

FOR OFFICIAL USE ONLY  
UNTIL RELEASED BY THE  
SENATE ARMED SERVICES COMMITTEE

STATEMENT OF  
ADMIRAL DENNIS C. BLAIR, U.S. NAVY  
COMMANDER IN CHIEF  
U.S. PACIFIC COMMAND  
BEFORE THE SENATE ARMED SERVICES COMMITTEE  
ON FISCAL YEAR 2002 POSTURE STATEMENT  
27 MARCH 2001

FOR OFFICIAL USE ONLY  
UNTIL RELEASED BY THE  
SENATE ARMED SERVICES COMMITTEE

## **INTRODUCTION**

Mr. Chairman and members of the Committee:

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

Having served as Commander in Chief, United States Pacific Command (USCINCPAC) for over two years, I continue to believe, as we enter into this century, that a secure, peaceful and prosperous Asia-Pacific region is very much in the interests of America, and the world. Alternatively, an uncertain Asia may present only crises and dangers. We base our power and influence on our values, our economic vibrancy, our desire to be a partner in this critical region, and the forward-stationed and forward-deployed forces of the U.S. Pacific Command (USPACOM).

### **DEVELOPMENTS IN THE ASIA-PACIFIC REGION**

Since I last testified before you, developments in the region have offered promise and continuing challenges.

#### **Japan**

Japan remains our most important ally in the Asia-Pacific. Although the economy is virtually stagnant, Japan remains the second largest economy in the world and continues to have a strong economic impact on the Asia-Pacific region. Japan hosts nearly 41,000 U.S. armed forces personnel and serves as a forward-deployed site for about 14,000 additional U.S. naval

personnel. Japan also contributes \$4.86B in host-nation support, the most of any U.S. ally. These forward-stationed and forward-deployed forces are key for the United States to meet commitments and defend American interests throughout the Asia-Pacific region. The U.S.-Japan alliance is the cornerstone of U.S. security interests in Asia, and it is fundamental to regional security and peaceful development.

Over the past year, we made steady progress in strengthening our alliance with Japan. The two countries signed a new 5-year Special Measures Agreement (SMA) that will take effect on April 1, 2001. While the utilities cost-sharing levels are down slightly from the previous SMA, the new agreement provides for the same levels of labor cost-sharing and training relocation costs as those of the previous SMA.

Over the past year, working groups took the first steps to implement the Defense Guidelines. In addition, Japan's Diet passed the final piece of Defense Guidelines related legislation: a law authorizing the Japanese Self-Defense Forces (JSDF) to conduct ship inspections to enforce UN sanctions. Now that a site for the replacement facility for Marine Corps Air Station Futenma has been selected in northern Okinawa, detailed discussions have begun over the type and scale of the facility. U.S. and Japan ballistic missile defense cooperation continued on Navy Theater Wide research.

On February 9, 2001, USS GREENVILLE collided with the fishing vessel Ehime Maru, resulting in the loss of the ship and nine lives, including students. The U.S. Government and Navy have apologized to the Government of Japan and the families of the victims, are evaluating the feasibility of raising the vessel, and will provide compensation to the victims. The Navy has convened a Court of Inquiry to examine the events contributing to the incident and accountability. The U.S. and Japan have a strong bilateral relationship whose enduring strength has benefited both sides for close to half a century. We believe we will be able to move forward from this tragedy in the interests of both nations and our peoples.

The roles and capabilities of the JSDF are slowly evolving to meet future challenges. The Japanese Ground Self-Defense Force provided a 45-man transportation unit as part of the Golan Heights UN Disengagement Observer Force. The JSDF has also worked closely with USPACOM components to restructure bilateral exercises to develop skills for humanitarian assistance, search-and-rescue, non-combatant evacuation, consequence management for chemical, biological and nuclear incidents, and complex contingency operations that are likely to occur in the future. JSDF is sending observers to TEAM CHALLENGE, a linked series of exercises addressing these missions and involving several Asia-Pacific nations. I am also encouraged by the increased

attention that the JSDF is giving to cooperating with regional armed forces - the Republic of Korea in particular.

I remain deeply concerned about the Shinkampo private industrial waste incinerator abutting Naval Air Facility Atsugi. While dioxin levels have fallen significantly since Shinkampo completed the installation of bag house filters last May, construction has not started on a 100-meter smokestack that the Prime Minister of Japan committed to building by March 2001. This situation continues to be a serious health risk to our service members and their families.

We must solve individual local issues arising from our forces based in Japan. As important, however, is that the U.S. Pacific Command and the JSDF maintain the capability to defend Japan and build the capability to operate together in order to face the common regional challenges of the future - peace operations, noncombatant evacuation operations, humanitarian relief and dealing with transnational concerns. The Defense Guidelines show the way to the future for the U.S.-Japanese alliance and we must proceed in that direction.

### **South and North Korea**

Last year, the U.S. and Republic of Korea (ROK) began the commemoration of the 50<sup>th</sup> anniversary of the Korean War. About 37,000 U.S. troops remain stationed in the ROK to deter North Korean aggression.

Political developments in Korea have been breathtaking, highlighted by the June 2000 summit between President Kim Dae-jung and his North Korean counterpart Kim Jong-il. Other North-South reconciliation activities included reunions between selected families separated by the war, increased aid, and agreements to increase economic links including a road and railway passing through the demilitarized zone.

At the same time, North Korea's military training cycle in the winter and summer of 2000 was the most extensive ever, and the ongoing winter training cycle remains robust. North Korea continues to maintain 60 percent of its forces within 100km of the DMZ.

Given North Korea's continuing significant military capabilities, the Republic of Korea and the United States must maintain the deterrent power of the Combined Forces Command (CFC). Any changes to the CFC posture must come through mutual and verifiable confidence-building measures that increase warning times for aggression.

I remain concerned about the lack of frequency clearances granted by the ROK government to U.S. forces for planning and training. For example, there are no frequencies cleared to support UAV training on the peninsula. Likewise, we are currently limited to only 126 VHF/FM frequencies for planning purposes, far short of the over 1,000 frequencies we would

expect in an operational scenario. We will continue to work to resolve this deficiency.

Whatever the future holds, it remains in the interests of both the Republic of Korea and the United States to have a continued U.S. forward presence on the Korean Peninsula. Recent developments have been encouraging. The recent renewal of our Status of Forces Agreement (SOFA), the conclusion of the No Gun Ri investigation, and the agreement on missile guidelines reflect the mature relationship between the United States and South Korea and provide a strong foundation for future cooperation on the Korean Peninsula. The Commander in Chief of U.S. Forces Korea has also proposed a Land Partnership Plan that, once enacted by Korea, will make U.S. force presence less burdensome while enhancing training and combined warfighting capability. We also will begin negotiations for a new Special Measures Agreement that we hope would increase South Korea's financial support for the stationing of U.S. troops in the country.

The Republic of Korea increasingly contributes to meeting regional security challenges by contributing 419 troops to peacekeeping in East Timor, consulting and cooperating with the JSDF, participating in exercises such as RIMPAC (a major, multilateral naval exercise) and PACIFIC REACH (a submarine rescue exercise also involving naval forces from Japan,

Singapore and the United States), and participating as observers in TEAM CHALLENGE.

### **China**

During the past year, military developments in China have been mixed. A White Paper issued in February 2000 emphasized China's commitment to peacefully resolving its differences with Taiwan, but also specified conditions that could trigger the use of force against Taiwan. Chinese military spending increased, and Beijing continued to acquire advanced weapon systems from Russia.

The People's Liberation Army (PLA) is modernizing and making organizational changes in all branches of service to strengthen homeland defense, expand regional influence and support sovereignty claims to Taiwan and the South China Sea. China continues to increase its modern combat aircraft inventory and improve air defenses, particularly across the Taiwan Strait. The PLA navy conducted sea trials for eventually fielding additional surface ships and submarines, continued testing of anti-ship missiles, and received its second modern Russian guided missile destroyer. PLA ground forces continued downsizing to reduce force structure and increase mobility. The PLA missile force continued testing and fielding of newer inter-continental and short-range ballistic missiles (SRBM) and is building additional SRBM launch sites within range of Taiwan.



China's exercise program, while extensive, was not explicitly threatening to Taiwan.

