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HOUSE ARMED SERVICES COMMITTEE

STATEMENT OF

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COMMANDER

U.S. PACIFIC COMMAND

BEFORE THE HOUSE ARMED SERVICES COMMITTEE

ON U.S. PACIFIC COMMAND POSTURE

7 March 07

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INTRODUCTION

Mr. Chairman and Members of the Committee:

On behalf of the men and women of the U.S. Pacific Command (USPACOM), I thank you for this opportunity to testify regarding the posture of our command and security in the Asia-Pacific region.

The Asia-Pacific area remains a region of vital importance to our nation. From a security standpoint, the past year has been a time of general stability and improving security with the notable exception of North Korean nuclear and missile activity.

Economic development in the region continues at a fast pace, fueled primarily by dynamic growth in China, with positive trends in most nations.

Pacific-based forces have served with distinction in Iraq and Afghanistan and have helped combat terrorists in the Philippines through intelligence and operational fusion assistance to the Armed Forces of the Philippines. Our marvelous men and women have helped to stabilize the region through exercises and engagement and gone to the rescue with medical and engineering assistance in the wake of natural disasters.

Representative government, democratic process, and rule of law are providing welcome opportunities for millions of people. Regrettably, military coups in Thailand and Fiji have offered bad examples for others and set back our relations with the current military governments. Although both coups were executed without violence or internal unrest, this behavior is unacceptable and not helpful.

Progress in the USPACOM AOR requires close cooperation with the Department of State and U.S. Embassy country teams. Our important ties with other agencies of the U.S. government - in Washington and in theater - have been key to stability. Of course, the Congress is essential to our efforts. I appreciate your past support of USPACOM initiatives and want to assure the Committee that our activities are conducted in accordance with United States law and policy. We are guided by the Taiwan Relations Act, the three Joint U.S.-PRC communiqués (1972, 1979, 1982), and the one-China policy in our dealings with the People's Republic of China (PRC) and with Taiwan. Our military-to-military interaction with China has been increasing but also abides by restrictions laid out in the FY2000 National Defense Authorization Act (NDAA). Regional security has benefited significantly from expanded authorities. FY2006 NDAA Section 1206 "train and equip" authority made possible a rapid infusion of \$30 million in Department of Defense funds to improve the maritime security capacity of Indonesia and Sri Lanka. Section 1022 authority broadened permissible uses for counter-drug funding and allowed the Joint Interagency Task Force-West to assist partner nations in building the counterterrorism capability of their law enforcement agencies. We appreciate and look forward to the continued support of the Congress in these areas.

Direct dialogue and shared experiences with regional civilian and military leaders are a primary source of my views regarding the maturity of U.S. relationships in the AOR. This interaction has been enhanced by engagement and transparency. We have made considerable progress across a broad range of security issues. Our relationships with regional counterparts have facilitated cohesion and resolve in addressing strategic events such as missile and nuclear testing by North Korea.

Our alliances with Japan and the Republic of Korea facilitated a strong response to the DPRK nuclear event. After the 9 October nuclear test, Chinese support moderated North Korean behavior, and helped to restart the Six-Party Talks. These talks remain a critical framework for addressing North Korean nuclear aspirations. Our engagement with the Peoples' Republic of China over the last two years helped facilitate that activity.

The solidarity of the U.S. - Japan alliance is further demonstrated by expanding cooperation in ballistic missile defense. We are also moving ahead with implementation of the security improvements agreed to in the Defense Policy Review Initiative. The strategic alliance between the U.S. and Japan has been reaffirmed and many force structure changes are in planning or underway. A key step will be the move of approximately 8,000 Marines and several thousand family members from Okinawa to Guam. This shift will be jointly funded, with Japan bearing approximately 60% of the financial burden for this mutually beneficial move.

Prime Minister Abe's stance on North Korean provocation and his early engagement with China's President Hu Jintao and Republic of Korea's President Roh Moo-hyun are encouraging. His initiatives offer the potential for better Japanese relationships with those nations.

Our strong alliance with the Republic of Korea has enabled us to undertake extensive discussion regarding the future of the alliance and agreement to shift responsibility for defense of the peninsula to ROK forces.

U.S. support and engagement, primarily with air and naval capabilities will remain essential to the ROK defense and to regional stability.

Our military-to-military activities with the PRC have increased and this past year marked the first ever U.S. - PRC tactical activity - a search and rescue exercise in two phases - off the coast of California and in the South China Sea. This progress bodes well for U.S. - China relations and regional stability. Exercises, port visits, and mid-level officer exchanges can over time reduce the potential for misunderstanding and provide the opportunity to positively influence future PLA leaders. At every turn, we use our interaction to demonstrate the professionalism and readiness of U.S. forces, an important element of encouraging responsible behavior by the Chinese government and military.

We continue to push for greater transparency from Chinese officials.

Without greater insight into Chinese goals and objectives, I will remain concerned about continued double-digit growth in annual defense spending and investment in systems which threaten Taiwan and our own capabilities.

Consistent with U.S. policy and legislation, USPACOM is encouraging Taiwan to improve its self-defense capabilities and thereby deter PRC aggression.

Southeast Asia remains the battleground against terrorism in the Pacific. On the island of Jolo, the Armed Forces of the Philippines (AFP) with assistance from U.S. military advisers and trainers have kept the terrorists on the run and made progress in creating a stable, secure environment.

Interaction between Indonesian Armed Forces (TNI) and the U.S. military has been positive and valuable in the war on terrorism and for humanitarian assistance. The peace accord in Aceh has been a fine example of what is possible and facilitated recovery from the 2004 Tsunami in an environment of stability and security. We are addressing maritime security with the TNI,

Malaysian, and Philippine authorities to deny terrorists transit and sanctuary at sea. Maritime security efforts focus in the tri-border sea area between Indonesia, Malaysia, and the Philippines, and foster multilateral cooperation among the littoral states.

The U.S. - India strategic partnership is expanding and military-to-military activities are thriving. Recent congressional approval of the Henry J. Hyde U.S.-India Peaceful Atomic Energy Act reinforced those ties. Our interaction offers the potential to improve regional security and address instability concerns in Bangladesh, Nepal, and Sri Lanka.

