged because there is again a cease-fire and the GRP and the MILF are headed back to the peace negotiation table. We are also encouraged by President Arroyo's visit to Mindanao on 17 June 2003 because it signaled that the GRP is attempting to allay some suspicions among Muslim Community Leaders that her Administration is not committed to developing Mindanao. This is significant because many Muslims, including the MILF have viewed the Autonomous Region of Muslim Mindanao (ARMM) as a failed experiment. Although we are hopeful that peace will be reached this time, we are cognizant of the repeated failed attempts in the past. United States Government encouragement and assistance both in the peace negotiations and with additional Economic and Security Assistance will significantly help move peace negotiations closer to a successful conclusion.

Question:

Admiral Fargo, in your written testimony you state that "Commitment of funds for full IMET to Indonesia, pending congressional consultations, is a welcome development." Particularly in light of the fact that IMET (International Military Exchange & Training) for Indonesia is still somewhat controversial within Congress, what level of detail and regularity do you anticipate that those Congressional consultations will include?

Response:

Indonesia's national security organizations are still developing. Both the US and Indonesia must continue to press for reform and accountability. IMET is an important part of the process to support reform in the TNI. IMET provides a means to pursue long term U.S. strategic interests in the region by continuing to train and influence both military and civilian leaders. Training these future leaders / reformers remains critical to holistic government reform.

Department of Defense and Department of State consultations with congressional committees are on-going with regard to execution of the \$400,000 allocated for the Indonesia IMET program. Our hope at Pacific Command is that consultations will be completed soon so the program can be executed as planned while still adhering to the spirit and intent of Congress. I certainly understand the Congressional interest in Indonesia's IMET program, and I am glad to provide whatever information is required.

Consultations should have as an overall goal the validation that planned training for Indonesia furthers our foreign policy goals. As we get closer to course execution there is an identification and vetting process potential attendees will go through. One goal of vetting is to ensure the candidates do not have anything in their background, such as potential human-rights violations or illegal activity. This vetting occurs at the embassy and involves several different agencies, using several national level databases as well as information in local files, as per congressional direction. Any negative events would preclude a candidate from attending a course and also ensures we are identifying candidates who either now or in the future will be in a position to have a positive influence within the TNI. A positive training experience is one that demonstrates practically the benefits of democracy and civil rule, which are primary tenants of IMET. Contact with U.S. military sets the right example for a military that respects human rights and the rule of law. Our engagement with the TNI is a responsible path toward needed reform of the TNI.

Currently, we are nine months into the fiscal year, and still have not been able to execute planned and vetted training. These delays have, for some within the TNI, further validated the skepticism they have not only of IMET, but U.S. intentions as well.

Question:

Are there areas that you think are ripe for U.S.-Indonesia military cooperation that might pose fewer concerns from a human rights perspective, such as—for example—improving Indonesia's anti-piracy and maritime interdiction capabilities? Would it make sense to start with less controversial forms of military engagement, particularly in light of the reported abuses being committed by the TNI in Aceh and Papua?

Response:

The areas of anti-piracy and maritime interdiction have the potential for important U.S.-Indonesia cooperation, as well as regional Counter-terrorism (CT) cooperation. These "ripe" areas are not only less controversial in a human rights context, but would also be welcomed by the region as part of a program to improve maritime security.

We are very optimistic about our developing regional maritime security program (RMSP). RMSP is a comprehensive strategy for executing policy when fully developed such as the Proliferation Security Initiative, Illicit Activities Initiative and a PACOM initiative called Southeast Asia Maritime Security (SEAMS). SEAMS objective is to deny terrorists and traffickers use of the maritime domain. Aimed at enabling territorial maritime integrity, SEAMS will synchronize efforts like the planned USCG training assessment in Indonesia with other USG and partner nation maritime security efforts.

Cooperation on maritime interdiction and anti-piracy as well as other transnational crime, important in themselves, are also consistent with the longer term professionalization of TNI. Anti-piracy and maritime security are legitimate external defense missions for any professional force. Cooperation in these areas could serve as one catalyst for TNI transition from its internal security role to a

purely external defense posture. In our strategic calculations, this is the exact direction we want to encourage TNI to follow.