Over the past year, we have reinitiated military relations with China on a realistic foundation. We have fashioned policies that offer China areas for productive relations, while ensuring that we can deal with a more confrontational posture, should it be necessary. We emphasize areas of mutual interest and encourage Chinese participation in regional security cooperation while maintaining that diplomacy, not armed force, should settle disputes.

We have exchanged visits between senior PLA delegations and U.S. counterparts, and ships have conducted reciprocal port visits. PLA forces participated in a search-and-rescue exercise in the Special Administrative Region of Hong Kong, and four Chinese officials (two from the PLA and two from the Ministry of Foreign Affairs) attended the Asia-Pacific Center for Security Studies in Honolulu. We have invited the PLA to participate in more multinational conferences on topics involving regional security cooperation than it has chosen to attend. We carefully vet our engagement in accordance with the National Defense Authorization Act.

The Taiwan armed forces also continue their restructuring and force modernization. A civilian Defense Minister now oversees the armed forces. The Taiwan military relies heavily

on the United States to modernize its forces. Through last year's arms sales, Taiwan's armed forces increased surveillance capabilities and modernized air-to-air, air-to-ground and air-to-surface weapons. Taiwan is looking forward in its modernization plans by improving a number of bases and infrastructure to support acquisition of future weapons.

As Taiwan modernizes its armed forces to ensure a sufficient defense, training, inter-service interoperability and logistics support become even more important. The Taiwan armed forces will have to put resources and attention into these areas to retain the qualitative edge.

Based upon our assessments, I conclude that the changes in PLA and Taiwan military forces have not significantly altered the balance of power across the Taiwan Strait. Taiwan's military maintains a qualitative edge over the PLA, and the PLA still lacks the capability to invade and hold Taiwan. China maintains a quantitative edge in all branches of service, but does not have adequate power projection to quickly overcome Taiwan's more modern air force and inherent geographical advantages, which favor defense. Beijing's military forces, however, have the ability to inflict significant damage to Taiwan.

We expect China to accelerate military modernization, but pressing economic and social issues will temper this effort.

Military modernization will not decisively alter the military situation across the Strait in the next several years. The continuing buildup of Chinese Ballistic missiles, combined with increases in accuracy, will increasingly pressure the sufficiency of Taiwan's defenses. The U.S. - China - Taiwan relationship will continue to be a critical factor in our regional engagement strategy.

### **India**

U.S. military relations with India have been restricted since India's nuclear weapons tests in 1998. Areas for military cooperation exist, however. Peacekeeping is the most promising. We have also agreed to discuss search-and-rescue, humanitarian assistance, and environmental security. The U.S. and India have also set up a working group to address counter-terrorism cooperation. The response to India's recent earthquake demonstrated the value of cooperation, both civilian and military. We are pursuing opportunities to build a foundation for closer relations. I believe a gradual strengthening of military interaction is in the interests of both countries. The more we work with India and Pakistan, the better we can defuse tensions by supporting productive relations between those two nuclear-armed countries.

## Insurgents and Communal Violence

Beyond Kashmir, which remains a flash point of tension between India and Pakistan, insurgents and communal violence affect many states in the Asia-Pacific Region.

Indonesia faces violent separatist movements in Aceh and Irian Jaya (West Papua) and sectarian violence in the Maluku Islands and Kalimantan. Intense fighting on the Jaffna Peninsula between the Tamil Tigers and Sri Lankan armed forces continues without significant gains by either side. Nepal faces an increasingly troublesome Maoist insurgency. For much of the year, the Philippine armed forces have battled the Moro Islamic Liberation Front (MILF) and operated against hostage takers, including the Abu Sayyaf, which took American Jeffrey Schilling hostage. Indonesia, Sri Lanka, Nepal, and the Philippines are still searching for the right combination of political, economic development, and military/police measures to effectively address these insurgencies and sectarian strife.

In Fiji, a coup overthrew the democratically elected government, and the Solomon Islands have experienced separatist violence that caused a change in government and the evacuation of foreign nationals. Also, fighting among various ethnic groups on Burma's borders, much of it connected to illegal drug trafficking, has spilled into Thailand.

Communal violence not only causes suffering and slows the political, social and economic development of countries in the region; violence also fosters terrorism, causes refugees to migrate, and creates humanitarian disasters that spill across national borders.

### **Indonesia**

Indonesia is still undergoing major political, social and economic changes after 40 years of authoritarian rule.

The Armed Forces of Indonesia, or TNI, began reforms in 1999 that they have yet to complete. The reforms call for the TNI to become a professional, modern armed force, focused on external defense and divorced from political practices. The number of TNI seats in parliament has been reduced and the police force separated from the TNI. However, elements of the TNI have been reluctant to continue reforms. The TNI remains a major political force, particularly on the local level, and retains the major role in internal security. It has not brought under control the militias in West Timor, resulting in the deaths of three UN workers and a continuing security threat to East Timor, nor has it yet brought to justice any of those who orchestrated or engaged on atrocities in East or West Timor. TNI reform is an important aspect of restoring order in Indonesia in a manner that promotes democratic development and regional security.

Most interactions between U.S. and Indonesian armed forces have been suspended until there is credible progress toward accountability for East Timor human rights abuses and the return or resettlement of refugees. During the past year, limited interaction with the TNI involved a Navy humanitarian exercise and Indonesian Air Force observers at Exercise COBRA GOLD. The objectives of interaction with the TNI are to favor reform and build capability for coalition operations.

Under the protection of International peacekeepers, East Timor today is generally secure from the militias, but the work has just begun to establish a fully functioning society. Our Australian allies did a great job in leading this UN-mandated peace operation and remain the backbone of the security forces. The Philippines and Thailand have stepped forward to assume leadership of the peacekeeping forces since it became a UN operation. The U.S. armed forces continue to conduct operations in East Timor by providing liaison officers, engineers and humanitarian assistance during ship visits.

### **Philippines**

The Philippines experienced a peaceful transition of power from former President Estrada to former Vice President Gloria Macapagal-Arroyo (GMA). Throughout the period of the impeachment hearings and transfer of authority, the Armed Forces

of the Philippines (AFP) acted with restraint and used constitutional precepts as guiding principles.

Following the ratification of the Visiting Forces Agreement (VFA) in May 1999, the frequency and quality of interactions between U.S. and Philippine armed forces has also improved. The AFP has actively participated in initiatives to enhance regional cooperation and promote regional security. It deserves credit for taking a leading and responsible role in East Timor, contributing ground forces to the International Force in East Timor (INTERFET) coalition, providing the first force commander for the peacekeeping force of the UN Transition Authority for East Timor (UNTAET).

The United States maintains its Mutual Defense Treaty with the Philippines, and our defense relations have steadily improved over the past year. The Defense Experts Exchange, a consultative group established between OSD and the Philippines Department of National Defense in 1999, has made progress in identifying the Philippines' national security and force structure needs. The talks address ways to help the Philippines increase readiness and become a more active contributor to regional security. Operations with, and assistance from, the United States cannot substitute for adequately funded armed forces, and the Philippines has not yet made the necessary investments.

The Philippines continues to face significant internal security challenges from organizations such as the MILF, the Communist New People's Army (NPA) and the Abu Sayyaf Group. This past year, the United States initiated a \$2M program using Nonproliferation, Antiterrorism, Demining and Related (NADR) Program funds to train and equip a counter-terrorist unit that will improve the AFP's capability to deal with hostage taking and other terrorist incidents.

### **Thailand**

A strategic ally, strongly oriented to U.S. military training and equipment, Thailand aspires to adopt force modernization and "jointness" along U.S. models. Thailand consistently responds positively to U.S. requests for access, training, and transit. Thailand is one of the nations in Asia most committed to building regional approaches to future challenges - peacekeeping, humanitarian assistance, and transnational concerns. Exercise COBRA GOLD in Thailand is developing into a multilateral training event to improve participating countries' capabilities to cooperate in peacekeeping and humanitarian missions.

Thailand has taken a leading Southeast Asian regional role in support of peacekeeping by maintaining battalion strength forces in East Timor. The current military commander in East Timor is Thai LTG Boonsrang Niumpradit. We support humanitarian



demining in Thailand and will transfer that program over to Thailand by FY02. Joint Task Force Full Accounting Detachment-1 in Bangkok logistically anchors our POW/MIA recovery efforts throughout Vietnam, Laos and Cambodia.