One area of great concern is political upheaval in the region. The coups in Thailand and Fiji, while bloodless, were clearly unacceptable. The quick return of democratically-elected government is essential if we are to maintain important military-to-military relationships. Historic animosity, poor economies, overpopulation, and weak and dysfunctional governments fuel insurgencies and unrest in areas including the Solomon Islands, East Timor, Sri Lanka, and Bangladesh.

These impressions highlight both the challenge and opportunity in the Asia-Pacific region. We have in place key elements to advance U.S. security interests and enhance regional stability - vibrant alliances, opportunities for new partnerships, combat ready and agile forces, and committed Soldiers, Sailors, Airmen, and Marines to lead our efforts. As we move forward, our initiatives remain organized across five focus areas - prosecuting and winning the War on Terror; advancing regional security cooperation and engagement; maturing our joint and combined capabilities and readiness; posturing forces for agile and responsive employment; and ensuring operational plans at all levels are credible.

PROSECUTING AND WINNING THE WAR ON TERROR (WOT)

Engagement with regional partners for support in the War on Terror continues to pay dividends as Australia, Japan, Republic of Korea, Thailand, Singapore, Fiji, Mongolia, Tonga and New Zealand are making or have made significant contributions to the efforts in Iraq and Afghanistan.

Within Asia and throughout the Pacific, in coordination with the Office of the Secretary of Defense, the Department of State, and our U.S.

Ambassadors, we work with and through our regional partners to combat extremist violence and transform at-risk environments. We are making progress but must remain active.

Forces from the Special Operations Command Pacific (SOCPAC) play the dominant role in USPACOM WOT operations. The Joint Combined Exchange

Training (JCET) program is the principal mechanism used by Special Operations

Forces to assist partner nations in building capacity to defeat terrorism and improve our understanding of the complexities of the local environment.

SOCPAC troops are the core of Operation Enduring Freedom - Philippines (OEF-P), an operation which supports the Government of the Republic of the

Philippines counterterrorism efforts. With U.S. advice and training, Armed

Forces of the Philippines (AFP) and civilian authorities have improved their ability to coordinate and sustain counterterrorism operations. U.S. and

Philippine forces have also worked together under the new Security Engagement

Board framework - the primary mechanism for consultation and planning regarding non-traditional security threats - to complete humanitarian and civil assistance projects and improve local living conditions in the southern

Philippines. As a result of our combined efforts, local support for terrorists has waned markedly.

U.S.-supported operations, civic projects, and Malaysian-mediated peace talks with the separatist Moro Islamic Liberation Front (MILF) continue to erode MILF support to the Abu Sayyaf Group (ASG) and Jemaah Islamiyah (JI). These efforts have reduced ASG mobility within MILF strongholds. With assistance from allies like Australia and Japan, we will continue to build Philippine capabilities and capacity to conduct independent, joint operations against internal and external threats.

The Government of Indonesia is a welcome partner in the War on Terror. Indonesia continues to play an influential role in moderating extremism, as evidenced by its willingness to contribute forces to peacekeeping operations in Lebanon. At home, President Yudhoyono has demonstrated a commitment to democracy and military reform. Our interaction with the TNI this year reinforced the positive trends we have seen in their professionalism, respect for human rights and civilian control of the military.

We have targeted security assistance and "train and equip" funding to Indonesia towards maritime security in an effort to limit mobility for terrorists in Southeast Asia who take advantage of the relatively unmonitored, uncontrolled seas. The waters between Indonesia, Malaysia, and the Philippines have been a sanctuary for transit and illicit activities which help sustain terrorist activity. The Indonesian military (TNI) efforts to monitor and control criminal maritime traffic in these areas can be enhanced by multilateral cooperation with the Philippines and Malaysia, which we highly encourage.

Joint Interagency Task Force - West counter-drug programs complement and support the War on Terror. Key initiatives include enhancing Malaysian, Filipino, and Indonesian maritime law enforcement capacity in the Sulu and Celebes Seas through focused Security Assistance and Section 1206 "train and equip" proposals that develop military capacity to combat transnational threats in these areas. We will exercise Section 1022 authority (as authorized in the FY2006 National Defense Authorization Act) by enhancing the counterterrorism capacity of partner nation law enforcement agencies, and we look forward to a continuation of this authority beyond fiscal year 2007. As a next step, we continue to seek Section 1033 authority (FY1998 National Defense Authorization Act) to equip counter-drug forces in the Philippines, Indonesia, Malaysia, and Thailand so that we can integrate our assistance program more effectively with interagency partner efforts.

A key enabler of all of these cooperative trans-regional efforts is effective information sharing. Coordination in intelligence, logistics, planning, and operations are critical to achieving success. We have made some progress in this area and continue to build the infrastructure required to share and act upon the information.

Combating Weapons of Mass Destruction (WMD). We are working with allies and partners to build regional capability to combat WMD. President Bush initiated the Proliferation Security Initiative (PSI), which supports national counter-proliferation efforts. Unlike traditional export controls, PSI is a voluntary activity that builds global capacity to disrupt weapons of mass destruction proliferation among states, and between states and terrorist organizations. Nine nations within the AOR (Australia, Japan, Singapore, Philippines, Cambodia, Mongolia, the Marshall Islands, Sri Lanka and Papua New Guinea) have endorsed the statement of interdiction principles and we

continue work to expand participation during our regional military-tomilitary engagements. We joined PSI exercises such as PACIFIC PROTECTOR and
DEEP SABRE with Australia, New Zealand, Singapore, Japan, and the United
Kingdom and observers from other countries. USPACOM participates in multiple
working groups with our allies and partners to build consequence management
capability. We established formal work plans with Japan and South Korea in
2006. We will execute these plans in 2007, resulting in real improvement to
our CBRN defense and consequence management capabilities. On the home front,
we will expand consequence management training through Exercise TOPOFF 4 in
October 2007, validating the full range of existing procedures for managing a
domestic terrorist WMD event.

ADVANCE REGIONAL SECURITY COOPERATION AND ENGAGEMENT

Our Theater Security Cooperation Plan serves as the primary blueprint to enhance U.S. relationships and military capacities of allies and regional partners. The plan is fully coordinated with our embassy country teams and integrates security assistance, military-to-military exchanges, exercises, cooperative technology development, and outreach programs into a coherent, mutually supportive set of activities for each country, whether ally, partner, or cooperating state.

