

CONGRESSIONAL TRANSCRIPTS

Congressional Hearings

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Senate Armed Services Committee Holds Hearing on Fiscal Year 2009 Budget for the Department of the Navy

LEVIN:

Good morning, everybody.

First, the committee welcomes Secretary Winter and General Conway back to the committee this morning.

In addition, we'd like to welcome Admiral Roughead to his first posture hearing.

You are well-known to this committee. You served as chief of legislative affairs not too many years ago. It was a fairly short time, I think.

Do you remember what years you were here as legislative affairs chief? Do you want to admit this...

ROUGHEAD:

I wouldn't want to admit that. I think it was in 2000, 2001 timeframe.

LEVIN:

Yes.

It's great to have you.

ROUGHEAD:

It's great to be back, sir. Thank you.

LEVIN:

We're grateful to each you for your service and to the valorous and truly professional men and women that you command and to their families that we always remember.

When we extend our greetings and our gratitude to the men and women in uniform, we always remember to include their families for reasons which you gentlemen are very well aware of.

You're faced with a number of critical issues that confront the Department of the Navy in balancing modernization needs against the costs of supporting ongoing operations in Iraq and Afghanistan.

In one notable case, the nation is calling on the Marine Corps to surge additional forces to Afghanistan because of a refusal among our allies to support operations there.

General Conway's prepared statement highlights that at least 3200 Marines will soon deploy to Afghanistan without relaxing commitments elsewhere in the CENTCOM theater of operations.

And when I talked to General Conway the other day in my office, I asked him whether that failure on the part of allies to do their committed part had any impact at all on the morale of our Marines. And his answer was a very firm, stout, and immediate no. And we recognize that.

And we are doubly grateful to our Marines for that kind of response, we are.

The Navy's been contributing directly to the war effort in CENTCOM as well. In addition to the normal deployments of ships and aircraft in support of these operations, according to the admiral's prepared statement, the Navy has trained and deployed more than 17,000 individual augmentees or IA's to support these missions on the ground in Iraq and Afghanistan.

Again, not their usual duty, but no complaints.

And we're tremendously grateful for that response. And as we visit these men and women, we talk to them about that issue and they are doing their duty, period.

ROUGHEAD:

Thank you, sir.

LEVIN:

These activities further stress our troops and represent challenges to our service members and their families.

And, again, let me express the thanks of every member of this committee. I am sure every member of the Senate, every American, appreciates just how well and ably the men and women of the Department of the Navy and their families are responding to these challenges.

The number of challenges facing the Department of the Navy center of acquisition programs. We have concerns about cost problems in the shipbuilding arena; most notably with the Littoral Combat Ship, or LCS, program.

When we met here last year, the Navy had canceled the contract for the second ship at the first of the two LCS contractors.

Since that time, the second LCS contractor ran under much the same cost and schedule problems that plagued the first LCS contractor, and the Navy canceled that contractor's second ship as well.

Changing requirements, port cost estimates, and experienced program managers, and poor supervision of the contractor's performance were among the causes of the overrun.

Long ago, a famous study said, "Don't monkey with requirements after signing a contract because that leads to cost and schedule problems."

I've heard through the decades that the Navy has learned that lesson, but it, apparently, still has not.

In Marine Corps programs, we saw significant cost growth on the expeditionary fighting vehicle, or the EFV program, last year, and more recently, we've seen reports of significant problems in affording the VH-71 helicopter that will replace the current Marine Corps helicopters that support the president.

We will need to understand what has caused those cost growth overruns and problems and what steps are being taken to correct them.

In the case of the mine-resistant ambush protective vehicle program, or MRAP, Congress intervened to accelerate this program enough so that the Marine Corps will complete filling its requirement for the MRAP vehicles in fiscal year 2008.

Another concern surrounds future force levels. We're facing the prospect that the current Navy program will lead to potentially large gaps between the forces that the chief of naval operations has said that he needs and the forces that will be available to his successors.

In one case, the CNO has said that the Navy needs to have 48 attack submarines to meet combatant commander requirements, but we're faced with the risk of falling well short of that goal for more than ten years starting during the next decade.

Under current plans for tactical aircraft acquisition, the Navy is facing a shortfall of as many as 200 tactical fighters needed to outfit our aircraft carrier air wings.

With shortfalls that large, we could be faced with drastically reducing the number of aircraft available on short notice to the combatant commanders either because we've deployed under-strength air wings or because we did not deploy the carrier at all because of those aircraft shortages.

The Navy has predicted that the reduction in carrier force levels to ten will not prevent them from maintaining the current capability to surge carriers under the fleet response plan, the so-called "6 plus 1 capability."

In the Navy were not to have enough aircraft to outfit four of its ten carrier air wings, this would be a moot point in any event.

We look forward to the testimony of our witnesses this morning.

We're very grateful, again, for their presence, for their commitment to this nation and to their fine work.

Senator Warner, I think this may be your last Navy posture hearing unless we happen to sneak in another one before the end of the year, so...

WARNER:

It wouldn't be a posture hearing, but I've enjoyed 30 years of being with you, Senator, and these posture hearings and then five years prior thereto when I sat at that table.

So it's been a very wonderful opportunity for this humble person to have had that experience.

I join you, Mr. Chairman, in the respect and homage we pay to the men and women of the armed forces, and today it's the Navy/Marine Corps team, and their families for their service to country.

And, Mr. Secretary, I was pleased when we visited the other day, you told me about the centennial celebration for the Great White Fleet launched by Teddy Roosevelt a hundred years ago and how his aide said to him, "Well, Mr. President, we've only got money to really get them halfway around the world."

And the president said, "That's fine by me. We'll get them there and we'll park the ships until Congress appropriates some money to bring them home."

So here we are.

But I think those moments of history and we reflect upon the Constitution which says that this nation shall maintain a Navy and raise an Army as we see fit in the appropriate times.

Today, you report that a third of our fleet is underway at any one time; from the Western Pacific to the Arabian Gulf, flailing with the flag of freedom and hope, not only for our country but for so many countries.

And we also see the trends in naval construction of other countries, notably, China, and now a rejuvenated Russian interest in their Navy. And that brings to mind the essential requirement of this country, and we must remember, in effect, we're sort of an island nation.

And we're dependent on a maritime strategy for our overall security interests.

Meanwhile, 25,000 Marines are conducting our nation's most pressing business in Iraq and Afghanistan and more are on the way.

So we salute you, General, and your forces.

And today's hearing should ensure that we are doing all in our power so that they can meet that motto; the most ready at all times.

For the Navy and the Marine Corps, this comes down to ships and aircraft, ordinance and armor, and a trained force of sailors and Marines equally ready for sea and ready for war.

The chairman covered several points, and I'll just put that in the record as a part of my statement.

But I say to the commandant, I was impressed. I watched a piece last night, I believe it was on the Lehrer Show, about your concern of the current armor and the weight of that armor and how that weight, not only of the individuals' armor but the armor that we put on the vehicles, require you to do some consideration about the future.

And I commend you for that.

Certainly, the up-armored Humvee has been a successful operation, and now the MRAP. But with that armor goes some loss of tactical mobility of those vehicles as well as the tactical mobility of the individual Marine.

And, perhaps, in our testimony, you will touch on that decision that you've been making.

And we are also interested in the recruiting and training. I'm sure the chairman and I will bring those into focus here.

As to the chief of naval operations, we're encouraged by the Navy's continued focus on the fleet response plan on stabilizing your steaming days and flying hours.

But I join the chairman with regard to the shipbuilding budget.

And, Mr. Secretary, we hope it is accurate. And I'm hopeful that we can maintain the goals that you've established for this coming fiscal year and the out years.

That's the essential part of our responsibility here is providing for an adequate force.

The 313 ships, Admiral, is still the goal as it should be for our fleet.

We are also faced, as the chairman said, about the shortfalls in aircraft as we gap in for the joint strike fighter. And we'll cover that.

But a well done to each of you gentlemen and those that you're privileged to have the responsibility to care for, both in uniform and the families, and a very significant civilian corps, Mr. Secretary, that you know well.

I looked at your overall figures. It's 900,000 individuals in the Department of the Navy that you're responsible for, uniformed and civilian.

Thank you, Mr. Chairman.

LEVIN:

Thank you, Senator Warner.
Secretary Winter?

WINTER:

Thank you very much, Mr. Chairman.

Chairman Levin, Senator Warner, members of the committee, thank you for the opportunity to appear before you today.

