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**REBALANCING TO THE ASIA-PACIFIC
REGION AND IMPLICATIONS FOR
U.S. NATIONAL SECURITY**

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRTEENTH CONGRESS

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ONE HUNDRED THIRTEENTH CONGRESS

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**REBALANCING TO THE ASIA-PACIFIC REGION AND
IMPLICATIONS FOR U.S. NATIONAL SECURITY**

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Wednesday, July 24, 2013.

The committee met, pursuant to call, at 10:02 a.m., in room 2118, Rayburn House Office Building, Hon. Howard P. “Buck” McKeon (chairman of the committee) presiding.

**OPENING STATEMENT OF HON. HOWARD P. “BUCK” MCKEON,
A REPRESENTATIVE FROM CALIFORNIA, CHAIRMAN, COM-
MITTEE ON ARMED SERVICES**

The CHAIRMAN. The committee will come to order.

I would like to welcome everyone to today’s hearing on the rebalancing strategy to the Asia-Pacific region and implications for U.S. national security. This is an important topic for the committee and we have a distinguished panel of witnesses before us here today.

Since the President’s Defense Strategic Guidance was released a year and a half ago, this committee has worked to understand the details. The key pieces appear to be the rotational deployment of U.S. Marines to northern Australia and the first deployment of the Navy’s littoral combat ship to Singapore. But we are still missing a good understanding of what the U.S. military is and should be doing in the region.

Let me be clear. I don’t think there is any disagreement on the goodness of rebalancing to Asia. I hope our witnesses today will give us their insight to some very important questions. What should a robust strategy look like? What are the regional security concerns of the U.S., including and beyond the issue of China? What opportunities are we missing? Can the rebalancing be effective without additional resources? How will sequestration impact the capabilities and capacity of the U.S. military to rebalance to Asia, especially when we are still drawn to respond to crises in other regions? And if the U.S. can’t effectively and fully execute the strategy, how will the region’s militaries view us?

To testify before the committee today, we have Dr. Michael Auslin, resident scholar of Asian studies and director of Japanese studies at the American Enterprise Institute; Dr. Patrick Cronin, senior adviser and senior director of the Asia Program at the Center for a New American Security; Admiral Gary Roughead, U.S. Navy, retired.

And you said your wife is giving you an “F” on your retirement?
[Laughter.]

The CHAIRMAN. Well, we are glad to have you back.

Annenberg distinguished visiting fellow at the Hoover Institution.

Dr. James Shinn, lecturer at the School of Engineering at Princeton University and former assistant secretary of defense for Asia from 2007 to 2008.

Very distinguished panel.

Mr. Smith.

[The prepared statement of Mr. McKeon can be found in the Appendix on page 43.]

STATEMENT OF HON. ADAM SMITH, A REPRESENTATIVE FROM WASHINGTON, RANKING MEMBER, COMMITTEE ON ARMED SERVICES

Mr. SMITH. Thank you, Mr. Chairman. I thank you for this hearing, and I thank our witnesses for appearing before us, and look forward to their testimony and the questions.

Obviously, the Asia-Pacific region is of critical importance to the United States and growing importance economically, politically, a number of different countries that we have complex relationships there. And I think it is perfectly appropriate to focus more attention on that region, build more relationships, and figure out how we can be more effective in that area.

But as the chairman said, the devil is always in the details. What does that mean, particularly within the Department of Defense? What does that mean in terms of how we shift our assets? What assets are critical for us to be successful in this? And also, the rest of the world has not stopped being an issue, obviously, with Syria and Egypt and many other places. So as we rebalance, how do we keep our eyes on some of the other challenges that we have in other parts of the world?

And then the most interesting question is, of course, how this affects our relationship with China. How do we do this in a way that does not make this look confrontational, but really makes it look like we are, you know, looking for partners throughout the region, including China, frankly, to deal with some of the challenges that we have in that area and around the world as China increasingly has a presence outside of the Asia region.

So this is, I think, a great opportunity for our country to make this pivot, to make this shift to a greater focus on Asia, but figuring out exactly what it means and what the best policies are to implement it effectively is critically important for this committee and for this Congress.

I am very pleased to have four such experts here who can help us work our way through that. And I look forward to this hearing. And again, I thank the chairman for holding it, and I yield back.

[The prepared statement of Mr. Smith can be found in the Appendix on page 44.]

The CHAIRMAN. Thank you.

Dr. Auslin.

**STATEMENT OF DR. MICHAEL R. AUSLIN, RESIDENT SCHOLAR,
ASIAN STUDIES AND DIRECTOR, JAPANESE STUDIES, AMERICAN ENTERPRISE INSTITUTE**

Dr. AUSLIN. Mr. Chairman, Ranking Member Smith, members of the committee, thank you very much for the opportunity to testify today about the administration's rebalancing to the Asia-Pacific region and its implications for national security for the U.S. It is an honor to be here and to sit beside my distinguished co-panelists.

I have testimony that I have submitted for the record, so if you will permit me, I will just make a few comments.

The CHAIRMAN. All of your testimonies will be included in the record, without objection.

Dr. AUSLIN. Thank you, sir.

The CHAIRMAN. Doctor, could you move that mike just a little?

Dr. AUSLIN. I am happy to.

The CHAIRMAN. Thank you.

Dr. AUSLIN. Let me just make a few comments, maybe set the stage for answering some of the questions, Mr. Chairman, that you raise.

I think that there are probably three questions that are most useful to try to answer when we are thinking about the rebalance or, as it was initially called, the pivot. The first is, do we need it? Do we need a rebalance to Asia? The second is, what is it as the administration has articulated it? And the third is, can it achieve its goals as the administration has outlined them?

I would say that actually I am agnostic on the first question. I think that if we phrase this in the sense of returning to Asia, it is a misnomer. We have 325,000 troops in PACOM [Pacific Command] that have never been out of the region. We do hundreds of exercises a year. We have dozens of visits throughout the region for a year—throughout the region every year. So, it is not that the United States has been absent.

The question is, what are we trying to do in Asia today in the Asia-Pacific region? And also, what are the trends? Do the trends indicate that we need some type of rebalancing to the region?

Well, in order to answer that in terms of the trends, we look at the broader security equation, even though the administration will talk about this being a whole-of-government approach—that there is an economic component; there is a diplomatic component; and that there is a security component.

The administration says repeatedly that this rebalance is not about China. It is about the region as a whole. And in general, I would argue that is the right approach. What we need to think about is what type of Asia do we want to see? What type of Asia is best for United States' interests, for the interests of our friends and allies in the region, and for Asians in the region?

But if it is not about China, then what exactly is the rebalancing for if the security component is the main part that our friends and allies in the region are looking towards? There is, I would argue, on the administration's part a lack of clarity on what it is trying to achieve. It says it is not about China, and yet there is a high component or heavy component committed to rebalancing our security forces in the region. It is a traditional question, I would argue, of ends and means.

If you talk to our friends in the region—I know, Mr. Chairman and members of the committee, you do that repeatedly through visits—they themselves obviously are concerned about the rise of China. They are concerned that as China has become stronger, it has become more assertive. They are concerned about their particular sets of territorial disputes and other issues in which they feel that there is little chance for each of them alone to resolve these on terms that would be most favorable to them.

Therefore, what we see over the past several years is an increasing tendency on the part of friends and allies to look to the United States for backup and support. In part, they do this because the administration has stated that it is rebalancing, it is re-engaged, it is back in Asia. And yet when we come down to the specifics that concern them and interest them, the United States often takes a pass.

We can look at the frustration that the Philippines feels, the frustration that Japan feels over territorial issues in both the South and East China Seas. And they wonder, as actually a Philippines senator publicly questioned during last year's problems over the Scarborough Shoals, "What is the use of the alliance with the United States if it will not back us up when we need it?"

Now, that is not, I would argue, the same thing as to say that we should be involved in the territorial disputes between two nations. But it points out the rhetorical slippage between what the United States government is saying and what its actions on the ground actually are. That is the lack of clarity that I would argue causes problems in terms of understanding what this rebalance is supposed to do and whether or not we can redo it.

Let me turn to the last few points. I mention, Mr. Chairman, that my clock is not running, so I do not know how long I have talked nor how much more time I have. So I will just take a few minutes and you can cut me off at any time, sir.

What is the rebalance? A lot of us have written and talked about the fact that it does seem to be more rhetorical than substantive. If you look at the base of it, there is very little change overall in the U.S. security posture at whatever end point this rebalance would give. There is almost no change in the end-point ground strength. We are not going to be increasing Marines. We are not going to be increasing the Army.

In terms of the Navy, Secretary Panetta at the Shangri-La Dialogue in 2012 talked about ultimately shifting 60 percent of U.S. global naval assets to the region. The truth is, we are almost already there. We have over 50 percent in terms of everything from carriers, cruisers, subs and the like, and of course, Admiral Roughead knows that far better than I. It is not a substantive change that would cause the calculation on the security end, I would argue, of anyone in the region to think that this is some sort of new era of United States security presence in the region.

If it is just, then, rhetorical, how can the United States back up what it is saying it wants to do in terms of being more present? The administration, again, will talk about a whole-of-government approach; that the President, and rightfully so, has gone to the East Asian summit; that we have now made TPP, the Trans-Pacific

Partnership, a major part of our economic engagement with the region. And all of that is appropriate and all of that is right.

But the rebalancing from a security perspective, which is what gets the most attention in Asia, is actually not all that significant.

So either we are going to do something far more than what the administration has already laid out in its plans in order to change our presence in the region, or what we are talking about is just nibbling around the edges.

And then, finally, sir, let me question can it achieve its goals?

Well, I think that that bumps us back to the first question: What are those goals? Should the United States be a permanent balancer in the region, or do we want ultimately to hand off security concerns to our allies, and have them deal with it?

Do we want in some way to oppose the rise of China? Do we want to counter the rise of China? If not, then why do we need to increase our security forces?

How is sequester and the Budget Control Act going to affect the ability of the United States not only to do what the administration ostensibly hopes, but to do what we are already doing today? That is a question that has not been answered.

If I could sum it up, I think that the major security challenge we face in Asia today is a simple one. It is a—if I could phrase it this way, it is a broken windows theory. There is no one that I have talked to in Asia who truly fears some major conflict breaking out tomorrow, some type of regional systemic war.

What they fear, though, is that the environment in which they operate today, the environment that they know and they understand, is slowly slipping away; it is slowly degrading. It has broken windows. And if you accept a broken window on one block, you'll accept a broken window on another block. That is where the influence of the United States is most important, in stressing that we will not passively sit by while the security environment degrades for the worse and then raises significant questions about stability, insecurity and the potential for conflict.

So I think that the administration, sir, finally, needs to do just simply three things. It needs to more clearly articulate the rationale behind the rebalance and the goals, which I would argue it has not done.

Number two, it does need to publicly address how both BCA [Budget Control Act] and sequestration will affect our ability to do what we are doing today and what they hope to do in the future.

And then, finally, there needs to be a larger articulation of a U.S. strategy in the Asia-Pacific, what role the United States will be playing in 20 years or 25 years, what role we expect our allies to play, and whether we are able to do it in a world in which we are rapidly cutting our defense capabilities today.

Thank you very much, sir. I look forward to your questions.

[The prepared statement of Dr. Auslin can be found in the Appendix on page 46.]

The CHAIRMAN. Thank you.
Dr. Cronin.

**STATEMENT OF DR. PATRICK M. CRONIN, SENIOR ADVISOR
AND SENIOR DIRECTOR OF THE ASIA PROGRAM, CENTER
FOR A NEW AMERICAN SECURITY**

Dr. CRONIN. Mr. Chairman, Ranking Member Smith and other distinguished members of the committee, I am deeply honored by this opportunity to testify on the trenchant matter of rebalancing to the Asia-Pacific region.

It is in our vital interest to use the past few years as a springboard for widening and deepening our engagement in what is likely to be the most important region of this century.

If we move intelligently and persistently to leverage our considerable power to mold the rising and dynamic Indo-Pacific region, then we can preserve and adapt an inclusive rules-based international community that is fundamental to the preservation of freedom, peace and prosperity.

But if we falter in our purpose, if we divert from our long-term strategic interest, then fissures and flashpoints that today seem manageable may one day overwhelm our capacity to deal with them.

Let me describe in brief what I think rebalancing is. The administration is seeking to shift from war to peace, although taking care not to exit so swiftly that it might jeopardize future stability and with it perceptions of American resoluteness.

Rebalancing is about providing a strategic challenge to China, but not containing China. Long-term U.S. presence will help counter any tendency to steer a re-emerging China into an aggressive hegemon, but stepped-up cooperation with China will seek to provide sufficient strategic reassurance to dampen unnecessary competition.

America will be rebalancing to Asia with Europe and the rest of the world, not away from Europe and the rest of the world. The United States will pivot within Asia as well, away from an almost exclusive concentration on Northeast Asia, and toward a much wider network of contacts, especially in Southeast Asia.

Part of the rebalancing will include moving from mostly bilateralism to greater multilateralism, especially by embracing ASEAN-centered [Association of Southeast Asian Nations] institutions. This requires long patience, understand, given the region's multilateral security architecture is badly lagging the challenges of the region.

Rebalancing also means building a bridge between the confluence of two oceans, the Indian and Pacific, strengthening ties between India and East Asia and embracing reform-minded change in a government like that of Myanmar.

And, finally, rebalancing means economic and diplomatic power, not just military might.

Comprehensive power is vital, especially in the context of those who would reduce America's influence in the region to defense alone. Even so, I recognize military power is the main instrument of insurance. This mostly involves retaining America's strong existing regional military presence. It also means widening the scope for engagement, a concept that is captured by the phrase "geographically distributed, operationally resilient and politically sustainable."

So let me turn briefly to my guiding principles and recommendations. In my lengthy written testimony, I talk about the three military missions of deterrence, and countering coercive diplomacy. Those are the short-term, everyday needs that we are facing right now.

And then, over the longer term, we have this growing challenge of countering anti-access and area-denial capabilities. Those are very centrally military challenges.

But I have got some broader guiding principles, the first of which is that undergirding our policy is that the long-term shift in economic, political and military power to the Indo-Pacific region should give urgency to our short- and mid-term decisions. We have a limited window of opportunity to influence this region.

The second guiding principle is that countering coercive diplomacy, averting crises and de-escalating them when they occur, countering growing A2AD [anti-access area-denial] capabilities over time, are at the core of our military mission in the region.

The third principle to guide our policy is to recognize that this enterprise is bigger than any one country. We will increasingly have to work with allies and partners. Multilateral security institutions in the Asia-Pacific region are growing by baby steps.

ASEAN provides legitimacy more than effectiveness. We need to build up that effectiveness by working with like-minded states and others in the region so that we can mature these institutions.

And as Asian capabilities continue to grow, there should be more opportunities for collaboration, for interoperability, for real effectiveness and burden sharing. In supporting regional cooperation, we should increasingly draw on what we have called the emerging Asian power web, the constellation of inter-Asian security relations that are being built at a quickening pace. These are the building blocks for helping Asian nations better defend themselves, to help them to help themselves, but also to help us have interoperability with these countries.

A fifth guiding principle is for the United States to constantly put forward its positive vision for an inclusive, rules-based region to advance peace, freedom and prosperity for all.

And, finally, our policy rebalancing should be guided by a quest for achieving a comprehensive economic, diplomatic and military power.

So, what about recommendations that we can achieve, essentially low-cost, cooperative security in the immediate future?

Well, here are 10 important steps that we might consider.

One, accelerate an official review of the U.S.-Japan Defense Guidelines. We need a common strategic approach to countering Chinese coercive diplomacy in the short term and countering Chinese A2AD anti-access/area-denial capabilities in the long run.

Two, we need to staunch the growing gap in South Korea-Japan perceptions through practical defense cooperation that we can help facilitate. For instance, we might propose navy-to-navy talks on missiles as a way to get at some very, very difficult issues, but where there is some common interest.

Three, we need to initiate a U.S.-ROK [Republic of Korea] review of the alliance's North Korean strategy to help thwart the deployment of nuclear-tipped missiles and lethal uses of force.

Four, we need to fully test China's tolerance for pressuring North Korea from deploying or proliferating nuclear weapons and their means of delivery.

Fifth, we need to help Taiwan avoid being coerced into making unfair concessions to mainland China. I just returned from Taiwan. They are being squeezed more and more, every day.

Sixth, prevent the Philippines from being isolated by forging a tougher ASEAN diplomatic line and advancing the air and maritime capabilities of the Philippines.

Seventh, propose at the ASEAN Defense Ministers' Meeting-Plus meeting in Brunei next month, where Secretary Hagel will be, steps to reinforce a multilateral approach toward both maritime domain awareness and HADR, humanitarian assistance/disaster relief, capabilities to deal with inevitable disasters.

Eight, ensure sufficient support to enable more, not fewer, exercises with India and allies and partners on the other side of the Strait of Malacca.

Nine, encourage historic reforms underway in Myanmar, while guarding against a future military intervention, especially as they approach the 2015 election.

And, ten, leverage the emerging Asian power web by supporting organic and natural trends for greater inter-Asian bilateral ties with countries that really have military capabilities, such as Australia and Indonesia, Australia and Japan, India and Vietnam among others.

Thank you very much.

[The prepared statement of Dr. Cronin can be found in the Appendix on page 65.]

The CHAIRMAN. Thank you.

Admiral.

STATEMENT OF ADM GARY ROUGHEAD, USN (RET.), ANNENBERG DISTINGUISHED VISITING FELLOW, HOOVER INSTITUTION

Admiral ROUGHEAD. Mr. Chairman, members of the committee, it is a privilege to be with you today to talk about the Asia-Pacific region and particularly the strategic implications of rebalancing.

This is a region that has been on my mind for a long time. I have commanded at sea in the Pacific. I have served twice at the U.S. Pacific Command. I have commanded the U.S. Pacific Fleet. And as the Chief of Naval Operations, when I issued the maritime strategy in 2007, Asia was prominent in that strategy.

When I think about the region, to me it is the Pacific Ocean, Oceania, the Indian Ocean and the increasingly important trade routes into Africa that will feed the economies of Asia.

And in the mid-term, the opening of the Arctic trade routes that will become increasingly important to the Asian economy.

So it really is quite an area that we are talking about. So the importance of rebalancing and refocusing, whatever word is used, it, to me, is an imperative.

But I think that our approach in rebalancing must be strategic and not superficial. It must be substantive and not marginal. It must be realistic and not an illusion. It must be optimistic and not pessimistic.

The real power of Asia is the economy. And so, as we look at our strategy as a nation going forward, economic initiatives, trade initiatives need to be there, in the forefront.

But the fact of the matter is that security in Asia underpins the rapid growth that we are seeing. And all in Asia—and I say all in Asia—see the United States and particularly the United States Armed Forces as the stabilizing force.

And so, if we look at it, rebalancing is not the strategic objective. The strategic objective for us in Asia is to maintain that stability and to not allow one country to dominate in Asia.

And in order to do that, we have to maintain American influence and credibility. And that means relevant, competent ready military power present in the region and ready power from beyond that can rapidly reinforce and respond to events there. And that means, basically, the Navy and the Air Force. And this comes at a challenging time, budgetarily, operationally, and politically.

But I think our budgets, as we put them forth, must reflect that strategic priority. And we have to put in place the appropriate facilities and activities. I think that, as we look at how we resource our military into the future, we have to depart from equitable shares of budget. It does not mean that any service is valued less. It does not mean that we are walking away from jointness, because jointness is best achieved by effective budgets, not equitable budgets.

I would also say that, as we look at the nature of technology and military equipment, we can't simply look at individual line items. We have to look at the totality of what we are trying to achieve, because an uninformed or even a well-intentioned move on one line item may cause that house of cards to be less effective and come tumbling down.

I think what the Navy and the Air Force have done in the Air-Sea Battle is a positive step. I think it is paying off. And I would also say that the other thing that should be done is to bring the service chiefs more into the acquisition process from which they have been removed for the last couple of decades.

It will be important, going forward, to maintain in this country a robust research and development program and the funding to support it. And, as we look to the future, we have to ensure that part of our considerations mean that we maintain a viable, flexible, and robust industrial base.

The vastness of the Asia-Pacific region, where we enjoy absolute air and maritime superiority, is going to require a new look at increased investments in unmanned systems. We have learned a lot in Iraq and Afghanistan with regard to unmanned systems. But I will tell you that the Pacific is very different. It is not as benign. It will be more challenging. And, accordingly, I believe that as we look at our future—and we really are in the lead in this rapidly developing area—we should look at how we do it, what our priorities are, what our processes are, and we have to have a greater sense of urgency as we move forward with unmanned.

I will tell you that, having recently come back from the region—and I have been there six times in the last, about 14 months—our defense budgets are watched in Asia more closely than they are watched on the American street. People are questioning whether or

not we are serious about it. And the actions are going to speak louder than any words going forward.

I would also say that, while we tend to focus on procurement and technology, near-term readiness and the near-term readiness budget is extraordinarily important. One can undergo short, rare disruptions to the near-term readiness budget. But I would submit that we are beyond that point now. I really do believe that the actions that have had to be taken are beginning to erode, not just the short-term readiness, but also will take its toll on long-term readiness and it will be more costly and longer to dig out than had we stayed in a more disciplined regime.

As my colleagues have mentioned, any time you talk of Asia, China looms large. And our relationship with China is going to determine the strategic shape and the tenor of the Asia-Pacific region. China's power is economic. It is not military—yet. What the PLA, the People's Liberation Army, and the People's Liberation Navy have done over the last few years does not surprise me. It is what rising economies and rising nations dependent on trade do. You can go back in history, Spain, England, the United States, Portugal, Holland—it is the pattern.