These security cooperation activities are essential to the success of U.S. national security strategy. For relatively low cost, we have an opportunity to make progress in each of the USPACOM focus areas, and facilitate situations in which future security challenges can be met through strong regional cooperation and capacity.

Japan. The relationship between the U.S. and Japan is a cornerstone of peace and prosperity in the Pacific. Nearly 38,000 U.S. armed forces personnel are permanently stationed in Japan, with another 14,000 forward deployed U.S. Naval personnel. Japan provides over \$4 billion in host nation support, the most generous contribution by any U.S. ally.

The response to brinkmanship by Kim Jong-Il validated the strength and importance of our alliance. Former PM Koizumi and PM Abe have shown strong leadership in support of both regional and global security efforts and advocated significant changes within the Japanese government and military. The Government of Japan (GOJ) has provided significant military and financial support to coalition operations in the WOT. For example, GOJ legislation supports operations in Afghanistan, maritime logistical support in the Indian Ocean, and recently concluded reconstruction efforts in Samawah, Iraq. Japanese Self-Defense Forces maintain a presence in the Middle East by flying C-130s in support of United Nations and coalition missions in Iraq. We greatly appreciate the GOJ support in the WOT.

The alliance also continues with the transformation goals laid out in the three Security Consultative Agreements between the Secretary of Defense, the Secretary of State, and their Japanese counterparts in 2005 and 2006. These agreements established our common strategic objectives; rebalanced the required roles, missions, capabilities and force structure between U.S. and Japanese forces; and set forth our roadmap for realignment. They are on track. Implementing these agreements will enhance alliance capabilities while ensuring a more sustainable U.S. military presence in Japan.

Japanese commitment to Ballistic Missile Defense (BMD) is significant. The Japan Defense Agency (JDA) 2004 Defense Budget included funds to initiate

research and development of a limited missile defense plan for the Kanto Plain region involving sea-launched SM-3 and ground launched Patriot PAC-3 missiles. The GOJ Cabinet and Diet approved the JDA budget for 2005, which included an additional 106.8 billion yen (\$1B) for BMD. The JDA, recently elevated to the ministerial level and designated as the Ministry of Defense, has shown great interest in cooperative development with the U.S. of a more capable sea-launched missile, production of PAC-3 missiles. The Japanese Defense Ministry and DoD are exploring complementary systems that share information and make both systems more capable.

Republic of Korea (ROK). Despite challenges, the U.S.-ROK alliance is solid and continues to form the foundation for peace and security on the Korean peninsula. Our partnership remains focused on the most immediate security threat to the Korean people - the government of the Democratic Peoples' Republic of Korea (DPRK). The ROK government has expressed a desire to take the lead role in conventional defense. As a result of ROK combat capability enhancements, nine military missions have been transferred from U.S. to ROK military forces. Continued improvements by the ROK military make possible additional mission transfers in the future. The ROK government has sought the ability to exercise operational control (OPCON) of its own forces in wartime, and we have reached agreement to transition our command relationships in April 2012. This is a natural and reasonable next step in the maturation of the U.S.-ROK relationship and should be supported.

Together we will implement a transition process that will assure that ROK forces are ready to assume this increased responsibility.

The DPRK is a proven proliferator of missiles and missile technology as well as a participant in a range of other illicit activities including probable state-run narcotics exporting and counterfeiting of U.S. currency.

Experience in dealing with the DPRK has shown the value of deliberate and coordinated multilateral efforts between the ROK, Japan, Russia, and China within the Six-Party framework.

The U.S. and ROK together, are transforming our alliance to meet evolving security requirements. As ROK force modernization allows Korea to take a greater role in its own defense, U.S. forces stationed in Korea are improving their strategic flexibility, in keeping with our global force transformation. Our partnership is valuable beyond East Asia security issues, demonstrated by the significant contingent of ROK engineering, medical, aviation, and security forces supporting coalition missions in Iraq and Afghanistan. We hope to increase regional partnering with the ROK in counter-proliferation, maritime security, and disaster relief while seeking to foster increased trilateral military cooperation between the ROK, Japan, and the U.S. We welcome a shift by South Korea toward a more regional view of security and stability.

Australia is our most steadfast ally, a nation working tirelessly to promote stability and good governance in the Pacific. During 2006, Australians led efforts to restore stability to East Timor and the Solomon Islands, and they continue to provide major security and institutional assistance in the region. The Australian Pacific Patrol Boat program provides the primary capacity to protect against criminal activity in the economic exclusion zones of many island nations.

The strong bond between our nations has allowed us to make quick strides in areas of mutual concern. U.S. and Australian military forces are synchronizing efforts to build capacity in combating terrorism and enhancing maritime security in the Philippines, Indonesia, and Malaysia. Additionally,

we continue to improve interoperability between the Australian Defense Force and U.S. armed forces. A major exercise this spring will provide proof-of-concept for the Joint Combined Training Capability that could take bilateral, network-centered training to a new level, and ensure our combined forces are prepared for today's modern and dynamic threat environment.

Our partnership with the Republic of the Philippines (RP) is central to success in meeting our War on Terror goals in Southeast Asia. We appreciate President Arroyo's affirmation of the Visiting Forces Agreement, allowing for the continued advancement of cooperative efforts to rid the Philippines of terrorist activity. The recently passed Human Security Act enhances Manila's counter-terrorism laws and provides new legal authorities for Philippine security forces in fighting terrorism. During this past year, the GRP also established the Security Engagement Board (SEB) as the framework for our bilateral engagement on non-traditional activities such as counterterrorism, counter-drug, humanitarian assistance/disaster relief, and addressing the potential of pandemic disease. This recent development paved the way for engagement including security assistance, civil-military operations, and other support to Armed Forces of the Philippines (AFP) operations.

Thailand is a major regional ally. The September 2006 military coup mandated the cessation/suspension of economic and security assistance until such time as a democratic election takes place. While we continue to highly value Thai support for combined training events, access for U.S. forces, and past contributions to operations in Afghanistan and Iraq, we encourage the quick return to a democratically elected government to allow full restoration of our military relations. We appreciate the continued strong support and cooperation of the interim Royal Thai Government in combating terrorism in Southeast Asia and for temporary access to its military facilities.