I am here to present the Department of the Navy's plan to support our sailors and Marines in their mission to defend our nation against current and future challenges.

The president's fiscal year '09 budget will assist the Navy and Marine Corps in accomplishing their complimentary and reinforcing missions while building capabilities necessary to meet future threats.

One of the primary responsibilities of our government is to provide for the nation's defense.

Those responsibilities include the critical requirements to organize, train, equip our naval forces.

For the vast majority of citizens, the only cost imposed on us is financial.

American is able to provide for the national defense with such a minimal impact on the citizenry because we are blessed to have among us a generation of people, patriots all, who volunteer to serve.

They are the ones who bear many hardships, accept any risks, and go in harm's way.

The pay and benefit funding levels in our '09 budget request reflect the compensation levels necessary to continue to attract and retain quality personnel in the Navy and the Marine Corps.

Furthermore, although we are doing well in our overall recruiting and retention numbers, I emphasize the need for special pays and bonuses to meet critical subspecialty needs such as our requirements for nurses, physicians, and explosive ordinance disposal personnel.

It is because of the hard work of our sailors and Marines that we have made progress fostering maritime security, defeating terrorist networks, progressing toward a stable Iraq, supporting the Afghan government, countering piracy and the proliferation of deadly technology, rendering humanitarian assistance, and strengthening partnerships around the world.

Our sailors and Marines have responded when called and superbly performed their many missions in our nation's defense.

It is truly an honor and privilege to work with them and support them as their secretary.

The Department of the Navy's F.Y. '09 budget meets the challenge of resourcing the Navy and Marine Corps team across a range of missions from partnership-building to combat operations.

It invests in our ability to operate, sustain, and develop forces that are engaged in a global war on terrorism while preparing the force for the challenges and threats of the future.

We are requesting a total of \$149 billion, a 7 percent increase over the F.Y. 2008 baseline.

This increase is driven by factors such as rising oil costs and a critical comprehensive growth of the Marine Corps.

Our F.Y. 2009 budget reflects three key priorities which are consistent with those of previous years.

They are, first of all, prevail in the Global War on Terror.

Secondly, take care of our sailors, Marines, and their families, and particularly, our wounded.

And lastly, prepare for future challenges across the full spectrum of operations.

To help meet our first priority, prevail in the GWOT, we are adapting our force for current and future missions to include growing the Marine Corps, shaping the force by recruiting and retaining the right people, and addressing critical readiness needs.

Among the most critical readiness needs is the ability to train our sailors and Marines for the threats that they may encounter.

Unfortunately, our Navy has encountered increasing encroachments in our ability to conduct critical training.

We recognize that there are, on occasion, impacts on the citizenry at large associated with such training, but these are necessary costs that are critical to the defense of the nation.

We take extensive precautions to minimize the impact of our training.

We owe it to the American people and we owe it to those who serve to acknowledge that, as in all things in life, there are competing interests and trade-offs, and that we treat the risks of sonar operation at sea or the impact of jet noise the way we treat all public policy issues, balancing risks and costs against legitimate national security interests.

I greatly appreciate the support this committee provided us last year with respect to Miramar Air Station, thereby, ensuring that our naval aviators can continue to receive vital training.

I commit to you today that I will continue to keep you apprised of legal challenges and their implications for readiness that we face over the course of the coming year.

Mr. Chairman, if, in the future, we are unable to properly train our sailors and Marines, we will have failed to do our duty to them and to the American people.

Another critical issue I would like to highlight concerns doing right by those who go in harm's way.

As Secretary of Defense Gates has stated, apart from the war itself, we have no higher priority than to take care of our wounded.

Our wounded warriors and their families deserve the highest priority care, respect, and treatment for their sacrifices.

Our '09 budget honors our commitment to ensure that our sailors and Marines receive the appropriate care, training, and financial support that they need.

Finally, to meet the challenges of the future, the '09 budget provides for a balanced fleet of ships, aircraft, and expeditionary capabilities with the fighting power and versatility to carry out blue, green, and brown water missions wherever called upon.

Furthermore, I would like to note that, consistent with our commitment to ensure affordability and timely delivery of capabilities, we have launched an acquisition improvement initiative to provide better integration of requirements and acquisition decision processes; improved governance and insight in the development, establishment, and execution of acquisition programs; and formalize a framework to engage senior naval leadership.

Mr. Chairman, I am grateful for the strong support the committee and Congress at large has given our Navy and Marine Corps team.

I want to thank you on their behalf.

Our Navy and Marine Corps is a strong, capable, and dedicated team.

I appreciate the opportunity to represent them today, and I look forward to your questions.

LEVIN:

Thank you so much, Secretary.

Admiral Roughead, I guess you're next.

ROUGHEAD:

Thank you, Mr. Chairman.

Chairman Levin, Senator Warner, distinguished members of the committee, on behalf of our 600,000 sailors, Navy civilians, and families, thank you for your support and the opportunity to appear before you today.

Together with Secretary Winter and General Conway, I'm privileged to be part of this leadership team committed to our nation's safety, security, and prosperity.

Today, your Navy stands ready with the agility, the flexibility, and the competence to do what no other navy in the world can do.

Last week, we successfully, temporarily, converted our sea-based Ballistic Missile Defense capability to engage a failing satellite.

Sea-based BMD is here. It is real. And it works.

But that is only part of what your Navy delivers to the nation.

We recently deployed the first converted strategic submarine for SEAL delivery.

Twenty-eight hundred sailors set sail to patrol in the Mediterranean and Middle East, and the three ships of our Africa Partnership Station conducted four port calls in West Africa.

What you saw last week was just a small part of what your Navy does in executing the maritime strategy, a strategy that is more than just a glossy brochure.

Four carriers last year anchored our presence in the Arabian Gulf.

SSBNs patrolled a silent deterrence.

Three carrier strike groups massed in an array of joint power exercising sea control in the Western Pacific and Exercise Valiant Shield.

FA-18 Hornets increased projected power ashore in Operation Enduring Freedom when the Air Force F-15s were grounded.

Ships patrolled Horn of Africa, enhancing maritime security against piracy.

USNS Comfort and USS Pelelieu provided humanitarian assistance to tens of thousands in South America and Southeast Asia.

The USS Kearsarge Expeditionary Strike Group rushed to provide disaster relief to Bangladesh in the aftermath of a cyclone.

We are out and about doing the essential missions for the nation, but as you so well know, our operations come at a cost to our people, our current readiness, and the future fleet.

And those are my three areas of focus.

Our people, our sailors, our Marines, our Navy civilians, and their families know they have your support.

We must continue to invest in their futures and in the young men and women of America who will follow in their wake.

As a nation at war, our utmost responsibility is to our wounded warriors. I am proud of and committed to the safe harbor program which has dedicated staffs and teams individually tracking and meeting the needs of those heroic sailors and their families.

In the context of this generational war, however, investing in the health of our force must go farther.

The health care we provide, especially for our traumatic brain injuries and post-traumatic stress disorder, as well as the president's support for child care, hiring preferences for spouses, and family education benefits, will bring welcome relief to the military families and assist us in a very challenging recruiting and retention environment.

Likewise, increasing the throughput of the U.S. Naval Academy is an important investment in our future leadership, especially as Marine Corps end strength grows.

But supporting our future force cannot be done without readiness to fight today.

To this end, quality shore installations, responsive depot-level maintenance centers, and unfettered ability to train responsibility are necessities.

Where area access and shore support is denied, the commandant and I have been moving guard with a sea basing alternative.

These elements are essential to support our fleet response plan, which has enabled us to meet requirements and will sustain us through a requested temporary carrier force level adjustment.

Of my three focus areas, building tomorrow's Navy to be a balanced, appropriately-sized force is the most imperative and challenge.

Fiscal realities, operational strain on our ships and aircraft, and necessary decommissionings are contributing to the risk we assume.

Achieving the 313-ship fleet at current funding levels will require us to improve processes, collaborate with industry, and make difficult decisions in the near term.

I am pleased that the first two DDG 1000 contracts have been awarded.

The technology embedded in that ship will advance our surface combatants of the future.

I remain strongly committed to funding those programs that provide critical capabilities to our forces.

There is no substitute for the littoral combat ship in closing a littoral capability gap.

Current FA-18 Hornets are needed to assuage a 2017 strike fighter shortfall.

Surface combatant superiority will be maintained through DDG-52 modernization.

Multi-mission maritime aircraft will recapitalize our maritime patrol, anti-submarine warfare capabilities.