Within the last year, Thailand has requested U.S. assistance to the Royal Thai Army in combating drug traffic across the Burma-Thai border. U.S. Pacific Command is in the early stages of establishing a modest program of assistance against this common threat. Joint Interagency Task Force West (JIATF-WEST) is the standing task force for all counterdrug (CD) issues in the theater and has the lead to work training, equipment, and organizational coordination initiatives to assist the Thais with their CD mission.

### **Australia**

This year marks the 50<sup>th</sup> anniversary of the ANZUS treaty, and Australia remains America's closest ally in the Asia-Pacific region. Australian armed forces not only took the lead in East Timor operations, but they remain the largest part of the UN security force there. They also evacuated civilians and provided peace monitors in Bougainville and the Solomon Islands. The Australian government has been active in promoting the return of democracy in Fiji and in promoting security and peaceful development throughout the archipelagic states of Southeast Asia and the South Pacific. Australia has also

constructively engaged in dialogue with China and North Korea to promote peace in Northeast Asia.

In recognition of our special relationship, we have pursued an agreement to exempt qualified Australian firms from U.S. International Traffic in Arms Regulations controlling unclassified military technology.

Australia recently completed an extensive *Australia Defence 2000 White Paper* that clearly lays out its future defense requirements. The White Paper achieved broad national support and general bipartisan consensus through a unique consultation process that involved the public and all government agencies. The product is a plan to acquire the skills and equipment Australia will need to succeed across the full range of defense tasks, along with required funding.

### **Singapore**

Completion of the deep draft pier at Changi Naval Base signifies Singapore's contribution and desire for continued U.S. presence in the region. Though not an ally, Singapore is a solid security partner in the Asia-Pacific region, a vocal proponent for U.S. access, and supports and hosts multilateral activities. Singapore hosted PACIFIC REACH, a multi-lateral submarine rescue exercise; participated in COBRA GOLD and in numerous anti-piracy regional conferences; and is planning a regional Mine Counter-Mine exercise in May 2001.

Singapore seeks greater interoperability with the U.S. Armed Forces. It views high technology and advanced hardware as a deterrent and is increasing its cooperation with the U.S. in Joint Experimentation. Singapore participates with the Extension of the Littoral Battlespace Advanced Concept Technology Demonstration (ACTD) and is active in other experiments such as the Joint Mission Force and Asia Pacific Area Network.

#### **POW/MIA Efforts in Southeast Asia**

Joint Task Force Full Accounting (JTF-FA) continues to make progress on achieving the fullest possible accounting of Americans unaccounted for as a result of the conflict in Southeast Asia. JTF-FA conducted ten joint field activities (JFAs) in FY00 -- four in Vietnam, five in Laos, and one in Cambodia. During these JFAs, the JTF-FA field teams investigated 219 cases and excavated 44 sites. JTF-FA will continue to maintain its robust pace of operations in FY01, with ten JFAs scheduled - four in Vietnam, five in Laos, and one in Cambodia. Each JFA is about 30 days in duration.

In calendar year 2000, 40 sets of remains previously recovered in JTF-FA operations were successfully identified and returned to their loved ones. As of January 31, 2001, Americans unaccounted for total 1,900. In the same period, JTF-FA recovered and repatriated 24 remains we believe to be those of

unaccounted-for Americans from Southeast Asia (17 from Vietnam and 7 from Laos).

Achieving the fullest possible accounting of Americans is a U.S. Pacific Command priority, and we will continue to devote the necessary personnel and resources to obtain the answers the POW/MIA families so richly deserve.

#### **U.S. PACIFIC COMMAND PRIORITIES**

The challenges to security and peaceful development in the Asia-Pacific region require regional cooperation to address effectively. They include:

- Unresolved wars in Korea, across the Taiwan Strait, and in Kashmir that have flared, on occasion, but have been restrained for over 50 years.
- Conflicting territorial claims such as the Spratly Islands, the Kuril Islands, and the Senkaku Islands.
- Major powers - China, India, and Russia - that seek greater roles in regional security.
- Communal violence driven by separatist movements and historic grievances.
- And transnational concerns - including terrorism, illegal drug trafficking, piracy, and weapons proliferation.

Our objective is an economically prosperous and interdependent region that shares dependable expectations of

peaceful change. To achieve this objective, the strategy of the U.S. Pacific Command involves:

- Deterring aggression in Korea;
- Determining the future of Taiwan by peaceful means;
- Encouraging responsible development of growing powers;
- Developing multilateral capabilities to handle complex contingencies and transnational challenges;
- Planning for transition as security challenges evolve;
- And transforming our armed forces to increase their warfighting edge.

The priorities for the U.S. Pacific Command in executing this strategy continue to be readiness, regional engagement, transformation, and resources.

### **(1) Readiness**

During my comments today, I will discuss the status of many programs. I should note, however, that the programs I will discuss, and the associated funding levels may change as a result of the Secretary's strategy review which will guide future decisions on military spending. The Administration will determine final 2002 and outyear funding levels only when the review is complete. I ask that you consider my comments in that light.

U.S. Pacific Command forces must be fully ready to execute any assigned mission. Readiness revolves around people. If we

are to recruit and retain the quality personnel that we need, service must be professionally rewarding to the members of our armed forces and must meet their personal and family needs. If we do not meet their basic professional and personal needs, they have many, often more lucrative, alternatives to a life of service to their Nation.

Professionally and personally rewarding service involves confidence that financial compensation is fair, that educational opportunities are available to prepare for a world that values knowledge, and that healthcare is adequate. It also involves the provision and maintenance of suitable housing and facilities in which to live and work. It involves confidence that we fill personnel billets to match the tasking and that we are properly trained to conduct the full spectrum of operations expected of us. It involves having the resources to maintain equipment in a high state of readiness both during and between deployments, and adequate munitions to train and fight. It involves adequately protecting our forces on and off duty.

Pay, Education, and Healthcare. First, let me thank you for all the positive quality of life initiatives in the FY01 National Defense Authorization Act (NDAA). The pay raise of 3.7 percent, targeted Pay Table reform for mid-grade non-commissioned officers, Basic Allowance for Housing amendments, partial reimbursement for mandatory pet quarantine fees, impact

aid to help civilian schools educate military dependents, and Tuition Assistance up to 100 percent for off-duty education are all outstanding efforts that servicemen and women appreciate. Also, thanks to your support, the performance of DoD schools is second to none, though we need help in funding operating expenses and maintaining infrastructure.

We greatly appreciate the initiatives of the 106th Congress to enhance the TRICARE benefit and its coverage to include our retirees over the age of 65. This is the right thing to do -- such Quality of Life enhancements favorably impact recruitment and retention and ultimately force readiness. And yet, challenges remain in establishing consistent, adequate funding of the healthcare benefit in a way that does not compromise other essential programs. We must ensure health services support functions organic to our operating forces, which are not in the Defense Health Program, receive adequate funding and attention within the Service POMs.

Real Property Maintenance. Real property maintenance (RPM) continues to reveal the combined effects of aging facilities and under funding. The current and accumulating RPM backlog for U.S. Pacific Command components will amount to \$7.1B over the next five years, assuming no fundamental changes emerge from the Secretary of Defense's ongoing strategy review. Funding intended for facilities repair and maintenance often goes to

more immediate operational needs, and the backlog grows. The result is that our camps, posts and stations across the U.S. Pacific Command are shabby and deteriorating. This shortfall in real property maintenance affects readiness, quality of life, retention, and force protection that we can no longer ignore. Our people deserve to live and work in a quality environment.

Housing. Good top rate housing that meets family housing goals of 2010 remains one of my top quality of life concerns. Projects are underway, ranging from whole barracks renewals at Fort Richardson, Alaska, and Schofield Barracks, Hawaii, to new family housing at Pearl Harbor and Kaneohe Bay, Hawaii. Commander in Chief Pacific Fleet (CINCPACFLT), Pacific Air Forces (PACAF), and Marine Forces Pacific (MARFORPAC) expect to meet the 2010 housing goal if funding continues at current levels for their programs. U.S. Army Pacific (USARPAC) anticipates adequate housing for Hawaii by 2010 if their Residential Community Initiative is successful. However, housing in Alaska and Japan will remain inadequate until substantial MILCON funding is allocated to their revitalization programs. U.S. Forces Korea (USFK) and U.S. Forces Japan (USFJ) also face shortages, forcing service members to live off base in Korea and Japan, often in inadequate housing. Lack of available real estate acquisition for new housing is the biggest obstacle in Japan and Korea. When additional real estate is procured, we



will need additional MILCON Housing funding to meet requirements above what Host Nation Funded Construction can provide in Japan and Korea.