India. The U.S.-India strategic partnership deepened significantly in the last year. With congressional approval of the Henry J. Hyde Atomic Energy Cooperation agreement, we should expect the relationship to become even broader and more helpful in addressing common security issues. Our experience with military-to-military activities mirrors this decidedly positive trend. We foresee great potential for cooperation in areas of concern like Nepal and Bangladesh.

During my October 2006 trip to India, all three Indian Service Chiefs expressed satisfaction with the state of our military-to-military interaction and a desire to increase the scope of these activities in the future.

USPACOM will continue increasingly joint, complex and realistic training exercises with the Indian military. We look forward to a combined Army-Air Force exercise in Hawaii, and a naval exercise conducted simultaneously with Marine Corps and Army exercises from both nations. Indian Armed Service Chiefs have discussed the Foreign Military Sales (FMS) program with me at length. In their view, FMS plays a central role in our future military relationship. The ongoing transfer of USS TRENTON was singled out as a welcome addition to Indian Navy capabilities, building Indian confidence in dealing with the U.S. in equipment acquisition matters.

Singapore is one of our strongest security partners in Asia and a key coalition partner in the War on Terror. Beyond providing strategic access to ports and airfields for visiting U.S. forces, Singapore is extraordinarily supportive and cooperative in moving forward with our shared maritime security, counterterrorism, and regional command and control initiatives. In April of this year, Singapore will break ground on a Command and Control

Center at Changi Naval Base which will facilitate information sharing between Singapore, the United States, and other regional nations.

Indonesia continues to make steady progress with the reform of the Indonesian Armed Forces (TNI), emphasizing human rights, professionalism and leadership training. Through the recently renewed security assistance programs, the U.S. helped institutionalize reforms, particularly with the International Military Education and Training program. Additionally, the U.S. Department of Defense started the Defense Resource Management Study in September 2006 to improve Indonesian programming and funding practices.

President Yudhoyono has sustained his commitment to thwart extremism and improve maritime security; those efforts are bolstered by carefully targeted security assistance and humanitarian initiatives. We have focused the security assistance funding on coastal radars and communication equipment to improve situational awareness of the maritime domain. Our deployment of the USNS MERCY provided medical relief to more than 24,000 patients in four areas of Indonesia. In addition to the medical care and training opportunities for the Indonesian medical personnel, the USNS MERCY deployment demonstrated the importance of the U.S.-Indonesian strategic relationship.

Together, these initiatives furthered our common goals in the War on Terror - denying maritime sanctuary to terrorists and improving living conditions for the Indonesian people.

People's Republic of China (PRC). Chinese global engagement continues to mature. Nations in the Pacific, Africa, and South America are benefiting from Chinese economic growth, while the increasing energy needs of China are fueling ties to the Middle East. China has also demonstrated a greater willingness to play a responsible role in the diplomatic arena, particularly

with North Korea. While PRC military modernization efforts do not yet challenge U.S. military capabilities in the AOR, the opaqueness of Chinese defense budgets and intentions, as well as the introduction of new capabilities are causes for concern.

The purpose of the USPACOM-initiated military-to-military interaction with the Peoples' Liberation Army (PLA), conducted within the framework of our overall policy toward China which is based on the three Joint U.S.-PRC communiqués (1972, 1979, 1982), our one-China policy, and the FY2000 National Defense Authorization Act, is to increase transparency between our respective militaries, break down barriers to understanding, and reduce the potential for miscalculation. This past year we have gained traction and are moving the U.S.-PLA military-to-military relationship forward as an important complement to the other elements of the bilateral U.S.-China relationship.

I have noted improved access to leadership and facilities with each of my trips to China. I am pleased with increasing interaction among junior and mid-grade officers who in the coming years will become senior PLA leaders. Through this direct contact, we gain experience interacting with one another and build relationships for the long term. We have also made practical advancements with our activities. Talks held last year under the Military Maritime Consultative Agreement (MMCA) yielded a substantial agreement to improve the safety of our Sailors and Airmen. The agreement called for a bilateral search and rescue exercise (SAREX) with elements of free play, internationally accepted protocols, and fixed wing aircraft. These terms allowed the U.S. to practice search and rescue with the PLA in the same manner we carry out such operations with other partners. The need for the PLA to adopt internationally accepted protocols will increase as PLA Navy expands its activities in the Western Pacific.

Progress in the military-to-military venue has been positive. I anticipate the relationship to improve in the areas of transparency and reciprocity. As we see PLA commitment to these principles, I will work with the Office of the Secretary of Defense and Congress to reassess the relationship and, if warranted, propose changes to the FY2000 NDAA restrictions.

The PRC-Taiwan relationship is an issue that we monitor closely. Consistent with legislation and policy, our interactions focus on efforts to preserve cross-strait stability. We continue to encourage Taiwan to take steps to improve its own defenses and create a credible deterrent to any attack. We have advocated inexpensive hardening practices as well as the acquisition of a combination of defensive weapons and systems. USPACOM will continue to make available to Taiwan such advice, training and support for Congressionally-approved equipment to defend against the potential of military aggression by the PRC.

Mongolia, a country with a GDP of approximately 2.4 billion dollars and a population of 2.8 million, continues to make a substantial contribution as a U.S. partner in the War on Terror. Mongolian forces have maintained a continuous presence as a coalition member in Iraq and Afghanistan, with seven company-sized rotations to Iraq and six mobile training team detachments to Afghanistan. These efforts and their other UN and NATO commitments, mean that almost one-third (or about 400) of deployment-eligible Mongolian soldiers are engaged in peacekeeping missions world-wide.

USPACOM security cooperation with Mongolia supports their efforts to adjust the structure and skills of the military to better match a peacekeeping focus. 2006 saw the completion of a Joint Defense Technical Assessment and

the development of a process to jointly execute reform initiatives. The plan is to evolve a Soviet-era army and air force into a light, highly professional force by 2015. The core capability of the Mongolian Armed Forces (MAF) will be a peacekeeping brigade of 2,500 soldiers.