And sea-based ballistic missile defense will ensure future theater and national defense and enable access.

These critical programs for our future fleet require appropriate disciplined investment now.

The 2009 budget and its associated force structure plans will meet our current challenges with a moderate degree of risk.

Clearly, we have many challenges of which building tomorrow's fleet is the greatest, but with these challenges, it is our opportunity to have a fleet which will defend the nation and assure our prosperity for generations to come.

On behalf of our sailors, our Navy civilians, and our families, thank you again for the opportunity to appear before you today, and thank you for your support for what we do today and what we will do tomorrow.

LEVIN:

Thank you so much, Admiral.
General Conway?

CONWAY:

Chairman Levin, Senator Warner, and Distinguished Members of the Committee, I have pledged to always provide you with forthright and honest assessments of your Marine Corps, and I bear that in mind today as I report to you on the posture of our Service.

In my written statement, I provided you a list of priorities that would enable your Corps to best serve our Nation's security interests — both today and in the uncertain future. But in brief, our young warriors in combat are my number one priority.

Those magnificent patriots have been extremely effective in disrupting insurgents and the Al Qaida in the Al Anbar province. And in the spirit of jointness, I must note that it hasn't been just Marines. Rather Marines, Sailors, and Soldiers — a composite effort over time — that has brought success to the Al Anbar.

Quiet in their duty and determined in their approach, your Marines are telling us loud and clear that wherever there is a job to be done, they'll shoulder that mission with enthusiasm. They're tough, and they'll do what it takes to win.

We are still supporting the surge in Iraq and have already shifted from population protection to transitioning security responsibilities to Iraqi security forces. They are actively stepping up to the task.

Though it may not be our core competency, Marines have addressed the nation-building aspect of our duties with enthusiasm and determination.

As you mentioned, Mr. Chairman, in answer to the most recent call from the Secretary of Defense, we are also deploying more than 3,400 Marines to Afghanistan. Your Marines will assist a joint force in either gaining or maintaining momentum there. We fall in on our expeditionary ethos of living hard and fighting well as part of an air-ground team.

I just returned from a visit to Iraq and Afghanistan, and ladies and gentlemen, I'm pleased to report to you that your Marines are demonstrating an amazing resiliency in the face of multiple deployments to dangerous lands. In spite of a one-to-one deployment-to-dwell regimen, that has virtually no chance of getting better until the fall, the factors that we track monthly to determine health of the force — that include desertion and UA rates, suicide, divorce, child or spousal abuse, and reenlistment rates — are all as good or better than they were in 2001.

We do have a significant issue with our families. Simply put, they are proud of their contributions to this war, but they're tired. We owe it to those families to put our family service programs onto a wartime footing. For too long, our programs have been borne on the backs of volunteers; acceptable during

peacetime, but untenable during a protracted conflict. The Congress has been exceptionally supportive in enabling us to make good on the promise to do more.

Of course, we look beyond today in our obligation to the Nation, and we have learned lessons of trying to build the force as we fight. In response to a clear need, we are growing the Corps to 202,000 Marines. We do this without lowering our standards, and we are ahead of our goals. During the last fiscal year, we needed to bring aboard 5,000 additional recruits. We actually grew 7,000 additional Marines; 96.2 percent of them high school graduates.

But more than just manpower, the growth requires training, infrastructure, and equipment to meet the needs of our Nation. You've helped us meet those requirements with steady support and encouragement, and for that, we thank you.

The Marine Corps retains the mission to provide a multi-capable force for our Nation — a two-fisted fighter, if you will — able to destroy enemy formations with our air-ground team in a major contingency, but equally able to fall back on our hard-earned irregular warfare skills honed over decades of conflict. By far, the most complex of our Congressionally-mandated missions, amphibious operations require deliberate training and long-term resourcing to achieve a high level of proficiency. The operational expertise, special equipment sets, and amphibious lift are not capabilities that we can rapidly create in the face of a threat.

Finally, on behalf of your Marines, I extend a great appreciation for your support thus far and I thank you in advance for your efforts on behalf of your brave service men and women in harm's way. I assure you that the Marine Corps appreciates the increasing competition for the nation's discretionary resources and will continue to provide a tangible return for every dollar spent.

Mr. Chairman, thank you very much for the opportunity to speak.

LEVIN:

Thank you so much, General.

Let's try an eight-minute round.

Secretary, I made reference to the huge cost overruns that have dogged our acquisition programs.

Are you making systemic changes to try to overcome those?

WINTER:

Yes, Mr. Chairman.

In two specific areas that would highlight, one of which has to do with the overall processes that we go through within the department to establish a program, and in particular, to ensure that all the requirements are properly defined and completed prior to the initiation of advanced development activities.

We're also going through a very significant activity to assure that we have the right workforce to be able to both manage and oversee the acquisition activities themselves.

This includes everything from the numbers to the appropriate training of the individuals that are put into the specific roles.

LEVIN:

Is there ever any accountability for the failure to meet these cost estimates?

WINTER:

The accountability is imposed both within the Navy team itself as well as with the contractor community.

One of the things that we try on the contractor side is to provide appropriate incentives that give the contractor financial inputs should they fail to meet the appropriate financial and scheduled targets.

Similarly, in the military side, in terms of acquisition community, this is a major factor that we use in the evaluation of people relative to their future assignments and future careers.

LEVIN:

Admiral, what -- I made reference to the folks, your Navy personnel who are serving not in their regular billets.

Instead, they're being used as individual augmentees.

Do we have some way of assessing the impact of that on readiness or in other areas?

WINTER:

Yes, sir, Senator, we do.

We have been assigning our sailors and individual augmentees for a couple of years now.

And as someone who, in a previous assignment was responsible for the direct management of that, we have created structure and oversight to properly pair the individual with the mission to be accomplished when they go forward, and at the same time, as we're doing that, we look at what affect that individual will have on the readiness of the sourcing command.

What I have found is that the process that we have in place, the way that we identify, allows us to put the appropriate capability forward while not diminishing the readiness of our fleet.

LEVIN:

Admiral, you made reference to the recent use of a modified missile defense interceptor, Standard Missile three, along with a modified version of the Aegis Ballistic Missile Defense, the BMD system, to shoot down that failed satellite.

Can you confirm that the modifications that were made to the interceptor missile and the Aegis weapon system were unique one-time modifications exclusively for this one mission and that the Aegis Ballistic Missile Defense System could not perform its required missile defense mission with those one-time modifications?

WINTER:

Those were one-time modifications, Senator, that were done on a finite number of missiles.

The missiles that were not used in this mission will be reconfigured back to the anti-ballistic, the ABM, configuration.

LEVIN:

And in terms of the Aegis BMD System, can you confirm that that system which was deployed does not have the capability to shoot down satellites with the one exception of that unique mission?

WINTER:

I can confirm that, Senator.

LEVIN:

Secretary and Admiral, in your written statements, you made reference to the importance of U.S. approval, an accession, to the Law of the Sea Convention in order to carry out our maritime strategy.

We've held a hearing on that convention. The Foreign Relations Committee has voted it out of committee. It's on the calendar.

Can you just briefly indicate here publicly, orally, that you do support that convention?

WINTER:

Yes, sir. Mr. Chairman, I'm supportive of that.

I think it's important that we have a seat at the table as part of that convention, and have an opportunity to engage with the other members, signatories to that convention as the convention evolves over the years to come.

LEVIN:

Admiral, do you join that?

ROUGHEAD:

I do, sir.

And I can attest from my command positions in the Atlantic and Pacific that having not been a party to that treaty actually inhibited the activities that we could pursue with other navies.

LEVIN:

Is the administration committed at the highest levels to pursuing Senate approval of the ratification of the Law of the Sea Convention in this session of Congress, Secretary?

WINTER:

Yes, sir.

LEVIN:

Admiral, do you know?

ROUGHEAD:

Yes, sir.

LEVIN:

General, let me ask you about the issue which was referred to at some length in this morning's Washington Post but which has had other references as well, and that's the question of Anbar province; its success in turning against the extremists, which you made reference to and for which everybody is, obviously, pleased and grateful.

The movement, which is called during various places and times, a "Sunni Awakening" or "Concerned Local Citizens" or "Sons of Iraq," is, according to a number of reports including this morning's paper, fraying somewhat and could collapse because too few of their members are being offered positions in the Iraqi Security Forces.

There are limited opportunities for other jobs, and they are being targeted by Al Qaida, and they're distrusted by too much of the Shia-dominated government.

And they have been complaining of insufficient support by the U.S.