Munitions. Although we are beginning to procure additional munitions, because they have just recently entered full-rate production, or have yet to do so, a number of preferred munitions are available only in limited quantities and do not support training and operational requirements. Such already limited quantities have been drawn down as a result of expenditures in Kosovo and ongoing consumption in Operation SOUTHERN WATCH and NORTHERN WATCH. Alternative munitions will get the job done, but with greater combat risk and losses. Funding to further increase stock levels of preferred and precision munitions is a top priority.

Force Protection. Before the terrorist bombing of the USS COLE, U.S. Pacific Command's Force Protection Program had expanded over the last year to include rear-area protection program during increased hostilities and critical infrastructure protection. The COLE bombing resulted in a command-wide, top-to-bottom review of our antiterrorism policies and procedures.

Funding obtained through the Combating Terrorism Readiness Initiative Fund (CBT RIF) has helped with critical emergent requirements, but the U.S. Pacific Command still has \$110M in unfunded requirements. Joint Staff Integrated Vulnerability

Assessments (JSIVA) play a significant role in assessing our program and identifying requirements.

Following the COLE bombing, the Command began a full reassessment of vulnerabilities at ports and airfields not under U.S. control. Negotiating force protection memoranda of understanding with foreign countries is an ongoing process to ensure clearly delineated responsibilities.

A major challenge is to prevent increased effort from becoming a bureaucratic drill rather than a routine way of operating. Instructions and checklists help, but they are not enough. Our commanders must think tactically about force protection. On every deployment, every exercise and even at home stations, we must ingrain force protection in the very fabric of our forces. Having said that, terrorists can choose their time and place of attack. That gives them an advantage. As long as we are engaged around the world, there will be further attacks. Our goal is to minimize the impact to our forces.

Staffing, Training, and Operations. As we exploit information technology and revise our organizations, the character of combatant command headquarters is changing. Increasingly, headquarters staffs perform operational functions that forward forces used to do. As examples, my staff in Hawaii provided many logistics, communications and intelligence support

functions for our operations in East Timor that allowed us to keep the number of U.S. personnel in country to a minimum. This further reduced requirements for force protection and living support. Also, PACAF is establishing a Joint Air Operations Center at Hickam Air Force Base. This center will similarly perform many functions of the Joint Forces Air Component Coordinator, reducing the number of personnel that must forward deploy to conduct operations.

As our headquarters staffs become more involved in supporting operations 24 hours a day, 7 days a week, in addition to their administrative functions, we are finding our staffs working harder than before, even as they downsize. We have turned to the Reserve Components for help, and they have done a splendid job. But our shortfalls are growing, and we are just beginning to exploit the capability that information technology gives us to allow forward forces to reach back to staffs.

Increasingly, the measure of staffs to deployed forces is shifting from "tooth to tail" toward "brain to brawn." While the FY01 NDAA provides some relief from the FY98 and FY00 NDAA's, there is still a requirement for OSD designated activities to reduce personnel by 7.5 percent. These additional headquarters cuts will hinder our ability to provide effective management and oversight of command readiness and operations. It will be difficult to execute these reductions in a way that does not

impact our operational readiness. In the U.S. Pacific Command our staffs are fully engaged in operations forward.

We are experiencing shortfalls not only in available billets, but also in the funds needed to train, exercise and operate our forces. Particular areas affecting readiness are funding for flight hours, ship depot maintenance, joint exercises, and reserve support.

The funds allocated to component flying hour programs (FHP) are increasing, but not fast enough to cover escalating costs. The rising costs of fuel and spare parts for aging aircraft appear to be driving the escalation. These costs may increase even faster in the years ahead as DoD aircraft and avionics fall further behind commercial standards. The Navy FHP is growing 15 percent annually. PACFLT is facing a \$317M shortfall this FY (FY01). This figure includes a MARFORPAC shortfall of \$94M. Both PACFLT and MARFORPAC would exhaust their FY01 FHP funding by August without reprogramming funds. USARPAC's and PACAF's programs also have shortfalls. The Services increasingly rely upon supplemental appropriations to avert the consequences of unprogrammed escalation in operations and maintenance program costs.

PACFLT's Ship Depot Maintenance Program continues to be underfunded relative to the full requirement. Growing deferred maintenance backlogs have been kept in check largely through

execution year supplemental funding from Congress. This affects battle group inter-deployment training readiness, which continues to decline as training resources are continually sacrificed to maintain deployed readiness. Forces enter training cycles at low state of readiness, fall to lower levels and then "recover" rapidly right before deployment. The resultant "spikes" in our readiness curves could become vulnerabilities if asked to respond to unforeseen contingencies.

The ability of U.S. joint forces to fight in a seamless battle space and to conduct combined operations with our coalition partners will provide the greatest gains in U.S. warfighting capability over the coming decade. Joint training represents 5 percent of the operations tempo (OPTEMPO) of forces assigned to U.S. Pacific Command. Currently, we are well within the congressionally mandated joint exercise man-days reduction directives. Our USPACOM-wide man-day reduction through FY00 was 32 percent, 7 percent below the objective of 25 percent. Simultaneously, we have shaped a solid Joint Training Program. This program provides us confidence that our Joint Task Forces (JTFs) are ready to fight. Further fiscal reductions to the Joint Exercise Program put our JTF and joint warfighting readiness at risk. We need full funding of the currently planned minimum exercise program. This includes Service Incremental Funding and the Strategic Lift (STRATLIFT) provided

through the Chairman's Exercise Program. Inflation of flying hour costs has increased exponentially over recent years, significantly eroding our STRATLIFT buying power. This impacts us greatly in USPACOM where STRATLIFT is our lifeblood due to our vast area of responsibility (AOR). We need full funding to ensure we get the right forces, to the right place, to exercise with the right joint and coalition partners, so we can indeed remain ready.

Shortfalls also exist in funding designed to employ reserve and National Guard personnel. U.S. Pacific Command's reserve billets are based upon a single major theater war. Reservists' two week training period is sufficient for them to support one major exercise per year, which leaves the command short of personnel to support several other major exercises in the joint training plan. Defense plans include provisions for Reserve personnel to volunteer to support exercises, but funds are inadequate to accommodate the volunteers.

Summary. Overall, the majority of readiness concerns of a year ago remain today. While making progress in some areas, we are declining in others. I continue to have no reservations about the U.S. Pacific Command's ability to do its job today. However, I do have doubts about its ability to do so in the future unless we make more progress in addressing structural readiness issues.

## (2) Regional Engagement

While readiness prepares us to respond, through regional engagement we shape the region to promote security and peaceful development. Current circumstances provide the opportunity and the necessity to develop more mature security arrangements among the nations of the region. Opportunities derive from dynamic regional security developments and a new generation of leaders willing to reexamine what policies are genuinely in their national interest. Necessity derives from strong nationalism, ethnic and religious rivalry, and historic grievances that drive desires to settle old scores prevalent throughout the region. Steady and focused efforts ensure the region develops in ways favorable to American interests.

Engagement is a process to achieve national objectives, not an end in itself. Our efforts improves the ability of regional partners to defend themselves, deters potential aggressors, strengthens security alliances and partnerships, increases regional readiness for combined operations, promotes access for American forces to facilities in the region, and promotes security arrangements better suited to the challenges of the 21<sup>st</sup> century.

Enhanced Regional Cooperation. Over the past year, the U.S. Pacific Command has worked closely with the Joint Staff, Office of the Secretary of Defense and the interagency community

to develop enhanced regional cooperation. The objectives of enhancing regional cooperation have been to improve regional readiness for combined operations and to expand the set of states in the region that share dependable expectations of peaceful change.