The Mongolian Defense Reform and the Global Peace Operations Initiative (GPOI) are being leveraged to maximize the effect of both programs and will result in the transformation of the MAF into an International Peacekeeping Force. Mongolia was selected as one of two countries in the theater (Bangladesh the other) to be sites for regional peacekeeping training centers. Mongolia has agreed to host the second annual GPOI capstone event at the Five Hills Regional Training Center in August 2007 as part of Exercise KHAAN QUEST '07.

Russia. In support of the USEUCOM responsibility for Russia, we have taken steps to improve operational protocols between U.S. and Russian forces. We invited the Russians to participate in PACREACH, our multinational submarine rescue exercise. We have broken new ground toward access in the Far East by initiating a C-17 squadron relationship with a Russian strategic lift unit in the Far East and through preparation for PACIFIC EAGLE, a U.S-Russia naval exercise building common operating procedures for humanitarian assistance, disaster relief and search and rescue responses. We hope to host the newly appointed Russian Far East Military District Commander at U.S. Pacific Command in Hawaii and the Russian Pacific fleet commander at U.S. Seventh Fleet and U.S. Pacific Fleet headquarters in Japan and Hawaii, respectively. In addition to interoperability, one of our major goals is to increase lower-level exchanges and exercise interaction between USPACOM and Russian forces.

Sri Lanka. The ongoing civil war between the Liberation Tigers of Tamil Eelam (LTTE) and the Government of Sri Lanka (GSL) is a continuing source of regional instability and loss of life. U.S. focus remains on facilitating a negotiated settlement that meets the needs of the Sinhalese, Tamil and other communities. The USPACOM security cooperation programs with Sri Lanka Armed Forces support their ability to deter renewed violence, improve maritime security capabilities, and institutionalize respect for human rights. Sri Lanka has been approved for \$10.88M in FY06 1206 "train and equip" funds. These funds will assist in the Sri Lanka Armed Forces' ability to identify and interdict illegal international arms shipments.

Nepal. Political upheaval has curbed military engagement with USPACOM. The end of the 10-year insurgency and the inclusion of former Maoist insurgents in the government may have brought Nepal once again to the precipice. Maoist refusal to disarm may cast a shadow of doubt on the future of democracy in Nepal. But we remain hopeful that the recent political agreement will result in lasting peace, opening the way for democratic rule and economic development. In the interim, USPACOM security cooperation focuses on non-lethal assistance with an emphasis on professional military development and human rights education for the Nepal Army, which remains a positive force for stability and security in the country.

Bangladesh. Political turmoil and the increasing influence of extremists in Bangladesh are growing challenges to both national and regional stability. Political violence led to a decision - backed by the Bangladeshi armed forces - to postpone elections and retain the civilian interim government. USPACOM objectives are to assist Bangladesh in combating extremism by enhancing counter terrorism capabilities, improving land and sea border control, and promoting a professional military that adheres to human

rights and respects civilian control of the military. USPACOM further seeks to enhance Bangladeshi ability to contribute to international peacekeeping missions and to increase their capacity to conduct domestic humanitarian assistance and disaster relief missions.

Our security relations are good and steadily improving with Malaysia, a country whose importance and influence increasingly extends beyond its regional neighborhood. In addition to chairing the Organization of the Islamic Conference, Malaysia recently hosted the non-aligned movement and ASEAN Regional Forum. Malaysia remains active by leading the peace monitoring mission in southern Philippines, and has contributed peacekeeping troops to East Timor and Lebanon.

In other areas of interest, Malaysia has demonstrated strong leadership in maritime security with its littoral partners, fostering support for the "Eyes in the Sky" initiative to increase maritime surveillance. These efforts contributed to the decision last year by Lloyds' of London to declassify the Strait of Malacca as a high-risk war zone. The capability of the new Malaysian coast guard, the MMEA, continues to develop, albeit slowly, and take on greater responsibility for maritime patrol.

Vietnam. Our military-to-military relationship with Vietnam is advancing steadily through high level visits and new initiatives for defense cooperation such as additional language and disaster response training and information exchange of weather forecasting data. In January, Vietnam agreed to allow the conduct of recovery operations of U.S. missing personnel in territorial waters using U.S. vessels. Vietnam prominence in the region has increased with its hosting of the Asia-Pacific Economic Council Summit and accession to the World Trade Organization. As their level of confidence and

engagement grows, we expect Vietnam to pursue a more active regional role and greater security cooperation with the U.S.

Cambodia. USPACOM and the Royal Cambodian Armed Forces (RCAF) are beginning to cooperate closely on counter-terrorism, peacekeeping, disaster response and medical and health related activities. Following my visit to Cambodia in July 2006, we conducted an assessment of RCAF requirements to better understand their needs and determine a way-ahead to professionalize the RCAF in the post-Khmer Rouge era. Last month, the U.S. Pacific Fleet made the first ship visit since the Vietnam War, demonstrating a strengthened military-to-military relationship.

Laos. We are slowly building security-related activities with Laos beyond traditional humanitarian assistance cooperation. The Lao Peoples' Democratic Republic (PDR) leadership is receptive to increased engagement focused initially on education and language training for mid-level and senior officers. As the Lao PDR forces become more comfortable with our bilateral interaction, we expect to increase the pace of military-to-military activities to include greater cooperation in humanitarian assistance, disaster response training and exchange of personnel.

New Zealand is strongly supportive of our efforts in the War on Terror.

New Zealand forces are leading a Provincial Reconstruction Team in Bamyan

Province, Afghanistan and have placed additional troops in Bagram. They are

also an active, stabilizing force in the Pacific Islands, with their soldiers

supporting security efforts in East Timor, the Solomon Islands and Tonga. The

Government of New Zealand's 1987 legislative ban of nuclear-powered ships in

its waters remains an obstacle to improved military-to-military relations.

However, they continue to provide outstanding support to Operation DEEP FREEZE missions enabling U.S. scientific exploration in Antarctica.

Compact Nations. USPACOM values our special relationship with the three Compact Nations - the Federated States of Micronesia, the Republic of the Marshall Islands and the Republic of Palau. The Marshall Islands host the Ronald Reagan Ballistic Missile Defense Test Site, integral to the development of our missile defense programs and conduct of space operations, and the proud citizens of these nations continue to serve with distinction in the U.S. Armed forces and Coast Guard. The U.S. Army Pacific's Joint Task Force for Homeland Defense has taken the lead as we partner with these nations to ensure our mutual defense as set forth in the Compacts of Free Association. Additionally, we fully support initiatives to expand operations to protect their valuable economic exclusion zone resources.