In the meantime, that provincial powers law which calls for provincial elections to be held by October 1st and was seen by the Sunni-Arab community as a way to gain political power has been vetoed by the Shia members of the presidency council, we read yesterday or the day before.

And I just would like to ask you this question because you and your troops have played such a key role in Anbar and the success that has taken place there.

Are you concerned that those Sunni-Arabs may, once again, take up arms against the coalition, become insurgents again, which, of course, would then threaten to unravel many of the gains which have been achieved during the surge?

CONWAY:

Sir, I'm not concerned that that could happen in the near term, but we are concerned about some of the things you cite and about some of the things that you read in the article this morning.

There have been significant security gains, and there is, even as we speak, the tribal frictions now as they elbow for power at the provincial level but also as they endeavor to plug in at the national level.

We're conscious of those things. We have people dedicated to working those things with the central government in Baghdad to try to ensure that they understand the value of incorporating Sunnis in the government if we are to see one Iraq stay together in the future.

So we monitor those things. We try to mitigate those things through discussion.

We talk to the value of synergy of all of the tribes and all the political parties coming together as they plug into Baghdad.

But we're not concerned that there is any near-term danger of a return to the levels of violence that we have seen.

LEVIN:

Do you have a concern? Is it fair to say that unless those problems are addressed that there could be a significant problem in the longer term?

CONWAY:

Sir, I think that's fair.

We have always talked about the three legs of the stool; the security, the economics, and the political.

We can, in our current role of providing security and doing some nation building in the province, help most with the security and the economics.

We are less able to be involved in the political aspect of things although we engage where we can.

We certainly are pushing to keep the provincial elections the first of October because we think that will be a significant advancement on behalf of the Sunni tribes out west and an opportunity for them to, again, further engage with the central government.

LEVIN:

Thank you.

Senator Warner.

WARNER:

Thank you, Mr. Chairman.

Mr. Secretary, let's turn to the shipbuilding budget, the out-year objective of 313 ships.

Clearly, in your position, you have first drawn on an extensive background, prior to coming to the Navy, Secretary, of managing major programs for the very top level of our defense structure; (inaudible) and Northrop and others.

How confident are you that in the out-years, you can reach or, perhaps, I should say, a successor to you could reach the 313 level?

And what steps are you putting in place to ensure that that takes place in the out-year?

WINTER:

Senator, I think that as we take a look in time, our understanding, obviously, is much better in the current years, in the near years.

I'm confident that we have a viable program for '09 and for the immediate years around that.

As we go out further in time, there are a number of uncertainties associated with everything from the cost of production to the overall requirements that have yet to be defined for many of the future systems; programs like the Ohio Class Replacement, programs like CGX, which is still in the process of going through its early definition phases.

I am hopeful that we will still be able to obtain a 313-ship target in a timely manner, but that is going to require a significant effort on the part, both of the Navy and industry, to work together to make significant changes to the acquisition process, including, in particular, stabilizing requirements and have, if you will, a limit on our appetite for those requirements as we go through program definition.

And furthermore, a significant effort is going to be required, I believe, to modernize our facilities for the construction ships and the combat systems that go on them.

And that investment is going to require, I believe, a concerted effort on the part of both of Navy and industry.

WARNER:

Are you going to put in place a series of benchmarks that have to be made by you and your successors?

And in what year do you hope to obtain, what fiscal year, the level of 313 ships?

WINTER:

We've laid out the program, right now, into the 20...

WARNER:

2019 is the year that you hope...

WINTER:

Yes, sir.

WARNER:

Is that predicated on some significant top-line readjustment in the allocation resources by the secretary of defense between the Navy, the Army, and the Air Force?

WINTER:

Sir, that has a number of assumptions in it. It does assume an average expenditure of about \$15.8 billion a year in '07 dollars to be able to accomplish that.

That is more than what we're spending right now, but, hopefully, it is an amount that is achievable within the current allocation process.

There are aspects that I would like to note are not included in that estimate.

It does not include the cost associated with nuclear power for future surface combatants.

And it does not include the cost estimates associated with Ohio Class Replacement.

WARNER:

Well, it's a challenge, but I think it's imperative that we meet that challenge in view of the fact that other nations are now recognizing the importance of having significant maritime capabilities in their military forces.

General, I'm going to follow on to the line of questioning by the chairman with regard to Afghanistan.

I suppose that theater concerns this senator the most of all the challenges facing us today.

And the Marines are headed in in significant numbers.

The thought being, perhaps, the success that the Marines had in Al Anbar can be used as a blueprint to try and achieve greater success in Afghanistan.

Could you address that concept and your own professional judgment as to whether or not there is a transferability of that strategy in Al Anbar which has been successful for what, in my judgment, is a continuing, series, and in some ways, deteriorating situation in Afghanistan with the ever-strengthening resurgence of the Taliban?

CONWAY:

Sir, I don't think there's a direct transfer because the missions will be slightly different.

Those Marines will take in lessons that come right from our small wars manuals and the decades of viewing with third world countries, if you will, I think will be extremely valuable.

But where as, in Al Anbar, we owned ground and had responsibility for all the villages and all the cities, neither the battalion that's going in nor the MEU will be assigned primary responsibility for ground.

The MEU, we believe, will be used as a response task force immediately commanded by the commander of ISAF. Valuable, we think, particularly, during a spring offensive if we see one; valuable if we decide to launch our own spring offensive against the Taliban locations.

The battalion coming off the West Coast will be primarily involved with training police and the army. And their utility will be at the various police stations throughout their region of assignment in terms of securing the area to a degree that these people can then operate with the populous.

WARNER:

So the first battalion would be in the nature of a 911 force to go anywhere within Afghanistan to confront high-level insurgents.

CONWAY:

I think that's fair, sir.

WARNER:

That's interesting. And the second primarily for the training of the Afghan...

CONWAY:

That's correct, Senator.

WARNER:

Now, I mentioned the very interesting piece that you saw last night.

You're readjusting your order for the new MRAP; is that correct?

CONWAY:

No, sir. If you're talking about the protective vest, the individual one...

WARNER:

Well, let's go vest and vehicle.

CONWAY:

Yes, sir.

WARNER:

Take whichever one you want.

CONWAY:

Yes, sir.

Sir, we adjusted our requirement for MRAP. We initially asked for 3700 vehicles, and the thought process was a one-for-one placement of our up-armored Humvees with the MRAPs.

The up-armored Humvees were simply not standing up to underbody explosions to the degree that we had hoped would be the case, and the MRAP had proven itself over time with the ability to do that.

What we have discovered as those MRAPs have started to arrive in theater in large numbers is that, particularly out west, they are not able to cross some of the bridges that aren't that well built.

WARNER:

Because of the weight?

CONWAY:

Yes, sir. Exactly. They are heavy vehicles. 48,000 pounds with the heaviest of the lot.

They are also don't maneuver as well off road, so what we've found is that those patrols need to be a combination of MRAPs and up- armored Humvees in order to be most successful and to accomplish the mission.

So we have reduced our buy to something more on the order of about 2300 vehicles.

And the saving, we think, in the process, about \$1.7 billion for the government.

WARNER:

Now, what about the utility of that vehicle with your forces in Afghanistan?

CONWAY:

Sir, we think there will be some utility.

When I was there, I looked at, in fact, the arrival of the first 36 vehicles.

We think there will be a total of about 38, something less than 40.

It is not as applicable in large portions of the Afghan terrain even as it is in Iraq because of the mountainous nature, but there are roadways there, there some desert plains there where we do think that it was have use, and we fully intend to use it with our engineers, out route clearance people, and our EOD personnel clearing IEDs.

WARNER:

Let's conclude my time with the vest situation. That's been a very controversial subject here in the Congress and, certainly, in the mind of the public.

Where are we, in your judgment, on the amount of armor that we can expect to put on -- protective armors or whatever you wish to call it -- for the average Marine, and are we going to make an adjustment once again in the type of vest that you think is best suited for the combat situations?

CONWAY:

Sir, as a former Marine, I think you know that there is always a trade-off between weight and protection and the mobility of the individual Marine.

And we continue with that dynamic even today.

We think that the vests that we have protect our people exceedingly well.

What we are hearing now from the Marines in the fleet and the Marines in Iraq and Afghanistan is they don't like this me recent vest because it is three or four pounds heavier than the vest that replaced it.

It takes, depending on how you put it on, it takes two people to put on the vest.

It has a quick-release element that the old vest did not have, but when a Marine straps his rifle, that quick-release capacity is then diminished or disappears.