In China, the money is there. The strategy is there. And I think, equally important, is the coupling of that budget to a strategy and the coupling of an industrial policy to the strategy, which is making it a very effective initiative.

Our relationship with China requires cooperation on economics and trade. And the militaries, I believe, will cooperate where our interests intersect. And we see that in counter-piracy operations, humanitarian assistance. I think we should welcome those opportunities for cooperation confidently and expand them when it is in our interest to do so.

We will continue to compete with China militarily in the coming years. That is what militaries do, particularly militaries that are rising. China is doing it well. But I would submit that they see more than just a U.S.-China competition. If you look at some of their recent strategic writings, they see competition with Russia, with India, and with some of the countries that surround them.

China's future is extraordinarily complex. And I would say that it is still uncertain. So it is important that we refocus, rebalance. And I will tell you that all in the region are watching. And what they are watching for is whether there was a coherent approach going forward that we have the structure and the discipline and the predictability in how we are backing up this initiative to reemphasize the Asia-Pacific region.

If we can achieve that structure, coherency, and stability, then the United States will remain the stabilizing force in Asia, and we will achieve our strategic objectives and we will assure our prosperity well into the future. But if we don't do that, we are going to cede the region to others and our place in the world.

Thank you.

[The prepared statement of Admiral Roughead can be found in the Appendix on page 83.]

The CHAIRMAN. Thank you.

Dr. Shinn.

**STATEMENT OF DR. JAMES SHINN, LECTURER, SCHOOL OF
ENGINEERING, PRINCETON UNIVERSITY**

Dr. SHINN. Mr. Chairman, Ranking Member Smith, members of the committee, thanks for having us.

I was chatting with Admiral Roughead before the hearing about how much more pleasant it is to be here as a private citizen than as the Pentagon representative in the hot seat. But this chair feels considerably cooler than I remember it from a couple of years ago.

So, very briefly, I would submit for you three points on the topic of the hearing. First, that the rebalancing with the pivot, or whatever we call it, is a good idea. Secondly, that announcing that strategy but not applying enough resources to it is an extremely bad idea for reasons that we can discuss. And then, third, just how bad an idea it is depends upon the difference between the resources required to implement that strategy and the resources that are likely to emerge from the debate on sequestration and then the long-term QDR [Quadrennial Defense Review] recommendations for the Pacific.

So, very briefly, the first point, as Dr. Auslin said, there is a lot of consistency between the rebalancing logic and the Bush administration and, for the that matter, the latter part of the Clinton administration, and because the underlying logic is the same, the simple logic being that we hope that China has a peaceful rise, but that the purpose of forward-deployed forces and our alliance network is to deter China and its allies from any kind of aggressive, military expansion. Now, that is the logic of what you might call "conditional engagement" or "conditional containment." None of the phrases are particularly apt. But, at the end of the day, that is the test.

The second point, and I think we have heard references to this from all previous three testimonies, to put forth a strategy of rebalancing to Asia and not follow through with the resources is a really bad idea. You may want to get into the reasons for this, for why there may be a gap between the resources required to implement a conditional engagement strategy, and what we can actually put out into the field.

But, at the end of the day, without strong guidance from the Secretary of Defense and from the White House, the natural inertia of the services and the natural conservatism of the Pentagon to re-deploy resources in a radical way will operate against achieving that. And you are more familiar than I am with the parameters of sequestration and the effect this could have on the ability to put the resources in place.

So I would just add that when I was at the CIA [Central Intelligence Agency], I was a fairly close observer of Chinese decision-makers, both public and think tank observers. And there has been a long line of argument within Chinese decisionmaking that, ultimately, the U.S. will have to withdraw from its forward posture in Asia due to fiscal constraints.

This was a line of argument that became particularly common in Beijing around the financial crisis. But it has continued up to the present day. And, as Admiral Roughead said, budgetary decisions here are watched more carefully in Asia than, perhaps, they are in New York. And they are watched particularly carefully in Beijing.

So the third and final point, and I make this in all humility since I don't have the answer, but I suspect that this hearing and your deliberations are aimed, in part, to help answer this. The third question is, how many resources are actually required to support a rebalancing strategy?

Much of the debate over whether 1,000 Marines to Australia or a couple of ships to Singapore or wherever you put the MAGTF [Marine Air-Ground Task Force], the Marine Forces, really begs the underlying question, which I think is the important one, which is how many resources are really required to deter Chinese military expansion and to increase the probability that we have a peaceful rise?

You know, I would submit to you that there are probably two ways to get at that question. And you may have already received answers to these in classified briefings or in another engagement with our former colleagues at the Pentagon or the Intelligence Community that answer this. And if that has been the case, then you could ignore this.

But it seems to me that the first point is that we have a great deal of military training, a great deal of military simulations, a great deal of military exercises across a whole range of conflicts of different intensity that do provide us and should provide you with enough empirical evidence to judge just how effective our forces and the forces of our allies in the region will be faced with a variety of military expansion activities or provocations from the PRC [People's Republic of China] and its allies, whether it is the area-denial or whether it is Air-Sea Battle. There are a lot of ways to get at this, but it is a knowable problem.

And I think the second part, the harder part of that question that you publicly want to have answered for you is continued analysis of the calculus of the decisionmakers in China themselves. How do they view the deterrent effect of U.S. and our allies in East Asia? How do they weigh the possible changes in the composition and the size of those forces over time, in terms of their calculus?

And I think if you combine those two with the kind of frank, mil-to-mil communication, the kind of official discourse, trying to elicit information on Chinese intent as well as capability, that this committee and, for that matter the Obama administration, would go a long way, I think, to assessing just how big the risk is posed by setting forth the strategy of rebalancing but failing to apply the resources necessary to execute it.

[The prepared statement of Dr. Shinn can be found in the Appendix on page 93.]

The CHAIRMAN. Thank you very much.

Many nations in the region are concerned about the military buildup of certain countries such as China and North Korea. China's military modernization has continued unabated for 10 years while North Korea recently announced that they will restart their nuclear weapons program.

We are tending to see increased nationalism and military spending by traditional allies, as well. Yet, history has taught us that provocative actions, hawkish rhetoric and political nationalism can easily lead to misunderstandings and armed conflict. How would you assess the threat of a regional arms race and the militarization

of the region? How would this affect regional and global political and economic stability? And will the U.S. decision to rebalance to the region tend to accelerate or dampen further militarization?

To all of you.

Admiral ROUGHEAD. First, Mr. Chairman, I would say that the—Asia is becoming the largest market for arms, high-technology systems. You talked about the growth in China, and we have been seeing that. But I think that you will continue to see sophistication of weapons systems and acquisition of those weapons systems as we go forward.

I think the greatest risk—and my sense is, as my colleagues have also mentioned, that the Asian engine does not want a conflict, because that would be extraordinarily disruptive.

Tensions will remain. My greatest concern is for a misstep, particularly in the areas where there are maritime disputes. I think, particularly in Northeast Asia that has the highest probability of happening. And the consequences, because of the sophistication of their militaries, because of the historical animosity that exists, that that is something that must be very carefully watched, and we should influence in every way we can to have protocols, policies, procedures in place so that these tensions can be defused.

I really do believe, as I said in my statement, that it is the U.S. presence, credible U.S. presence, and the relationships that we have with the countries in the region and the current trust that they have in our ability to be an honest broker and a mediator that that is something that is extraordinarily important.

If the countries in the region do not sense that we are there, that we are willing to remain engaged, I think the probability of misstep increases markedly.

The CHAIRMAN. Yes?

Dr. SHINN. To your question, Mr. Chairman, about an arms race, I think that if you look closely at the information that I think was provided this committee—just recently you had a hearing on the China military power report, which is an interesting document; but remarkably consistent over time from when I worked on it in the intelligence world and then when my office prepared it at the Pentagon in the second Bush administration.

And I think what probably struck all of you when you look at this, this report, the chairman himself has seen a number of these over the years, is just how sustained the expenditure is over time in the PRC. And it is like it is hard to make the case that this is a response to a perceived arms race from the outside. I mean, this has been going on for decades. So I think it would be—I think it is very hard to attribute this to what academics call a security dilemma. I think there is an internal logic and a long-term calculus in the PRC for their conventional, and for that matter their nuclear policy buildup, just as we see a persistent growth in the threats presented by North Korea and, for that matter, by Pakistan, who are, after all, the closest allies China has in the region and are both formal treaty allies to the PRC.

Dr. AUSLIN. Mr. Chairman, to your question, I think we should actually be very worried and should ask ourselves a question, why is the region, everyone who can afford it, buying more weapons? What does that say, that as Asia has gotten far richer over the past

two decades, it has also become more democratic; hundreds of millions of people in countries ranging from China to Vietnam, Southeast Asia, India throughout the entire region have been lifted out of poverty, the middle class has grown. At the same time that that has happened, every nation that can afford it is buying more weapons.

Now, they also well understand China, probably better than we do—their neighbor. They know that when the Chinese government began this buildup, which is on the range of 20 years ago actually, it was a 1950s army at best. They had no navy. They had no navy that could sail out far. It was a coastal navy. It was a coastal defense force. They had no air force that could fly out of sight of land. They had an army that was basically 1950s surplus Mao-era material.

So no one I think would have initially begrudged—if I can put it that way—the Chinese building up a modernized defense force. Every nation does that. They, however, clearly understand something that gets right at the heart of the debate here in the United States, which is, what is China's intent.

Now, none of us know that intent. I certainly don't know that intent.

Is China intending ultimately to become, not only assertive but aggressive? Is it—have a goal at some point of unilaterally changing borders or settling the historical disputes, that Admiral Roughead indicated or mentioned, in its favor and not in the type of peaceful, benign negotiating way that we would like?

So the intent question, I think, Mr. Chairman, gets very much to your question, what does the militarization and the regional arms race mean? Why is Asia doing this? What does it say about the tenor of the overall geostrategic equilibrium in Asia that the richest or most dynamic region on Earth is also the one where you see the greatest investment in arms?

Now, for the United States I think we have to ask then a secondary question. I think—and I will be honest, I am not in government. I think it is a very hard question we need to ask.

It is a variant of the credibility question, which is to say, what do our Asian partners—first of all, our allies, secondly those countries we work with, and third those countries that we have friendly relations with—what do they really expect from the United States in a worst-case scenario?

Now, we can, I think, intuit some of this by looking at how Japan and the Philippines have reacted over the past 18 months to the stepped up confrontational face-to-face incidents with China over the territorial issues.

When we talk about the United States as a security guarantor, you know, we use insurance language; you know, we are the underwriter of security. It is an insurance policy that the United States is in the region. And I have absolutely no disagreements with Admiral Roughead that we are a stabilizing influence. But at the end of the day, what does that really mean? Does that mean that we would step in and stop a regional war from happening? We have treaty commitments that say that we would basically undertake that role.

But there is, I would submit, a huge terrain between the types of incidents that we see happening daily in the Asia-Pacific and the type of full-out war for which our 1950s-era security treaties and alliances were signed.

So what role do they truly expect us to play? That we step in at the last second—to use a very American expression, the cavalry rides in? Do they want us early on in this process where we have indicated we won't be doing it?

It is that uncertainty and, perhaps I would argue in some degree our unclarity, as to ultimately what role we will play that fuels the very question that you asked, sir, which is the militarization and the arms race.

If there were no questions about this, then I don't think you would see these nations buying as expensive and sophisticated and modernized weapons systems as they could.

So for us I think it is to go back to a first principles question and try to understand the role that we play to help them have clarity on this issue.

Thank you.

Dr. CRONIN. Mr. Chairman, I have been looking at this military balance for more than 30 years, and I think it is fair to say that Asia is moving from an arms walk to an arms trot.

There are particular systems such as undersea systems, also paramilitary systems—coast guard forces, civilian law enforcement forces—that have to be watched, as well as cyber and space that need to be integrated into our thinking about the long-term defense. So we have to consider the balance between our near-term readiness that Admiral Roughead talked about, which is indeed important, to make sure that we can run the long race as well; that we can invest in the systems that we are going to need to counter this much more complex set of systems that we summarize as anti-access and area-denial capabilities.

And we are operating in this middle gray zone of essentially confrontation, coercive diplomacy that makes it very difficult. And perceptions will be shifting. Budgets will be shifting on the basis of how well the U.S. plays this role.

To answer Dr. Auslin's question, "Why Asia is arms trotting?" The answer is because not only are their economies larger, but they are hedging. They are hedging a rising China and its capabilities. And they are hedging also, to varying degrees, because they are not sure that America will have the staying power and commitment.

So it is very important that everything we do balances the near term with the long term, reinforces our long-standing commitments, projects a positive, inclusive vision for all countries in the region to try to dampen down unnecessary arms competition, but that we don't give up our very strong, capable military pre-eminence.

Thank you.

The CHAIRMAN. Thank you.

Mr. Smith.

Mr. SMITH. Just a quick followup on that point. I mean, it occurs to me that the "arms trot," as you describe in Asia, has probably less to do with us and much more to do with where those countries

are at. They have grown economically into a position to be able to afford this.

It is not—I wouldn't put it so much on whether or not they think our commitment is any less now than it was in the 1960s or 1970s. They are just in a better position to not be completely vulnerable and reliant on somebody else. And just about 100 out of 100 countries in that situation would choose the path that makes them less completely reliant on somebody else. And that is just sort of peer logic. And you add that in with the fact, you know, the territorial disputes that are, you know, not just between China and other countries, but Japan and South Korea, Japan and the Philippines. I mean, there are a lot of different things that they are sort of disputing over in terms of primarily land, mineral rights and all of that. And they would prefer to be at least in some position to defend themselves.

Now, I continue to be optimistic, as I look at it, that what they have in common over there, that the economic growth, that the lack of actual conflict that has arisen out of this points to the fact that it will, long term, be more peaceful than I think some of the more paranoid among us might think. And I think that is the perspective that we should take as we engage is primarily on the diplomatic side, to be someone who can work with our economic power, with our soft power, with our diplomacy to work out some of these conflicts.

My question is, you know, what risk do you see of some of these lower-level conflicts? Obviously, we know about North Korea and South Korea, and we can analyze where that might go. And I don't think anybody knows. And there is clearly a risk there. But putting that one aside for the moment, when you look at some of the territorial disputes that exist between China and the Philippines and Vietnam and Japan; the territorial disputes between Japan and South Korea; obviously the ongoing India-Pakistan issue; what risks do you see out of any of those that there would be a real conflict arise that would require military action, either locally or by us? Or is it more likely that these things will be able to be resolved in a more diplomatic way?

And all four of you don't have to answer, because I want to get to some of the other questions.

Admiral ROUGHEAD. In my mind, the area that I think is the most sensitive right now, Congressman Smith, is the area of the Senkaku-Diaoyutai Islands between China and Japan. The activity that is taking place there is perhaps the most aggressive. And as I mentioned before, the problem is that there are no means and methods to share perspectives, to defuse, to de-escalate. So if you get a clash, you don't have the mechanisms to bring it down. That is the area that I think about the most.

Mr. SMITH. And just quickly, now, what mechanisms do you think we should try to be put in place so that we could have that option?

Admiral ROUGHEAD. Well, first off, it is between China and Japan.

Mr. SMITH. Right.

Admiral ROUGHEAD. But I think that we can encourage mechanisms that allow at the tactical level, at the operational level, and

even at the strategic level, for information to be shared; that there should be communication protocols that are used to clarify activities and intentions. That is not happening and I think that is something that really needs to be done.

Mr. SMITH. Okay. Dr. Cronin, do you want to—

Dr. CRONIN. Yes, Representative Smith, thank you. To your first point, the trend that is driving Asian militaries has a lot to do with their own economic success, absolutely. We want to keep pushing that economic success. These countries should be, first and foremost, responsible for their self-defense. So this is a positive trend, I agree with you, in general. It is not necessarily a nefarious trend by any means.

The risks of maritime disputes growing up, I agree with Admiral Roughead, that there is no doubt the East China Sea is the more serious of the two because you are dealing with two large militarily capable countries in China and Japan, and we have a very hard treaty commitment with Japan.

China thought that it could get away with what it did to the Philippines last spring in Scarborough Shoal, namely that they could use extended coercive diplomacy on Washington to pressure our ally in Manila to back off out of Scarborough Shoal, and then China didn't back off. And they thought maybe they could do this with Japan if they could make our Japanese ally appear to be the irresponsible and reckless power.

We mustn't let that happen. That is not war. That is this coercive diplomacy, gray-zone area. But there are some very serious triggers here. If you look at the latest defense of Japan white paper, the Japanese Ministry of Defense for the very first time outlines what is in effect a four-step doctrine. And it says that if the Japanese islands are occupied, force will have to be used.

So we have to manage this very closely. And I think we hug our Japanese ally closely. If we work with China and try to come up with risk reduction measures, we can all work this out. This is not going to lead to war, but we have to be present and actively engaged.

Thank you.

Mr. SMITH. Thank you very much. I yield back.

The CHAIRMAN. Thank you.

Mr. Forbes.

Mr. FORBES. Thank you, Mr. Chairman. Mr. Chairman, I would like to thank you and the ranking member for having this hearing. It would be very easy for us to put all the grease on the squeaky wheels, and you have refused to do that, and look at a problem that I think we need to be addressing.

And I think as you look at all four of you, who bring such great expertise to this committee, you would probably agree with Admiral Roughead when he said that our armed forces are probably the largest stabilizing factor in this region. And the success of that stabilizing factor depends on their capability. And the capability we are looking at primarily is going to be Navy and Air Force.

Admiral, my question for you, if you would take a couple minutes to respond to this, would be, what additional capabilities do we need? Do we need more of what we have? Do we need different ca-

pabilities, more modern capabilities? Do we need to look at basing posture options? What do you think we need?

And then Dr. Auslin, if you could address the Air Force specifically and what you believe General Carlisle needs as the commander of the Pacific Air Forces. Does he have what he needs? Or does he need something different?

And Admiral, if you would go first.

Admiral ROUGHEAD. Thank you, Mr. Forbes. And I would say the—we have to look at the vastness of the region. And you can talk about capabilities, but capacity in the Pacific matters a lot. That is why I believe that a very, very thoughtful approach to our unmanned strategy in the Pacific, both air and sub-surface, is required because that will be the game-changer for the coming decades, in my view. And we have the lead in that technology and our operational experience. And we should jump on that and move as quickly as we possibly can.

There is no question that we should look at our communication architectures that are in place because in the nature of high-end conflict in the Asia-Pacific region, that is where the initial battles are going to be fought. So how hard are they? How robust are they? How redundant are they? And so, the command and control and how we move forces I think is absolutely key.

The other point I would say, getting to the capacity piece, is that we have to be seen in the region. We can't simply say we care a lot about it and it is very important to us. We have to be seen. And that is why I think the initiative to move the littoral combat ships into Southeast Asia is absolutely spot-on. It is a perfect ship for that environment and the types of activities that will be there, but they have to be there in numbers. And that gives you an opportunity to be seen and that credibility goes up.

And I am going to come back to near-term readiness, because that is the near-term resources that we use are what feed our ability to be out and about; maintain levels of readiness that allow us to be reliable and predictable when we are interacting in the region. And quite frankly, it is that near-term readiness money that, in my mind, does so much for our alliance relationships because it allows our militaries, not just with our allies, but also with like-minded partners, to do things together, whether it is, you know, some basic exercises or perhaps even some higher-end ones—humanitarian assistance, counter-piracy.

It is the near-term money that gives us the means to do that; gives us the reliable equipment. And quite frankly, takes a lot of work off the backs of the young men and women who are out there doing the work.

Mr. FORBES. Thank you.

Dr. Auslin.

Dr. AUSLIN. Representative, thank you.

And I agree with, certainly with what Admiral Roughead mentioned in terms of the overall approach we are beginning to take on things like Air-Sea Battle.

If you look at the Defense Strategic Guidance that the President released in January of 2012, which called for flexible approaches, leaner troops, a different style of engaging militarily with the world, while keeping the commitments that we have, I think im-

plicit in that to a large degree was a greater reliance on air power than perhaps we have had a public discussion of.

You know, it is an old phrase, but I think especially when you talk about, as Admiral Roughead mentioned, the vastness——

Mr. FORBES. Doctor, I have only got 30 seconds.

Dr. AUSLIN. Oh, I am sorry.

Mr. FORBES. That is all right. It is just all the time I have got, so tell us what you can and then put the rest in the record.

Dr. AUSLIN. Sure. Absolutely.

I think what we need is a greater presence in terms of the tactical aircraft that our allies really think is the most important. If you look at the fact that we only have nine forward-based fighter squadrons in the region, it is a region in which you need to reach areas immediately and as quickly as possible. Air power allows you to do that, and allows I think the land-based capacity of carrying the types of weapons and munitions that would be required that give guarantees to our allies of our ability to intervene when necessary.

So I would certainly say we need more of the F-35s when they are ready to be forward-based in the region, more than nine squadrons.

We need the same with the unmanned, the remotely piloted aircraft that Admiral Roughead mentioned.

And we need that phase zero presence to be increased. We need, if you would call, a little bit of air diplomacy to match the sea diplomacy and naval diplomacy that we have in the region, training and education and the like. Because every ally that we have wants to be able to cover their air domain——

Mr. FORBES. And my time is up. Anything else, we would love to have you submit for the record.

Thank you, Mr. Chairman.

The CHAIRMAN. Ms. Sanchez.

Ms. SANCHEZ. Thank you, Mr. Chairman.

Thank you, gentlemen, for being before us. I kind of chuckle a little when people keep talking about rebalance and pivoting to the Pacific. I am a Californian. So we think we have always been turned towards the Pacific. And certainly I am glad that one of you mentioned we have had 325,000 troops in the Pacific for quite a while now.