East Timor. Progress in East Timor remains hindered by weak institutions, political infighting, poor education and extreme poverty. Australia and the United Nations Interim Mission in Timor (UNMIT) are making efforts to increase security and stability in advance of April elections. USPACOM works to complement UMINT and the Australian Defense Force (ADF) with humanitarian assistance and International Military Education and Training (IMET) while the Department of Justice provides police training through the International Criminal Investigative Training Assistance Program. USPACOM also provided strategic airlift to support the deployment of ADF soldiers following rampant violence in East Timor during May 2006.

Security Assistance. One of the most important features of USPACOM theater security cooperation in the region is our partnership with the Department of State and U.S. Embassy country teams, which facilitates

military-to-military interaction with allies and emerging partners. Powerful engagement tools for building security partnerships with developing countries include International Military Education and Training (IMET) and Foreign Military Financing (FMF). IMET advances U.S. and USPACOM interests by educating participants on the principles of rule of law, human rights and good governance, promoting increased understanding and regional stability. FMF continues to prove its value by equipping and training regional partners. It is vital in supporting U.S. partners in achieving security goals of mutual interest, including the War on Terror. However, Pacific region countries typically receive less than one percent of the annual worldwide allocation of FMF. These investments in capacity building and prevention of the conditions which foster instability are very cost-effective and merit increased funding.

Other key programs in USPACOM contribute more broadly to security cooperation by addressing transnational concerns. The periodic deployment of the hospital ship, USNS MERCY, and outreach organizations like the Center of Excellence in Disaster Management and Humanitarian Assistance (COE) and the Asia-Pacific Center for Security Studies (APCSS) provide foundational expertise while establishing enduring relationships between nations of the region. Additionally, Joint POW/MIA Accounting Command has proven itself as a powerful tool in our efforts to improve relationships in the region, particularly in Southeast Asia.

USNS MERCY Deployment. Our experience with the 2004 Indian Ocean tsunami relief effort revealed the tremendous influence of DOD-led humanitarian operations in reinforcing a positive view of the U.S. and otherwise countering ideological support for terrorism. Since then, we have adjusted our priorities and resources to achieve those effects through deliberately planned humanitarian assistance efforts. The paramount event of

this type in 2006 was the deployment of the Navy hospital ship USNS MERCY. During a five-month period, MERCY conducted ten humanitarian visits among predominantly Muslim populations in South and Southeast Asia. We augmented the MERCY medical complement with hundreds of volunteers from non-government organizations and military medical personnel from eight partner countries. Among a wide array of assistance work, the MERCY team treated over 60,000 individuals including a thousand complex surgeries. Events of this type will continue to be central to our security cooperation efforts in the USPACOM AOR.

MATURE OUR JOINT AND COMBINED CAPABILITIES AND READINESS

Fundamental to success in the War on Terror and continued stability in the Asia-Pacific region is our Joint Training Program. Virtually every operation and activity is conducted jointly and in concert with allies making it important that we train to operate more effectively as a multinational team.

The USPACOM joint training plan is specifically designed to mature joint and combined warfighting capabilities and readiness and to advance security cooperation while using resources more effectively. We have taken several steps to maximize scarce training dollars and minimize unnecessary stress on the force. For example, Joint Task Force certification is accomplished through existing exercises rather than new events. By leveraging rotational forces in theater and aligning service exercises to create joint training opportunities, we also met obligations with partners and allies, enhanced training opportunities, and improved interoperability between regional militaries. Combining Joint Exercise KEEN EDGE with Army

Exercise YAMA SAKURA resulted in efficiencies while continuing to demonstrate our strong commitment to Japan.

Global Peace Operations Initiative (GPOI) is a Presidential and G-8 program to expand and train competent and professional Peacekeepers worldwide, and is a key component in building combined capabilities in the AOR. The USPACOM GPOI program takes advantage of existing host nation programs, institutions and exercises like KHAAN QUEST in Mongolia. We facilitate long-term sustainment and enduring impact of the peacekeeper initiative by using a "train-the-trainer" concept, standardizing training with United Nations Guidelines, and conducting combined, multilateral training events that foster cooperation, not competition, among countries.

This past year, USPACOM GPOI efforts trained more than 700 tactical peacekeepers, 198 qualified staff officers, and 50 Trainers from Mongolia, India, Thailand, Tonga, Korea, and Bangladesh. Most will deploy to a coalition or UN peacekeeping mission within the year. The Mongolians are supporting UN Missions in Western Sahara, Congo, Sierra Leone, Ethiopia, and Entrea as well as a seventh rotation to Iraq and a sixth rotation to Afghanistan. Indonesia, Fiji, Sri Lanka, and Nepal are newly approved GPOI participants in fiscal year 2007.

Maturing our capability and readiness also requires operational improvement that not only spans the spectrum of mission types - from nontraditional to combat operations - but also reflects the maritime nature of our theater.

Undersea Superiority. Continued improvement of air, surface, subsurface, C4I systems and acoustic modeling and navigation charts through oceanographic surveys, and cooperative training and operations with partners

and allies will enhance our sustained ability to operate effectively in the maritime domain. As demonstrated by the PLA Navy SONG submarine operating in vicinity of USS Kitty Hawk Strike Group, we must continue to work to maintain our operational advantage in the face of fast-paced PLA-N modernization and ever expanding area of operations.

Maturing Theater Intelligence Capability. Enhancing information sharing among allies and partners is crucial to success in the War on Terror and regional stability. We are developing Intelligence Modernization programs with several regional partners; helping them improve the professionalism and quality of their intelligence institutions. We continue to close the gap between intelligence and operations by embedding U.S. experts in partner nation intelligence organizations, assisting them to assess their military intelligence capabilities, and hosting annual multinational intelligence working groups to foster multinational cooperation.

Persistent Surveillance. The limited persistence of U.S. intelligence collection systems makes it difficult to readily gauge other nations' military capability, readiness, and operations. At the current time, it is nearly impossible to judge intent or rate of escalation in a crisis. We are further challenged in tracking high value targets in the War on Terror, maintaining real-time status of ballistic missile launch preparations, or monitoring suspected WMD proliferation.