I wore it myself on my visit to the theater over Thanksgiving last year, and, frankly, I think a big head and big ears, and it's painful putting it on and taking it off.

WARNER:

Where do we go from here? Are we going to be back to the previous vest and produce more of that?

CONWAY:

Sir, what I have done is told my commander at Quantico, who handles such things, to simply stop purchase on the remaining \$24,000 vests, and we need to go back and investigate.

There were over a hundred Marines who field-tested the vests for us back in 2006 and declared it good to go, if you will.

But we're not getting that same report from the Marines in theater who now wear it on a daily basis in combat.

So I think we need to reassess it at this point.

I assure you, sir, there is no loss of protection either way with either the old vest or the new vest; it's just a question of whether or not we have made an advancement in this...

WARNER:

Now, are you working with the Army and sharing that experience?

CONWAY:

Yes, sir.

WARNER:

Are they experiencing the same problem with this vest?

CONWAY:

Sir, I don't know that. I'm just back from the theater, and my guys at Quantico are...

WARNER:

It seems to me that answer is important to achieve. There should be some parallelism between -- because the missions are comparable.

CONWAY:

It's my belief, sir, that the Army has not invested in what we call the OTV, which is this latest variant; that they're still wearing the vest that we were stepping away from.

And we thought that this new vest that ostensibly carried the weight better on the hips and gave us slightly more protection was, again, a step up.

I'm not absolutely certain of that today.

WARNER:

Thank you.

LEVIN:

Thank you, Senator Warner.
Senator Kennedy?

KENNEDY:

Thank you, Mr. Chairman.
And good morning again.

General Conway, according to the recent press reports, an internal Marine Corps study found that the general in command of our Marine Forces in Western Iraq sent an urgent request three years ago this month for over a thousand MRAPs.

But the urgent request was apparently lost in a bureaucracy and never made it to the senior levels of the Marine Corps.

And as we know, it took the secretary of defense intervention in 2007 to fix the broken bureaucracy and get a sufficient number of the MRAPs to our forces in Iraq.

Secretary Gates said last June, the way I put it to everyone is that you have to look add the normal bureaucratic way of doing things and so does industry because lives are at stake. For every month we delay scores of young Americans are going to die.

The recently Marine Corps study itself states that if, quote, "If mass procurement and fielding of MRAPs had begun in 2005 in response to the known threats as the Marine Corps is doing today, the hundreds of deaths and injuries could be been prevented in the Marine Corps.

And I always questioned the press report saying that that study was not an official Marine Corps study and that's its conclusion are the investigator's own.

Recently, General Magnus, as assisting commandant of the Marine Corps, stated, I don't think the study stands up to the facts about what we did, about the what the industry was capable of doing, and why we did what we did; I just don't think it's accurate.

A naval audit service report last September, however, supported the Marine study and its accusations of inefficiency when it concluded the Marine Corps had not established adequate oversight for the urgent need of its forces.

And two days ago, the Marine Corps finally began to acknowledge the seriousness of the study's conclusion as the Pentagon's IG explained the allegations.

It seems, however, that the Marine Corps still focused on downplaying the issue of getting the MRAPs to Iraq and missing the bigger issue which the Marine Corps bureaucracy.

The study concluded, MRAP is just one current -- this is the naval audit -- as the study concluded, MRAP is just one current example of how a loss of time had direct and measurable consequences so the battlefield. Marine Corps combat development organizations are not optimized to provide responsive, flexible, relevant, solutions to commanders in the field.

And the naval audit report that September agreed stating that the Marine Corps bureaucracy was broken and that the ability to accomplish the mission to be undermined and the delivery of needed equipment delayed.

So could you tell us about how you explain the differences between the Marine statements that dismiss the MRAP study's conclusion and the naval audit report that the Marine Corps bureaucracy is broken dealing with the...

CONWAY:

Yes, sir. I'll be happy to.

Sir, first of all, I would not characterize the series of events just as you described.

First of all, we asked the Marine, former Marine, now a GS-15, who works for us to write a letter to his boss to explain to his boss his concerns that we had read about in the media or had been advised about from senators on the Hill.

That...

KENNEDY:

This was done when?

CONWAY:

It's been done recently, sir. I think within the past several weeks.

But going back to the issue of the MRAP request, sir, in 2005, February of 2005, were Major General Dennis Hejlik sitting in this chair, who was the officer who signed off on the question, he would tell you that he was asking for up-armored Humvees, M-1114s.

We had a few at that time, but we had very little.

He felt like that was the armor of choice and the vehicle that we needed for all of our Marines when he signed off on the request.

He had little knowledge of what an MRAP was at that time, and that's the second point I would make to you, sir, is that at that point, there were probably half a dozen of the actual MRAP vehicles, the Cougars with the V-shaped bottom, in the theater.

We were having maintenance issues with some of those vehicles.

At that point, sir, and this is, I guess, the third point, only about 10 percent of the attacks that we were seeing, and in most months less than that, were underbody explosions.

What General Hejlik was concerned about were the side-of-the-road explosions that were destroying our vehicles and killing Marines.

So to say that we knew at that time that a vehicle that had far from proven itself against a threat that was by no means the major threat, was what we needed to vie for is, I think, in some regards, an excellent 20-20 hindsight.

KENNEDY:

Well, the point that is made is the fact that the naval audit report, number one, recommends that by April 30, you promulgate, you a Marine Corps Order defining the roles, responsibilities, and desired outcomes of urgent need process.

So, obviously, they made a findings and a judgment that the process and procedure at the current time was not working well, at least, according to this naval report.

Now, where do you stand with promulgating this order?

CONWAY:

Sir, we have put something out on that in the wake of that report, and I will be the first to acknowledge that no bureaucratic process is without means of movement.

The secretary works hard with us...

KENNEDY:

You put something out. Explain that to me. I don't understand what putting something out...

CONWAY:

Sir, in the wake of the report...

KENNEDY:

This is their recommendation is: By the 30th, you'll promulgate a Marine Corps Order defining the roles, responsibilities, desired outcome for the process, which is the urgent need process.

CONWAY:

Yes, sir.

KENNEDY:

Has that been done yet?

CONWAY:

Yes, sir. It has been done.

KENNEDY:

It has been done.

All right.

CONWAY:

And I would add further, sir, that we have asked for, in the wake of this issue, I guess, sort of coming to light once again, we have asked for DOD IG investigation because we think when the facts are fully known...

KENNEDY:

What was that done?

CONWAY:

Within the last ten days while I was on the trip to Iraq.

So that all the facts can be brought to bear.

And we think that the conclusion will be that well-intended men, very much concerned about the welfare of their Marines, made prudent decisions at the time to bring forward the best capability we could to protect our people in combat.

KENNEDY:

Well, if you look at the -- and I want to move onto the time here -- the whole process, it appears that it took the secretary of defense's intervention in 2007 to have the order -- this is what Gates himself said.

The way I put it to everyone is you have to look outside the bureaucratic way of doing things, so does industry; lives are at stake.

And the audit makes that recommendation for the Marines to date.

And I understand what you've said now is that you have issued the response to the naval audit report, number one.

CONWAY:

Yes, sir.

KENNEDY:

That has been done.

CONWAY:

Sir, if I could, with all due respect to Secretary Gates, when I became the commandant in November of '06, at that time, our commanders were advocating that we replace our up-armored Humvees with the MRAP vehicle.

That became my theme then for purchase of those vehicles.

And if I could offer another quote, it was one I had said that by that point in time that we had had 300 underbody attacks against the MRAP and had not lost a single Marine or sailor.

The secretary was impressed with that quality of the vehicle and then made it his number one priority in the department.

KENNEDY:

Well, my time is up.

I'm interested in the process, the request that was made and how the Marine bureaucracy responded to that urgent request.

I think you've answered the question with regards to the desirability of that particular system and alternative systems, but that doesn't get away from the underlying point about whether the system is functioning and working when these urgent requests come up which are necessary and I'll look forward to looking through the report.

Thank you.

LEVIN:

Thank you Senator Kennedy.
Senator Collins?

COLLINS:

Thank you.

Admiral Roughead, there's been a lot of discussion about the cost of the DDG 1000, and some House members are quoted in Defense Daily today as going so far as to suggest the diversion of funds from the budget in order to buy other kinds of ships.

What is often overlooked in the discussion of the DDG 1000 are three factors.

One, that the requirements are actually for 8 to 12 DDG 1000's rather than the seven that is in the long-term plan.