So my first question is, with respect to your assessment of the United States-Chinese military-to-military engagement, because, as you know, and some of you as former military, that we work and we strive very hard with so many countries to have that. So my question is, can the military-to-military engagement with China be improved? How would you propose improving the value of such contacts?

And this comes in the context of an appropriations amendment that we have on the House floor today that would prohibit participation by the People's Republic of China in joint U.S. military exercises.

So whichever one of you want to take that?

Admiral ROUGHEAD. I guess I am the former military, so I will do that.

I really do believe that we have an opportunity to expand and enhance the mil-to-mil relationships with the PLA. The opportunities are there, as I believe that we will continue when our interests intersect to cooperate.

I do encourage that we seek more opportunities to bring our operational forces together. I believe that we should expand some of the basic operational skill demonstrations.

Our commanders and those on the ground are going to be very, very mindful of the technologies and the procedures and the processes that are key to us. But I think that we can do more. I believe there is a window currently to be able to do more.

And I am very much in favor, for example, of the Chinese participation in the Rim of the Pacific exercise. I think that is a step forward.

Now, China has to reciprocate. And they have to start bringing us into their activities as well.

Ms. SANCHEZ. Yes?

Dr. SHINN. If I could weigh in, very briefly, you know I would agree with, emphatically, with Admiral Roughead. I mean the—I think the more mil-to-mil exposure we have on both sides, the better.

If you believe—I know this is an unorthodox view from a conservative Republican here, but if you believe that deterrence is the underlying strategy here, then an accurate assessment of your respective capabilities is an extremely important part of that. And who better than the respective militaries?

I also think, from personal experience, that our senior military officers are thoughtful, cautious people. They don't need to be micromanaged, either by—you know, by OSD [Office of the Secretary of Defense] or, necessarily, I think a lot of oversight to do the right thing and to be careful of the risks associated with Chinese intelligence, which of course is very active.

Ms. SANCHEZ. Thank you. My next question is about the role of the U.S. military in the event that something might happen in the East Sea or the South Sea, and I mention those names; I picked them very carefully. I represent the largest Vietnamese population outside of Vietnam in the world back in California. They would abhor calling the East Sea the East China Sea. I think that sort of tips the hand to a particular direction.

But my real question is, what do you think the U.S. role would be if there would be a fight over some of these islands, a true fight; I mean maybe a military presence type of a situation.

And I will leave, again, that open to whomever would like to answer it.

Dr. CRONIN. Representative Sanchez, thank you very much. Growing up in California, I share your view about the long-standing importance of the Pacific to the country.

And I am heading to Vietnam this weekend, as well as to Manila. And so it is very important that we signal clarity about our intention, not over whose sovereignty, but how sovereignty is decided. It is not decided through the arbitrary use of force.

So any war, if you will, in inverted commas, that is likely to erupt in those seas would likely be very short. It is positional. It is coercive.

So we have to be ready to think ahead, several steps ahead, about how we make sure that countries like Vietnam and the Philippines are not isolated.

We have a treaty alliance with the Philippines. Of course we have just a growing partnership with Vietnam. We have to grow that partnership with Vietnam. We have to help the Philippines be in a better position to defend itself. And that means not signaling war will erupt if something happens, but rather that we are determined that no one country should unilaterally be allowed to use force to change the status quo over disputed areas.

Ms. SANCHEZ. Thank you, Mr. Chairman. I appreciate.

The CHAIRMAN. Thank you. Thank the lady for her comments.

And the gentleman from Florida, Mr. Nugent, you are recognized for 5 minutes.

Mr. NUGENT. [Off mike.]

I appreciate the comments made by the panel. It is obviously an interesting concept in regards to rebalancing. And some of the comments made the fact that we are not really sure on the clarity of the administration as to what that means. And I think that is what this hearing is all about is to try to clarify exactly what is the administration—what is the end-game that the administration has in place? And I think it is important to our allies in that region to really have a comprehensive idea as to where we are in regards to helping them protect their interests as regional allies in the area.

But just—and I am sure one of you or all of you could answer this—what do you see as the—and I think you may have touched on this, Admiral—but probably the two biggest flashpoints in that region that we could ultimately be drawn into, to protect or at least, as you said, try to get ahead of the issue, so you have a way to—you know, to add some stabilization to the area.

What two areas do you see as the biggest flashpoints for us?

Admiral ROUGHEAD. As I mentioned, the East China Sea, because of the nature of the activity that has taken place and what could spin off there. And then, simply, because of the unpredictability and the consequences of North Korea becoming, let me just say “problematic” again, I think those are the two that have the greatest potential, not simply from high probability, but consequence because of the forces that are involved and what would be unleashed if it can’t be de-escalated.

And because of the countries that are involved, that really is the real economic engine in Asia.

I think it is important that, as we look at those two problems, our relationship with China and how those two problems are addressed will become critically important.

Mr. NUGENT. Is it your estimation that we have the proper resources in place to, I guess, help influence the decisions of China that, you know, we also have, you know, it is always great, you know, in conversation when you have negotiations on any level, but that has to be backed up by the sword at some point, to make it credible.

Do you believe that we have the proper resources in the proper locations that do what this administration is proposing that we do?

Admiral ROUGHEAD. Proposing with regard to rebalancing?

Mr. NUGENT. Yes.

Admiral ROUGHEAD. Well, I think there are things that we need to do. One, as we look to the future, looking at the new technologies that are going to be brought to bear, making sure that we are not shorting the current readiness, because readiness, as you know, declines very rapidly. I have been there before, as a young officer.

And if we don't pay attention to that, you may have shiny things on runways and on ships, but if you have not been investing in current readiness, you are not going to get out of them what you expect. And you will not have prepared the young men and women who operate them properly and rightfully to do the job that we are gonna ask of them.

Mr. NUGENT. And I am sure that China in particular, but our allies are hearing, you know, comments back here in regards to folks wanting us to reduce our footprint of our military overseas.

What kind of impact do you think that has on our allies, Doctor? I will just go back to you and leave the admiral off the hook for a second.

Dr. AUSLIN. Congressman, very briefly, I think it is very difficult for us to remain credible if we don't, as the phrase goes, have skin in the game.

The people in the region know the distances. It is why I think that the admiral's point on readiness is crucial. We cannot be credible if they have questions as to whether or not we are going to have a political debate here in the U.S. about bringing forces forward, if they are not already forward based. And that is the worries that you hear most often in the region.

Mr. NUGENT. I want to thank the panel for your comments. It is enlightening.

And I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back.

Mr. Carson is recognized for 5 minutes.

Mr. CARSON. Thank you, Mr. Chairman.

This question is for all the panelists. Some people might perceive our rebalancing to the Pacific as a way of rebalancing away from the Middle East and our focus on terrorism and extremist groups.

However, some may also see it as an extension of our war on terror, which many around the world as well as a few people in the U.S. have labeled a war on Islam.

We know that there is no such thing, but the idea is still very pervasive.

With three of the world's largest Muslim populations—in Indonesia, India and Bangladesh—located in this region, what steps could we take to assure these countries that our pivot is not just refocusing our war on terror? And how can we counter these perceptions and maintain public support if we do end up pursuing extremist threats in these countries?

Dr. CRONIN. Representative Carson, thank you for your excellent question.

I was in Indonesia on 9/11 working for the government, in fact, and it seems to me that it should be obvious to the governments in Asia right now that the United States has considerably diversified our interest in dealing with them, beyond the immediate need to respond to the 9/11 crisis.

And so I think this is a good development. They understand that rebalancing is part of this.

It is very important that everybody understand the United States has important global interests in the Middle East. We are not pivoting away from those interests, but we are trying to do them much more cost-effectively, strategically and intelligently so we can defend our global interests, and that is important.

And finally, terrorism and political violence are going to continue to be part of the rest of our lives. Everything we can do to work with the law enforcement, judicial capacity of these countries; help the democratic movement in countries like Indonesia, which faces a crucial election next year. This is something that can go a long way toward self, sort of, provision of defense from these countries.

Thank you.

Mr. CARSON. Yes, sir. Thank you.

Admiral ROUGHEAD. I would say that as you look at the countries that you mentioned, the relationship that we have there is very positive. I do not believe that it is seen at all as a shifting of our war on terror into that region. And I think it is largely due to the fact that our presence and our influence and our activities tend to be largely off-shore, and therefore there is not a sense that America is coming to stay; that America is there to help but not coming to stay.

Mr. CARSON. Dr. Shinn, you are in deep thought over there, sir. Any—

[Laughter.]

Dr. SHINN. Only because I am not sure, I am not confident of my ability to answer that question.

Mr. CARSON. Yes, sir. Yes, sir. Thank you. Mr. Auslin.

Dr. AUSLIN. I would echo Dr. Shinn's comment.

Mr. CARSON. Yes, sir.

Thank you all. Great answers.

Mr. Chairman, I yield back my time.

The CHAIRMAN. Thank you.

Mr. Palazzo.

Mr. PALAZZO. Thank you, Mr. Chairman.

I want to thank the witnesses for being here this morning. I have enjoyed our members' questions and your testimony.

I didn't expect to make this a China-specific hearing, but it seems like from my trip to PACOM back in 2011, all of our allies and friends and partners pretty much had China on their minds. So they seem to be the 800-pound gorilla in the room.

So I have a couple questions. I am going to try to stay on track, but there are so many things that we could talk about in so limited amount of time. Could we go back to why is China investing so much money into arms and their space programs? And I would like to start with Admiral Roughead.

If we can just kind of keep it short—

Admiral ROUGHEAD. One, because they can. Two, because they have seen the trends in modern warfare, and they are making those investments that will preserve options for them, much the same as we look at the threat and developments and we invest in those things that we believe will give us the best options. That is about as short as I can get it.

Mr. PALAZZO. Anybody else want to add?

Dr. CRONIN. Back after the first Gulf War I was working with a U.S. military PLA exchange. And the PLA said then—PLA general, “We want to know how to use space so we can leap frog our capabilities the way you have done it in the Gulf War.” They have been working consistently toward this path. They think they will get there by the middle of the century. Who knows, their political, socioeconomic tumult may prevent that from happening? But I think they want to clearly break our superiority in space.

Mr. PALAZZO. I would have to agree with you, Dr. Cronin, on that. I mean, by 2020 they plan on being on the moon. And we can’t even launch American astronauts on American rockets from American soil. And I wish the American people would wake up to that reality, and I think they may have us prioritize, or at least try to keep our leadership in space.

I have heard also the words “delay,” “deter,” and “deny” coming from, you know, part of their modernization of their warfare. Who are they trying to deny, delay, and deter, and for what reasons?

Admiral ROUGHHEAD. Obviously, they benchmark against our military. And they know that we are the most formidable force and that we have interests and that we will want to support our interests in the Asia-Pacific region and they want to have options against that.

Mr. PALAZZO. Even though we have been pretty much a peace-keeping and stabilizing force in the region. So they have no known enemy, I assume. I mean, they are the world’s largest population, second largest economy.

Does anybody—is China, are they fearful of an external threat? Does anybody want to take a shot at that? Somebody knocking on their door?

Dr. AUSLIN. Well, I think that looking at what China’s concerns are, primarily and overwhelmingly, I think it is internal and it is domestic. And I think that is what worries the leadership most every day. But that is tied to what they can do abroad, both whether you believe that they use it to let off steam internally or because part of what they want to do is increase that sphere of influence, as all rising powers do.

To get back a little bit to your question earlier—and I think this may answer part of it—they also want to—if they can deter the United States and they can deny other countries in the region from their own security objectives. And I think that the Chinese leadership understands, again, that there is a, you know, there is a huge terrain between the types of incidents that you have today and the United States getting involved. And so the degree to which you can complicate the decisionmaking here, is it worth it? Is it too costly? That allows you a freer hand in the region, vis-a-vis other nations, with which you have current problems, like Japan or like Vietnam.

Mr. PALAZZO. If the shipping lanes in the Pacific region, and we know most trade and commerce, I think, is 80 percent, 90 percent of the world’s trade or commerce goes by sea, and a majority of it is actually in this region. If the United States of America is no longer able to keep the shipping lanes open and free for commerce and passage, what kind of implications would that have on the U.S. economy? And that may be your best guess.

Admiral ROUGHEAD. If the shipping lanes are disrupted or unpredictable then it will have a global effect, simply because of where the global economy is really being energized. Shipping lanes are absolutely key. They have been for centuries and they will continue to be. Who controls the shipping lanes will really have the upper hand, and that I think, from the perspective of a navy, that is the ultimate question, who controls the shipping lanes.

Mr. PALAZZO. Thank you, gentlemen.

My time is expired. I yield back.

The CHAIRMAN. Thank you.

Mrs. Davis.

Mrs. DAVIS. Thank you, Mr. Chairman.

Good to see all of you here. Thank you for your testimony today. And particularly, Admiral Roughead, good to see you and your wife.

One of the things in this hearing, I think, centers around the question of is this all about China, this rebalancing all about China. I think Dr. Shinn, you were pretty clear about saying, yes it is, it is absolutely all about China. Am I correct?

Dr. SHINN. Actually, no. If I—

Mrs. DAVIS. Oh.

Dr. SHINN. If I could answer, I think it is as much about China and its alliance system in East Asia, particularly the relationship between the PRC and North Korea and the PRC and Pakistan, that in the long term makes this such a difficult proposition.

And to tie it to a question from an earlier observation, I think the committee would probably agree that the sort of, likelihood of the immediate risks to the security of the U.S. on our allies is higher—is greater posed by North Korea or arguably by Pakistan in terms of nuclear proliferation, in terms of state-sponsored terrorism, and all the other mischief that they can engage in, and that therefore a rebalancing strategy really has to keep that challenge very clearly in focus.

Mrs. DAVIS. Thank you. I appreciate that clarification.

Would any of you like to add to that? And if you could do it really quickly? I would like to turn to Japan for a second. We haven't discussed it.

And Dr. Auslin, all about China, not necessarily?

Dr. AUSLIN. No, I think it is not all about China.

I would also, you know, raise the question, if the rebalance is about economics, do we need a rebalance for economics. We just need a policy that encourages free trade. If it is about politics, we don't need a rebalance because nobody is going to stop the President from going to the East Asia summit.

When we talk about the rebalance, I think we really should be clear. It really is, I would, argue about security, and then that raises the other questions.

But it is about what type of Asia do we want to see. I think we want to see a liberal Asia, and we have seen great strides in that over recent decades. It is about how we want to help our allies and partners like Japan play the type of role that encourages those developments.

And the more that we focus on China, I think we do at times have the potential of missing the much broader questions, again,

that go to the fundamental issue of why are we even involved. And it is because that it helps us, but it also helps the people of Asia.

Mrs. DAVIS. Thank you. I appreciate that.

I might just go on, then. I mean, one of the issues, of course, around cyber warfare is one way that we focus on China. And I think the concerns have often been just about our own education system and being certain that we have the capacity that we have people in the pipeline, essentially, that are gonna be able to tackle these challenges for the future. I think that is something that we should be concerned about, and I hope that that is something that we are all able to focus on, as well.

If we could just turn to Japan for a second, because we are very aware, of course, that Prime Minister Shinzo Abe has focused on economic reforms, and yet we also know that there is certainly discussion at least about the Japanese Self-Defense Forces. And what would you like to add to that discussion in terms of just really providing an opinion. How likely do you think there might be some changes within the policies within Japan?

Dr. CRONIN. I think it is very likely that we will see them whether we see them under Prime Minister Abe's watch or whether it is his successor, or successors, we don't know for sure. He is certainly going to try.

The Japanese have been working on this for decades. They are taking, step-by-step, more responsibility for their self-defense. That is the way it ought to be. It was an unsustainable proposition that they would forever be the only country that would be pacifistic and yet developed in the world. That was never going to be sustaining.

So we have an interest in working closely with the Japanese to make sure that their improvements in defense are congruent with our security interest in the region. And I think that is why we need to embrace the defense guidelines.

I was part of the 1990s review. We need to be very assiduous in promoting a review of the defense guidelines over the next year so we can make sure their capacity in roles and missions as they change are good for the overall region and good for U.S. interests.

Dr. AUSLIN. If I could just jump in very briefly. I would say, though, we have to be very aware of the constraints that Japan faces—budgetary constraints which I think will limit the natural moves towards modernizing and building up the military, and the demographic constraints. Those are going to increasingly weigh on Japan in the coming decades.

And so I don't think it is—I think the will, certainly, and a clarity of understanding of the challenges that Japan faces, and the threats it faces, is there. The means for Japan is even more straightened than the means here.

Mrs. DAVIS. Admiral Roughead, quickly—I think my time just ran out. Did you want to say something very quickly? Mil-to-mil has obviously been important with Japan.

Admiral ROUGHEAD. Absolutely. And I think what my colleagues mentioned was the fact that it is time to work closely with Japan and shape their way going forward.

Mrs. DAVIS. Thank you.

The CHAIRMAN. The gentlelady's time has expired.

Mrs. Noem.

Mrs. NOEM. Thank you, Mr. Chairman.

I want to thank the panel for being here.

I want to go back a little bit to Representative Palazzo's line of questioning in regards to China and their modernization of their military force, and some of the challenges that we faced as a country as far as fiscally—our budgeting process, our lack of being able to pass appropriations bills, operating under CRs [continuing resolutions], the way that our contracts are affected within our military in that process, and the lack of our ability to really look forward and be visionary in how we invest in our military structure force, and the equipment that our men and women need to really go to war properly.

I would like you to speculate for me a little bit on the timeframe that you could possibly see where China could be modernized to the point where they do have a military force that would be comparable to ours or even a step ahead.

Admiral, if you would start, and if anyone else would like to weigh in, that would be wonderful.

Admiral ROUGHEAD. I think you almost have to parse it into two dimensions. It will be quite some time before China has the means to be the global force that we are, because of our global command and control capability, our global logistics, and the size and type of the force that we have designed to be not only in Asia, but in the Middle East and elsewhere. We are the only global force.

So, I would say that if China were to pursue wanting to take over that space, we are talking decades.

Mrs. NOEM. So size of force would be a challenge—

Admiral ROUGHEAD [continuing]. Size of force—

Mrs. NOEM. But what about technology; the ability with new weapons that could be more effective than what we are currently using today?

Admiral ROUGHEAD. I still think that to be global and to influence globally as we can, it is decades if they decide to pursue that.

Mrs. NOEM. Okay.

Admiral ROUGHEAD. The investments that they have put in place are really regional. And we have seen over the years where that is becoming more challenging and more challenging. And that is why, to your earlier point, it is so important to get away from talking about the eashes of systems, and really look at what is it that we want to do; how do we get our process in place and functioning the way that it was designed to function, and it functioned quite well; and to get away from continuing resolutions and sequesters.

And right now, I don't know how long it will take, but I think that we are doing damage to ourselves. You know, we look at what China is doing. I think we need to look at what we are doing. And we are damaging ourselves by the short-term, disruptive nature of trying to plan for a very, very complex future.

Mrs. NOEM. I appreciate the candid response.

Anyone else would like to weigh in? Dr. Shinn.

Dr. SHINN. Yes, I would maybe echo Admiral Roughead's observation, but take it even a step further. I mean, it seems to me that, to answer your very thoughtful question, you could probably—I mean, you probably deserve an explanation from the Obama administration to that question. Namely, what is the range of likely

contingencies in which there is a risk of a confrontation? Number one. For each of those contingencies, what is the trajectory? What does it mean in terms of the trajectory of the PLA buildup, which you had presented to you I think just last week?

Number three, what does it take? This goes back to that third question. What does it take, as far as we can infer, to deter the PRC from actually engaging in expansion in that contingency?

And then to the critical question, number four, what is the gap? What is the gap between what is required to exercise deterrence versus what is going to happen between sequestration and all the other cutbacks that we are likely to see?

And then it is up to you, I think, to assess, is that an acceptable risk? If that delta is big, then we have a big problem. If that delta is small, then, you know, that comes with the territory.

Mrs. NOEM. Do you think that the administration has the answers to those questions? Or do you believe that that should be more guideposts that everyone here should start looking at and analyzing and trying to find the answers to?

Dr. SHINN. Probably both.

Mrs. NOEM. You do believe that the answers may already be there—they have analyzed those and may potentially know what the situation is that we are currently facing?

Dr. SHINN. Actually, that is just supposition on my part, since I just teach engineering these days.

[Laughter.]

Mrs. NOEM. Okay. Well, thank you.

Anyone else like to weigh in? We are 20 seconds left.

Dr. AUSLIN. Just very briefly. First to chime onto this point. It is why I very much support Representative Forbes's call for an interagency review. We haven't had a strategy coming out of DOD [Department of Defense] since 1998. It is long overdue. We need it.

Secondly, even if China does develop along the lines we have predicted, they still will be far behind us on the training. They don't have an NCO [non-commissioned officer] corps, the experience. So, there is time, I think, that we have before we face. What we don't have time is China vis-a-vis other Asian nations, and that draws us in.

So, one metric, Congresswoman, as you have mentioned, is U.S.-China. The other one is China versus the rest of Asia.

Mrs. NOEM. Okay. Thank you. Appreciate it.

The CHAIRMAN. Thank you.

Ms. Bordallo.

Ms. BORDALLO. Thank you, Mr. Chairman.

And I thank the witnesses. Your testimonies were very informative this morning.