Command and Control (C2). USPACOM requires secure, integrated, standardized, and interoperable command and control capabilities. This includes robust networks to enable horizontal and vertical information sharing and collaborative planning across the full spectrum of joint and

multinational operations throughout the Asia-Pacific region. Key vulnerabilities threaten the Commander's ability to effectively command and control Joint and/or Coalition forces and effectively share information with our partners.

Tactical access to the Defense Information Systems Network (DISN) within the Pacific theater has a single-point-of-failure. If this critical network infrastructure suffers a catastrophic failure resulting from attack or natural disaster, USPACOM ability to support the War on Terror, Ballistic Missile Defense, and execution of standing OPLANS will be impacted. Correcting this single-point-of-failure involves the construction of an additional telecommunications area master station within the PACOM AOR at an approximate life cycle cost of \$600M. This new master station will provide redundant and reliable communications for both USPACOM and USCENTCOM. Satellite failures as well as funding cuts and delays in follow-on SATCOM systems have also reduced communications the availability of Military SATCOM. USPACOM is actively engaged with the national satellite community to ensure satellite and terminal programs are synchronized and address this availability gap. The DoD communications infrastructure also remains vulnerable to exploitation and attack. USPACOM continues to work with the DoD Information Assurance community to increase the security posture of critical C2 networks through real-time analysis of ongoing intrusion threats.

Expanding coalition communication networks is essential to support

USPACOM missions. The Assistant Secretary of Defense for Networks and

Information Integration and the Joint Staff are implementing a new

Multinational Information Sharing (MNIS) program and have designated MNIS
Combined Enterprise Regional Information Exchange System (CENTRIXS) as the

DoD standard for multinational networks. The goal of this program is to build

and sustain a single network that supports multinational information sharing requirements. USPACOM strongly supports this initiative.

Missile Defense. The North Korean short and medium range ballistic missile launches in July 2006 highlighted the need for a robust, active missile defense capability in the AOR. The long-term strategy for missile defense in USPACOM is to establish a forward-deployed, layered, integrated air and missile defense system. Once matured, this system should be capable of intercepting threat missiles throughout the entire time of flight and must be interoperable with our regional partners. Specific initiatives include moving a US PATRIOT PAC-3 Battalion to Kadena Airbase in Japan, forward stationing of AEGIS Standard Missile 3 (SM-3), deploying the first Forward-Based X-Band Transportable (FBX-T) radar to Japan, and establishing a permanent joint Command and Control facility for integrated air and missile defense within the Pacific Air Forces Headquarters. To further our missile defense capabilities, USPACOM would benefit from forward deployment of a Terminal High Altitude Air Defense (THAAD) unit, increased inventories of PATRIOT PAC-3 and SM-3 missiles, and accelerated development of a sea-based terminal defensive capability.

Strategic and Intra-theater Lift. There is a shortage of responsive strategic air and ship lift to support force sustainment and deployment to operating areas. Insufficient strategic airlift capability of C-17 and C-5 aircraft could cause delays in the arrival of critical cargo and passengers. USPACOM has eight C-17s based at Hickam AFB, Hawaii and is looking forward to basing eight more at Elmendorf AFB, Alaska starting in Jun 07. Pacific-based C-17s bring an increased reliability, versatility, and delivery capacity to the Theater. An increase in Pacific-based C-17s, should they become available, would be helpful.

High-Speed Vessels (HSVs). Leased HSVs have demonstrated their value in the Pacific theater, supporting unit training, joint exercises, GWOT requirements, and humanitarian missions such as the tsunami disaster relief effort. They have served as valuable platforms for intra-theater lift, providing a cost-effective alternative and highly flexible augmentation to scarce intra-theater airlift assets. As the Army continues to transform, the JHSV will be increasingly critical in the rapid deployment of the Stryker Brigade Combat Team forces throughout the theater. USPACOM favors continued leasing of HSVs as an interim capability, and strongly supports a more aggressive acquisition process to expedite JHSV delivery. This capability will fully support Theater Security Cooperation Plans and response to disasters, and is also useful as a mobile sea base to facilitate security cooperation. This capability will be increasingly important with the pending relocation of forces to Guam and throughout the theater.

Prepositioned Stocks (PREPO)/Preferred Munitions. Due to the time-distance challenges in this theater, USPACOM forces require readily available and properly maintained PREPO stocks at the outset of any conflict. With the recent download of the APS-3 afloat equipment sets to support Iraq bound Army units and the existing shortages in the remaining pre-positioned programs, we now have a greater need for replenishment of equipment and stocks. Achieving the appropriate mix of key munitions, particularly GPS-aided and laser-guided weapons to include Guided Multiple Launch Rocket System, new Patriot (PAC-3) missiles, Advanced Medium Range Air to Air Missile (AMRAAM) version C-7, and the Joint Air-to-Surface Standoff Missile is imperative.

Acquisition and Cross-Servicing Agreements (ACSA) enhance interoperability, readiness, and provide a cost effective mechanism for mutual logistics support between U.S. and allied or partner military forces.

ACSAs have been particularly helpful in the conduct of WOT operations. For example, we have made extensive use of the current agreement with the Republic of the Philippines to support the Armed Forces of the Philippines operations against terrorist cells in that country. USPACOM has a total of eleven ACSAs in place, with fifteen additional countries within the AOR currently ACSA-eligible. We view these agreements as vital in maximizing our interoperability and helping build competent coalition partners in the Pacific region. We are in negotiation to conclude such an agreement with India and hope renewed interest by Sri Lanka and Maldives will yield results.

POSTURE FORCES FOR AGILE AND RESPONSIVE EMPLOYMENT

The Asia-Pacific region holds both great potential benefit and ongoing challenges for the United States. The region is home to some of our most stalwart security allies and partners - Japan, Australia, Korea, Thailand, the Philippines and Singapore - a rising military power in China and burgeoning relationships with India and Vietnam. U.S. force presence - in Japan, Korea, and across the Asia-Pacific AOR - has long been a guarantor of peace and stability in the Asia-Pacific.