Transnational concerns affect all states in the region in varying degrees. Many of the states in the region contribute armed forces and police to UN peacekeeping operations. Terrorism, weapons proliferation, illegal drug trafficking, illegal migration, piracy, and other transnational criminal activities represent problems that require regional cooperation. Some of this is police work, and some of it is military work. Different countries organize differently. Since adversaries operate freely without regard for borders, seeking support, bases of operation, and weak points to attack throughout our region, the only way to win against them is international cooperation.

By developing capabilities to work effectively as coalitions in complex contingencies (such as East Timor); as partners in countering terrorism, illegal drug trafficking, and piracy; in managing the consequences of chemical, biological or nuclear attacks, natural disasters and accidents; in evacuating citizens caught in the path of violence; in search-and-rescue of mariners in distress; and in providing humanitarian assistance,



the armed forces of the region improve their readiness to contribute to combined operations. Working side-by-side on these missions builds confidence and trust among the participants as it improves operational capabilities. It provides a way for states that want to exert more influence in the region to do so in constructive ways that contribute to regional security. And, it provides the United States with competent coalition partners so that our armed forces need not shoulder the entire load.

The U.S. Pacific Command's efforts to enhance regional security include expanding dialogue among the armed forces of the region, developing standard procedures and training staffs to use them, and exercising to hone our capabilities and learn where to improve.

In addition to my visits around the region and those of my component commanders, U.S. Pacific Command sponsors a wide range of activities to promote regional security dialogue. The Asia-Pacific Center for Security Studies (APCSS -- see Appendix A) brings together military officers from around the region at the colonel/brigadier level and government officials of equivalent grades for a 12-week course. APCSS also conducts a one-week course for more senior officers and officials, and hosts about five conferences each year. The U.S. Pacific Command also hosts annual conferences on military operational law and logistics,

and for the past three years has held a conference for Chiefs of Defense from around the region. These conferences have been very effective in promoting military cooperation against common threats.

At the Chiefs' conference, we also demonstrated our new Asia-Pacific Area Network (APAN). APAN is a non-secure web portal, which provides an internet-based communications and collaboration ability for the armed forces of the region and civilian organizations that participate in complex contingencies to share sensitive, but unclassified, information. On it, we have begun web-based collaboration by posting standard procedures for combined operations. These web pages have mechanisms so that anyone can suggest improvements. Like many things on the web, no government signs up to use these procedures, but they are available for those who need them. Web-based planning and distributed simulations are also possible to add new, affordable means to build regional capacity. Additionally, the APAN concept provides a simple and economical means to provide a networking of institutions and training centers with this new form of collaboration and information exchange. These networks will be the building blocks for Asia-Pacific Security Communities that were previously unaffordable.

We also have held Multinational Planning Augmentation Team (MPAT) conferences to refine procedures, and conducted workshops

to train staff officers from around the region as a cadre of Asia-Pacific military planners ready to reinforce a multinational force headquarters. We rely on lessons learned in East Timor and other peacekeeping operations to improve the region's capability to conduct combined operations. In November, the Philippines hosted an MPAT Staff Planning workshop attended by eighteen nations, non-governmental organizations and UN representatives. Many armed forces in the region want to improve their abilities to work together, and use APAN to continue their MPAT dialogue between workshops.

TEAM CHALLENGE links bilateral exercises COBRA GOLD with Thailand, BALIKITAN with the Philippines, and TANDEM THRUST with Australia to address bilateral training objectives and to improve the readiness of regional armed forces to contribute to multilateral operations. This year Singapore will participate and other nations, such as Japan and Korea, will observe with an eye toward participating in future years. In TEAM CHALLENGE we will exercise elements from the full spectrum of missions that our combined forces may be called upon to do together, from complex contingencies to humanitarian assistance.

These are examples of efforts to enhance regional security cooperation. As we progress, we find many requirements to coordinate better on logistics, intelligence and other aspects of our operations, and take steps such as developing a

coalition-wide area network (successfully employed in RIMPAC, our multinational naval exercise). With cooperation from the nations of the region, and the initiative that my staff and my components have demonstrated, enhanced regional cooperation and security communities have grown from a concept to a substantial approach for promoting security and peaceful development over the past year.

The reactions to the U.S. Pacific Command's efforts have been largely positive, with some reservations. Some allies have expressed concern that multinational efforts will dilute the quality of our bilateral relations. For enhanced regional cooperation to succeed, we must strengthen our traditional bilateral relations, focusing our efforts on capabilities to pursue common interests, and then reach out to other nations in the region. The TEAM CHALLENGE planning efforts have demonstrated our commitment to meeting bilateral training objectives and enhancing them with skills required for coalition operations.

Other nations have expressed concerns that this is a precursor to the United States reducing its involvement in the region. Quite the contrary! By improving our capabilities to work together, the nations of this critical region can more effectively address the broad range of security challenges that none can solve alone.

Also, some nations fear that it is a scheme for containing China. Instead, it is a way to encourage China to contribute to regional security in constructive ways. We welcome the fact that China has sent 15 police officers as part of the CIVPOL contingent to East Timor. We would welcome greater Chinese involvement in peacekeeping such as they provided in Cambodia in 1994. The last class at APCSS included two Peoples Liberation Army (PLA) officers and two officials from the Ministry of Foreign Affairs. They learned that many nations in the region share American security concerns and that cooperation in many areas is in China's interest. The way ahead in U.S. Pacific Command's relations with the PLA is, with the support of other armed forces, to encourage cooperation in areas where our nations genuinely share mutual interests, while maintaining that disputes must be resolved peacefully. As with many nations in the region, we must work to transform PLA leadership mindsets from measuring differences in military power to measuring progress in regional security.

The \$10M in Asia-Pacific Regional Initiative (APRI) funds provided by Congress in FY00 and \$24.6M provided in FY01 have been essential to the initiatives to enhance regional cooperation. The dollars we invest in these regional activities pay huge dividends in U.S. security.

Currently, U.S. Pacific Command interactions with armed forces of 14 of the 43 nations in the region are restricted in some form. Some of these restrictions are in the U.S. interest. Others, I question. I encourage the close review of restrictions to ensure we have drawn the lines at the right places. The objective is to build relationships and influence for the long term as we exact penalties in the short term.

Foreign Military Officer Education (FMOE). One area where I would recommend eliminating restrictions is in foreign military officer education. The experience of American officers who have attended foreign military colleges provides an unparalleled understanding of how foreign armed forces see their role and approach operations. Similarly, foreign officers who attend American military colleges develop an understanding of the value of professional armed forces, removed from politics and subordinate to civilian government authority. They come to appreciate that reliance on force to resolve internal disputes, rather than political accommodation and economic development, stokes the fires of rebellion and drives away investments needed for national growth. They also acquire a deeper appreciation of America's interest in maintaining international security so all may prosper. The contacts they develop with Americans and officers from their region establish a network for dialogue and

become particularly valuable as they assume leadership roles within their armed forces.

International Military Education and Training (IMET). We should also examine restrictions on many aspects of our IMET program. Education is a long-term investment and the IMET program, a main source of funding for FMOE, is our primary tool in this effort. I believe unrestricted IMET programs are fundamentally in the national interest. Some say military education is a reward for countries that behave according to international standards. On the contrary, military education is a valuable tool we use to gain influence with foreign militaries. Military training - teaching tactical skills and equipment maintenance - should be carefully tailored and controlled. However, military education - study at Command and Staff Colleges - introduces the ideals of democracy, civilian control of the military, and respect for human rights, and should be available to all. Many reform-minded, pro-U.S. military leaders in the Asia-Pacific region today are IMET graduates who strongly advocate a continued U.S. presence and engagement in Asia.

IMET is a modest, long-term investment to help build a secure, peacefully developing Asia-Pacific region. Following a declining trend, with your help U.S. Pacific Command's funding for IMET is now on the right path. In FY00 we received \$6.659M

for 17 countries, and in FY01 our budget is about \$7.2M for 19 countries. Further increases would yield real benefits to U.S. security.

UN Convention on the Law of the Sea. U.S. ratification of the UN Convention on the Law of the Sea (UNCLOS) is another action that would enhance regional security cooperation. Many Asia-Pacific countries assert excessive maritime claims that challenge navigation rights. Over the past few years, parties disputing territory in the South China Sea have shifted their approach from occupying reefs to negotiating over a Code of Conduct. In this and other disputes, the U.S. position is that agreements should be in accordance with UNCLOS. Ratification will strengthen our hand in demanding compliance with UNCLOS requirements and in countering excessive maritime claims.