I think my questions would be to the military. This weekend, Prime Minister Abe of Japan was able to gain a landslide victory for his ruling Liberal Democratic Party in the upper house of the Diet. Now, what impact do you see that having on Japan's role in this rebalance to the Asia-Pacific region? Will the Abe administration be able to leverage this victory to press for more progress in the development of the Futenma replacement facility in Okinawa? And will a more stable government of Japan help the U.S. advance

other defense- or security-related matters in the bilateral relationship?

Admiral.

Admiral ROUGHEAD. This may sound like a dodge, Congresswoman Bordallo, but I think it is early. I think as Patrick mentioned, it will change the nature of the debate and the discussion within Japan and with a lean more toward enhancing a military and changing that military. How quickly that will happen and in what form I think is still to be determined.

On Futenma, I have been watching Futenma since 1994, and I am not sure I care to predict what the outcome on that may be.

Ms. BORDALLO. Thank you, Admiral. We kind of feel that way in Guam.

Was there anybody else that wanted to quickly answer? We have so little time up here, so if you would make your answers brief.

Dr. CRONIN. The Abe administration wants to move forward on Futenma. I think as you know, Congresswoman, the situation in Okinawa, though, has not changed appreciably. So they still have to figure out how to overcome the local opposition. I am looking forward to being in Japan and then in Guam to talk about this basing in the next few weeks.

Ms. BORDALLO. Very good. Thank you.

My next question is, what impact has the delays in the realignment of Marines from Okinawa to Guam had on our political capital and regional credibility? Now, this is an issue that was raised in last year's CSIS [Center for Strategic and International Studies] report on the rebalance of our military to the Asia-Pacific region.

I am concerned that we are losing credibility by the obstruction that we continue to face from the U.S. Senate. And this feeds the overall perception that the U.S. is not serious about the rebalance, which couldn't be further from the truth, as you can see from this hearing.

Admiral, would you like to start out on that?

Admiral ROUGHEAD. I would say that it is—as I look at it, it is probably less about the forces that may be moving around, and more about the inability to lock down on a coherent strategy and the actions that support a strategy. That is the issue that I think people look at and scratch their heads.

Ms. BORDALLO. Anyone else like to comment? Yes?

Dr. SHINN. I would just say I think you are absolutely on the money. I think you have been involved for a long time in the FRF [Futenma Replacement Facility]. And I think you are absolutely right that the failure to move forward with this has done a lot of damage to our credibility in the past, much less sort of a big test point for whether the so-called “Asia rebalancing” is a real strategy or whether it is just a speech.

Ms. BORDALLO. Thank you.

I have one final question. And that is about how we resource and prioritize funding for the rebalance to the Asia-Pacific region. Chairman Forbes, Chairman Wittman, Congresswoman Hanabusa and I sent a letter to the National Security Adviser, Susan Rice, about the need to develop an implementation plan so that departments and agencies have a clear road map for how to prioritize resources to this strategic imperative.

Is there some example that we could use as a template for developing guidance for the current rebalance?

Yes, Doctor.

Dr. CRONIN. We did three reports out of the Department of Defense in the 1990s. We need to do a fourth one. And it needs to be more detailed. There can be a classified one for government purposes and there can be an unclassified one for public purposes.

Ms. BORDALLO. Very good. Anybody else want to comment on that?

Admiral ROUGHEAD. The only thing I would add is that it needs to take into account more than just the Department of Defense because of the many, many interests that are at play—economic, trade, diplomatic. And I think there are real opportunities, but it is a question of can, you know, if rebalance in the strategic objectives we have in Asia are the real thing, then how do we come together as a nation, apply the appropriate resources to achieve the ends that we seek for a prosperous Asia.

Ms. BORDALLO. Thank you, gentlemen. Thank you very much for your answers.

And I yield back, Mr. Chair.

The CHAIRMAN. Thank you.

Mr. Langevin.

Mr. LANGEVIN. Thank you, Mr. Chairman. And I want to thank our panel of experts for their testimony today. Your insights are clearly invaluable as we look to rebalance to the Asia-Pacific region.

Admiral Roughead, if I could start with you, I want to talk about UUVs [unmanned undersea vehicles] for a moment. During the February 26, 2013, hearing on the future of seapower, you remarked that the *Virginia* class submarine will be the mothership for what you believe to be an extraordinary potential in unmanned systems in the undersea.

Can you expand on this? I know you spoke about it earlier today, but in terms of UUVs, but can you expand upon this in terms of the challenges that we face as we rebalance to the Asia-Pacific region since, as you know, the current Navy shipbuilding plan allows the existing fleet of dedicated SSGNs [nuclear-powered guided-missile submarines] to retire, and, in its place, relies on the *Virginia* payload module.

Admiral ROUGHEAD. I really do believe that the *Virginia* class with payload modules has the potential to become the mothership of networks of unmanned systems that would operate in large ocean areas, in denied areas and very challenging areas. Because of the size of the modules, you can put the vehicles in there. You can bring them back in. You can husband them.

And I believe that with more submarines with that capability, we actually expand our reach and our effectiveness. But it does require a companion aggressive approach to where do we want to go with unmanned underwater vehicles and taking on the challenges of the technology that it imposes. But I really do believe that the future, if we designed it right, *Virginias* with payload modules and UUVs will dominate the undersea.

Mr. LANGEVIN. Thank you, Admiral.

Dr. Cronin, can I turn to you about one of the areas that you commented on within your prepared remarks. You stated that a third military mission is to counter anti-access area-denial capabilities, more specifically, you highlighted that one of the steps to counter A2AD future capabilities is to look at a new theater anti-submarine warfare and undersea warfare capability.

Given the very interesting developments in USB [undersea battlespace] and UUV technologies, can you elaborate for us on what this new capability, as well as the new intelligence, surveillance and reconnaissance architecture you mentioned might look like, and, in particular, how might allied nations interface with such networks?

Dr. CRONIN. Thank you, Congressman. If you think of a pyramid and at the top of the pyramid is the very most difficult warfighting activities that we must be prepared to do, even if they are not likely to happen in the near term, and you think about the foundation as the kind of intelligence/surveillance/reconnaissance that can be widely shared with many partners, we need to start building that foundation, for instance, for operations—such as disaster response with countries in the region. We need to increase interoperability with key allies with undersea assets like Japan, Australia, India, so that we could stitch together, essentially, a theater ASW [anti-submarine warfare] plan for the longer term.

And then we need to figure out how to make our unmanned vehicles truly autonomous. That is the next step. And when we do that, we will be able to cover a much greater security sphere in line with allies and partners so that we can make sure that the shipping lanes stay open, so that we can make sure there is no coercive use of force or untoward intelligence that is going on because of the growing submarine and undersea capabilities in the region.

Mr. LANGEVIN. Thank you, Dr. Cronin.

Well, my time—still have time on the clock. Let me turn to another topic of concern to me, and that is cyber. I have long been concerned about our ability to—of our basing and infrastructure to withstand cyber attacks that could reasonably be expected in any conflict scenario, especially a contingency in such areas as the Korean peninsula—the East China Sea or South China Sea.

What is your assessment of the ability of our domestic and overseas base infrastructure, particularly the external inputs that, such as electricity, that may not be protected by DOD's expertise, to withstand a cyber attack and continue to enable our military to actually function.

Dr. CRONIN. Congressman, just briefly, when there was an earlier discussion on China and PLA capabilities, it is not just the Chinese. It is the Russians. It is the North Koreans and others. When you deal with cyber, we are vulnerable. And while there may be uncertainty about the long-term military buildup, there is no uncertainty about the vulnerability to our cyber networks and our allies' and partners' cyber networks.

Mr. LANGEVIN. Admiral, you want to—

Admiral ROUGHEAD. Yes, I would just say that we will never be able to take cyber security for granted. And you have touched on some very significant points. The infrastructure, power, all of that has to have an integrated approach. And it needs to be just beyond

our base structure. Because of the way that we operate as a nation, we have to have more of a national view and national policy and national confidence in cyber if we are going to be effective.

Mr. LANGEVIN. Thank you.

The CHAIRMAN. Thank you.

Mr. Wittman.

Mr. WITTMAN. Thank you, Mr. Chairman.

Panelists, thank you so much for joining us today. As you can imagine, lots of questions about what is developing before us there in the Asia-Pacific. I appreciate getting your perspective. Having recently travelled to the Asia-Pacific, lots of concerns there, obviously, with the relationship they have, that we have with our allies. There are concerns, too, about China's behavior in the region.

I wanted to get your perspective on where our relationships with our allies need to be going in that area to make sure that this is a collective effort as far as the actions of China in that region. Obviously, they are continuing to build a presence, continue to be somewhat belligerent in the area, expanding their presence into other areas of the Pacific where we haven't seen them before.

So I just want to get your perspective on where you believe our relationships need to be building with allies in the area and what we need to be doing to working, not only in our relationships with individual countries, but also relationships there with the collective groups of countries in that region.

Admiral Roughead, I will begin with you.

Admiral ROUGHEAD. Okay, thank you. Thank you very much.

I think our relationships with our allies are good. And I would also say that, as we look at the region, we should talk about our allies and our like-minded partners.

Mr. WITTMAN. Right.

Admiral ROUGHEAD. And we really need to think anew about some of the emerging countries that are there. The, as I said, relationship is good. Activities, I believe, are appropriate to the time and what our interests are.

But there are some areas where I really think that we need to look into. One is on how we elect to, and then how we move quickly through technical transfer. You know, we will always protect what we need, but our system is almost designed to make it difficult to share with like-minded partners and allies on some of the things that will really make a difference if we come together.

The other is our ability for the people that we have who serve and the countries with whom we want to have relationships. How can we mix the—I don't like to use the word "exchange" because our current system is a one-for-one. And that can be very hide-bound for countries that may not have the resources. So I would look at, how do we want to expose and inform the people—the U.S. military.

Mr. WITTMAN. Right.

Admiral ROUGHEAD. And then how do we bring others from other countries? And we should redesign the means and the system for doing that. Because I think that is huge. When young people serve and work together, that relationship is going to last a lifetime. And we just make it too hard.

Mr. WITTMAN. Absolutely.

Dr. Auslin.

Dr. AUSLIN. Congressman, thank you.

I think you have raised an absolutely crucial point. And I think we have to have a serious discussion about how we extend or think about going beyond the hub and the spoke, which does not mean getting rid of our current treaty commitments. But how do we get our allies to work better together? That, to me, is crucial.

Relations between Japan and South Korea are very poor right now, probably the worst that most of us have seen in a long time. They are not getting any better. We need to think much more creatively. Number one, as I said, how do we get them to work better together and with us?

Secondly, how do we get allies such as Japan, for example, in the northeast or Australia in the southeast, how do we get them to play a larger role, vis-a-vis the smaller partners that we want to work with and have a sort of leading, guiding mentorship type of role in terms of things like public goods and general security within the region. Those are areas I think we should focus a lot more on, in which I think we would get buy-in from all of our partners.

Thank you.

Mr. WITTMAN. Gotcha. Very good.

Dr. Cronin.

Dr. CRONIN. A couple of points that I would add to my testimony. One was we need to think broadly globally, even about other countries that can help our Asian allies and partners, so—NATO [North Atlantic Treaty Organization] partnerships with Asian countries.

Mr. WITTMAN. Yes.

Dr. CRONIN. It may seem symbolic, but they bring great expertise, doctrine, inter-operability, know-how. That is the kind of thing, as we think about next year's NATO summit in 2014 and NATO draws down on ISAF [International Security Assistance Force] we could look more at, but as well as India and other countries that are not allies. But as they look east, we need to help India play a bigger role in East Asia and in the Pacific.

Japan is—its course of diplomacy right now. Korea, as Dr. Auslin said, it is the Japan-Korea relationship that we really can work on. Australia, we can do more to push our Australian allies to spend a little more money on defense, even while we work with them on inter-operability. Philippines, we need to build their capacity.

Mr. WITTMAN. Yes.

Dr. CRONIN. Thailand, we need to make sure that they are using ground forces to, not just influence their own campaign in the south, but also—against extremism—but also to influence Myanmar, where the army has played a dominant role.

Mr. WITTMAN. Very good. Thank you.

Dr. Shinn, any perspective? Okay.

Dr. SHINN. Nothing to add, sir.

Mr. WITTMAN. Okay, very good.

Mr. Chairman, it looks like my time is at end. So I will yield back.

The CHAIRMAN. Ms. Duckworth.

Ms. DUCKWORTH. Thank you, Mr. Chairman.

Gentlemen, welcome. And, Admiral Roughead, it is good to see you again.

Dr. Auslin, I want to sort of go back to what you were talking about. You know, I was struck in your testimony where you talk about what is the U.S. role. Are we going to be the cop on the beat? Are we there to mediate disputes between the Japanese and the Koreans? Are we there to help the Vietnamese fisherman when the Chinese push further? Are we there to help a territorial dispute? Or are there other things that we should be doing? You—in a previous answer, you spoke about coordination between different agencies within the U.S. government, State and DOD, for example.

You know, I grew up in Southeast Asia. And I was struck after I had not been to the Philippines in a long time and went back to the Philippines how pervasive the South Korean presence was. And in Thailand, you know, the fact that the South Korean presence, the Japanese presence, we had really thought in the 1990s that the Chinese were just going to come in, and in the early 2000s and dominate everything. But I sort of feel like, in my travels throughout Southeast Asia, specifically, that that has really not happened as much, almost as if some of the Chinese have overstayed their welcome or have not acted in a way that was well received.

Could you speak a little bit to how we leverage some of these other strengths, partnerships, ASEAN, for example, or economic relationships that we have to, you know, promote American presence or influence?

Dr. AUSLIN. Ms. Congresswoman, thank you.

I think that the first question we have to ask, and I am not sure we ask it all the time, is what do those countries want? What are their concerns? What are their needs? We look at it often from a security perspective because we have these commitments. And that is proper and right. But in terms of building relationships, it does have to be a two-way relationship. It does have to be a give and take, as always.

The great development we have seen of democracy and free market systems throughout Asia over the past generation is something that we should be encouraging. It is something that I think our allies and closer partners also have been a central part of, and, therefore, can work to inculcate those norms to help, you know, help with expertise and the like.

That, to me, is part of a rebalance. And it is part of saying that what we are looking at is the long-term development of this region.

Japan has extraordinary expertise in this. South Korea has expertise. Australia, obviously. I am not sure that we do leverage that in the same way, partly because we are focused so much on near-term concerns, and partly because, as we have talked about before, we do think of this in a one-point to one-point hub and spoke set of relationships.

We need to work more with ASEAN and encourage it. But what I think we should be doing probably is working with those nations that share those same values and have the same interests. As you have said, Japan and South Korea are already in the region, and therefore look for ways that you get a group of willing nations to come together and move the entire region forward.

Thank you.

Ms. DUCKWORTH. Admiral, I just wanted to talk to you a little bit, sort of building on those. I think that there are relationships

that the U.S., especially our military, has in the Asia-Pacific region that perhaps Americans are not as well aware of and even other allies.

For example, I think of Indonesia specifically. I think most Americans are surprised to find out we have been conducting Operation Garuda Shield in partnership with the Indonesian military for quite a while now.

Is there any other types of those types of partnerships, the State Partnership Programs? You know, I think of the—I think it is Oregon works with Indonesia and Hawaii works with Thailand. And sort of look at, are there any other relationships like that—you are talking about people who grow up together in different militaries and work together, that we should be leveraging?

Admiral ROUGHHEAD. I think that one of the things that needs to be done as we look at the security is exactly what you have referenced, that you have to look at the entire spectrum of things that are taking place.

The one area that I know many have talked about before is this whole issue of IMET, International Military Education and Training. The amount of money that goes into IMET and many of the programs that are outside of your authority because they reside in foreign affairs and what have you, it is really, I think, a bit incoherent.

And there should be a rationalization of how are we applying these various programs.

The other thing I would say is that we can't be too quick on the switch to shut them off because of something that happens, because even though we may be fairly callous in doing that, that is never forgotten.

And I think that there has to be a longer term, more moderated approach on how do we develop these very important personal relationships.

The CHAIRMAN. There appears to be no more questions from members.

Well, I really appreciate you being here today. This I think there are some very important points brought out in your testimony and in your response to the questions.

This is something that has been coming up before me quite often. I have met with ambassadors from the region. I have met with legislators. My counterpart in the Japanese legislature came by a couple weeks ago, and he was concerned. He said there are ever-increasing flights by the Chinese that encroach or come closer to their airspace. And he said they had to scramble their jets 300 times last year. And he said it is increasing at a faster rate this year.

So those kind of tensions I think will be building as we are pulling back. And if we don't keep a forward presence—I know Admiral Locklear testified recently.

He said, you know, the uprising or the, you know the problem that came up in Korea not too long ago, he said usually when that happens, he sends a carrier. He says I don't have a carrier to send.

And he said then a backup is when it happens I send a B-2 or some F-22s, and I don't—you know, we are not flying them now, so I don't have them.

So I think I hear this from this region, I hear it from everywhere around the world, people are very concerned. As you said, they are watching our budgets and they are watching what we are doing.

And I kind of liken nations to individuals. There are just more of them. And the temperaments the same, the personalities. And I think we all remember the schoolyard bully that unless somebody bloodied his nose, he kept pushing.

And I see that happening. And if nobody bothers the bully, then people kind of want to make friends with the bully.

And when we pull back, if we leave a vacuum, somebody else is going to fill it.

And I think these people from these other regions understand that we are not of a nature to want to come in and dominate. We don't want to come in and take over. We just want to keep the sea lanes open. We want to make sure that we can have commerce around the world.

We would like to have peace around the world. And it is becoming ever more difficult, as we are having to cut back our military. People talk about sequestration. They forget the \$487 billion that we cut before that that is just beginning to be felt, the roughly \$150 billion a year of OCO [Overseas Contingency Operations] funds, some of that, I am sure, was money that was coming that would have helped the base budget. And we have cut that back, in half this year.

I know we are out of Iraq, but it is going to be more expensive this year in Afghanistan as we pull down bases and come out.

So the cuts to our military are going to have significant impact around the world.

And I really appreciate the points you brought out about—okay, a speech says we are going to change our focus. What does that mean? What have we actually done? What can we do?

Again, Admiral Locklear pointed out—and I am sure, Admiral, you lived this—but if we take the whole Pacific area, they could put every bit of landmass on the Earth in that area plus room left over for another Africa and Australia.

And you know, we are talking about this shift when we are taking our Navy down to very low numbers. And we all know that the ships are much more powerful than they were in World War I, but we yet haven't figured out how to have them in two places at the same time.

And it does take time. Somebody pointed out to me the other day, if you take all of that landmass, you know, if any of you are Texans, you know Texas is really big. But when you compare it to all of the landmass, it is not that large.

And how long would it take, Admiral, a destroyer to—30 miles an hour, roughly. How long would it take to cross Texas?

Admiral ROUGHHEAD. I am not a Texan. But I can tell you, it takes an awful long time, just to go from Guam to Hawaii. And I think that when you look east, you really have a distorted view of distance. Out there, you know, to get across the Pacific is about a 3-week, unless you are absolutely going at flank speed.

So the idea of not being there and being able to respond quickly to the pace with which events will unfold—if you are not there, you are not there.

And I think that is just the nature of the Pacific.

The CHAIRMAN. And the point was well-made that if you give a speech and say you are going to do something and then don't do it, again, people around the world are watching. And our credibility is at stake. Setting red lines and then pulling away from them, our credibility is at stake.

So, anyway, these kind of hearings are very important for the committee to focus in on where we are and what we are doing and what our responsibilities are.

Meanwhile, over on the floor, we are trying to get an appropriations bill passed for defense to try to see how we can get through the year.

Thank you very much.

This hearing stands adjourned.

[Whereupon, at 11:57 a.m., the committee was adjourned.]

A P P E N D I X

JULY 24, 2013

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

JULY 24, 2013

**Statement of Hon. Howard P. “Buck” McKeon
Chairman, Committee on Armed Services**
**Hearing on “Rebalancing to the Asia-Pacific Region and Implications for U.S.
National Security”**
July 24, 2013

I'd like to welcome everyone to today's hearing on the rebalancing strategy to the Asia-Pacific region and implications for U.S. national security. This is an important topic for the committee and we have a distinguished panel of witnesses before us today.

Since the President's defense strategic guidance was released a year and a half ago, this committee has worked to understand the details. The key pieces appear to be the rotational deployment of U.S. Marines to northern Australia and the first deployment of the Navy's Littoral Combat Ship to Singapore.

But we are still missing a good understanding of what the U.S. military is and should be doing in the region. Let me be clear—I don't think there is any disagreement on the goodness of rebalancing to Asia. I hope our witnesses today will give us their insight to some very important questions. What should a robust strategy look like? What are the regional security concerns of the U.S., including and beyond the issue of China? What opportunities are we missing? Can the rebalancing be effective without additional resources? How will sequestration impact the capabilities and capacity of the U.S. military to rebalance to Asia, especially when we are still drawn to respond to crises in other regions? And, if the U.S. can't effectively and fully execute the strategy, how will the region's militaries view us?

Statement of Hon. Adam Smith
Ranking Member, Committee on Armed Services
Hearing on “Rebalancing to the Asia-Pacific Region and Implications for U.S.
National Security”
July 24, 2013

I would like to welcome our witnesses and to thank them for being here with us this morning. I look forward to their testimony on this important topic.

The diverse Asia-Pacific region is vital to our national interests, and it includes many allies and partners that are essential to those interests. Without question, U.S. service men and women play crucial roles in maintaining these relationships and in promoting peace in the Asia-Pacific region.

Current strategic guidance emphasizes a renewed focus on the region. It is both timely and appropriate for the United States to reevaluate and to carefully hone its Asian-Pacific strategy as that dynamic region continues to flourish. Strategic rebalancing will undoubtedly affirm the critical roles played by the U.S. military in support of, and in concert with, broad U.S. diplomatic, economic, and assistance goals and other efforts in the region.