Given the importance of these two areas, we will be pursuing both policy support to work with Indonesia in this area, as well as to obtain Foreign Military Financing/Foreign Military Sales (FMF/FMS) to help equip and train their maritime elements. We know that the Indonesian Navy needs equipment and training in appropriate areas.

Maritime security cooperation is an area we are looking at seriously for U.S./Indonesia cooperation. It is needed and it can set the stage for expanded TNI reform efforts.

Question:

How would you rate Indonesia's cooperation with the U.S. campaign against terrorism? Have Indonesia's counter-terrorism efforts been hampered by a lack of operational capability, a lack of political will, or other factors?

Response:

PACOM's mil-mil with Indonesia is based on a two-pronged strategy. First build GOI/TNI CT institutional capacity and will to support the war on terrorism, and simultaneously foster a long-term TNI transition to a professional armed force capable of supporting US and regional strategic interests. The Bali tragedy brought Indonesia to a point of recognition that they too have a terrorist problem and cooperation in the ensuing investigation has been very good. Since that time we incrementally increased our combined intelligence and law enforcement cooperation efforts with positive results. To date Indonesia has arrested over thirty Jemaah Islamiyah (JI) members responsible for the Bali bombing to include Abu Bakar Bashir, an Indonesian cleric accused of plotting to overthrow the government.

Beyond this, Indonesia has steadily improved its cooperation with its neighbors who also have a heightened perception of the direct threat that terrorism poses. As a result, we have seen diplomatic agreements aimed at improving regional cooperation between Indonesia, Singapore, Malaysia and the Philippines. As these agreements gain traction, Indonesia may find that a regional perspective will be a key facet to its future national security architecture.

At the United States to Indonesia military level, cooperation designed to improve Indonesia's counter terrorism capacity is limited. Current US policy acknowledges law enforcement as Indonesia's primary counter terrorism organ. United States Government assistance to improve training, intelligence, equipment and the organization of Indonesian law enforcement is bearing fruit, however, in crises situations, we assess that the Government of Indonesia will still rely on the military to resolve any siege/hostage terrorist incident. We further assess that there is a moderate possibility, that this type of solution would lead to significant loss of life to both hostage and rescue force.

We fully support the reform efforts taken by the Indonesian military, not only to meet our demands, but also to set precedents for accountability. The Indonesian's Military problems are institutional in nature and are symptomatic of a broader crisis of government that hinders full domestic, regional, and international cooperation in the War on Terror. Indonesia should continue with economic and legal reform while attracting foreign investment. Military reform, however, remains the precursor to other institutional reforms. Indonesia's success is critical to future peace and stability in Southeast Asia. It is in our interest to support Indonesia's democratic reform.

We continue to look at areas that combine Counter Terrorism with an external/regional focus. Promoting Maritime Security Program initiatives provide a potential outlet for the Government of Indonesia to set the conditions that reduce piracy, illicit traffic, and terrorist movement, while encouraging a possible path to military reform. As part of the USG's unified effort, PACOM complements other government agency activities and diplomatic efforts to support both civilian and military development through interagency seminars, humanitarian projects, subject matter expert exchanges, disaster preparedness, and peace keeping training venues.

Question:

What are Indonesia's objectives in the current Aceh campaign? How are Indonesian troops (and GAM fighters) comporting themselves? To what extent, if any, will reported TNI abuses in Aceh affect the prospects for increased U.S. military cooperation with Indonesia?

Response:

We are of course very concerned about the breakdown of the peace process in Aceh and have discussed our concerns with TNI officials. Our goal is to facilitate institu-

tional reform of the TNI in a measured and orderly fashion over the long-term and assure abuses do not occur. Despite widespread agreement that only a political solution can solve this 26 year separatist struggle, Indonesia has opted again to use its military to reduce Free Aceh Movement (GAM) influence in the larger communities of Aceh, stabilize the security situation, and restore basic services.