Summary. We have continued to make significant progress this year in better structuring our engagement programs in the Asia-Pacific region to advance U.S. interests. Through continued emphasis on education, dialogue, standard procedures, staff training, improved communications, exercises and coordination on matters of common interest, we will continue to expand the set of nations in the Asia-Pacific region that share dependable expectations of peaceful change. We will enhance regional cooperation and access of U.S. forces to facilities in



the region, strengthen alliances and security partnerships, and deter aggression.

### **(3) Transformation**

Transformation involves changes in operational concepts and organizational schemes that take advantage of technology to provide decisive advantages in warfare. The Armed Forces of the United States are committed to leading that change in the 21<sup>st</sup> century. At U.S. Pacific Command, our Transformation strategy is based on two parallel initiatives--technology insertion efforts such as the Advanced Concept Technology Demonstration (ACTD) program run out of OSD and the Joint Experimentation program that is led by U.S. Joint Forces Command.

Since I last spoke with you, U.S. Pacific Command has been rewarded for its aggressive pursuit of ACTDs with three FY01 new start ACTDs and a fourth ACTD-like project, bringing the total number of ACTDs we are involved in today to thirteen.

The Tactical Missile Systems-Penetrator ACTD will provide a penetrator weapon designed to deal with specific high threat targets in Korea within three years. The Coalition Theater Logistics ACTD will provide vital logistics command and control capabilities for coalition forces operating in campaigns similar to that in East Timor. The Hunter Standoff Killer Team ACTD will provide vital joint C4I capabilities to engage time critical targets and massed armor. The Coalition Rear Area

Security Operations Command and Control (CRASOC2) is an ACTD-like project in that it will have streamlined management and early operator involvement. CRASOC2 will develop force protection C4I capabilities to improve coordination between U.S. security forces and host nation police and military agencies for improved protection of our forces stationed overseas.

The Advanced Concept Technology Demonstration program is serving U.S. Pacific Command well. We need such programs designed to get advanced technology rapidly into the field for evaluation and experimentation.

The pace of joint experimentation in the U.S. Pacific Command has increased since I last testified before you. Over the past year, U.S. Pacific Command has supported U.S. Joint Forces Command in the Unified Vision and Millennium Challenge series of experiments and planning conferences. We participated in Joint Warrior Interoperability Demonstration (JWID) 2000 as a primary demonstration site and the Combined Task Force Commander's headquarters in the Pacific Scenario. We have agreed to team, as host CINC, with the Joint Staff and U.S. Marine Corps in the execution of JWID 2002-2003 and have already stepped forward to influence the C4ISR interoperability challenges that will be addressed. We continue efforts to develop joint interoperability at the tactical level through the Expanding the Littoral Battlespace (ELB) ACTD. With the support

of U.S. Joint Forces Command and the Services, we have made significant progress in developing the Joint Mission Force (JMF) concept into a capability.

A Joint Mission Force is a seamless Joint/Combined Pacific Theater response force capable of accomplishing the full spectrum of missions from a complex contingency through humanitarian assistance and of serving as the leading edge of a major war. This force will execute operations more effectively, rapidly and efficiently than we can today. This transformation effort has moved from its infancy into wargames and exercises that enhance our ability to rapidly form and deploy a Joint Task Force. We have identified the top 10 challenges to more effective Joint Task Force operations and have made significant progress in developing procedures to address them. We also have incorporated JMF and other mature experimentation into our exercise program.

We have concentrated our efforts over the past year on the improvements we need to establish a relevant, common operational picture and communicate tasking and information among the headquarters of components of a Joint Task Force. Our JMF Command and Control exercise program, or C2X, is identifying clear requirements to enable a JTF and assess where specific deficiencies exist, with the intent of fixing deficiencies by 2003. We are receiving strong support from the Services in

rectifying these deficiencies that are basic to our joint warfighting capability. The greatest gains in warfighting capability that we will see over the coming decade will come from our ability to eliminate seams in the battlespace and let all units assigned to a Joint Task Force exploit their full potential. We have received significant financial and staff support from U.S. Joint Forces Command in taking the JMF concept from its infancy to a near-term capability. By including our allies and close security partners in our wargames, we ensure that our JMF efforts are in harmony with our other efforts to improve regional readiness for combined operations.

Australia, Japan, Korea, and Singapore all have the technological resources to work with the United States in developing advanced warfare capabilities. We share information on our efforts with these countries, and work together to improve coalition interoperability at the high end of military technology.

Some have expressed concerns that by strengthening coalition capabilities and working with potential adversaries on skills required for peacekeeping operations and complex contingencies, we are jeopardizing our warfighting edge. The reverse is true. We are continuing to widen the gap in warfighting capabilities between the United States, its allies and partners, and potential adversaries. As we experiment, we

improve our readiness, enhance regional cooperation, and transform our forces to meet the challenges of the 21<sup>st</sup> century.

Indeed, U.S. Pacific Command's priorities of readiness, regional engagement, and Transformation are not wholly distinct activities. Let me try to bring this idea alive by describing a visionary Western Pacific deployment of a carrier battle group (CVBG) on its way to the Arabian Gulf.

During workups, the battle group acts as the Navy component of a joint task force under a realistic exercise scenario. The battle group maintains a common operating picture with a JTF commander's headquarters and subordinate Service components. During that time, it experiments with a new C4 system being developed by the Army - for example a new version of the Coalition Wide Area Network -- holding Common Operational Picture checks with brigade headquarters in Australia, Singapore and the Philippines.

- As the battle group approaches Japan, it forms a two-carrier task force, and conducts an area access exercise involving Japanese and ROK forces in both coalition and opposition force roles. The battle group joins the Japanese Global Command and Control System (GCCS).
- It then integrates into the Korean area air defense and conducts experiments integrating joint and combined fires, including live ordnance fire on ranges.

- The task force then transits from Korea down to the South China Sea.
- It exercises operational deception, employing information from national technical means to evaluate effectiveness;
- It conducts Antisubmarine Warfare (ASW) exercises, working the seams between CVBG and area ASW in littoral regions, developing new concepts and establishing C4SIR requirements.
- It exercises area air and missile defense with an Air Force component out of Okinawa and Guam, working Air Tasking Order improvements and experiments with information operations, and routinely operating with Global Hawk to hone new joint concepts.
- The transit culminates with a dissimilar air engagement exercise with Singapore and port calls in South East Asia. During the port calls, battle group officers hold seminars with counterparts in host countries to improve coalition interoperability at the tactical level.

All of this could be done in 10-14 days. And what would we have accomplished?

- Increased readiness of all forces involved, to respond to contingencies;
- Conducted regional engagement that both reassured allies, and deterred those who would use aggression to impose their will;

- Made progress in transforming the way we operate, both to take advantage of emerging technology and to address emerging challenges.

This vignette illustrates that readiness, regional engagement, and the transformation of our armed forces are not distinct efforts, accomplished by separate organizations at separate times. We do them together, with operational units. If we experiment and adapt, we are increasing our readiness, while we make the evolutionary changes in technology and concepts which will lead to the transformation of warfighting. If we do them with our allies and security partners, we have the most effective kind of military engagement.

Transforming our armed forces to maintain their leading edge and interoperability with coalition partners is essential to protecting American security interests in the 21<sup>st</sup> century. Several members of Congress have been active in pushing us to pursue this program, and we need your continued support and leadership.

#### **(4) Resources**

The U.S. Pacific Command's ability to execute its strategy rests on its ability to command ready, forward-deployed and forward-stationed forces, to move them where they need to be in the theater, and to reinforce them in the event of a major war. Ultimately this depends on the resources Congress and the

American taxpayers provide us. In this section, I will discuss resources in several key areas that are important to the Pacific Command's strategy.

**Command, Control, Communications, and Computer Systems (C<sup>4</sup>) Capabilities**

Information technology is changing every aspect of warfare in an evolutionary way and warfare as a whole in a revolutionary way. From my perspective, C4 support fits into three main categories: 1) an end-to-end infrastructure; 2) the capability to integrate and process data into usable information and make it available when needed; and 3) the protection of information.

First, the end-to-end enterprise enhances the ability to command and control forces and consists of a space segment, a downlink capability and the ground segment.