Rebalancing to the Asia-Pacific region will require the United States to weigh a wide variety of risks and to establish and implement numerous national and regional priorities and objectives. This is, and will continue to be, a significant undertaking, especially in the immediate context of sequestration.

As it rebalances, the United States should continue to promote shared interests, to mitigate concerns, and to perpetuate multi-lateral cooperation in the region. We should: work to cultivate a secure and mutually beneficial relationship with China, continue to contain and marginalize the recalcitrant North Korean regime, continue to develop our relationship with India, and endeavor to strengthen enduring relationships with partners like Japan, South Korea, Australia, the Philippines, and Singapore.

Transnational threats, such as violent extremism, cyber-threats, and illicit trafficking in persons, narcotics, and weapons continue to menace the region. Unfortunately, disease, malnourishment, environmental degradation, resource scarcity, and natural disaster also persist. The more we can do to defuse tensions through cooperative efforts with our many allies and strategic partners in the region, the more we can help to realize the immense potential for growth and prosperity in the region.

The United States will continue to lead in the Asia-Pacific and to offer assurances through our forward military presence in the region, because the United States will continue to play a fundamental role in surmounting security challenges now and in the future.

I look forward to receiving our witnesses' testimony and to expanding our dialogue on these and other important issues. I would especially appreciate our witnesses' views on how the United States might effect a rebalance to the Asia-Pacific region in this era of fiscal constraint. Thank you, Mr. Chairman.

Hearing on "Rebalancing to the Asia-Pacific Region and Implications for U.S. National Security"

Michael R. Auslin, PhD

Resident Scholar, Asian Studies and Director, Japan Studies

The American Enterprise Institute for Public Policy Research

Testimony before the House Armed Services Committee

Wednesday, July 24, 2013

Mr. Chairman, Ranking Member Smith, and Members of the Committee:

Thank you for the opportunity to testify today about the Administration's rebalancing to the Asia-Pacific region and its implications for U.S. national security. It is an honor to sit beside my distinguished co-panelists. Today, I would like first to discuss whether the trends in the Asia-Pacific justify a "rebalance" to the region; next, analyze what we know of the policy itself; and finally question whether or not the Administration's goals can be met by the resources it intends to commit to the policy.

The question of rebalancing to the Asia-Pacific is part of a larger debate over America's role in the post-war on terror era. Since the September 11 terror attacks, America's security community has been largely focused on Iraq and Afghanistan, with good reason. Yet as the Administration draws down its presence in

Afghanistan, after ending military operations in Iraq, and attempts to limit its future military activities in the Middle East, there is vigorous public discussion over the future of America's global military posture. In many ways, this policy debate mirrors the one that occurred at the end of the Cold War, just over two decades ago, and pits the same sets of competing preferences against each other.

On the one hand are those who believe the United States can or should no longer play the same type of dominant role in the world. Some analysts, like Richard Haass, would like to dramatically reduce America's military presence abroad and instead focus on problems at home. Similarly, Charles Kupchan and others believe that a new international order of rising nations, such as China, Turkey, Brazil, and the like, will spontaneously coalesce to uphold the liberal norms of the post-World War II world. On the other side of the spectrum, conservative internationalists, like Charles Krauthammer, argue that America must remain engaged in the world, continuing to provide military and security guarantees to allies, and attempting to limit the disruptive impact of powers like China and Russia. Robert Kagan has also written on the return of authoritarianism and the risk it portends for continued stability around the globe. For conservative internationalists, American power retains its central role and is the basis for our ongoing global influence.

For the past decade, our war against Islamic extremism had the perhaps unintentional effect of relegating much of the rest of the world to a second-tier security concern, despite continued evolution in various security environments.

Because we have maintained our permanent forward-based military presence in East Asia, however, and due to the rise of China and the continued North Korean nuclear and ballistic missile threat, the Asia-Pacific region has been kept somewhat higher on Washington's priority list than might otherwise have been the case. Without those conditions, it is likely that fewer resources, whether material or intellectual, would have been committed to upholding America's role in the region. Of course, those two trends – our military presence and the specter of instability from China and North Korea – were mutually reinforcing, in the sense that the rationale for keeping hundreds of thousands of military personnel in the Pacific was strengthened by concerns over China and fears of North Korea.

The question is, then, does today's security environment in the Asia-Pacific mandate a rebalancing. That question actually has two parts: the first, are there new or qualitatively different threats to the Asia-Pacific than in the past; and second, is the current U.S. military posture inadequate for the tasks set it, in light of those changes?

The Asia-Pacific presents a unique challenge to security analysts. On the one hand, there seems little doubt that it has become a more unstable, even more unpredictable, place. The security environment that held throughout the Cold War has been upended in just twenty years, thanks primarily to the unprecedented rise to power of China and the continued threat to stability posed by the totalitarian government of Kim Jong Un, in North Korea. For the past two decades, China has

increased its defense budget by double digits every year, and now spends over \$100 billion per year, and perhaps several times that amount. In doing so, it has developed modern weapons systems, including intercontinental ballistic missiles, attack and ballistic missile submarines, advanced fighter jets, and more recently its first aircraft carrier. North Korea, of course, has developed a nuclear weapons program at the same time it has attempted to perfect ballistic missile capability. Pyongyang has violated every norm of international law and conduct, in the face of U.N. sanctions and international opprobrium, attacking its neighbor South Korea twice in 2010 and continuing to test missiles and set off nuclear explosion.

These facts alone would lend credence to the belief that Asia is changing for the worse, and that threats to stability are growing. Yet it is in addition a region riven by territorial disputes among all its major nations. These disputes are both land-based and maritime in nature. Beyond the major divisions of the Korean peninsula and across the Taiwan Strait, these disputes pit giant nations like China against smaller nations in Southeast Asia, as well as against large states like India and Japan. Indeed, as China has developed its military capabilities, it has adopted over the past several years an increasingly assertive, some would say aggressive, stance over contested territory with its neighbors, particularly Japan, the Philippines, and Vietnam. China is not alone, however, in having seemingly irreconcilable disputes with nations around it. Japan, too, is set against all its neighbors, primarily Russia, China, and South Korea, while smaller nations have their own disagreements. These disputes

are one reason, among others, why the Asia-Pacific region has never developed a political community even remotely resembling the European Union.

In light of these facts, the Asia-Pacific has become for the Administration its internationalist cause. While remaining committed to multilateral mechanisms and dialogue, the Administration has also figuratively drawn a line in the waters of the western Pacific, asserting not merely a continued role for the United States in the world's most populous and dynamic region, but an increased one. On the face of it, there is good reason for the Administration's stance, given Asia's importance. Asia of course contains two of the world's three largest economies, the world's two most populous nations, the world's largest militaries, and some of its most stable democracies. It is a region crucial to American and global prosperity, and it is one in which tens of millions of people have moved from authoritarianism to democracy in the past generation.

It is too early to say, however, that Asia today faces qualitatively different challenges or threats. For all the talk of China attempting to rewrite rules of international behavior in the South and East China Seas, there are counterarguments that other nations have also attempted to change the status quo. Of course those states, such as Japan or Vietnam, argue that it is Chinese actions that have undermined the status quo and raised their fears of losing control over long-claimed territory. Such is the level of distrust and animosity rampant in Asia. Despite this, no Asian state has

attempted seriously to interfere with regional and global trade, whether in crucial waterways such as the Strait of Malacca or larger bodies of water, such as the South China Sea. North Korea, while unpredictable and dangerous, remains a fragile state whose foreign policy is largely bluster and quick backing down from the brink. Few respectable analysts would claim that conflict is imminent or even likely to break out, except due to miscalculation or accident.

That then raises the second part of this first question: is the current U.S. military posture and policy in the Asia-Pacific sufficient to influence the outcome of events and continue to maintain stability? For the most part, I would argue the answer is yes, if only because our alliance guarantees are still taken seriously by the region's states and only because no other nation in Asia can yet qualitatively challenge U.S. military strength. The 325,000 military personnel of U.S. Pacific Command and their ships, planes, subs, and the like remain a credible deterrent in today's environment. The continued U.S. commitment to our five treaty allies (Japan, South Korea, Australia, the Philippines, and Thailand) largely precludes the possibility of major war breaking out, and both China and North Korea continue to take seriously Republican and Democratic Administrations' repeated assertions that the U.S. nuclear umbrella remains in force. Moreover, as allies such as Japan and South Korea slowly but steadily build up their own defensive capabilities, the calculus for any potential aggressor is further complicated.

A further, yet potentially more debatable, reason that our current military posture is sufficient is due to the fact that there is little evidence that any power in Asia wants unilaterally to change uncontested borders or to control vital trade routes. Beijing's claim that the entire South China Sea is Chinese territory is not only unenforceable, it is dismissed by every other nation in the region. As of yet, there is little acquiescence by Asian nations in China's attempts to intimidate them over contested territory, despite their fears of Beijing's military strength. It is always easy to claim that one's current military strength is sufficient in largely benign conditions, but the current environment does not support more dire interpretations of the dangers to peace and prosperity in Asia.

That is not to say, however, that we should be dismissive of the potential for a significant deterioration in Asia's security environment. Indeed, America's military presence in Asia is often likened to an "insurance policy," with Washington "underwriting" regional security through its alliances and other vague guarantees. That means that Washington must be acutely sensitive to the actuarial tables of international relations (to continue with the insurance analogy). Older international systems are a greater risk of breaking down than younger ones. Rising challengers introduce a level of instability and often danger into areas where they are more powerful than other states. Exhaustion on the part of the regional security guarantor both emboldens those who seek to challenge the existing rule set of regional or international norms, and introduces an element of uncertainty regardless of the intentions of the guarantor.

From one perspective, the key role the United States plays in Asia is akin to a "broken windows" approach. The more that regional security norms are chipped away, the more uncertain and unstable the environment becomes. There is an enormous terrain between maritime bullying and full-scale war, but the gradual erosion of a sense of stability and security often leads into a spiral of greater tension and worsening relations. Indeed, it is fair to say that the Asia-Pacific is currently in the early stages of that spiral. While I have found few in the region who seriously fear the outbreak of war, they are nonetheless concerned that the region today is less stable than yesterday and that tomorrow it will be worse. Thus, while they push themselves to spend ever more amounts of money on defense, what they expect from the United States is a constant presence and a clear response to those acts that serve to undermine general security. Here, they are concerned, as am I, that what the United States lacks in Asia is not capacity, but political will. The past decade has seen ongoing attempts by China to test the boundaries of acceptable behavior, and to probe the response of Washington and its allies to outlandish claims, provocative actions, and support for rogue regimes. The perceived lack of response by Washington, and certainly public response, raises concerns in their minds that our commitment to stability is wavering, despite our continued presence.

In particular there is deep concern over Washington's refusal to take a stronger stand on the region's maritime disputes. Both Japan and the Philippines have explicitly requested greater U.S. support in the spirit of our alliances, and other

nations wonder why Washington refuses to make clearer its opposition to China's intimidation of smaller states, if not actually move to help them with greater shows of U.S. naval presence, information sharing, joint training, and the like. Limited step such as the recent U.S.-Vietnam maritime exercises send short-term signals that do not alleviate fears that Washington's policy is all words and little action.

The same goes for North Korea, perhaps even more so. While the North Korean threat may be limited largely to South Korea and Japan, the fact that successive U.S. administrations have regularly returned to the negotiating table, and have repeatedly failed to impose any type of cost on North Korea for its aggression, has undermined the credibility of Washington in the eyes of many in Asia. All understand that there are few good options for reining in Pyongyang, but America's diplomatic failure to denuclearize the North as well as punish it for past actions leaves Asian nations fearful of an unending and growing threat from the unpredictable Kim regime.

The second question I would like to discuss naturally follows from the first: if the Administration has concluded that security conditions in the Asia-Pacific warrant a rebalance, what does that policy look like? The Administration's rebalance, initially labeled the "pivot," is generally dated to former Secretary of State Hillary Clinton's July 2010 speech at the ASEAN Regional Forum in Hanoi, in which she announced that peaceful, multilateral settlement of territorial disputes in the South China Sea was in America's national interest. While the Administration has repeatedly

attempted to describe the evolution of the rebalance as a whole-of-government approach, it is the military component of that rebalance that has received the most attention.

President Obama's November 2011 visit to Asia is seen as the formal codification of the rebalance, particularly his speech in Darwin, Australia, where he announced that up to 2,500 U.S. Marines would be rotationally deployed for training purposes at a base there. This was followed by news that the Singapore would allow four new Littoral Combat Ships to be rotationally ported at Changi Naval Base, and that Washington was actively exploring the possibility of temporary basing access in the Philippines, which would mark a return of U.S. forces to the islands after having been ejected in 1992. Finally, at the 2012 Shangri-la security conference in Singapore, then-Secretary of Defense Leon Panetta attempted to more fully explain the rebalancing strategy. He noted that, in addition to the moves noted above, the U.S. Navy would move 60 percent of its global assets to the region, and would embark on more exchanges and visits throughout the area, including in the Indian Ocean.

These military moves were supplemented by a diplomatic and economic push by the White House ostensibly to increase American engagement with the Asia-Pacific region. The President attended the East Asia Summit in both 2011 and 2012, becoming the first president to do so since the summit was inaugurated in 2005. In addition, the Administration belatedly embraced the Trans-Pacific Partnership as a

major free trade initiative, and moved to expand it by encouraging the addition of members such as Japan, Canada, and Mexico. Taken together, these efforts were labeled the 'rebalance,' and portrayed as a new commitment on the part of the United States to maintain and expand its role and influence in the world's most dynamic region.

This brief review of the Administration's stated rebalancing policy raises a third, and final question: can the policy achieve the goals set for it by the Administration? This naturally raises a subsidiary question of just what the Administration hopes to achieve. There has been no clear answer provided to this question. Is the rebalance to counter China's rise? The Administration assures observers such is not the case, but that is disbelieved by most nations in the region. Is it to forge a community of liberal interests? There is no evidence of such a desire. To argue that "America is back," as many Administration officials have put it, is not a particularly compelling policy goal, just as it is to ignore the constant engagement with Asia by the Bush Administration, at least at a par with the attention paid by the Obama White House. Thus, we are left without a clear rationale for the rebalancing policy, though countering China's growing influence is obviously the most parsimonious explanation.

That returns us to the main question: can it be achieved? From what we know of the security-oriented aspects of the rebalance, it would seem to be more of a rhetorical change than a substantive one. While Secretary Panetta touted the fact that 60

percent of the U.S. Navy's assets would be moved to the Asia-Pacific region, in reality, the Navy had already repositioned to the region. Given that half of America's aircraft carriers and over 50 percent of the Navy's cruisers, destroyers, and submarines (both attack and ballistic missile) are already in the Pacific, the announced move is not what could be considered a major increase in force posture. Similarly, the U.S. Air Force already rotates F-22s, B-52s and B-2s throughout the region, primarily in Guam and Okinawa, and there are few more planes that can be sent on a regular basis. Moreover, it will be years before the F-35 is operational in sufficient numbers to forward-base enough squadrons to make a qualitative difference in the air domain. None of the Administration's plans call for increasing the number of U.S. Marines or Army troops in the region, despite the elevation of the commander of U.S. Army Forces Pacific to a four-star rank. If, then, the Administration is concerned both about the size and assertive nature of China's armed forces, the rebalance as currently planned is not likely to make much of a difference in either operational terms or in sending strategic messages over the long-term.

From a budgetary standpoint, moreover, it would appear that the Administration is attempting to eat its cake and have it too. The significant cuts to the U.S. defense budget are hard to square with a policy that relies on an increased military presence for much of its credibility. According to the Department of Defense Comptroller, cuts to the Navy and Air Force's operations and maintenance accounts and to procurement accounts average eight percent. While those have yet to be translated

into specific cuts for Pacific-based forces, there will undoubtedly be an effect over time. In March, Admiral Samuel Locklear, Commander of U.S. Pacific Command, testified before this Committee that sequestration had already forced him to cut back travel by 50 percent, and reduce both ship deployment and flight training hours. In a recent visit to Honolulu, I talked with senior uniformed officers who indicated their concern that in any contingency in the Pacific, there would not be support forces from CONUS available to allow them to sustain operations. This dynamic will only become more apparent as sequestration deepens and tougher trade-offs have to be made to keep within budget limits.

All this matters if quantity is assumed to have a quality of its own, as uniformed leaders like to say. The quality of U.S. forces is undisputed, though in some manner will be affected by reduced training and maintenance schedules. Yet with fewer than ten combat air squadrons in Asia, and with only 23 ships of the 7th Fleet forward deployed to Japan and Guam, America's daily presence is coming under increased pressure as China increases its activities in the East and South China Seas, as Russia rebuilds its strength in the northern Pacific Ocean, and as North Korea continues to keep tensions on a hair-trigger. Further cuts to O&M accounts, as well as declining acquisition trends in the out decades, means that America's margin of error for maintaining a credible military posture in the vast Asia-Pacific region is steadily shrinking.

What, then can be done? First, the Administration needs to more clearly articulate both the rationale behind the rebalance and its goals. Once it is clear what it wants to accomplish, and why it feels it cannot do it with today's force posture, a rational plan of increasing America's military presence in Asia can then be crafted.

Alternately, such an exercise may reveal that our current forces are sufficient for the goals the Administration prefers.

Second, the Administration needs to publicly address how projected defense spending cuts under both the Budget Control Act and sequestration are likely to affect America's military readiness and capacity in the Asia-Pacific. What are realistic projections of force strength in 2020 and beyond? Can a smaller U.S. military carry out the missions assigned to it in the Pacific, or is it likely that those mission sets will have to be redefined and reduced?

Finally, the rebalance must be understood as part of a larger U.S. strategy in the Asia-Pacific. Does the Administration see our role in Asia as a perpetual balancer? Or, does it envisage a gradual hand-off of security responsibilities to allies and partners? Should America play more of a cop-on-the-beat role than it does today, or is it better to remain the ultimate guarantor of stability? Does it desire the emergence of a functional community of liberal interests that can uphold freedom of navigation and the like, or does it trust in the development of pan-Asian multilateral mechanisms, such as the ASEAN Regional Forum or the East Asia Summit, to

maintain stability through dialogue, confidence building measures, and eventually some type of cooperative security architecture?

While China's linear growth cannot be predicted with certainty, especially in light of its current economic slowdown, clearly it will remain the largest Asian power for the next generation. It will likely seek to play an ever-larger role in the region's commons and attempt to increase its influence, as all rising powers do. It has so far shown little inclination to provide public goods in Asia or bear any burdens that do not have as their end the extension of Chinese power. It has become more assertive as it has become more powerful, and appears to continue to view the world with suspicion. As China and its neighbors continue to tussle over disputed islands, the chances of miscalculation or accident leading to conflict rise.

All of this will challenge America's conception of its role in the Asia-Pacific region, and even may have a negative impact on our interests. International relations never take place in a vacuum, and today, Washington must grapple with rapid changes in the Asian security environment that may well call into question its credibility as a Pacific power. Lacking a clear set of goals and reducing the means available to achieve them, the Administration risks winding up with the worst of all outcomes: a policy adrift in a sea of change and few resources available to draw on to correct the situation.

I look forward to any questions you may have.

MICHAEL R. AUSLIN, PhD

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**DISCLOSURE FORM FOR WITNESSES
CONCERNING FEDERAL CONTRACT AND GRANT INFORMATION**

INSTRUCTION TO WITNESSES: Rule 11, clause 2(g)(5), of the Rules of the U.S. House of Representatives for the 113th Congress requires nongovernmental witnesses appearing before House committees to include in their written statements a curriculum vitae and a disclosure of the amount and source of any federal contracts or grants (including subcontracts and subgrants) received during the current and two previous fiscal years either by the witness or by an entity represented by the witness. This form is intended to assist witnesses appearing before the House Committee on Armed Services in complying with the House rule. Please note that a copy of these statements, with appropriate redactions to protect the witness's personal privacy (including home address and phone number) will be made publicly available in electronic form not later than one day after the witness's appearance before the committee.

Witness name: Michael R. Auslin

Capacity in which appearing: (check one)

Individual

Representative

If appearing in a representative capacity, name of the company, association or other entity being represented:

FISCAL YEAR 2013

| federal grant(s)/ contracts | federal agency | dollar value | subject(s) of contract or grant |
|--------------------------------|----------------|--------------|------------------------------------|
| N/A | | | |
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FISCAL YEAR 2012

| federal grant(s)/ contracts | federal agency | dollar value | subject(s) of contract or grant |
|--------------------------------|----------------|--------------|------------------------------------|
| N/A | | | |
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FISCAL YEAR 2011

| Federal grant(s)/ contracts | federal agency | dollar value | subject(s) of contract or grant |
|--------------------------------|----------------|--------------|------------------------------------|
| N/A | | | |
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Federal Contract Information: If you or the entity you represent before the Committee on Armed Services has contracts (including subcontracts) with the federal government, please provide the following information:

Number of contracts (including subcontracts) with the federal government:

Current fiscal year (2013): _____;
 Fiscal year 2012: _____;
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Current fiscal year (2013): _____;
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Number of grants (including subgrants) with the federal government:

Current fiscal year (2013): _____;
Fiscal year 2012: _____;
Fiscal year 2011: _____.

Federal agencies with which federal grants are held:

Current fiscal year (2013): _____;
Fiscal year 2012: _____;
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Current fiscal year (2013): _____;
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Fiscal year 2011: _____.

Aggregate dollar value of federal grants held:

Current fiscal year (2013): _____;
Fiscal year 2012: _____;
Fiscal year 2011: _____.