Changes in USPACOM force posture reflect the priorities of the Quadrennial Defense Review, which seeks to strengthen U.S. response to emerging security threats. We are taking advantage of technology to enhance our effectiveness and combat power while simultaneously reducing our military footprint in Asia. At the same time, we are using our increased mobility to guarantee presence where and when needed to respond to security challenges.

We continue to develop and refine plans to reposition and realign our forces in Japan, Guam and Korea following the agreements reached through the

U.S.-Japan Defense Policy Review Initiative (DPRI) and the U.S.-ROK Future of the Alliance (FOTA) Talks. The goals of our evolving force posture are to improve the effectiveness of our alliances with these two vital allies while providing the flexibility and agility to employ U.S. forces worldwide.

The U.S.-Japan DPRI discussions reached a milestone in May 2006, when Secretary of State Rice and former Secretary of Defense Rumsfeld, together with their Japanese counterparts, released the Roadmap for Realignment, which specifically defined the related initiatives, plans and schedules. The linchpin for repositioning our forces in Japan is the construction of a new airfield on Okinawa, the Futenma Replacement Facility (FRF). This new facility will enable us to return the existing Futenma facilities, including several acres of highly desirable land, to the government of Japan, and will lessen the impact of military aviation operations on the local Okinawan populace. We will also move 8,000 Marines and their dependents from Okinawa to Guam. This action will return additional land to Japan while retaining a forward-based Marine presence in the USPACOM theatre. Additionally, we intend to look for more opportunities to leverage our interoperability with Japan, such as ballistic missile defense cooperation, to better align our capabilities and forces to respond to potential security challenges.

As part of our realignment efforts, USPACOM is actively supporting various Service planning and infrastructure expansion initiatives that are crucial to our force bed-down plans in Guam. Our activities are closely linked with Service initiatives as well as our broader theater security cooperation efforts. We are finalizing construction details and expect to begin upgrades to the military infrastructure, housing and training facilities in 2010. The Joint Guam Program Office, led by the Department of the Navy, will manage all aspects of the project. While Japan will bear

approximately \$6 billion of the costs of facilities and infrastructure development to support relocation of Marine units from Okinawa to Guam, we must also do our part and financially commit to the required upgrades and changes. Managing the construction effort will require coordination from all branches of the military and active participation and planning from other federal and territory agencies.

On the Korean peninsula, we are reducing and consolidating our footprint into two hubs south of the Han River. We have and continue to transfer missions to the Republic of Korea (ROK) military, and also modernize our combined combat force capabilities. As part of the Security Policy Initiative – the successor to our Future of The Alliance effort (FOTA) – we have agreed with the ROK government to complete the transfer of wartime operational control of ROK forces by April 2012. With this agreement, we envision a future force with increased strategic relevance, flexibility and responsiveness.

ENSURE OPERATIONAL PLANS AT ALL LEVELS ARE CREDIBLE

Operational and contingency plans are the basis for USPACOM response to security challenges. Our planning construct with renewed emphasis on phase zero and one engagement activities is designed to synchronize actions across the full spectrum of U.S. national power. Emphasis on peacetime shaping has significantly improved plan development and generated more options for senior decision makers for a wider range of crisis scenarios. Our primary effort remains to prevent conflict and ensure a stable and secure environment within the region. Should deterrence efforts fail, our plans are designed to effectively prosecute and be successful during all phases of crises.

We validate our planning efforts through annual exercises, such as Reception, Staging, On-ward movement, and Integration (RSOI) and ULCHI FOCUS LENS, which enable us to closely examine potential friction points in our plans and develop response options which optimize capabilities. Exercises also help prepare the staff to think through the strategic and operational goals and actions should the plan become a reality. This past year, we became the first geographical combatant command to certify a Joint Task Force through our own command-based certification program with Joint Forces Command assistance.

U.S. forces also conducted joint Exercise VALIANT SHIELD in June 2006 in the waters off Guam, bringing together USAF and USN personnel and assets to work through a range of warfighting skills such as maritime interdiction and command and control. This exercise, the greatest concentration of naval and air power in the Western Pacific since the Vietnam War, demonstrated joint command, control and communications of U.S. forces while highlighting continued U.S. commitment to allies and friends of the region. We also hosted observers from many nations, including China, providing an opportunity to learn more about each other.

USPACOM has developed a robust plan in support of our national strategy for a pandemic influenza (PI) response and is prepared to support lead agencies (Department of Homeland Security, Department of Health and Human Services, U.S. Department of Agriculture, and Department of State) at a national level. We are working closely with other geographic and functional combatant commands to refine and exercise comprehensive PI response actions to safeguard Americans.

We are also working hard to effectively assess activities that support the development and execution of operational and contingency plans. From peacetime security cooperation to winning the fight against terrorism, we are evaluating support of all elements of national power to ensure our approach is comprehensive, efficient, risk managed and measurably effective.

QUALITY OF SERVICE

USPACOM forces continue to make a difference not only in the region but also in Iraq and Afghanistan. The performance of our people during this past year has been exemplary. Contributing to their steadfast devotion to duty is the knowledge that others, including the Congress, are looking out for their health and well being. We appreciate the across-the-board 2.2 percent pay raise, special benefits for injured and recuperating personnel and their families, the government match for the Thrift Savings Plan for civilian personnel, and expanded authorities for our reserve component men and women. Continued support of these Quality of Service initiatives contributes immensely to our combat readiness and the retention of our highly skilled personnel who serve our national interests at home and abroad.

SUMMARY STATEMENT

USPACOM long-term priorities emphasize a region that is stable, secure and at peace. We are engaged extensively throughout the AOR to advance theater security goals. We are committed - along with our allies and partners - to turn the promise of a stable and secure region into reality and convert challenges into opportunities that strengthen regional relationships and cooperation. My travels throughout the region have sparked optimism that, despite some difficult security challenges, we are taking the right

approach to work together for the common good of the people of Asia Pacific. We are fortunate to have traditional allies and partners, as well as emerging partners, who are willing to help set conditions for security and stability. We are also appreciative of the staunch support of the Congress and American people and your advocacy of our efforts. I am proud and honored to represent the men and women of U.S. Pacific Command. On their behalf, thank you for your support, and thank you for this opportunity to testify on the defense posture in the USPACOM Area of Responsibility.