The U.S. Pacific Command's vast area of operations, covering 52 percent of the earth's surface, requires forces to rely heavily on strategic satellite communications (SATCOM). Since my testimony to you last year, we've made great strides in many of the SATCOM programs. For example, we accelerated the Advanced Extremely High Frequency program to compensate for a Milstar launch failure; agreed to launch a third Wideband Gapfiller System satellite to complete global coverage as the Defense Satellite Communications System constellation replacement; and scheduled the launches of the three Milstar



satellites. The challenge is to keep these critical satellite programs on track.

As I also stated last year, my Joint Task Force commanders and deployed units must have access to the strategic defense information infrastructure, the Global Information Grid, or GIG. This capability is critical to providing them with vital command, control, and intelligence information. I strongly supported the DoD Teleport program, as did many of my fellow CINCs, and I am now satisfied that this program is on course.

Advances in the space segment and downlink capability provide little value if we cannot push the information out to the user. The base, post, camp, and station infrastructures must keep pace. Since we still have antiquated cable plants, network wiring, and end-user equipment, we must attack this ground infrastructure as aggressively as we have the space segment. The recent decision that injected significant funding into the U.S. Army's European and Pacific theaters is a tremendous boost in our fight to keep pace with technology, and I applaud your and OSD's efforts in directing that funding to us. However, requirements go beyond the U.S. Army. The U.S. Air Force, Navy, and Marine Corps are also encountering the same problems and require much-needed funding support if we are to modernize entire theaters. While single-Service efforts significantly help in the modernization battle, we realize

maximum payoffs when we collectively raise all Services to the same capability level.

Not to be overlooked in the end-to-end infrastructure is the frequency spectrum. We must proceed cautiously with the sell-off of DoD frequencies since that loss directly translates into potential operational risks. Once we sell them, they are forever unavailable for military use.

The second C4 category involves converting data into useful information that will optimize synchronous planning and execution, and improve decision support. At the heart of this requirement is interoperability and accessibility.

Interoperability allows all parties to share the same capabilities and information, while accessibility allows them to get the information they require when and where they need it.

The Global Command and Control System (GCCS) is the backbone of the joint and combined command and control capability. Yet, Service variants of GCCS are not fully interoperable with the Joint version. For example, the GCCS Integrated Imagery and Intelligence application being developed for the Joint version of GCCS is falling behind, while the Services continue to modernize their individual intelligence applications. To fix this, we must mandate new C4 systems be Joint 'from cradle to grave.'

There are also GCCS incompatibilities in combined operations; for example, GCCS Joint and GCCS-Korea. These two systems share some common operational picture data, but do not share information via files, e-mail, and other web service tools. Obstacles to combined interoperability lie in information release restrictions. Our allies understandably restrict release of their classified information. Likewise, we want to control release of U.S. classified information. To achieve effective combined interoperability, we must develop much more capable security procedures and sophisticated tools to allow information exchange while protecting our national and allied data.

Technology is changing the way the warfighter prepares, trains, and executes the mission. We must develop a mindset promoting innovation and technology insertion. It is through continued support of Advanced Concept Technology Demonstrations, experimentation programs, and exercises with our coalition partners, that we find ways to improve interoperability and enhance capabilities. We must put more emphasis on acquisition by adaptation, put proven prototypes into a joint field environment, and mature them through a tight spiral development cycle. Information is power, and a fully interoperable infosphere allows us to collaborate with coalition partners,

share operational pictures, increase the speed of command, and ultimately, win the day.

Obviously, sharing information among Services, sub-unified commands, and coalition partners is a complex security challenge. That leads me to the third category, Information Assurance (IA). How do we provide access to, and share information with, Asia-Pacific countries while protecting U.S. and coalition-sensitive data from potential adversaries?

To improve IA in the U.S. Pacific Command, we are taking several measures. We are evaluating the Automated Intrusion Detection Environment. Our Theater C4ISR Coordination Center is building a theater IA common operational picture (COP) (similar to the COP we use in the command and control arena) and tracking intrusion attempts and methods. We also are working closely with the Defense Information Systems Agency on an improved configuration that will provide full coverage of external connections to our Pacific networks.

Yes, we can improve IA in the theater; however, to do so requires a heavy investment in people and additional hardware. The payback is not always as easily recognizable as with the production of new airplanes, ships, or tanks. You cannot touch and feel information protection, but a loss of critical or time-sensitive information or a denial of service can be far more detrimental to national security than a single weapon system. I

request your continued support as we implement IA into our daily operations.

As you can see, C4 is a major concern in the Pacific and my top resource priority. While we have made great strides recently in addressing satellite communications shortfalls, we still have a long way to go. We must now focus on modernizing the ground infrastructures and ensuring the protection of our networks and the information that traverses them.

### **Intelligence**

Intelligence is essential to monitor potential adversary developments and preparations so that we can train our forces for the threats that they face and move them into position in a timely fashion. Shortages of airborne intelligence, surveillance and reconnaissance (ISR) assets - U-2s, RC-135s, EP-3s significantly impact USPACOM's readiness ratings. These shortfalls diminish our situational awareness, early indications and warning (I&W), and deep knowledge of the capabilities, plans and intentions of key theaters in our area of responsibility. Although Joint Staff planned allocation of airborne reconnaissance assets is adequate for routine operations in the Pacific Theater, we do not have the surge capability to monitor crises or cyclical increases of potential adversary activities. Other chronic shortfalls in high priority intelligence include linguists, tactical signals intelligence (SIGINT) systems,

intelligence specialists, and intelligence interoperability.

The core of intelligence analysis and dissemination in the theater is the Joint Intelligence Center Pacific (JICPAC), located near Pearl Harbor. JICPAC's operational efficiency and impact suffers because almost 100 JICPAC personnel must work in a revamped hangar at Hickam AFB, due to space limitations in the main JICPAC facility. These split-based operations cost almost \$300,000 per year for the separate facility, as well as lost time and efficiency. In addition, JICPAC's building, in a vulnerable location near a major highway, presents a serious force protection issue. At the same time, the Kunia Regional SIGINT Operations Center (RSOC) occupies an aging facility, built in 1945, renovated for cryptologic operations in 1979, and then updated throughout the last twenty years. Collocating the RSOC with the new JICPAC facility on an intelligence "campus" would improve intelligence exchange, analytical dialogue, and efficiencies in infrastructure.

Advances in global telecommunications technology continue to place enormous pressure on the need to modernize both national and tactical cryptologic capabilities. USPACOM supports the National Security Agency/Central Security Service's (NSA/CSS's) strategic transformation actions and changes undertaken in the last year. NSA must transform to address the global net, but warfighters' knowledge of adversary battlefield

communications will also continue to be a high USPACOM priority. NSA must be funded to continue modernizing tactical SIGINT collection capabilities, operations of the RSOC and accompanying land-based collection architecture, addressing ELINT collection shortfalls, and operations of the Information Operations Technology Center (IOTC).

Specifically, NSA needs more capable, joint tactical cryptologic systems. Rapid advances in widely available communication technology have rendered obsolete much of the current inventory of tactical cryptologic systems. At the same time, the Services' R&D funding has declined. NSA and the Services must continue to aggressively pursue standards and common architectures, such as the Joint Tactical SIGINT Architecture.

Increased HUMINT capabilities are critical to support collection against strategic and operational requirements in the Pacific. Improvements are needed to enhance collection against key USPACOM indications and warning requirements and hard-target organizations and countries. Continuing investment in theater-based HUMINT resources, specifically computers and communications capabilities, is essential to improve collection against hard targets. Any further Defense HUMINT Service (DHS) reductions will adversely impact USPACOM-based U.S. Defense Attaché Offices (USDAOs), Field Operating Bases, and DHS support

to key USPACOM collection requirements and contingency operations. The USDAO system, in particular, already is experiencing serious resource constraints in the USPACOM AOR.