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Asia-Pacific Region
Prepared Statement of Dr. Patrick Cronin



Center for a
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Testimony before the House Armed Services Committee
Prepared Statement of Dr. Patrick M. Cronin
Senior Advisor and Senior Director of the Asia-Pacific Security Program,
Center for a New American Security
July 24, 2013

Chairman McKeon, Ranking Member Smith, and other distinguished members of the Committee, I sincerely appreciate this opportunity to testify on the trenchant matter of rebalancing to the Asia-Pacific region. I say trenchant because I believe it is in the vital interest of the United States to use the past few years as a springboard for widening and deepening our strategic engagement in the most important region of the 21st century. If we move intelligently and doggedly to leverage our considerable power to mold the rising and dynamic Indo-Pacific, then we can preserve and adapt an inclusive, rules-based international community that is fundamental to the preservation of freedom, peace and prosperity. But if we falter in our purpose and vigilance and divert from our long-term strategic interests, then fissures and flashpoints that seem manageable today may one day overwhelm our capacity to deal with them.

Achieving strategic balance in the Asia-Pacific requires a clear understanding of U.S. interests, regional and global trends, and a realistic plan for linking our finite means to our ambitious objectives. If we are to succeed, we will have to adapt our armed forces to balance existing capacity while investing in future capability in what is largely a maritime and air (and cyber and outer space) domain. Equally, we will have to rebalance our finances through tough trade-offs at home and greater economic competitiveness and expanded international trade. And even as we maintain a defense second to none and a global-leading free market, we will have to rely more on allies and partners to shoulder more shared responsibility for the maintenance of regional and global order.

The Search for Strategic Balance

Every government searches for strategic balance. After all, strategy involves aligning policy objectives with available means. When the environment in which one is crafting a strategy is in constant flux, there is a persistent need for recalibration. As the United States prepares to hand responsibility for Afghanistan's security to Afghans next year, officials in Washington, D.C. continue to search for a new strategic balance, one that responsibly weighs short-term against long-term risk, and one that assesses the proper weight to place on military power as opposed to diplomacy, development, and other levers of power.

The search for strategic balance and coherence is hardly new. The Obama administration entered office in 2009 determined to address a heavy "inheritance" of two protracted ground wars, a global counter-terrorism campaign, Iranian and North Korean nuclear proliferation, and mounting debt and deepening economic recession. The 2010 Quadrennial Defense Review (QDR) kept the focus on winning the

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current wars, but also signaled growing concern about the potential long-term decline in America's military preeminence, as the diffusion of modern technology complicated the ability of the U.S. armed forces to operate forward in defense of allies and partners.¹

Less than two years later, the administration adjusted its strategic course. With combat operations concluded in Iraq and winding down in Afghanistan, the Department of Defense issued new strategic guidance in January of 2012 that called for minimizing the cost of stabilization operations in the Middle East and Southwest Asia in favor of enhancing engagement in the Asia-Pacific region.² Anticipating how to reduce defense budget by nearly \$500 billion over the next decade, to comply with the Budget Control Act of 2011, the guidance switched defense priorities from waging counterinsurgency to countering anti-access capabilities. Ground forces would be reduced, while preserving and building agile and mobile forces to help defend the global commons. Future defense procurement "winners" would include technologies for intelligence, surveillance and reconnaissance (ISR), robotic and autonomous unmanned sensors and systems, and cyberspace, as well as Special Operations Forces (SOF).

This combination of cutting defense spending and changing the technological and geographical focus of defense remains a major balancing act today. The United States is attempting to pivot to the Asia-Pacific region at a time of great tumult and uncertainty. Near-term budgetary constraints are real, even as the long-term direction of Asia and China remains murky and distant. Let me begin by discussing America's strategic approach to the region, something that is now often reduced to a single word, "rebalancing."

Rebalancing

Before "rebalancing" became synonymous for U.S. policy to the Asia-Pacific region, it was more broadly a description of a global phenomenon.³ For decades past and future, the steady shift in power from West to East, from the Atlantic to the Pacific and Indian Oceans, requires a global recognition of rising economic, political, technological, and military power of a dynamic Asia-Pacific region. Japan, South Korea, Singapore and Taiwan were at the vanguard of this trend a few decades ago as the Asian tigers. Today the swift rise of China is at the vanguard of this trend, as the expansion of China's wealth and growing middle class is happening on an unprecedented scale and pace. Despite widely varying forecasts about the future, few analysts doubt that in the future China will overtake the United States as the world's largest economy—a position the United States has held since the Gilded Era after the American Civil War. Many forecast that China and other Asian-Pacific countries will increasingly determine peace and prosperity in the twenty-first century, as the education, wealth, and capability of this region ascends even further in the decades ahead. Military capabilities are following these largely economic trends. This is

¹ *Quadrennial Defense Review Report* (Washington, D.C.: Department of Defense, February 2010), <http://www.defense.gov/qdr/>.

² *Sustaining U.S. Global Leadership: Priorities for 21st Century Defense* (Washington, D.C.: Department of Defense, January 2012), http://www.defense.gov/news/Defense_Strategic_Guidance.pdf.

³ I have amplified this argument about a global rebalancing to Asia in a recent article; see, "As the World Rebalances in the Asian-Pacific Century, So Must the United States," *Global Asia* (Vol. 7, No. 4, Winter 2012, December 2012).

evident in our recent study on an “emerging Asian power web” of thickening bilateral intra-Asian security ties.⁴ Consider, too, Jane’s latest forecast, “Balance of Trade,” which predicts that weapons spending in China and other Asian-Pacific nations will surpass that of the United States and Canada by 2021.⁵

While the Obama administration, and its predecessors, have responded to long-term global trends, the current U.S. government has also sought to address two short-term developments. One immediate driver has been the unsustainability of waging two simultaneous ground wars in Afghanistan and Iraq. Whether because of growing exhaustion or a growing recognition of the diminishing returns of protracted stabilization operations or both, the Obama administration decided U.S. interests would be better served by ending major combat operations and shifting more attention to a rising Asia-Pacific region. The pivot was meant to help the United States shift emphasis from war to peace and prosperity, from the wolf at the door to future opportunities and challenges.

A second immediate development accelerated this shift: namely, growing Chinese assertiveness, particularly in China’s near seas. An increasingly confident China opted not to “hide and bide” capability so much as to probe how to flex newfound muscle in the South and East China Seas. Vietnamese fishermen were perhaps the first to feel the brunt of this more coercive Chinese policy. By 2010 Chinese assertiveness in contesting administrative control and sovereignty over the Senkaku/Diaoyu Islands contributed to a Chinese fishing trawler ramming a Japanese Coast Guard patrol vessel. The tensions aroused by this incident galvanized public opinion in both countries, but it proved to be an important turning point in Japanese public opinion.

The perception of growing Chinese maritime assertiveness was reinforced by Chinese diplomacy in 2010. A tough, rising China stirred widespread concern in the region. Speaking at the Association of Southeast Asian Nations (ASEAN) Regional Forum in Hanoi, Secretary of State Hillary Clinton sought to reassure allies and partners in the region that “unimpeded commerce” and the peaceful resolution of maritime disputes were “pivotal to regional stability.” Subsequent annual gatherings of Chiefs of Defense in Seoul and Hawaii in 2010 and 2011, respectively, provided substantial and widespread concern about China’s growing willingness to use coercion to achieve its maritime territorial and resource claims.

It was in November 2011 that the rhetorical rebalance to Asia reached its apogee. Between hosting the Asian-Pacific Economic Cooperation (APEC) summit and being the first U.S. president to attend the East Asia Summit in Indonesia, President Obama traveled to Australia. Despite drawing down two wars, the President pledged increased focus on the region during a speech to Parliament in Canberra. “As President,” he said, “I have, therefore, made a deliberate and strategic decision—as a Pacific nation, the United States will play a larger and long-term role in shaping this region and its future.” The fullest articulation of U.S. rebalancing policy remains a single article in *Foreign Policy* magazine, published in November 2011, entitled, “America’s Pacific Century.” In that article, Secretary Clinton enumerated

⁴ Patrick M. Cronin et al., *The Emerging Asian Power Web: The Rise of Bilateral Intra-Asian Security Ties* (Washington, D.C.: Center for a New American Security, June 2013).

⁵ “Asia-Pacific Defense Budgets ‘To Outstrip N. America By 2021,’” *Defense News*, Agence France-Presse, 25 June 2013.

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U.S. interests and America's determination to retain comprehensive power focused on long-term strategic priorities in a rising Indo-Pacific region.

Between the summitry and the policy narrative, the Obama administration's concerted move to rebalance U.S. strategic priorities to the Asia-Pacific engendered a reaction. Newton's third law tells us that, at least in physics, for every action there is an equal and opposite reaction. In international relations, however, for every great-power policy initiative there is perhaps an inevitable blowback. Clearly China has pushed back on the notion of the United States strengthening its regional posture. Many Chinese commentators and officials have sought to portray rebalancing as tantamount to containment. Riding a growing tide of public nationalism, moreover, Chinese leaders have used rebalancing to justify further assertiveness, as in assuming de facto control over Scarborough Shoal in the spring of 2012 and later sending warships to the Second Thomas Shoal in the disputed Spratly Islands. In the run up to the 2013 ASEAN Regional Forum in Brunei, tensions remained high, although China used cooperation with Vietnam to soften its hardline policy toward the Philippines. Chinese naval maneuvers were occurring at the same time the United States and the Philippines were conducting military exercises close to Scarborough Shoal, and Japan's defense minister was in Manila avowing Japanese support for the Philippines in its territorial disputes with China.⁶ Meanwhile, U.S. allies and partners—the same who wanted more reassurance—still welcomed a long-term U.S. presence but also sought assurances that the United States would not stir up instability. Virtually all countries in the region, including the United States, have a strong interest in preserving growing economic ties with China and need China's cooperation on an array of important global issues. Even so, this pushback helped to catalyze a rebalancing of rebalancing.

Rebalancing Rebalancing

Even before budgetary pressures started to influence strategy, the pushback on rebalancing forced the administration to clarify precisely what it was pivoting from and to and why. The administration was seeking to shift from war to peace, although taking care not to exit so swiftly that it might jeopardize future stability and with it perceptions of American resoluteness. Rebalancing was also about providing a strategic challenge to China but not containing China. Long-term U.S. presence would help to counter any tendency Chinese leaders might have to steer a reemerging China into an aggressive hegemon; but stepped up dialogue and cooperation with China would seek to provide sufficient strategic reassurance to dampen unnecessary military arms racing and competition. America would be rebalancing to Asia with Europe and the rest of the world, not away from Europe and the rest of the world. The United States would pivot within Asia, as well, away from an almost exclusive concentration on Northeast Asia and toward a much wider network of contacts, especially in Southeast Asia. Part of this rebalancing would include moving from mostly bilateralism to greater multilateralism, especially by embracing ASEAN-

⁶ See "PHL, US Hold War Games Near Disputed Panatag Shoal," Agence France-Presse, 27 June 2013, <http://www.gmanetwork.com/news/story/314793/news/nation/phl-us-hold-war-games-near-disputed-panatag-shoal>; and "Japan Says It Will Help Philippines amid China Sea Row," *South China Morning Post*, Agence France-Presse, 27 June 2013, <http://www.scmp.com/news/china/article/1270276/japan-says-it-will-help-philippines-amid-china-sea-row>.

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centered institutions: unfortunately, this would require patience, given that the region's multilateral security architecture badly lags behind the challenges and dynamics of the region. Rebalancing also meant building a bridge between the confluence of two oceans—the Indian and the Pacific—strengthening ties between India and East Asia and embracing the reform-minded new government of the geographical swing state of Myanmar. Finally, rebalancing meant economic and diplomatic power, and not just military might. In these and other ways, the resistance the United States sometimes received toward its rebalancing policy enabled U.S. officials to amplify what rebalancing meant and did not mean.

Comprehensive power is vital, especially in the context of those who would reduce America's involvement and influence in the region to defense forces and defense budgets. Even so, military power would remain the instrument of insurance. But that would not necessarily break the bank, because it mostly involved retaining America's strong existing regional military presence. But it also meant widening the scope for engagement, a concept captured by the phrase "geographically distributed, operationally resilient and politically sustainable."⁷ Redistributing presence was a good idea for a number of reasons, but in the case of Japan it was a requirement in light of the disproportionate burden placed on the people of Okinawa.⁷ Building on a 2006 base realignment plan, the United States continues to reduce its footprint on Okinawa, in part by moving up to 9,000 Marines from Okinawa to Guam as a Futenma Replacement Facility is established. With the announcement in November 2011 that the United States would also begin rotational deployments of 250 Marines in Darwin, Northern Territory, gradually enlarging the number of Marines rotating through to up to moving up to 2,500, the Marine Corps was spreading its first-to-the-fight capabilities around the region, from Hawaii to Guam and Okinawa down to Australia. It's worth noting that this effort to train and exercise more U.S. forces in Australia was followed by an Australia move to work more closely with the United States. For instance, as the U.S. Army was announcing that it would upgrade its top officer in the Pacific (U.S. Army Pacific or USARPAC) from a three- to four-star position, it also announced that the Deputy ARPAC would for now be an Australian officer. Canberra also dispatched a naval combatant to work with the U.S. 7th Fleet out of Yokosuka, Japan. Meanwhile, Singapore agreed to host up to four Littoral Combat Ships (LCS), ships designed for local engagement in and around the South China Sea, for example; the first LCS, *USS Freedom*, arrived in Singapore in April. The United States continues to negotiate possible ways to strengthen defense cooperation with the Philippines, but political, legal, and financial constraints probably mean this cooperation will be in the form of more visits, exercises, and troop rotations, rather than a return to permanent U.S. basing at Subic Bay. The idea of supporting ASEAN and region-wide attempts to build a greater Humanitarian Assistance and Disaster Relief (HA/DR) capacity, could also lead to prepositioning supplies for future HA/DR operations in Southeast Asia. The United States would probably also be prepared to help support the building of greater information sharing to ensure a common peacetime domain awareness in the region. Finally, strategic dialogue widened and deepened, with the United States spending more time cultivating relatively new defense partners, from Myanmar and Vietnam, to Indonesia, Brunei and Malaysia.

⁷ See Patrick M. Cronin, "Okinawa and the Burden of Strategy," in *Rebalance to Asia, Refocus on Okinawa: Okinawa's Role in an Evolving U.S.-Japan Alliance* (Okinawa Prefecture: Executive Office of the Governor, May 2013), pp. 16-31.

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Military power is a means to an end and its importance is derived from its ability to effectively support political and economic goals. Thus, the decision by the Obama administration to increase the tempo of diplomatic engagement signaled America's determination to remain a Pacific power by putting its diplomacy behind its rhetoric. The United States acceded to the Treaty of Amity and Cooperation and thereby joined the East Asia Summit process. The United States made sure it showed up to every ASEAN Regional Forum ministerial, including the one this past month in Brunei Darussalam. And the United States put more diplomatic support behind both military cooperation (such as the ADMM plus process, for which Secretary Hagel will find himself in Brunei in late August) and economic cooperation (such as completing a framework agreement for the Trans-Pacific Partnership or TPP). It also devoted great time to finding a chiefly constructive relationship with China, using summit meetings to reinforce that overall goal, even while simultaneously raising contentious issues such as cyber intellectual theft and maritime disputes. While some may express concern about whether the second-term Obama administration will follow-through with what it began during the first term, I believe that the basic strategic rebalancing to the Asia-Pacific should and will endure for years to come. So let me talk briefly about the principles that should guide the future rebalancing, the specific military challenges, and my recommendations for advancing a serious agenda for preserving U.S. interests and expanding cooperative security.

Guiding Principles for Achieving Strategic Balance

The first principle undergirding our policy should be this: the long-term shift in economic, political and military power to the Indo-Pacific region gives urgency to our short- and mid-term decisions. The urgency is because we have a limited window of opportunity for maximizing our current position to shape the future in a manner congruent with our interests and values. Engaging rising Asian nations is the way for the United States to capitalize on expanding trade and democracy, as well as dealing for effectively with a host of traditional and non-traditional security issues. But urgency is also a result of the growing challenge we face to manage confrontation in the global commons, which leads me to a second principle.

The second guiding principle is that countering coercive diplomacy, averting crises and de-escalating them when they occur, and countering growing anti-access and area denial capabilities are at the core of our military mission in the Asia-Pacific region, if we are to preserve and adapt a rules-based, inclusive international system. We live in an era that is neither fully at peace nor fully at war. It is instead a period, especially in the Asia-Pacific region, marked by grey areas of coercive diplomacy, crisis management, and confrontation short of war. We must learn to adapt our armed forces to this grey-area battlefield, even while we endeavor to integrate all instruments of policy to advance our interests and values and protect the common good.

The third principle to guide our policy is to recognize that this enterprise is bigger than any one country, even the United States of America. We will increasingly have to work with allies and partners. Multilateral security institutions in the Asia-Pacific region are growing by baby steps; ASEAN provides critical legitimacy for an inclusive venue, but that legitimacy is not yet matched by effectiveness. Thus, the United States must continue to work from the inside out, first building on our strong network of

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alliances, and then advancing meaningful partnerships with like-minded states and others as the region's institutions continue to mature. And as capabilities continue to grow in Asia, there should be even more new opportunities for collaboration and burdensharing in the years ahead.

In supporting regional cooperation, we should increasingly draw on what we have called the "emerging Asian power web," the constellations of intra-Asian security relations that are being built at a quickening pace. These burgeoning coalitions remain far from latent war communities that define alliances, but they are the building blocks for helping Asian nations better defend themselves against the arbitrary use of force. At the same time, they provide the basis for greater interoperability with U.S. forces.

A fifth guiding principle is for the United States to constantly put forward its positive vision for an inclusive, rules-based region to advance peace, freedom and prosperity for all. We must not allow others in the region to drive the general strategic narrative by legitimizing their expanded rights while reducing our permanent Pacific presence, by building up their military capabilities while seeking to eclipse ours, or by mobilizing and influencing some key actors in order to marginalize our allies and partners.

Sixth and finally, our policy of rebalancing should be guided by a quest for achieving comprehensive economic, diplomatic, and military power. The biggest immediate threat may well be the potential for miscalculation that comes from errant assumptions that the United States cannot or will not play a strong role in the Asia-Pacific region in the years ahead. We don't want an ally or a potential adversary to think that the United States would shirk from defending liberty and fulfilling its commitments in a moment of crisis.

Even as the United States must remain ready for global challenges, including in the Arabian Gulf and greater Middle East, there are three principally military challenges in the Asia-Pacific or, more precisely, Indo-Pacific region.

The first military mission is to maintain deterrence. In dynamic, shifting Asia, this will require more than just standing still. While deterrence will probably be maintained, the United States can reduce the risk of its failure by maintaining actively, urgently and effectively postured vis-à-vis a North Korea that resorts to force and avows an ability to strike the United States and its allies with nuclear-tipped missiles. The United States must also not allow U.S. allies to potential adversaries to think that the U.S. extended nuclear umbrella is an empty gesture.

The second military mission is to counter coercive diplomacy. Rupert Smith got it at least half right when he wrote that we have moved from an era of industrial-age warfare to "war amongst the people" in which political and military elements of power are inseparable and where confrontation rather than all-out warfare prevails.⁸ In the Asian-Pacific context, there is above all a concern about confrontation and

⁸ Rupert Smith, *The Utility of Force: The Art of War in the Modern World* (New York: Alfred A. Knopf, 2007); e.g., p. xiii. I think his insight about confrontation is helpful, but I would not go so far as Smith does on page 3 in declaring that, "Wars no longer exist. Confrontation, conflict and combat undoubtedly exist all around the world...and states still have armed forces which they use as a symbol of power. Nonetheless, war as cognitively

coercion at sea. Gunboat diplomacy is not new, but it represents a departure from our recent operating assumptions, doctrine and planning. As stated above, we must use our military presence to shape an inclusive, rules-based architecture so that no one country can unilaterally use military and paramilitary muscle to force its agenda on others incapable of defending themselves. Here the United States can leverage its alliances and partnerships into a thickening network of security cooperation.

The third is to counter anti-access and area-denial capabilities. This must be done in peacetime, including by expanding basic capabilities for interoperability; and, in preparation for possible wartime, it must lead to an ability to defeat an adversary determined to use force against the United States or its allies and close partners. This will require many steps, but forging a new intelligence, surveillance and reconnaissance architecture, a new theater antisubmarine warfare and undersea warfare capability, and finding cheaper ways to preserve our naval and air power, must be combined with diplomacy to reduce the costs of competition with China. We should be pressing China to test North Korea regarding its tolerance for sanctions and willingness to forego lethal uses of force and the deployment of nuclear weapons; and we should be seeking areas where China's leadership might agree to avert unnecessary arms competition, such as in the realm of strategic weapons, from nuclear weapons to outer space.

Recommendations for Achieving Strategic Balance through Cooperative Security

There is no one activity or investment that needs to be made to keep up the momentum behind U.S. rebalancing to the Asia-Pacific region. It would also be unrealistic to assume anything better than the current sequestration budget numbers as the new top line of the defense budget in the next couple years. Despite these constraints, there is an urgent need to double down on rebalancing through relatively low-cost cooperative security steps that deal with the short- and long-term security opportunities and challenges mentioned above. This list is not exhaustive, but here are ten important steps that should be taken.