Past efforts have been a tragedy. This time TNI has declared the results will be different. Its objective is to separate the GAM rebels from the local Acehnese population, and to eliminate them as a force for Aceh separatism. Separating combatants from civilians is an enormously difficult task and one that can easily lead to brutal acts. TNI has stated it has added a humanitarian assistance component to its operation, and that its soldiers have undergone human rights training. Translating this training to the field will be difficult; and, at the moment limited reporting indicates inconsistent results.

As we evaluate this TNI performance, keep in mind that eliminating GAM is a legitimate security objective; they pose a threat to Indonesia's territorial integrity. Further, there should be no confusion over GAM brutality and willingness to coerce Acehnese in the pursuit of its goal. Their strategy is to bring TNI into human rights violations, further impugning TNI reputation, and adding support to their separatist movement. Expecting good comportment on their part is not realistic.

We should also understand that numerous interests intersect in Aceh. Besides the primary fight over unity, TNI and GAM are also in a battle for political control for Aceh and its resources. Aceh has long been recognized as fertile territory for business, including illegal logging, as well as drugs and smuggling revenues. Pursuit of these business objectives, legal or not, are not in the interests of Indonesia national unity. It only further alienates the Acehnese, working against the "winning the hearts and minds" objective—a principal requirement for ending separatist support.

TNI has publicly committed to a humanitarian approach, and it's true that its soldiers have undergone significant human rights training. But limited and restricted reporting raises suspicions as to whether this new approach is being felt in the Acehnese communities. Traditional ethnic animosity and resource shortages may be overwhelming good intentions. We should recognize TNI's efforts to educate its soldiers in human rights and we should appreciate TNI's efforts to integrate a humanitarian assistance component into this operation. We could well see a better result than past TNI operations, but one still not up to acceptable international standards.

We support the territorial integrity of Indonesia but are convinced that a peaceful resolution is the proper approach requiring a political solution. Indonesia is a key part of the regional stability and TNI reform is central to this overall goal; military reform is a precursor to larger Indonesia democratic and economic reform. While not endorsing bad behavior a consistent level of cooperation between PACOM and TNI to elevate TNI to an external defense posture and professional reform is a regional priority. We must stay involved, while realizing that TNI reform is likely to be a two-step forward, one-step backward process.

OTHER ISSUES

Question:

The Administration recently has proposed a "Proliferation Security Initiative" intended to cut off international trade in illicit weaponry and material, primarily by North Korea. What is your understanding of the role PACOM would play in implementing the current concept?

Response:

Pacific Command (PACOM) is actively engaged with Office of Secretary of Defense (OSD) and Joint Chiefs of Staff (JCS) representatives in the formulation of the Proliferation Security Initiative (PSI) for the PACOM area of responsibility (AOR). [DELETED—CLASSIFIED]. Certainly, US military forces will play a role in these efforts, to include the PSI, but we also recognize the necessity to coordinate our efforts with other US government agencies and partner nations.

PACOM Joint Interagency Coordination Group for Combating terrorism and Counter Proliferation (JIACG CbT/CP) participation in the PSI meeting in Brisbane and on-going planning of a Pacific maritime interdiction exercise with Australia and Japan are our most notable contributions to date. These exercises and continued dialogue with participating nations will demonstrate our commitment to the initiative and provide the template for conduct of operations. The only limitations on military forces to conduct interdiction operations today are not military capability based, rather they involve having the requisite authorities.

QUESTIONS FOR THE RECORD SUBMITTED TO THE HONORABLE PETER RODMAN, ASSISTANT SECRETARY, INTERNATIONAL SECURITY AFFAIRS, U.S. DEPARTMENT OF DEFENSE, BY THE HONORABLE JAMES A. LEACH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IOWA, AND CHAIRMAN, SUBCOMMITTEE ON ASIA AND THE PACIFIC, AND MR. RODMAN'S RESPONSES

Question:

In the past, U.S. officials have pointed to the figure of approximately 100,000 armed forces personnel as a tangible signal of America's commitment to Asian Security. Given new technological innovations and the ability to strike from long distance, does it make sense to remain fixated on numbers of troops deployed to the theater? What do you expect the regional force level to be once we have completed our process of restructuring?