The Nation's future imagery and geo-spatial architecture will deliver unmatched capability, including enhanced imagery collection provided by unmanned aerial vehicles and the Future Imagery Architecture. However, USPACOM warfighters will not reap the full benefits of this capability without full tasking, processing, exploitation, and dissemination (TPED) investment. A robust TPED architecture is essential to ensure that dynamically tasked national, airborne, and commercial imagery and geo-spatial products connect the sensors to the analysts and, ultimately, to the tactical consumers. Services and agencies must institutionalize the need to properly program resources that incorporate TPED capabilities. Progress is occurring and CINC interests are being addressed. However, we will work to identify outyear funds to meet substantial portions of Senior Warfighting Forum priority requirements. Specifically, the Services must work with National Imagery and Mapping Agency to fund the capabilities needed to make Joint Vision 2010/2020 a reality. These include required technical enhancements to theater digital infrastructure, advanced analytical exploitation tools, and improved imagery analyst training (especially for advanced sensor products).



Asian linguist deficiencies are acute and a documented USPACOM readiness concern. Despite additional student slots at the Defense Language Institute, there are recurring and persistent shortages of Asian linguists to meet Operation Plan (OPLAN) and Contingency Plan (CONPLAN) requirements. Also, resources for low-density linguists in support of probable Noncombatant Evacuation Operations (NEO) continue to be problematic. Service recruiting and retention shortfalls, coupled with the inherent difficulty of Asian languages and the longer training periods required, aggravate these deficiencies.

#### **Mobility Infrastructure and Strategic Lift**

With congressional and Service support, we have made solid progress in correcting deficiencies in our mobility infrastructure. A total of 15 MILCON projects are either in work or programmed through FY04. We will apply supplemental MILCON funding for FY01 to critical en route and currently unfunded infrastructure projects, such as those at Wake Island.

We support the FY01 MILCON language that would restore MILCON contingency funding. While we are making headway with some near-term MILCON projects, sustained funding is still required. The continued appropriation of resources is absolutely essential to maintain an upward trend and complete the necessary repairs of our aging mobility infrastructure.

In addition to a well-maintained mobility infrastructure, contingency throughput in our theater largely depends on strategic lift. As identified in the recently released Mobility Requirements Study 2005 (MRS-05), there are "areas where improvements are needed in mobility programs... An airlift fleet of 49.7 million-ton-miles per day, (the previous established level), is not adequate to meet the full range of requirements." I fully support the MRS-05 recommendation that "DoD should develop a program to provide [additional] airlift capacity."

#### **Army Prepositioned Stocks (APS-4)**

A key logistics and sustainment shortfall remains in Army Prepositioned Stocks (APS-4) in Korea. Sustainment shortfalls limit ability to reconstitute the force and sustain missions, resulting in increased risk. Major end item shortages include M1A1/A2 tanks, MLRS, HEMTT fuelers, and some chemical defense equipment. Equipment shortages currently total about \$450M. Lack of repair parts and major assemblies within the APS-4 sustainment stockpile will directly impact the ability to return battle-damaged equipment to the fight. The Army's current plans are to cascade additional equipment into the APS-4 sustainment stocks over the next couple of years, thus reducing this shortfall.

#### **Infrastructure in Japan and Korea**

The Host Nation Funded Construction (HNFC) programs in Japan and Korea provide almost \$1B annually in new construction to support U.S. Forces. However, the United States must fund the initial project planning and design (P&D) effort. For FY01, the U.S. Army Corps of Engineers allocated \$20.5M for the HNFC program. This is a return on investment of 46:1. Continued congressional support for the planning and design funding is critical.

One provision of the latest Special Measures Agreement is that Japanese Facilities Improvement Program (JFIP) funds can no longer be used for "revenue producing" projects. Examples of projects disallowed in the FY01 program were Army and Air Force Exchange Service warehouses, exchanges, commissaries, and gymnasiums. The effect of this provision is that additional MILCON funding will be required for the Services, Defense Logistics Agency, Army and Air Force Exchange Service, Navy Exchange, Defense Commissary Agency, and DoD Schools to support Quality of Life initiatives for our service members in Japan. We will need strong congressional support for these MILCON projects when programmed. There has not been a MILCON project completed in Japan since 1989.

#### **New Headquarters Building**

I would like to offer my thanks again for your support for the new U.S. Pacific Command Headquarters building. We held the

groundbreaking ceremony in February and are on track to provide a facility designed to support the 21<sup>st</sup> century.

### **Security Assistance**

Security Assistance Funding in the Pacific Theater is an important component of my Theater Engagement Strategy.

Foreign Military Financing (FMF). For FY01, two U.S. Pacific Command countries will each receive about \$2 million in FMF; Mongolia, to increase its border security capabilities; and the Philippines, for critical aircraft and patrol boat spare parts. State Department has allocated FMF for East Timor, as those funds meet legislative requirements.

Enhanced International Peacekeeping Capabilities (EIPC). The Asia-Pacific region needs better capabilities to respond collectively when the United Nations or the nations of the region determine that an international response is required. Approximately \$2.2 million in FY01 EIPC funds have been requested for five Pacific Command countries, to either enhance existing or establish new peacekeeping operation (PKO) training centers. These well-spent dollars are helping our neighbors share the PKO burden around the world.

Nonproliferation, Antiterrorism, Demining and Related Program (NADR), and Overseas Humanitarian Disaster and Civic Aid (OHDACA). NADR funding has helped the Philippines improve its ability to deal with terrorists, and, in combination with DoD

OHDACA money, has done much to reduce the threat of unexploded ordnance in Thailand, Cambodia, Laos, and Vietnam. Anticipated FY01 funding will expand demining operations in those countries.

These Security Assistance programs, along with IMET, are crucial to our continued engagement in the Asia-Pacific region, and I request your continued support in their funding.

**Center of Excellence in Disaster Management and Humanitarian Assistance (COE).**

Since its beginning in 1994, the Center of Excellence in Disaster Management and Humanitarian Assistance has bridged the gap between civil and military activities related to humanitarian emergencies. Historically an annual increase to DoD appropriations has funded the COE. Collaborating the resources and strengths of governmental and non-governmental organizations, the Center of Excellence has participated in relief efforts following floods in Vietnam and Venezuela, earthquakes in Turkey and Taiwan, and population displacement in Kosovo and East Timor. The Center's approach to response, education and training, research, and consulting for disaster relief has become the model for successful interaction between the military and private humanitarian organizations.

**CONCLUSION**

In summary, Asia-Pacific issues are growing in importance on the American security agenda. Our *people* are the foundation

for everything that we do, and providing professionally rewarding service must be our first concern. Next must be our *strategy*, and ensuring that we have the capability to sustain our forward basing, support increasingly information-rich operations, and the mobility to move our forces across this vast theater and across the globe. The coming year will continue to present challenges for the United States in the Asia-Pacific region. We neglect developments in the region at our peril, but with sustained attention we can help build a region which will support American interests over the long term.

## APPENDIX A

### **Asia-Pacific Center for Security Studies**

The Asia-Pacific Center for Security Studies (APCSS) is a regional studies, conference, and research center in Honolulu. Established in September 1995 as a preventive defense and confidence-building measure, its mission is to enhance cooperation and build relationships through mutual understanding and study of comprehensive security issues among military and civilian representatives of the United States and other Asia-Pacific nations. The cornerstone of the Center's program is the College of Security Studies, which provides a forum where future military and government civilian leaders from the region can explore pressing security issues at the national policy level within a multilateral setting of mutual respect and transparency to build trust and encourage openness. Central to the College's effectiveness is the relationships forged between participants that bridge cultures and nationalities. Full and unobstructed participation by all nations in the region, to include such countries as Indonesia and Cambodia, is essential to achieving this. Complementing the College is a robust conference and seminar program that brings together current leaders from the region to examine topical regional security concerns, including peacekeeping, arms proliferation and the role of nuclear weapons in the region, and energy and water security.

The Center directly serves to further our regional engagement goals in several ways. First, it serves as a resource for identifying and communicating emerging regional security issues, within the constraints of non-attribution. Secondly, the Center functions as an extremely effective "unofficial" engagement tool to continue critical dialog in cases where official mil-to-mil relations are curtailed. Recent conferences and regional travel involving contact with, or participation by, prominent representatives from China highlight this role. Additionally, the Center frequently coordinates or hosts conferences addressing topical issues of interest to the U.S. Pacific Command or the region. Finally, the Center serves as a forum for articulating U.S. defense policy to representatives from the region. Authorization to waive certain expenses as an incentive for participation, and expanded authority to accept domestic and foreign donations to help defray costs are crucial to the continued success of the Center.