Second, the technological advancements that have been incorporated into this ship that will give the Navy much-needed capabilities.

And third, the cost savings that will result when you look at the life cycle cost from the much-smaller crew size for the DDG 1000.

If memory serves me correctly, I believe that the DDG 51 requires 338 sailors, and we're looking at a crew size of only 142 sailors for the DDG 1000.

Could you comment, please, on the capabilities issue, the requirements, and the cost?

ROUGHEAD:

Yes, Senator, I will.

The DDG 1000 introduces more new technology that will inform our future Navy combatants than any other ship class that we've ever fielded.

The new technologies that we have put into that, the most significant one, I believe, is what you mentioned, reducing the crew size.

Our ships of the future must have smaller crews.

With respect to some of the press reporting that I have read about using the DDG 1000 to, perhaps, the resources for that to be used for other ship classes, I'm very concerned that we do not disrupt our combatant lines.

Right now, we are developing a new fleet of ships.

If you look across it from submarines to combatants to amphibious ships, we are introducing all new classes.

The Virginia class is coming on line. It's a great submarine. The prices are coming down. We're doing the right thing there.

The LPD 17, even though we had some growing pains when that ship came out, we're now in the process of getting into the flow of that ship, and, in fact, on Saturday, I'm going to down to participate in the christening of New York, our most recent LPD 17.

The TAKEs (ph), which line is moving well.

The areas where I am most concerned about are in our combatant lines; the DDG 1000; our new destroyer, and where we will take that ship to bridge to the new cruiser that we're beginning to work on now; but also the littoral combat ship.

I believe with the stability that we have in submarines, amphibious ships, and auxiliary ships, we really need to allow our combatant build programs to take root, grow, stabilize, and move us into the future.

So I very much want to do as much as we can to get the stability in our combatant lines for the future.

COLLINS:

And that's also very important in terms of the transition from the DDG 51 line to the DDG 1000.

We do need to make sure that that is managed very appropriately in order to avoid a gap in the work at yards which could cause the loss of skilled workers.

And once you lose that capability, it's gone forever. And I know that you and Secretary Winters share my concern in that regard.

I want to associate myself, also, with the concerns expressed by Senator Warner about the need to stay on course for the 313-ship fleet which you have appropriately described as the floor, the minimum that we need.

Part of this strategy for achieving that goal is modernizing in order to extend the life of the DDG 51 Arleigh Burke class of destroyers.

First of all, how important is that modernization to plan achieving the 313-fleet ship fleet?

ROUGHEAD:

That is very important to our 313-ship fleet, and it's also very important to the relevant capabilities that we're going to need in the future.

DDG's are great ships. I speak from experience having put one in commission myself as a commanding officer.

But also, it was a DDG that was the backup ship for the Lake Erie when they shot down the satellite, again, attesting to the versatility of this ship and the capability of that ship.

It will be important for us to conduct that modernization, to up grade the capability, and extend the life of those ships so that we don't have to take them out before they're due.

COLLINS:

And I want to encourage you to examine both the cost and schedule advantages of doing that modernization as the building yard rather than the home port.

I think there's significant evidence that suggests there would be considerably cost savings to the Navy as well as efficiencies in doing that, and I look forward to working further with you and Secretary Winter.

And, finally, let me just thank you, Admiral Roughead, for coming to Maine to visit Bath Iron Works and to visit the Portsmouth Naval Shipyard in Kittery, Maine.

I know you were impressed with that you saw, and I very much appreciated your including Maine as you've been getting out across the country to visit naval installations and yards.

ROUGHEAD:

Well, thank you, Senator. And thank you for taking time from your schedule to be with me during that visit.

It really was good to get out and see the quality of work that's being done, the commitment not just of the leadership in the yards but, as in all cases, it's the individual on the line that's actually doing the hard work that makes a difference.

And that was apparent during my time up there.

COLLINS:

Thank you.

LEVIN:

Thank you Senator Collins.
Senator Lieberman?

LIEBERMAN:

Thank you, Mr. Chairman.

Thank you, gentlemen, for your testimony and for your service.

General Conway, I think that the two exchanges that you had with Senator Warner and Senator Kennedy over the MRAP and the up-armored Humvee were very important.

And, perhaps, we in Congress have something to learn from them.

I think we have been so concerned, not only about the vests that you talked about with Senator Warner, but about the exposure of our personnel to the impact of the IEDs, the bombs, that we rushed with a lot of good intentions to authorize and appropriate at a very high level for the provision of the MRAPs.

CONWAY:

Yes, sir.

LIEBERMAN:

And I'm hearing you saying something really very, in some ways tough but very practical and reasonable, which is that in the experience of the Marines, the MRAPs are not right for all the missions we're asking you to perform, and, in fact, may not protect against some of the other kinds of vulnerabilities.

In other words, I think 10 percent was what you said was the percentage of attacks from underneath and, obviously, the up-armored Humvees also protect from attacks from the side.

I admire you for cutting back on your initial request for the MRAPs because it may be, as I hear you, that really we may have overdone it in real and practical terms, not only in terms of your performance of the mission, but protecting the safety of our personnel.

And what's needed, ideally, is a mix of vehicles; the MRAP, the up-armored Humvee, and maybe something else.

I don't know the extent to which the joint leg tactical vehicle that is being worked on may fill a role there.

So I just wanted to thank you for what you've said and what you've done, and I think maybe there's a lesson in it for all of us.

I don't know whether you want to respond to that briefly.

CONWAY:

Sir, I would only say that I look on the evolution of the MRAP creation and testing and purchase as one of the real success stories that have come out of what's happened.

It took the Congress; it took the DOD; it took the industry to provide the vehicles in the rapid state that they did.

And, sir, we have still yet to lose a Marine in an MRAP to an underbody explosion. It's an amazing vehicle against that niche kind of capability.

And I think I can speak to behalf of my Army brothers and say that they're equally satisfied.

LIEBERMAN:

Right.

CONWAY:

But you are exactly correct in that it's not a vehicle for all places and all times.

LIEBERMAN:

Right.

CONWAY:

And, sir, as I look at the particular culture of our Corps, we're light; we're expeditionary; we're fast-moving, and hard- hitting. And although an MRAP still may be in our future in another battlefield, it does not transport well.

LIEBERMAN:

Yes. It doesn't transport well. I agree with you.

I'm certainly not questioning the MRAP program. I think it's had great utility and I appreciate your saying that we turned it around quickly.

But your point is well taken. If it doesn't travel well, if it's too heavy to go over some bridges, if it doesn't operating well of road, and if it doesn't protect against some of the other threats to our troops, then I think what we're looking for is a mix of vehicles...

CONWAY:

Yes, sir.

LIEBERMAN:

...to allow you and the Army to carry out the missions we've asked you to carry out with maximum protection of our troops.

CONWAY:

I think that's exactly right, Senator.

LIEBERMAN:

I appreciate that very much, and I think it's something we have to take under consideration.

I want to go back to the size of the fleet, the goal of 313.

What are we at now just as a matter of record? How large is the fleet?

ROUGHEAD:

279 today, sir.

LIEBERMAN:

Right.

So in a most direct sense, does that mean that since we're at 279 and our goal has been to be at 313 ships in our Navy that we are vulnerable? We are in some danger? Are you unable to carry out some of the missions, Admiral, that the country is asking you to carry out?

ROUGHEAD:

Well, Senator, I would put in into two different categories.

One is that in combat operations, I would say that the size of the fleet today puts us at moderate risk.

And by "moderate risk," there would be likely success, but it may require longer time. It may require more resources, and it could require some changes in the plans that we would normally use to go after a particular problem.

But I also believe that in the world that we live in today and the strategy that I believe that we, as a Navy and a Marine Corps and even a Coast Guard must pursue, that we have to be out and about.

The types of operations, the importance of maritime security on our prosperity and the way that the goods and resources flow around the world, that numbers become a capability in themselves, and we have to be there to assure the sea lanes that supply our country and that allow us to export or goods and also to be able to have the types of ships and the balance in our fleet for the various missions that we perform.

And the one area that I am most concerned about today is the area close to shore, the littoral areas, the green water. That's what the littoral combat ship is about.

The other ship classes that we have are complementing current capabilities and are up grading those current capabilities.

The LCS is about an area that we are, quite, frankly, deficient in.

LIEBERMAN:

Well, I appreciate the directness of the answer.

And, you know, moderate risk is, I think, ideally more risk than any of us should want you and our country to face.