Answer:

Although it is natural to focus on a specific number of forward-based troops in a given area, such a measure is no longer decisive in assessing the level of effective military power that the U.S. can bring to bear. The Department of Defense seeks to focus on overall capabilities instead of numbers of troops, units, or platforms as it restructures its global force posture. Our goal in military operations is to mass *effects*, not forces. A key lesson from operations in Afghanistan and Iraq is that the concepts of "effects based operations" and "overmatching power" have supplanted the "mountain of iron" and "overwhelming force" that were needed to defeat enemies decisively in the past.

This does not mean that changes to U.S. force posture in Asia are forthcoming. The Defense Department is in the middle of this restructuring process and specific decisions have not been made. Therefore it is imprudent at this point to project how current force levels might change. Whatever changes are proposed, our allies and friends in the Asia/Pacific region can be sure that our commitment and our capability to support their defense, security, and freedom are undiminished.

Question:

To what extent are the changes that have been under discussion connected with a desire to quell public opposition to U.S. bases? In that context, how would you characterize the crime rates and community relations aspects of U.S. bases in South Korea and Japan with our experience in Germany? What are the main causes of any differences?

Answer:

Each country in which we have had a long-term U.S. military presence is unique, making it difficult to generalize and compare experiences. In Korea, support for the alliance remains strong and in general terms relations between local populations and our forces are good. Our effort to realign U.S. forces in Korea is primarily driven by the evolving mission of these forces and the desire to leverage new technology and capabilities. However, an additional benefit from the realignment will be reducing tension between our forces and the local population. Urbanization in areas adjacent to U.S. forces has inevitably led to some friction. Realigning our forces to less urbanized areas—areas that are also better from a warfighting perspective will, we hope, have a beneficial effect on community relations. While incidents involving U.S. service members inevitably are dramatized in the local media, the crime rates associated with our service members are low and similar to Korean crime rates.

Similarly, opinion surveys in Japan consistently show that support for the alliance and for the U.S. presence remains strong at a nationwide level. For the most part, our relations with local communities are also quite good, and that includes Okinawa prefecture. Although individual crimes sometimes attract attention, overall crime rates associated with our Japan-based personnel are in line with the low rate of crime in Japan.

So the changes we are looking at in Japan are not driven by problems in local relationships either. Rather, they are driven by the shared interest that we and the Government of Japan have in ensuring that both U.S. forces and Japan's Self Defense Forces are postured most effectively to deal with changes in the overall security environment. At the same time, where we see opportunities to make improvements in our basing in Japan that can address particular local concerns, and where the Government of Japan can help us work with local communities to realize such changes, we want to do so.

Question:

To what extent, if any, does the proposed U.S. force restructuring in Asia reflect the view that the danger in the potential emergence of China as a peer competitor

to American leadership pales beside those posed by international terrorism and that U.S. policy should accordingly stress cooperation rather than competition with other great powers?

Answer:

The Global War on Terrorism is the Department's first priority. U.S. military posture will be tailored to match emerging relationships and local conditions, to contend with uncertainty, and to bring relevant allied capabilities to bear against our terrorist foes. The President's National Security Strategy emphasizes the imperative of cooperating with major powers in the war against terrorism and in efforts to enhance regional stability.

The United States seeks a candid, constructive, and cooperative relationship with China for that reason among others. China is an emerging power, and we hope to see a China that makes a constructive long-term contribution to prosperity and security in the region and globally. The United States also intends to continue to play a fundamental role in Asia/Pacific security, maintaining and strengthening its alliances and friendships.

Question:

At the U.S.-South Korea "Future of the Alliance" meeting in April, the U.S. proposed a plan to invest over \$11 billion over the next four years in enhancements to combined U.S.-South Korean defenses. Could you give us a little more detail about the types of enhancements the U.S. is contemplating?