1. *Embrace the Japanese request for an official review of the U.S.-Japan Defense Guidelines in order to forge a common strategic approach to Chinese coercive diplomacy in the East and South China Seas and, over the longer term, to counter China's growing anti-access and area denial capabilities.* The security environment has changed considerably since the last review in the mid-1990's, as has the Japanese political will to contribute more to the defense of Japan and surrounding areas. Roles, missions and capabilities need to be adjusted, as does force posture, to reflect a more balanced division of labor and create a more resilient and sustainable alliance.
2. *Stanch the growing gap in ROK-Japan perceptions through practical defense cooperation facilitated by the United States.* The United States has a strong interest in improving ties between its two allies in Northeast Asia, and yet at present Seoul and Tokyo are experiencing strained relations. That strain prevents greater readiness for common missions involving a range of

known to most non-combatants, *war as battle in a field between men and machinery, war as a massive deciding event in a dispute in international affairs: such war no longer exists.*"



scenarios on the Korean Peninsula, with perhaps Ballistic Missile Defense being the most prominent among them. To bridge this potential chasm between our allies, the United States, for instance, might propose Navy-to-Navy talks on missiles. Such talks would allow South Korea to indirectly weigh in with Japan as Tokyo considers adding a tactical offensive capability, and Japan could reassure Seoul that any additional capability would reinforce deterrence against North Korea's unpredictable leadership.

3. *Initiate a U.S.-ROK review of our alliance North Korean strategy to help thwart the deployment of nuclear-tipped missiles and lethal uses of force.* While many want to debate the reversion of wartime operational control (OPCON), we should remind our publics about the political objectives of the alliance rather than the mere means by which we secure those interests. Our free-market democracies must work together to build a greater regional peace. That will require interoperability and tight command and control well beyond OPCON reversion, but what is needed now is an airtight U.S.-South Korean strategy to halt North Korea's dangerous nuclear programs.
4. *The United States needs to fully test China's tolerance for pressuring North Korea from deploying or proliferating nuclear weapons and their means of delivery.* China has been debating its previous reflexive support for Pyongyang, and even if we cannot shift China's basic strategic posture it may be possible to convince China to resist helping North Korea the next time it resorts to dangerous provocations.
5. *We must help Taiwan avoid being coerced into making unfair concessions to Mainland China.* All parties have benefitted from the recent reduction in Cross-Strait tensions, but the Mainland's rising economic clout with Taiwan is occurring at the same time the military balance of power continues to shift in Beijing's favor. Given Taiwan's limited defense budget and the constraints of selling Taiwan front-line offensive combat systems, Taipei and Washington should focus on systems that are dual-use, defensive, and cost-effective. Thus, cyber, autonomous unmanned systems (both for undersea and the air) could be important ways to improve maritime domain awareness, air defense, and counter-intervention capabilities. Meanwhile, the United States needs to help Taiwan break out of its increasing isolation by supporting free-trade arrangements and helping Taiwan join transnational security initiatives to deal with disasters, pandemics and other non-traditional security challenges.
6. *Prevent the Philippines from being isolated by forging a tougher ASEAN diplomatic line and advancing the air and maritime capabilities of the Philippines.* ASEAN may not be a strong institution, but it is rooted in a fundamental principal the security is best protected by having its 10 members stick together. China would prefer to deal with ASEAN members, especially other claimant states in the South China Sea, on a strictly bilateral basis. It employed extended coercive diplomacy last spring to compel the United States to convince the Philippines to back off Scarborough Shoal, only to stay in de facto control of the disputed maritime area. More recently, China struck a bargain with Vietnam to double the size of its joint energy development area, a seemingly conciliatory move, but one that further isolated the Philippines from its other ASEAN

members as Manila pursued an international legal ruling on such matters as China's indefensible nine-dashed-line claim over 80 percent of the South China Sea. The United Nations arbitration panel is considering the contemporary legal basis of this and other issues, and Beijing will continue to use carrots and sticks to halt the process. The United States is neutral over specific territorial sovereignty, but it is not neutral when it comes to aggressive behavior.

7. *At the ASEAN Defense Ministers' Meeting-Plus meeting in Brunei in August, Secretary Hagel should propose steps to reinforce a multilateral approach toward maritime domain awareness and the capabilities for dealing with humanitarian assistance and disaster relief.* These are the most inclusive, basic building blocks of self-defense and interoperability. Specifically, the United States might include working with selected ASEAN partners to erect an ISR regime for domain awareness and command and control, while consider prepositioning HA/DR supplies in the Philippines or Thailand that would be ready to help ASEAN help itself in a disaster. Not just Singapore, but countries like Indonesia, Malaysia, Brunei and others can play an important role in regional ISR.
8. *The U.S. needs to ensure sufficient support to enable more, not fewer exercises with India and allies and partners on the other side of the Strait of Malacca.* India is a vital strategic partner but remains preoccupied with internal and local challenges; to ensure that India's 'Look East' policy remains viable, the United States needs to support exercises with Southeast Asian partners, such as Singapore, Indonesia and Malaysia, as well as other regional maritime powers such as Australia and Japan.
9. *The United States needs to keep encouraging historic reforms underway in Myanmar while guarding against a future military intervention.* Myanmar continues to diversify its relations with countries other than China, and the United States can best support reforms through engagement, investment, and the rule of law. However, on the military dimension, the United States must directly and indirectly engage military leaders, senior and junior, to try to avert but at a minimum stay ahead of any potential military crackdown that could follow the 2015 election.
10. *Leverage the emerging Asian power web, by supporting organic and natural trends towards greater intra-Asian bilateral ties such as those between Australia and Indonesia, Australia and Japan, and India and Vietnam, among others.* As I have argued along with my CNAS colleagues in a recent report, U.S. policymakers should fashion our alliances to facilitate intra-Asian security cooperation, leverage capable partners to build third-party capacity, and focus on strategically important and political viable areas for region-wide security cooperation (including HA/DR, maritime domain awareness, and civil maritime law enforcement).⁹

Concluding Thoughts on Strategic Balance in a Shifting Strategic Environment

⁹ Patrick M. Cronin, Richard Fontaine, Zachary M. Hosford, Oriana Skylar Mastro, Ely Ratner and Alexander Sullivan, *The Emerging Asia Power Web: The Rise of Bilateral Intra-Asian Security Ties* (Washington, D.C.: Center for a New American Security, June 2013).

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Asia-Pacific Region
Prepared Statement of Dr. Patrick Cronin



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We live in a period of a diffusion of economic power, of rapid technological change, and of continuing high costs for those who engage in inter-state warfare. This volatility has been reflected in the constant shift in strategic focus of the United States over the past 25 years or so. Looking back just six years ago, the United States was focused on a surge in the counterinsurgency in Iraq; six years before that the United States was focused on crafting a global war on terrorism in response to 9/11; six years before that the United States was engaged in a conflict in the Balkans; six years before that the United States was focused on the end of the Cold War and changing relations with former Soviet states. It makes one ponder just how certain we are about what will engage our military forces and national security interests in even the relatively near-term future.

One of the assumptions that the United States can and should make is to accept greater near-term risk in order to make long-term investments in leading-edge technologies. This involves strategic force balancing, but it compels U.S. defense planners to think more about which technologies and platforms are most “antifragile,” to use the term used by Nassim Nicholas Taleb to refer to systems that benefit rather than are hurt by volatility and “black swans.”¹⁰

This requires adjusting to the major trends. It means maintaining the current rebalance to the Asia-Pacific region. This is a marathon, not a sprint, and thus it makes sense to pursue a gradual, long-term shift to respond to the dynamism and rise of the region. As with the defense guidance of January 2012, this entails continued engagement in the Middle East, but hopefully a far more peaceful engagement than in the past decade. If we are thrust back into open conflict, then let it be swift strikes rather than protracted counterinsurgency. Of course, the enemy has a vote, so this is a statement of U.S. interests and objectives even while we must remain open to a wider range of contingencies. Given the high and growing cost of interstate warfare, lower level competition and occasional confrontation is far more likely than high-end conventional war. This is not a permanent or ironclad guarantee, but once again it suggests that the United States can accept for the near-to-mid term, greater risk at the high-end of conventional capabilities. The diffusion of guided munitions and networked capabilities, especially in states with nuclear weapons, makes direct power projection against well-armed adversaries highly problematic. This requires a serious investment in leading areas for research and development: 3-D printing and additive manufacturing, big data, nano-technology, autonomous systems, and life sciences, among others. These are areas that require greater investment in basic and applied science and technology, because they could usher in a completely new military and strategic paradigm for which our industrial-era platforms are ill-prepared and subject to sudden defeat.

To make this technological paradigm shift will not come about simply because austere budgets force change (in fact, across-the-board budget cuts make it harder to be prepared for the long-term). But there must be an accompanying political awareness of potential change, a political will to accept more short-term risk, and a political consensus on the need to invest more in maintaining preeminence in leading-edge technologies. As the CNAS budget team recently put it, we have to be prepared to “shift toward a new warfighting regime” (“20YY”) in which “the U.S. faces adversaries with guided munitions-battle

¹⁰ Nassim Nicholas Taleb, *Antifragile: Things That Gain from Disorder* (New York: Random House, 2012).

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network parity,” cyber warfare is integral to warfighting, and “robotic and autonomous unmanned platforms, sensors, and systems are ubiquitous in all operating domains.”¹¹ This is going to require reversing the recent trend in which defense forces get more expensive but not necessarily bigger and better.

A word of caution is in order. We cannot predict the future and thus we must retain a degree of balance in our forces. A recent and eloquent reminder of this can be found in the *New York Times*, where U.S. Army Major General H. R. McMaster underscored the enduring reality that war is a political, human and uncertain endeavor.¹² He channeled Sir Michael Howard, *inter alia*, in wanting to see war in the round, as more than just warfare. At a time when budgets rather than strategy are looming large in shaping our assumptions about the conflicts we will fight, it is prudent to remember these guiding principles, principles the General has learned from his experience as a soldier and his research as a historian. Even so, guidelines should not be straitjackets. The notion of ‘uncertainty’ admonishes us to understand not just the continuities in war, but also the potential discontinuities. If the Revolution in Military Affairs was indeed what he has called a ‘fantastical’ notion of war, a future reliance on autonomous unmanned, cyber and space systems seems probable. If our history of Afghanistan and Iraq was found wanting, it may be other areas where our history will be found wanting tomorrow. If the assumption that Asian coercive diplomacy, crisis management and confrontation will not escalate proves wrong (that an actor drinks poison to slake his thirst), then it may be that the ultimate future challenge is not that Americans but rather some other people have bought into the notion of easy war. Despite all these caveats, we would be remiss not to be privileging advanced systems that can operate flexibly in what is predominantly a maritime theater of operations.

Politically, this means practicing greater restraint about when and where the United States uses force.¹³ Not only does this mean trying to have more years of peace than conflict, but it also requires prevention and engagement in a vital region such as the Asia-Pacific. A recent team from the National Defense University titled this over-arching strategy, “discriminate power,” incorporating a degree of discipline and shared burdens among our allies. They prefer less escalatory and less expensive forms of strategic and operational intervention, for instance, including a concept dubbed “offshore control” instead of a concept focused on projecting offensive power on the Asian mainland (something they arguably incorrectly ascribe to the Air-Sea Battle Concept).¹⁴ U.S. goals of seeking to preserve an open, rules-based system would remain constant, but the authors see the “United States underwriting these goals with an increasingly discriminate, targeted and shared approach to leadership and concepts of deploying power.”¹⁵ This theme is consistent with other recent work focusing on greater reliance on “strategic partnering” and

¹¹ Robert Work, Shawn Brimley, Kelley Saylor, and Jacob Stokes, “Portfolio Rebalancing Exercise,” May 29, 2013.

¹² H. R. McMaster, “The Pipe Dream of Easy War,” *The New York Times*, July 22, 2013, p. SR9.

¹³ I have made this case in a 2010 monograph. See Patrick M. Cronin, *Restraint: Recalibrating American Strategy* (Washington, D.C.: Center for a New American Security, June 2010).

¹⁴ Michael J. Mazarr and the NDU Strategy Study Group, *Discriminate Power: A Strategy for a Sustainable National Security Posture*, The Philadelphia Papers No. 2 (Philadelphia, PA: Foreign Policy Research Institute, May 2013).

¹⁵ *Ibid.*, p. 9.

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“leading from behind.” among other competitive strategies. But as defense budget reform requires a change in mindset over how to spend defense dollars more wisely in the future, the authors of discriminate deterrence call for officials to embrace “the practice of sustainable global leadership through more collaborative, tailored and selective means.”¹⁶ This is sensible strategic advice and worth heeding, albeit with care. After all, more countries and non-state actors are determined to pursue their own goals and think that it is both more desirable and possible to do so given the relative decline of the United States and the diffusion of technology. At the end of the day, U.S. influence is tied to our ability to deter aggression, honor our commitments, and reassure our friends. Sustainable leadership is framed by the perceived capacity to generate those ends.

In summation, if this analysis offers broad guidance on the direction of U.S. rebalancing after sequestration, it seems consistent to suggest several fundamental points. First, the United States needs to reflect on its grand strategy strategic emphasis on the Asia-Pacific region. Second, as part of that grand strategy, the United States will, can and must continue to place as much emphasis on trade and diplomacy as on defense. Third, the United States will be seeking to retain forces to engage partners as they seek to build up their own counter-intervention forces, something that will be more conceivable because of the maturing of the guided-munitions regime, cyber warfare, and robotics and autonomous unmanned sensors and systems. Fourth, the United States will seek to advance risk reduction and conflict avoidance measures, whether across the Taiwan Strait, or in the East and South China Seas, or on the Korean Peninsula. Fifth, the United States will continue the difficult quest, not for the slogan of a new great power relationship with China, but for concrete, specific steps that can be taken to advance mutual opportunity and avoid unnecessary and dangerous competition. Finally, the United States must not retreat politically even while it exercises greater restraint. This will require active diplomacy, continued presence, and supporting collaborative approaches to security. The emergence of an Asian power web, for instance, is a trend that is generally favorable for a United States seeking to lower the cost of its leadership and provision of security public goods. But there will be times when only the United States can lead on an important issue on which regional and global security depend. Achieving strategic balance will necessarily require a persistent process of recalibrating our strategy, policy, forces and engagement, but not our interests or principles.

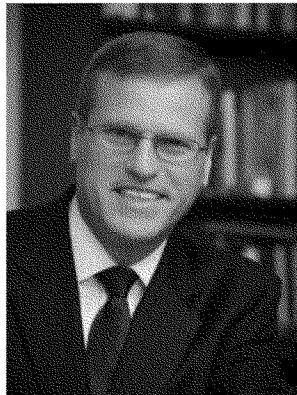
¹⁶ *Ibid.*, p. 10.

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Dr. Patrick M. Cronin

Senior Advisor and Senior Director of the Asia-Pacific Security Program

Patrick M. Cronin is a Senior Advisor and Senior Director of the Asia-Pacific Security Program at the Center for a New American Security (CNAS). Previously, he was the Senior Director of the Institute for National Strategic Studies (INSS) at the National Defense University, where he simultaneously oversaw the Center for the Study of Chinese Military Affairs.

Dr. Cronin has a rich and diverse background in both Asian-Pacific security and U.S. defense, foreign and development policy. Prior to leading INSS, Dr. Cronin served as the Director of Studies at the London-based International Institute for Strategic Studies (IISS). At the IISS, he also served as Editor of the Adelphi Papers and as the Executive Director of the Armed Conflict Database. Before joining IISS, Dr. Cronin was Senior Vice President and Director of Research at the Center for Strategic and International Studies (CSIS).

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In 2001, Dr. Cronin was confirmed by the United States Senate to the third-ranking position at the U.S. Agency for International Development (USAID). While serving as Assistant Administrator for Policy and Program Coordination, Dr. Cronin also led the interagency task force that helped design the Millennium Challenge Corporation (MCC).

From 1998 until 2001, Dr. Cronin served as Director of Research at the U.S. Institute of Peace. Prior to that, he spent seven years at the National Defense University, first arriving at INSS in 1990 as a Senior Research Professor covering Asian and long-range security issues. He was the founding Executive Editor of *Joint Force Quarterly*, and subsequently became both Deputy Director and Director of Research at the Institute. He received the Army's Meritorious Civilian Service Award upon his departure from NDU in 1997.

He has also been a senior analyst at the Center for Naval Analyses, a U.S. Naval Reserve Intelligence officer, and an analyst with the Congressional Research Service and SRI International. He was Associate Editor of *Strategic Review* and worked as an undergraduate at the *Miami Herald* and the *Fort Lauderdale News*.

Dr. Cronin has taught at Georgetown University's Security Studies Program, The Johns Hopkins University's Paul H. Nitze School of Advanced International Studies (SAIS), and the University of Virginia's Woodrow Wilson Department of Government.

He read International Relations at St Antony's College, University of Oxford, where he received both his M.Phil. and D.Phil. degrees, and graduated with high honors from the University of Florida. He regularly publishes essays in leading publications and frequently conducts television and radio interviews. In addition to many CNAS reports and numerous articles, his major publications include: *Global Strategic Assessment, 2009: America's Security Role in a Changing World*; *Civilian Surge: Key to Complex Operations* (co-editor); *The Impenetrable Fog of War: Reflections on Modern Warfare and Strategic Surprise*; *The Evolution of Strategic Thought: Adelphi Paper Classics*; and *Double Trouble: Iran and North Korea as Challenges to International Security*.

**DISCLOSURE FORM FOR WITNESSES
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INSTRUCTION TO WITNESSES: Rule 11, clause 2(g)(5), of the Rules of the U.S. House of Representatives for the 113th Congress requires nongovernmental witnesses appearing before House committees to include in their written statements a curriculum vitae and a disclosure of the amount and source of any federal contracts or grants (including subcontracts and subgrants) received during the current and two previous fiscal years either by the witness or by an entity represented by the witness. This form is intended to assist witnesses appearing before the House Committee on Armed Services in complying with the House rule. Please note that a copy of these statements, with appropriate redactions to protect the witness's personal privacy (including home address and phone number) will be made publicly available in electronic form not later than one day after the witness's appearance before the committee.

Witness name: Patrick M. Cronin

Capacity in which appearing: (check one)

Individual

Representative

If appearing in a representative capacity, name of the company, association or other entity being represented:

FISCAL YEAR 2013

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Federal Contract Information: If you or the entity you represent before the Committee on Armed Services has contracts (including subcontracts) with the federal government, please provide the following information:

Number of contracts (including subcontracts) with the federal government:

Current fiscal year (2013): _____ 0 _____ ;
 Fiscal year 2012: _____ 0 _____ ;
 Fiscal year 2011: _____ 0 _____ .

Federal agencies with which federal contracts are held:

Current fiscal year (2013): _____ ;
 Fiscal year 2012: _____ ;
 Fiscal year 2011: _____ .

List of subjects of federal contract(s) (for example, ship construction, aircraft parts manufacturing, software design, force structure consultant, architecture & engineering services, etc.):

Current fiscal year (2013): _____ ;
 Fiscal year 2012: _____ ;
 Fiscal year 2011: _____ .

Aggregate dollar value of federal contracts held:

Current fiscal year (2013): _____ ;
 Fiscal year 2012: _____ ;
 Fiscal year 2011: _____ .

Federal Grant Information: If you or the entity you represent before the Committee on Armed Services has grants (including subgrants) with the federal government, please provide the following information:

Number of grants (including subgrants) with the federal government:

Current fiscal year (2013): _____;
Fiscal year 2012: _____;
Fiscal year 2011: _____.

Federal agencies with which federal grants are held:

Current fiscal year (2013): _____;
Fiscal year 2012: _____;
Fiscal year 2011: _____.

List of subjects of federal grants(s) (for example, materials research, sociological study, software design, etc.):

Current fiscal year (2013): _____;
Fiscal year 2012: _____;
Fiscal year 2011: _____.

Aggregate dollar value of federal grants held:

Current fiscal year (2013): _____;
Fiscal year 2012: _____;
Fiscal year 2011: _____.

24 JULY 2013

REBALANCING TO THE ASIA-PACIFIC REGION AND IMPLICATIONS FOR U.S. NATIONAL SECURITY

Chairman McKeon, Congressman Smith, Members of the Committee, I am pleased to appear before this Committee to offer my perspectives on rebalancing to the Asia-Pacific region and the implications for national security.

In the latter half of my nearly 40 year career in the Navy, it was my privilege and good fortune to have served in the Pacific to include command at sea, two assignments at the U.S. Pacific Command, and Command of the U.S. Pacific Fleet. As the Chief of Naval Operations, even while engaged in the wars in Iraq and Afghanistan, the Asia-Pacific region was always on my mind and remained a priority. Accordingly, the maritime strategy I issued in 2007, *A Cooperative Strategy for 21st Century Seapower*, is clear on the importance I placed on the Asia-Pacific region and our national security interests there. As a point of reference, I consider the Asia-Pacific region to be the Pacific Ocean; Oceania; and the Indian Ocean, encompassing increasingly vital trade routes to East Africa. Soon, the area of interest will expand as the Arctic Ocean opens and polar Asian trade routes and associated security considerations emerge.

Rebalancing to the Asia-Pacific region is imperative. The importance of the region to the United States and the global economy, the rapid changes taking place there and the indispensable role the United States can, and must, continue to play make the Asia-Pacific region our strategic priority. Whether we really rebalance and how we rebalance will have profound effect on the future prosperity and security of our country. Our rebalance must be strategic, not superficial; substantive, not marginal; realistic, not illusion; and optimistic, not pessimistic.