So it does make the point, though, that although the absolute dollars in the requested Department of Defense budget are large, in my opinion, they're not enough.

And we remain at a percentage of GDP, that is spending on defense, which is historically low considering that we are at war. We're in active war, and we're facing the rise of other great powers -- Russia, China -- who we, obviously, hope we never get into hostilities with, but are putting a lot of money into military acquisitions, including ships for their fleet.

Let me ask you about the littoral combat ship just to remind us what the numbers are.

Of the 313 goal, how many are intended to be in the LCS category?

ROUGHEAD:

Our objective, Senator, is 55.

LIEBERMAN:

So that's a pretty significant number.

ROUGHEAD:

Yes, sir.

LIEBERMAN:

And just for the record, you've cut back because of the problems in acquisition development on what you were going to ask for for this year, right?

ROUGHEAD:

Yes, sir.

LIEBERMAN:

Just remind us again, of what the reduction there is.

ROUGHEAD:

We reduced our intention this year by four out of the 12 combat ships, and that is the adjustment in this year's currently budget proposal.

LIEBERMAN:

So do you worry that the increasing cost of the ship will make it impossible for us to attain the 55 number goal for the LCS that is part of that 313?

ROUGHEAD:

Getting control of the cost, indeed, and bringing the cost of the ship down is a very high priority.

LIEBERMAN:

Right.

ROUGHEAD:

And that's what we're working on. The secretary's leadership and the decisiveness in canceling the LCS 3 and 4 was not an easy decision.

But I believe it was in the best interests of the program.

I look forward to being able to take the eight (ph) ship and the two LCSs that we have in mind and being able to put together an acquisition strategy that allows us to move forward, allows us to acquire those ships so that we can get them out, get them operating because I do believe they're going to be work horses of the future for us.

LIEBERMAN:

I agree.

So at this moment, you would hold to the 55 LCS goal that's part of the 313?

ROUGHEAD:

Yes, sir.

My objective remains 55 LCSs.

LIEBERMAN:

And the 313 remains not only your goal but a goal that you think will meet our defense needs, our national security needs?

ROUGHEAD:

Yes, sir.

And I would say that it is the minimal number of ships that I believe we will need for the future.

LIEBERMAN:

Right. Thank you.

My time is done.

Thank you very much.

LEVIN:

Thank you, Senator Lieberman.

Senator Thune?

THUNE:

Thank you, Mr. Chairman.

Mr. Secretary, Admiral, General, thank you and welcome.

I'm always impressed at the tremendous abilities and resilience of our men and women in uniform, and the Navy and Marine Corps is certainly great examples of that.

And, although, in South Dakota, we don't have a lot of shoreline, coastline, or beaches, I still have a great interest in making sure that our sailors and Marines are well-equipped, and well-trained.

Secretary Winter, in your prepare testimony, you discussed the recent readiness and training challenges that the Navy facing with a Ninth Circuit Court decision regarding the Navy's use, I should say, (inaudible) Circuit Court, regarding the Navy's use of active sonar off the coast of California to train strike groups before deploying.

From what I understand from your prepared statement, the Navy is still sub to an injunction on the use of this sonar issued by the Court despite the president granting an emergency exemption.

As the ranking member of the Readiness Subcommittee, I'm concerned about the effect this injunction may be having on predeployment training.

What effect is this injunction having on your current ability to conduct predeployment training, particularly, as it relates to countering these modern super-quiet diesel-electric submarines?

WINTER:

Thank you, Senator, for the question.

Right now, the orders that we received from the Court impose several additional conditions on our use of sonar for training and exercise activities in the southern California operating area which we believe would have a significant deleterious effect on the efficacy of those training activities.

They basically increase the requirement for shut-down of the sonar when a marine mammal is seen from what has been our practice of 200 yards to a 2,000-meter requirement, which is over a factor of ten increase in the area that we have to shut down under such circumstances.

Similarly, there are certain water column condition, what's known as surface ducting conditions, under which we would be required to reduce the sonar power by 75 percent whether or not a marine mammal was present.

Those types of constraints, we believe, would significantly affect our ability to conduct the type of training activities that are crucial to preparing our fleet prior to deployment.

THUNE:

Admiral Roughead, I have a question in relation to the encounter by the Navy with five Iranian speed boats that occurred last month in the Strait of Hormuz.

According to a January 12, 2008 article in the New York: Times, a 2002 war game indicated that small, agile speed boats could swarm a naval convoy and inflict devastating damage on our war ships.

To the extent that you can discuss this in an open setting, what is the Navy doing to prepare to meet this type of threat?

ROUGHEAD:

Well, Senator, as you will understand, I won't get into the particular procedures that our ships and crews use, but first of, I'd like to just mention the competence and the training of our crews and the commanding officers are what, I believe, kept that situation under control.

As part of our training for our crews as they prepare to deploy, we presently them with scenarios that are very similar to that which would be encountered in and around the Straits of Hormuz and in other littoral areas such as that.

We employ simulators as well, again, to just be able to take them through a variety of responses.

But as we operate in environments like that, we employ all dimensions of our naval power, not just the capabilities that we have on our ships, but also our airplanes, those that are embarked on the destroyers and other combatants but also the ships or the aircraft of our air wings.

So it's a total capability that we bring in. Our awareness, our situational awareness adds to our understanding of what is developing, but, again, I come back to the fact that it really is the training, the competence, and the discipline of the young men and women who are operating our ships at sea that make all the difference.

THUNE:

And I absolutely would agree with that with regard to the incident in January.

I guess the question with regard to the simulation and how that played out when you gamed it out, do you have a concern about our flexibility, our ability to react to that type of a threat which seem to be where our adversaries in that region are headed?

ROUGHEAD:

Senator, I have confidence in our sailors and our commanding officers, but I am concerned about the type of behavior that is allowed to be taking place when the leadership of Iran lauds the crew that captured the Royal Navy sailors.

I think that that just engenders an attitude in the revolutionary guard units that has the potential to escalate, elevate, and, perhaps, make behavior like this more routine.

THUNE:

Secretary Winter, the Navy recently rolled out a new maritime strategy. Could you highlight the major points of that strategy and where you think we have the biggest gaps in our ability to execute it?

WINTER:

Well, I think the new maritime strategy really represents a long-term commitment on the part of the Navy to partnership building, to maritime security as a common objective for all maritime nations, and also recognizes the importance of humanitarian assistance in disaster relief as mechanisms to assist our ability to develop the relationships with other nations, other navies and to be able to represent our country around the world.

It also continues, if you will, all the current aspects of dissuasion, deterrence, and supremacy at sea that have been the hallmark of our Navy ever since.

THUNE:

Admiral Roughead, there's been a lot written about the development of the Chinese and India navies as well as other emerging threats.

How would you characterize the submarine threat that other countries pose? And how ready is the U.S. to deal with it?

ROUGHEAD:

The proliferation of submarines globally is occurring at a very, very rapid pace.

And it's more than just numbers.

The sophistication and the technical advancements that are being made in quieting submarines, making them harder to find, creating air-independent propulsion systems that allow submarines to remain under water for very long periods of time add to the challenges of anti-submarine warfare and get to the point that the secretary was make about the need to be able to train against those types of threats.

And the days of the Soviet Navy, we looked for their submarines by listening passively, and we could detect where they were and get a position on them.

In the case of these very sophisticated, smaller, advanced diesel submarines, active sonar is how we find them. Active sonar is how we localize them. And active sonar is enabling how we will kill them.

And we must be able to train realistically. We can do that while being good stewards of the environment.

In fact, the United States Navy, more than any other organization, as invested in marine mammal research more than any other organization in the world.

We can do both, and our record speaks to that.

THUNE:

Mr. Secretary, do you have any indication of if and when that injunction by the Court might be lifted with regard to the training exercises off the...

WINTER:

Sir, we had oral arguments yesterday in California. We expect to get a ruling by the Ninth Circuit some time next week.

We'll have to go from there. I do expect, however, to see continuing challenges on a wide variety of fronts associated with our use of sonar techniques.

THUNE:

My time is expired.

Thank you, Mr. Chairman.

LEVIN:

Thank you, Senator Thune.

Senator Bill Nelson?

BILL NELSON:

Thank you, Mr. Chairman.

Good morning, gentlemen and thank you for your public service to our country.

I get to visit with you, Mr. Secretary and Admiral, probably more than you would want me to visit with you, and I thank you for the continuing saga with regard to making Mayport Nuclear, and we're awaiting the EIS. And so thank you very much.