Answer:

The upgrades in capabilities that we are committing to will demonstrate the firm US commitment to the U.S.-ROK alliance. Near-term enhancements will include upgrades to our intelligence collection systems, increased numbers of improved precision munitions, rotational deployment of the Army's newest Stryker unit, and additions to Army pre-positioned stocks to increase readiness on the Peninsula.

Question:

The Second Infantry Division has had a primary mission of defending South Korea along the demilitarized zone (DMZ) and, specifically, slowing North Korean invasion forces north of Seoul in the event of an attack. Is the Pentagon's plan to withdraw the Second Division 75 miles south of the DMZ based on an assessment that North Korean conventional forces no longer have the capability to launch a massive invasion of South Korea, an assessment that South Korea is more able to provide for its own frontline defense, or something else? When the Second Division is relocated, what will be its primary military mission on the Korean peninsula? Does the \$11 billion force improvement plan announced by the Pentagon include mobile transport assets for the Second Division?

Answer:

North Korean conventional forces remain a significant threat. While South Korean forces have certainly increased their capabilities significantly in recent years, the successful defense of the Peninsula remains tied to our combined U.S.-ROK defense posture. Realignment of the Second Infantry Division will increase the overall deterrent and defensive posture of our combined forces. This realignment will consolidate the Division's now-scattered elements outside of North Korean conventional artillery range, increasing force protection for U.S. troops as well the ability of our commanders to employ the formidable capabilities of the division. The Second Infantry Division will continue to have a peninsular focus for the foreseeable future but will also become available for regional contingencies. While the enhancements we are implementing will increase the division's capabilities as a deployable force, these force improvement plans do not include strategic mobility assets.

Question:

The 1991 U.S.-South Korean agreement to shut down the Yongsan Base in Seoul and relocate the U.S. Command personnel to a new base outside of Seoul floundered over the issue of who would pay the cost of this relocation. Has the cost issue been resolved between Washington and Seoul over the new agreements to relocate Yongsan and the Second Division? What are the prospective costs of these moves?

Answer:

In January 2002 we reopened discussions with the ROK government on Yongsan relocation. At this time, several cost-related issues remain between the two governments. We continue to consult closely with the ROK government and are jointly developing a comprehensive master plan that will allow us to determine the full costs of the move.

Question:

Some South Korean and U.S. experts have criticized the Bush Administration for deciding to withdraw the Second Division without trying to negotiate with North Korea over mutual force pullbacks from the DMZ, including a pullback of the North Korean artillery that threatens Seoul. They have cited North Korean statements indicating interest in force reductions and pullbacks. Why hasn't the Administration proposed negotiations for mutual force pullbacks? Why have all Administration statements on conventional force reductions and pullbacks been demands for unilateral North Korean pullbacks?

Answer:

The possible relocation of the Second Infantry Division south of Seoul is not intended to be a confidence-building measure toward North Korea. The objective of such a relocation would be to improve the capability and flexibility of U.S. and combined forces to respond to a North Korean attack and to respond to hostilities elsewhere around the world. Therefore, the U.S. does not intend to signal to North Korea that we would reduce our forces on the DMZ in return for a withdrawal of North Korea forces from the DMZ.

The heavy concentration of North Korean forces and artillery along the DMZ clearly poses a dangerous threat to Seoul and to our combined US-ROK forces. The U.S. and its ROK allies are agreed that any comprehensive resolution of the tensions on the Peninsula must include a reduction in North Korea's conventional military threat.

Question:

What is the outlook for American bases on Japan, particularly Okinawa? Will the Marine Expeditionary Force currently stationed on Okinawa be relocated elsewhere in the region, and if so, where?

Answer:

The outlook for U.S. basing in Japan is good. The Japanese Government supports our continued presence, as do most local communities. Neither we nor the Government of Japan seek to have the III MEF relocate out of Japan. At the same time, some of our facilities are located in congested areas, such as the carrier air wing at Atsugi and some of our facilities in southern Okinawa. Where we can find ways to reduce the impact of our presence in such areas, we work with the Government of Japan and affected communities to do so.