The emerging real power of Asia is economic, and economics and trade must lead our strategic approach to the region. That said, the stability and security provided by United States' armed forces in the region have enabled and continue to underpin the unprecedented growth the region has enjoyed in recent years. United States' armed forces and activities in the region are viewed by all as a stabilizing force. Our objective must be to maintain that stability and to not let one nation dominate all of Asia. To do that, we must maintain American influence and credibility. From a security perspective that means relevant, competent, and ready military power predictably present in the region; and, trained and ready forces beyond the region prepared to react and reinforce rapidly and decisively. Because of the vast expanse of the Asia-Pacific region, sensitivities regarding sovereignty and the increasing military capabilities in the Asia-Pacific region, this responsibility falls primarily on our naval and air forces. How we shape those forces comes at a challenging time; budgetarily, operationally, and politically.

No region is advancing in military capability and capacity faster. Our defense budget should reflect our strategic priority. It should be biased to naval and air forces and appropriate facilities and activities to support them in the region, whether forward deployed or as an augmenting force. That is a departure from our norm of equitable shares among the services. To do so does not imply all services are not important nor valued, but budgets must follow strategy not drive it. Nor does it mean walking away from our extraordinary strength as a joint force. Jointness is best achieved by budget effectiveness not budget equity. Budgets, especially procurement and research and development budgets, must be considered with an eye toward total effect produced and not by individual programs. This is increasingly important in the area of intelligence, surveillance and reconnaissance (ISR), cyber, network enabled weapons, and counters to counter intervention strategies. Budget assessments must consider total system capability and

effectiveness, not individual program attributes where a well meaning but uninformed adjustment in one program can negate the total effect we seek. I applaud the work the Navy and Air Force have done under the Air-Sea Battle initiative to do just that. Such a rigorous, systemic approach should be the norm throughout the entire budget process. Restoring the authority of service chiefs in the acquisition process is the right first step on that path.

After the great young men and women who serve, it is our nation's innovative spirit and industrial competence which set our military apart. Focusing, enhancing and sustaining robust research and development and maintaining a healthy industrial base must be a clear budget priority going forward.

The size and military complexity of the Pacific area of operations demands more unmanned capability – air and undersea. Although early on, we currently enjoy technical, operational and professional superiority in this area. We learned much in Iraq or Afghanistan, but the Pacific is far different. Complex area denial challenges are greater and will become more so. Our existing procurement processes and sense of urgency are inadequate to this challenge and will erode our budget flexibility further.

The importance of our relationships and our unique alliances in the region cannot be overstated. Our persistent presence, interoperability with others and level of activity are not possible without the access we enjoy in the region. These relationships must not be taken for granted and we should continue to enhance cooperation and compatibility with those special countries and their militaries. The inconvenient truth is that many in the region, while mindful and respectful of what we have done for their security, prosperity and stability, are doubtful of our staying power – actions will speak louder than words. As the real force in Asia is economic, much will depend on how we resolve our economic circumstance at home. Stability,

predictability, and the real consequences of defense budgets are watched more closely in Asia than on the American street – again, actions rather than words are what matter. To improve our relationships in the Asia-Pacific region our technology transfer process must be reformed rapidly for our time. Technology disclosure and release must be disciplined, yet it must be thoughtful, efficient and expeditious. We appear to be making it harder for our closest allies and like-minded partners to become more aligned with us through an extraordinarily layered and protracted technology transfer process. We must make it easier and more trustful. Similarly, our professional personnel development programs must reflect the rise of Asia. Heretofore, how we sought to expand our military leaders regional awareness has been by rigid exchange programs, largely in Europe. The process must be revised rapidly to move away from one –for- one personnel exchanges to a more focused and flexible professional development process with Asia as a priority.

Procurement decisions will likely be viewed as the indicator of meaningful rebalancing, but what we do regarding near term readiness is key to rebalancing. It maintains operational competence and response, enhances cooperation and interoperability with allies and partners, and will be used as an early indicator of the reality of rebalancing by those in the region. Very short and occasional disruptions to near term readiness accounts are disruptive and need not unduly alarm, but we are now well beyond that point and are affecting not only near term readiness but long -term readiness and our credibility. Moreover, the ongoing absence of a coherent, structured and predictable budget process will continue to compound with recovery more difficult and costly to undertake.

After strategy, budgets, alliances and our own house, China looms large. More than any other factor, our relationship with China will determine the strategic shape and tenor of the region. China's power is its economy, not its

military – yet. I have witnessed first hand the rise of the Chinese military, especially its Navy, and it does not surprise me. Throughout history, as nations' economies based on trade grow, so do their militaries, especially their navies. Such is the case of China; the money is there, the strategy is there; and, importantly, the coupling of budgets and industrial policy to that strategy is there. More than money, the latter two factors, which are being carried out reasonably well, have the potential to greatly advantage China in the coming decades.

Our unique economic and trade relationship with China requires cooperation, and we will find ourselves cooperating militarily where interests intersect, as we do today in counter piracy operations and in enhancing humanitarian assistance response. We should welcome that cooperation confidently, with a willingness to expand that cooperation when it is our interest to do so. But we will also compete with a rising China in several areas and on many levels in the coming decades, to include competing for influence in the region and beyond. Military capability will be a factor in that competition and China is making effective investments. That is not likely to change; it is the nature of military competition as nations rise. Recent Chinese strategic documents also reveal a Chinese view of competing with more than the U.S.; proximate Asian nations, to include some of our allies, and Russia, and India. The internal challenges of transforming such a large country cannot be discounted. So as China may loom large to us, China's future is far more complex and uncertain.

In conclusion, rebalancing to the Asia-Pacific region is right if we maintain our strategic focus. More resources will surely help, but most important, for our men and women who serve and for those in the region who are watching, is to return to coherency, structure and predictability in providing for our national defense. If we adhere to a clearly articulated strategy, and adjust policies and procedures for our time we can move forward effectively,

dissuade confrontation and conflict, and remain the stabilizing force in the Asia-Pacific region thus assuring our security and prosperity for decades. If we do not, we risk ceding that important region to others, and with it, our place in the world.

Long Bio:

Admiral Gary Roughead (USN Ret.), the Annenberg Distinguished Visiting Fellow at the Hoover Institution, graduated from the US Naval Academy in 1973. In September 2007, Admiral Roughead became the twenty-ninth chief of naval operations after holding six operational commands and is one of only two officers in the navy's history to have commanded both the Atlantic and Pacific Fleets.

Ashore he served as the commandant at the US Naval Academy, during which time he led the strategic planning effort that underpinned that institution's first capital campaign. He was also the navy's chief of legislative affairs, responsible for the Department of the Navy's interaction with Congress, and the deputy commander of the US Pacific Command during the massive relief effort following the 2004 tsunami in Southeast Asia and the Indian Ocean.

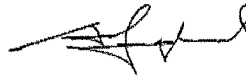
As chief of naval operations, Admiral Roughead successfully guided the navy through a challenging period of transition in fiscal, security, and personnel matters. He stabilized and accelerated ship and aircraft procurement plans, accelerated the navy's capability and capacity in ballistic missile defense and unmanned air and underwater systems, and directed the service's investigation of climate change and alternative energy. He reestablished the Fourth and Tenth Fleets to better focus on the Western Hemisphere and cyber operations, respectively. Admiral Roughead introduced bold programs to prepare for the primacy of information in warfare and the use of social media within the navy. He also led the navy through changes in law and personnel policy to draw more inclusively than ever on the navy's greatest strength, its sailors.

Admiral Roughead is the recipient of the Defense Distinguished Service Medal, Navy Distinguished Service Medal, Defense Superior Service Medal, Legion of Merit, Meritorious Service Medal, Navy Commendation Medal, Navy Achievement Medal, and various unit and service awards. He has also received awards from several foreign governments.

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Witness name: GARY ROBERTSON



Capacity in which appearing: (check one)

Individual

Representative

If appearing in a representative capacity, name of the company, association or other entity being represented:

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| federal grant(s) / contracts | federal agency | dollar value | subject(s) of contract or grant |
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[Draft Testimony before the House Armed Services Committee on "Rebalancing to the Asia Pacific Region and implications for U.S. National Security" on Wednesday, July 24, 2013.]

Mr. Chairman, ranking member Smith, and members of the committee, thank you for the opportunity to comment on the policy question of Rebalancing to the Asia-Pacific region and its broader implications for US national security.

I would like to submit three points for your consideration. The first is the continuity of rebalancing with Bush administration strategy in Asia. The second point is a brief observation about the conditional nature of engagement with China and its two Asian allies, North Korea and Pakistan. The third and final point is about the risks inherent in a rebalancing strategy, especially with regard to resource allocation.

These observations are purely my own and reflect no institutional affiliation, past or present. May I also say what a pleasure it is to be here with you as a concerned private citizen rather than as a Pentagon official in the hot seat.

On the first point, I've read various speeches by Obama administration officials on so-called rebalancing in Asia or the Pacific pivot, and am struck by the continuity of both the means and ends of Asian security strategy with what we pursued in the Bush administration. I confess I have trouble identifying significant differences.

A study by the Congressional research service last year called "Pivot to the Pacific" (dated March 28, 2012) suggested there were three features of the pivot that might be "new" -- a set of new military priorities and deployments, an integrated and region-wide approach to the Asia-Pacific, and the vision of the region's geography to include the Indian Ocean.

As to the first feature, the scale of new military deployments and arrangements that have been linked to the pivot so far appear modest to me, when set against the scale of both US forces in the theatre and the broad ambitions of the strategy it is meant to support. As to the second and third "new" features, evidence of greater policy coordination or greater integration of U.S. government activities in the Pacific, Southeast Asian, and Indian Ocean that rises to the threshold of a new strategy isn't obvious to me, although I defer to closer observers of Obama administration activity, such as the members of this committee and the experts testifying here today.

I raise this continuity point not out of any partisan animus or defensiveness of former administration officials, but rather because there is a big risk to announcing a strategy like rebalancing in the Pacific without applying the resources to actually execute it.

The second point I submit for the committee's consideration as it evaluates the Pacific pivot is the importance of viewing it in context of the our broader strategy towards the

People's Republic of China and, crucially, China's two allies in Asia, North Korea and the Islamic Republic of Pakistan.

I believe an integrated view of the PRC and its allies is important in executing a strategy predicated on the assumption that actions by China and its two allies will either ameliorate security tensions in the region, or these actions will coalesce a network of Asian neighbors to resist military threats or coercion by China. This strategy is sometimes referred to as conditional engagement, conditional containment, or sometimes even "constraint," although these are harsh terms and are rarely used in official speeches or in dialogue with the PRC, for obvious reasons.

As National Security Advisor Thomas Donilon said in a speech to the Asia Society on March 11, 2013, "...the perception among many that the "rebalancing" is targeted against China could strengthen the hand of Chinese hard-liners. Such an impression could also potentially make it more difficult for the United States to gain China's cooperation on a range of issues." As he also said in that speech, and I agree with him, "The United States welcomes the rise of a peaceful, prosperous China. We do not want our relationship to become defined by rivalry and confrontation. And I disagree with the premise put forward by some historians and theorists that a rising power and an established power are somehow destined for conflict. There is nothing preordained about such an outcome."

The point here is that conditional engagement, or whatever you call it, involves two parallel activities, both of which are adduced to the Pacific Pivot. The first seeks to dissuade the PRC from aggressive expansion or coercion in the region, while containing the threats of WMD proliferation and state-sponsored terrorism by North Korea and Pakistan. The other activity is strengthening the network of alliances in the region through military, intelligence, and diplomatic cooperation which includes, crucially the forward deployment of US military forces in the region.

As an aside, if the Pacific Pivot is really meant to view Asia in an integrated framework, then the assessment of the potential threats associated with China's sustained military build-up, for example as estimated by the Annual Report to Congress on "Military and Security Developments Involving the Peoples Republic of China," must incorporate the potential threats of its two treaty allies, both of whom have engaged in the proliferation of weapons of mass destruction and state-sponsored terrorism. References to North Korea and Pakistan in China's security calculus and military modernization in the 2013 report are scarce, and the chapter that purports to set forth understanding China's strategy makes few references to the role of North Korea and Pakistan. At least in my reading, this Report assigns the PRC virtually no responsibility and infers Beijing with little control over the threats to the United States and its Asian allies that are posed by both North Korea and Pakistan.

This brings me to my third and final point, the risks of a Pacific pivot strategy, one of the key subjects of this Hearing, which were raised clearly and succinctly in the same CRS report. As the CRS warned, "In an era of constrained U.S. defense resources, an increased U.S. military emphasis on the Asia-Pacific region might result in a reduction in U.S. military capacity in other parts of the world. Another budgetary consideration is that plans to restructure U.S. military deployments in Asia and minimize cuts in the Navy may run up against more restrictive funding constraints than plans yet assume. Additionally, the perception among many that the "rebalancing" is targeted against China could strengthen the hand of Chinese hard-liners. Such an impression could also potentially make it more difficult for the United States to gain China's cooperation on a range of issues. Additionally, the prominence the Obama Administration has given to the initiative has raised the costs to the United States if it or successor administrations fail to follow through on public pledges made, particularly in the military realm."

I would like to underscore this last risk for the Committee, against the backdrop of Sequestration. America-watchers in Beijing and in the Chinese government have long believed that economic constraints will ultimately undermine U.S. military deployment and our alliance structure in Asia, a line of argument that became particularly salient after the 2007~08 financial crisis. If the Pacific Pivot turns out to be mere speechifying, then conditional engagement and our long-term strategy in Asia are in trouble.

How much risk is inherent in a Pacific pivot? I think the answer turns on a deeper question, to which I don't have the answer, but which I believe this Committee, Congress, and the American people at large deserve some sort of explanation by the architects of this strategy in the Obama Administration.

The deeper question is, how much additional military, intelligence, and diplomatic resources must be pivoted to Asia in order to significantly increase the probability that China will follow a trajectory of "peaceful rise" rather than aggressive expansion? If we apply these additional resources, or adopt a radically different posture in Asia, to shape Chinese behavior by deterring Beijing from aggressive expansion, while containing the threats posed by North Korea and Pakistan, how do we know if this pivot is working? What are the key indicators and what are the key milestones to watch to see if this strategy is having the desired effect in Beijing, Pyongyang, and Islamabad?

These are hard intelligence questions. The answers depend, among other things, on how the Chinese government makes national security decisions: how Beijing calculates the risk and return of expansion, of coercion versus persuasion; the dynamics of elite decision-making processes and bureaucratic infighting between the party, the military, and the Chinese state apparatus; the changes in the security relationship between China, North Korea, and Pakistan; and what signals the Chinese government and the PLA monitor as they make their national security decisions.

These assessments may already have been made by the Obama Administration and

communicated to Congress, as part of its oversight of U.S. security policy making in general and of the Asia Rebalancing strategy in particular. If not, perhaps they should be.

Thank you.

James Shinn is Lecturer at Princeton University's School of Engineering and Applied Science. He served as National Intelligence Officer for East Asia and then Assistant Secretary of Defense for Asia in the Bush Administration.

**DISCLOSURE FORM FOR WITNESSES
CONCERNING FEDERAL CONTRACT AND GRANT INFORMATION**

INSTRUCTION TO WITNESSES: Rule 11, clause 2(g)(5), of the Rules of the U.S. House of Representatives for the 113th Congress requires nongovernmental witnesses appearing before House committees to include in their written statements a curriculum vitae and a disclosure of the amount and source of any federal contracts or grants (including subcontracts and subgrants) received during the current and two previous fiscal years either by the witness or by an entity represented by the witness. This form is intended to assist witnesses appearing before the House Committee on Armed Services in complying with the House rule. Please note that a copy of these statements, with appropriate redactions to protect the witness's personal privacy (including home address and phone number) will be made publicly available in electronic form not later than one day after the witness's appearance before the committee.

Witness name: James Shinn

Capacity in which appearing: (check one)

Individual

Representative

If appearing in a representative capacity, name of the company, association or other entity being represented:

FISCAL YEAR 2013

| federal grant(s)/ contracts | federal agency | dollar value | subject(s) of contract or grant |
|--------------------------------|----------------|--------------|------------------------------------|
| 0 | | | |
| 0 | | | |
| 0 | | | |
| 0 | | | |
| 0 | | | |
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FISCAL YEAR 2012

| federal grant(s)/ contracts | federal agency | dollar value | subject(s) of contract or grant |
|--------------------------------|----------------|--------------|------------------------------------|
| 0 | | | |
| 0 | | | |
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FISCAL YEAR 2011

| Federal grant(s)/ contracts | federal agency | dollar value | subject(s) of contract or grant |
|--------------------------------|----------------|--------------|------------------------------------|
| 0 | | | |
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QUESTIONS SUBMITTED BY MEMBERS POST HEARING

JULY 24, 2013

QUESTIONS SUBMITTED BY MR. LANGEVIN

Mr. LANGEVIN. I have long been concerned about the ability of our basing and infrastructure to withstand the cyber attacks that could reasonably be expected in any conflict scenario, especially a contingency in areas such as the Korean peninsula, East China Sea, or South China Sea. What is your assessment of the ability of our domestic and overseas base infrastructure, particularly the external inputs such as electricity that may not be protected by DOD's expertise, to withstand a cyber attack and continue to enable our military? How are our Japanese and Korean allies faring in their own cybersecurity resiliency efforts?

Dr. AUSLIN. [The information was not available at the time of printing.]

Mr. LANGEVIN. The strategic guidance emphasizes the presence of U.S. Special Operations Forces (SOF) in the Asia-Pacific region. What roles do you think the SOF forces should play within the Pacific theater?

Dr. AUSLIN. [The information was not available at the time of printing.]

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Dr. CRONIN. [The information was not available at the time of printing.]

Mr. LANGEVIN. The strategic guidance emphasizes the presence of U.S. Special Operations Forces (SOF) in the Asia-Pacific region. What roles do you think the SOF forces should play within the Pacific theater?

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Mr. LANGEVIN. I have long been concerned about the ability of our basing and infrastructure to withstand the cyber attacks that could reasonably be expected in any conflict scenario, especially a contingency in areas such as the Korean peninsula, East China Sea, or South China Sea. What is your assessment of the ability of our domestic and overseas base infrastructure, particularly the external inputs such as electricity that may not be protected by DOD's expertise, to withstand a cyber attack and continue to enable our military? How are our Japanese and Korean allies faring in their own cybersecurity resiliency efforts?

Admiral ROUGHEAD. I believe the external inputs to base infrastructure (domestic and overseas) have improved markedly in recent years. Improvements in robustness, resiliency and redundancy have been driven by an awareness that the inputs are key to maintaining information technology (IT) and command and control networks. That said, we must not become complacent or short the necessary resources in this area. Continued attention, testing and resources must be dedicated to ensuring improvements continue to be made to stay ahead of threats and potential adverse conditions that undermine continuity of operations.

Regarding allies in the region, I am confident Australia is approaching cyber security and the importance of the reliability of associated support infrastructure with the same discipline and standards as the U.S. I am impressed with Australian standards and commitment in that regard. I believe high levels of resiliency are being pursued on installations we share with our Japanese and Korean allies, and my experience has been that continuity of operations can be maintained. I believe resiliency on shared bases is more robust than on host nation only installations and facilities.

I am less confident our allies in South East Asia are approaching cyber and cyber support infrastructure in as disciplined and structured manner as are we and those countries mentioned above.

Mr. LANGEVIN. The strategic guidance emphasizes the presence of U.S. Special Operations Forces (SOF) in the Asia-Pacific region. What roles do you think the SOF forces should play within the Pacific theater?

Admiral ROUGHEAD. Special Operations Forces (SOF) will play an important role throughout the Asia-Pacific region and globally. A properly trained and resourced

SOF will remain the force with the most rapid response to a range of contingencies. SOF will remain the most responsive and lethal counterterrorism option the United States has. In more conventional scenarios, SOF will be highly valuable in intelligence, surveillance and reconnaissance (ISR) missions and in precursor and behind-the-lines operations. Language and regional familiarity of SOF forces will continue to be a tremendous asset in developing the skills of similar allied forces and those of like-minded partners.

To maximize the value of SOF forces, appropriate investments must be made in enablers, i.e. responsive and agile air and maritime lift, ISR, unmanned systems and flexible and reliable command and control. Similarly, appropriate training investments must be made for SOF to maintain unequalled proficiency in the range of tasks likely to be assigned.

Mr. LANGEVIN. I have long been concerned about the ability of our basing and infrastructure to withstand the cyber attacks that could reasonably be expected in any conflict scenario, especially a contingency in areas such as the Korean peninsula, East China Sea, or South China Sea. What is your assessment of the ability of our domestic and overseas base infrastructure, particularly the external inputs such as electricity that may not be protected by DOD's expertise, to withstand a cyber attack and continue to enable our military? How are our Japanese and Korean allies faring in their own cybersecurity resiliency efforts?

Dr. SHINN. This is a legitimate concern, especially since the PLA intends to use cyber attacks as a tactic of offensive operations, according to the latest DOD China Military Power Report. Unfortunately I don't know the current state of play, nor do I have any insights into the resiliency of either our Korean or Japanese allies against cyber intrusion operations.

Mr. LANGEVIN. The strategic guidance emphasizes the presence of U.S. Special Operations Forces (SOF) in the Asia-Pacific region. What roles do you think the SOF forces should play within the Pacific theater?

Dr. SHINN. SOF forces in the Pacific theatre should be subordinate to PACOM plans and operations, in my view, and their activities in the region should be carefully synchronized with broader U.S. diplomatic, intelligence, and military strategy, on a country-by-country and regional basis. I think it particularly important that U.S. SOF not be drawn into local CT or COIN operations without explicit rules of engagement and clear political objectives, with complete visibility up the chain of command—political, intelligence, and military commands. There should be, therefore, a clear exit strategy from activities in the Southern Philippines.

SOF activities in Afghanistan and Pakistan are another issue entirely, a complex topic that I can't address here.