Question:

What role have the U.S. Marines on Okinawa played in the Afghanistan campaign, the U.S. military support operation in the Philippines in 2002, and the invasion of Iraq? Would relocating them elsewhere in the region enhance their utility?

Answer:

The Marine Forces based in Okinawa and mainland Japan provided support for the operation in the Philippines in 2002. Some of the forces that went to the Philippines used facilities in Okinawa for intermediate staging. Our Marine forces in Japan did not have a major role in Afghanistan or in Iraq, but instead continued to support our critical security interests in the Asia/Pacific region. On an annual basis, the Marine Forces in Japan conduct some seventy exercises with Japanese and other forces throughout the region. This is in addition to their important deterrent and defense roles. Okinawa's location makes it an ideal place from which to carry out all these missions.

Question:

What is the status of the current plan to relocate Futenma Marine Air Station to a somewhat less congested part of Okinawa, near Camp Schwab, and how might this be affected by the possible withdrawal of major elements of the 3rd Marine Division from Okinawa? Would Futenma or a replacement facility still be necessary to maintain the required level of logistical capacity in the event of a Korean Peninsula or other East Asian contingency?

Answer:

The Government of Japan and local communities have agreed on what they call a "Basic Plan" under which the Government of Japan will finance and conduct this relocation. The plan envisions construction of a civil-military dual-use facility on landfill in the waters off of Camp Schwab. We support the Basic Plan. Currently, the Government of Japan is conducting environmental assessments associated with the proposed plan. In the meantime, we continue to use the current MCAS

Futenma, and expect to continue using it until the new facility is completed. There are no plans to remove Marines from Okinawa in any way that might eliminate the need for MCAS Futenma or its replacement facility.

Question:

What is the specific policy goal of the US cooperation with the AFP currently being contemplated? Is it focused only on the elimination of the ASG? Does it extend beyond the ASG to the MILF or the NPA?

Answer:

The goal of US cooperation with the Armed Forces of the Philippines (AFP) is multifaceted: to help the AFP develop and maintain a logistics, maintenance and supply system; to assist in developing a plan that will support the AFP's modernization; and to enhance the AFP's counterterrorism (CT) capabilities. The CT training programs funded initially by the FY02 emergency supplemental include training and equipment for five purposes (or program "modules"):

- Helicopter night flying
- Operations/intelligence center
- Assorted courses of instructions (e.g., PSYOPS, Civil Affairs)
- Two elite light reaction companies
- Infantry battalion training

President Bush has assured President Arroyo that we will continue this important CT cooperation. In addition to the CT military assistance money, we are helping the AFP develop a maintenance and logistics plan.

In May 2003, Presidents Bush and Arroyo committed to carry out a joint assessment of Philippine defense capabilities and needs in order to help improve the abilities of the AFP to respond to threats to Philippine national security. We are finalizing this Joint Defense Assessment (JDA), and plan to assist the Philippine Government in implementing its key recommendations. The JDA addresses long-term, systemic deficiencies of the AFP as well as near-term operational problems.

Question:

What is the current status of discussions between the US and the Philippines about how future counterterrorism deployments can be structured in order to conform to the Philippine constitution? What are the current sticking points, which have delayed the follow-on to last year's "Balikatan" exercises?

Answer:

The Defense Department concept for Balikatan 03-1 envisioned U.S. combat support for an operation on Jolo Island led by the Armed Forces of the Philippines (AFP), including intelligence/surveillance/reconnaissance support; humanitarian and civic action projects; and U.S. advisory teams operating at the battalion level. Through the middle of the year, the Philippines government saw constitutional obstacles to a US combat support role in this AFP-led mission. Additionally, the Philippines side discussed the need to reduce the number of US advisors/observers.

In June 2003, the two sides put these plans on indefinite hold because of continuing constitutional concerns in Manila regarding the Terms of Reference. Both sides agreed to conduct a modest training exercise at the end of 2003, after we have completed our security assistance training modules.

Question:

What is the current status of the investigation into the ambush last August in Papua, Indonesia, in which two Americans and one Indonesian were murdered, and several other Americans (including a young girl) were shot? Do you have any reason to dispute the preliminary investigations by Indonesian police and human rights groups, which indicated that Indonesian military personnel were likely involved with the killings? What effect will this investigation and its possible outcome have on U.S. military assistance to Indonesia?

Answer:

The Federal Bureau of Investigation (FBI) is investigating this attack, and I would encourage you to ask the FBI for information about the investigation. Our understanding is that the FBI is receiving extensive cooperation from the Indonesians.

DoD and the USG as a whole are concerned by allegations that members of the Indonesian military may have been involved in this crime, as well as by the slow progress and inconclusive results of the investigation thus far. The Administration's decision to limit the fiscal year 2003 IMET program to Expanded-IMET courses re-

flects these concerns. The U.S. government has made it clear to the Indonesian government at the highest levels that we need and expect satisfactory cooperation from Indonesia or it will affect the entire bilateral relationship.

Question:

Do you agree or disagree with the assessment of some observers that reform of the Indonesian military (in terms of increased civilian control and accountability for abuses) has stalled? Does the civilian government have pervasive control of the military? What can the U.S. do to ensure that our assistance to and cooperation with Indonesia helps increase civilian control of the military?

Answer:

Military reform in Indonesia made dramatic steps forward in the immediate post-Soeharto era, but the pace of that reform has slowed. There is civilian control of the military in Indonesia, but it is not as pervasive as in the United States. In time, the consolidation of Indonesia's new democracy, cultural change in the military, and growing expertise on the part of civilians in Indonesia will enhance civilian control. The Indonesian Government's inability to provide adequate funding to the armed forces hinders efforts to strengthen civilian control. Abolition of the Territorial System, which enables the Indonesian military, to maintain a pervasive presence down to the village level, will be another important factor for reform.

The administration continues to believe the increased interaction with the Indonesian military, not the curtailing of that interaction, is the way to promote reform. IMET and other assistance and cooperation with Indonesia are important precursors to reform and will help to increase civilian control. U.S. training can help build civilian expertise and promote culture change within the military. This is a long-term process and will not achieve results overnight. But we believe that cutting back these U.S. exchanges and training programs is likely to be counterproductive.

Question:

During the FY2002 appropriations cycle Congress created a new Regional Defense Counter-terrorism Fund. Have any of those funds been used for Indonesia? If so, how much funding was provided, and what did it go for?

Answer:

The Regional Defense Counterterrorism Fellowship Program ("CT Fellowship"), administered by the Office of the Assistant Secretary of Defense for Special Operations and Low-Intensity Conflict (OASD SO/LIC), has focused on building the military counterterrorism capacity of key countries around the world. The CT Fellowship has enabled Indonesia to participate more fully in U.S. efforts to fight terror in the region. In Indonesia, the CT Fellowship has helped identify current and future military leaders in counterterrorism activities and support their education and training.

Of the \$3.7 million of FY02 no-year funds allocated by SO/LIC for assistance to Indonesia, \$2.3 million has been spent. In accordance with existing statutory language, all training and education provided under the CT Fellowship program are non-lethal and are limited to Indonesian military officials.

Highlights of courses and programs delivered to Indonesian military students under the CT Fellowship program include:

- Indonesians have attended the Naval Postgraduate School (NPS) in-residence seminar and the mobile education team seminar on *Civil Military Responses to Terrorism* created for the CT Fellowship program.
- Indonesians are attending the new masters degree program *Security Building in Post Conflict Environments* at NPS.
- Indonesians are attending a new CT Fellow ship-developed program at the National Defense University's School for National Security Executive Education. The NDU CT Fellows program draws from several of DoD's most prestigious educational institutions. This is a graduate-level course of study roughly-equivalent to a Masters degree.
- Indonesians have attended the USMC Command and Staff College and the Air Command and Staff College
- An Indonesian intelligence officer attended Defense Intelligence Agency's International Intelligence Fellows Program, an invitational program designed to strengthen intelligence community ties and promote regional intelligence cooperation
- An Indonesian officer attended the National Defense University's National War College.

- To address the scarcity of English speakers in the Indonesian military, the CT Fellowship program brought the senior Indonesian military officials responsible for training to the Defense Language Institute/English Language Center (DLI/ELC) to develop an intensive program for increasing English language proficiency in the Indonesian military.
 - Indonesian military language instructors are being trained at DLI/ELC.
 - Language instruction materials and equipment have been provided to the Indonesian military.
 - DLI/ELC will send its experts to Indonesia to assist in-country efforts to develop additional language training programs.

Question:

The Administration recently has proposed a “Proliferation Security Initiative” intended to cut off international trade in illicit weaponry and material, primarily by North Korea. What is your understanding of how this initiative will work and how detailed the current concept is? Does the United States presently possess adequate legal authorities to interdict weapons shipments on the high seas? Does the Administration intend to seek additional international legal authorities for such actions?

Answer:

The Proliferation Security Initiative, (PSI), was launched by President Bush in Krakow, Poland on May 31, 2003. Composed of the United States and ten like-minded countries (Australia, France, Germany, Italy, Japan, the Netherlands, Poland, Portugal, Spain, and the United Kingdom), the PSI is designed to facilitate active measures to stop the flow of weapons of mass destruction (WMD), their delivery systems, and related materials to and from states and non-state actors of proliferation concern. PSI is a global initiative with global reach. PSI efforts are not aimed at any one country, but at halting worldwide trafficking in WMD, delivery systems, and related materials.

On September 4, PSI participants agreed on a “Statement of Interdiction Principles” outlining a series of practical steps. Many countries around the world have indicated an interest in supporting the PSI principles and contributing to these efforts, and we welcome this support. President Bush has made clear that we seek to broaden PSI to include all countries that have the capacity and willingness to help halt proliferation-related shipments.

PSI countries are committed to acting in a manner consistent with national legal authorities and international law and frameworks. In general, legal authorities already exist to a considerable extent to undertake interdiction operations; PSI countries seek to enhance coordination and use of those authorities.

Question:

How important is developing a credible missile defense system to advancing U.S. interests in the Asia Pacific? To what extent, if any, are U.S. and allies at risk from the growing threat of high-speed, precise cruise missiles as well as land-based ballistic missiles which can target fixed position bases and naval deployments? Would an increasingly high threat environment for the U.S. and its allies give the latter pause in joining U.S. actions and perhaps lead the U.S. to reconsider the wisdom of forward deployment in the Pacific?

Answer:

Developing missile defenses that can protect the U.S. territory and populations, the territory and populations of friends and allies, and our forward-deployed forces is a critical U.S. strategic interest. Missile defenses are part of the new triad for a new era, as outlined in the Defense Department’s Nuclear Posture Review:

- strike capabilities, both non-nuclear and nuclear, and their associated command and control;
- active and passive defenses, including the command and control for air and missile defenses; and
- research and development and industrial infrastructure for developing, building, and maintaining offensive forces and defensive systems.

Our allies recognize the growing threat posed by missile defenses, which is why Japan has been working with us in development of missile defense technologies for several years and is now considering acquisition of missile defenses. Like the U.S., Japan understands that we cannot allow others, through their possession of ballistic missiles, to intimidate and blackmail us. Missile defenses will, therefore, reinforce the credibility of the commitments that we and our allies have to one another.

Question:

Pacific Command has stationed forces like attack submarines and heavy bombers in Guam during the last two years. What is the Pentagon's plan for the future U.S. force structure on Guam? What is the military rationale for building up U.S. forces on Guam?

Answer:

Guam will continue to play a critical role in U.S. regional and global defense planning. Guam's central location as a jumping-off point for operations in Northeast or Southeast Asia, its existing military infrastructure, and its political stability make it an ideal hub for projecting U.S. military power across Asia. For example, stationing submarines and heavy bombers on Guam, along with intelligence, mobility, and information assets, dramatically improves response times in minimum-warning scenarios.