In a couple of minutes, and it may be in the room, I'm going to be visiting with our commander of Southern Command.

And as I have discussed with both of you, the recommendations that are coming up to you, Mr. Secretary, from the Admiral about the reactivation of the 4th Fleet.

And you may want to share your thoughts with the committee about that and then, specifically, I'd like to ask if you all will make the request for the appropriate funding in order to make the necessary improvements at Mayport for the 4th Fleet that would support Admiral Stavridis as we project our American presence throughout the western hemisphere.

ROUGHEAD:

Senator, as you know, I've been out in the fleet for the last few years. And as I've looked at the world we're going to operate in and I look at the strategy that I believe is right for our time, it became apparent to me that we had to make some adjustments in our command and control structure.

And from that came the 4th Fleet recommendation that I've made.

It will better align Admiral Stavridis' naval activities and operations with the way that we're doing them in other part of the world; very similar to 5th Fleet and 6th Fleet.

So I believe the time has come to reactivate that, and it will provide for much more effective operations and more cooperative activity, particularly in the Southern Command area of operations.

I would say, however, that the 4th Fleet is a command structure.

And similar to the 6th Fleet in Europe and the 5th Fleet in the Middle East, they will be receiving forces from other naval command and operating them in the Southern Command area of operations.

So with regard to any improvements in Mayport, those are more driven by the Environmental Impact Statement that I'm pleased we're going to have out here soon for public comment and decision in January of '09.

And also the outcome of what I've asked my staff to do, and that is to look at what is the right strategic laydown and where should we have our Navy forces positioned in the United States.

BILL NELSON:

So that EIS is not only going to be for nuclear capable, but it's also going to be for the whatever additional activities you would have with the 4th Fleet?

ROUGHEAD:

What the EIS is looking at are a range of force package options for Mayport. There are 13 options that we're going to look at that range everywhere from combatants to carriers.

And that will be a very informative document for us.

BILL NELSON:

Mr. Secretary, in the chain of command, is it coming from the admiral up to you and then it goes to Secretary Gates? Is that what happens?

WINTER:

Yes, sir.

I've taken a preliminary brief on it. I've asked a number of questions, particularly with regard to exactly how we will evolve this structure.

As the CNO commented, this is principally a command and control element. This is a staff group that we're talking about.

Most of that staff currently resides at Mayport. Is that the right place in the long term to support the Southern Command down in Miami? How do we want to work all of that all has to be determined yet.

Once we go through that process, then we will go and take it forward to SecDef.

BILL NELSON:

Now, is that interrelated with EIS or is that a command decision about where you locate...

WINTER:

Sir, I do not view this as having any material impact on the EIS or vice versa.

BILL NELSON:

I see.

Well, then I must have been mistaken. I thought that the recommendation coming up was that the 4th Fleet would be headquartered at Mayport.

(UNKNOWN)

Senator, the 4th Fleet is a headquarters much like our 6th Fleet is in Europe and our 5th Fleet is in Bahrain.

It is a headquarters organization that, in the case of 4th Fleet, will be the merging of Naval Forces South and the 4th Fleet into the headquarters element.

BILL NELSON:

And I thought that recommendation that was going up was to be at Mayport. Is that the recommendation that has to be up through the civilian leadership?

(UNKNOWN)

The recommendation, sir, is to take the NavSouth staff and redesignate them as NavSouth and 4th Fleet in that they currently reside in Mayport.

My recommendation is that that redesignation occur. But then as we look at force laydown, where command and control structure will be in the future, I believe we should be looking at what is the best way for us to be position and operate our Navy.

And that will all be part of the look that I'm doing.

BILL NELSON:

So long term, that's a decision still to be made in your recommendation?

(UNKNOWN)

Yes, sir.

I think that we should be take a good look at the overall force posture and positioning and where's the best place to put our forces.

BILL NELSON:

All right.

Admiral, let me ask you about the reliable replacement warhead which was going on the submarine launch ballistic missiles.

The first version of the RRW was something of a rebuild of the existing W76 nuclear warhead.

But now the question is is there a slow-up on the RRW.

So what's the impact on the rebuild of the W76?

ROUGHEAD:

Senator, if I could take that question for the record, I'd like to do that and get back to you.

BILL NELSON:

OK.

We've got that issue in front of our strategic subcommittee which we're going to have to answer that.

I would also want to ask you if you would take, for the record, the question of the Standard Missile three inventory as well as the Standard Missile 3-block 1-B over the block 1-A.

ROUGHEAD:

Yes, sir.

BILL NELSON:

It's going to have a considerable improvement, and we need your advice as we get into this.

And speaking of the Standard Missile, congratulations to you.

ROUGHEAD:

Thank you very much, sir.

BILL NELSON:

You hit the bull's eye, and you did a service. And I think it's appropriate for somebody like me to say that even though people jump to conclusions, the fact is you had a schoolbus-sized defense satellite that was tumbling out of control along with a thousand pound tank of hydrazine that could survive reentry.

And the fact that you hit it and busted it into all thousands of pieces will cause the, number one, the orbit to degrade a lot quicker; and number two, much more manageable, and, therefore, less likely that pieces survive the searing heat of reentry; and number three, you busted open the tank so the likelihood of a tank filled with hydrazine -- which did happen, by the way.

The small hydrazine tank survived the reentry in the destruction of the Space Shuttle Columbia all the way to the earth's surface.

So for that third reason, you are to be congratulated in improving the safety of the conditions.

ROUGHEAD:

Thank you, Senator.

BILL NELSON:

Thank you.

ROUGHEAD:

I couldn't be more proud of our sailors and our civilian engineers that put all that together. Thank you.

LEVIN:

Thank you, Senator Nelson.

And Senator Nelson's comments of congratulation, I'm sure, reflects the feelings of all of us.

ROUGHEAD:

Thank you very much, Senator.

LEVIN:

Senator Martinez, an uninterrupted term from the chairman today.

MARTINEZ:

Thank you, Mr. Chairman.

Well, we can work as a team when it needs to be.

I thank you.

I want to add my word of congratulations. I really think it was a remarkable thing.

And from time to time, there are things that happen to completely capture our imagination, and that one is an amazing feat. So well done.

Admiral Roughead, we have talked about the expanding Navy and the need for a 313-ship Navy which, as you know, I fully support.

One of the things that has been mentioned along those lines is the possibility that the Navy should be an all-nuclear surface fleet.

And I wonder if you can articulate for us your thoughts on that issue.

ROUGHEAD:

Yes, sir.

The nuclear power offers advantages. Nuclear power is also a more expensive initial cost as we build ships that have nuclear propulsion.

I believe that as we look at the ships of the future, we should look at varying types of ways to propel and to power those ships, and nuclear power is one of those things that we should look at.

That said, for all ships to be nuclear, my great concern is that it would become a question of affordability, and we have to look at that.

We have to look at more than just the fuel cost.

We have to look at how much it will cost us to maintain those ships, how much it will cost us to man those ships because, I believe, that as nuclear power has a resurgence in the civilian commercial applications, that many of those companies know where the best operators and where the best engineers are, and that's in the United States Navy.

MARTINEZ:

So your concern is cost which, when compared to the cost of fuel alone does not tell you the whole cost, which has to do with the increased maintenance and also you think that you could have a simply a manpower issue in terms of competing with the private sector for increased demand for nuclear...

ROUGHEAD:

Yes, sir.

We have to look at the whole dimension of it and then make the best decisions that we possibly can.

MARTINEZ:

So you want the flexibility, in other words, to...

ROUGHEAD:

Absolutely.

MARTINEZ:

...increase our Navy in whatever power station you think is the most suitable at a given point in time?

ROUGHEAD:

Yes, sir.

MARTINEZ:

Mr. Secretary, good to see you again.

WINTER:

Good to see you, sir.

MARTINEZ:

And I wanted to ask you, we've talked about littoral combat ships and how important it is.

And I really would like to get an update from you on that program. Where are we?

What steps you've taken to correct the deficiencies?

The admiral and I have discussed the need to get this one right as we look to getting that 313-ship Navy.

So bring us up to speed so where we are on the procurement, on the ship models, and that kind of thing.

WINTER:

Yes, sir.

At this point in time, we are focusing on really two aspects one of the which is the two ship hulls that are being constructed right now; one in Marinette under the Lockheed Prime contract and the other down in Austal under the General Dynamics contract.

Both of those ships are coming along. We are, right now, conducting somewhat limited power train tests up in Marinette with the LCS-1, but we're somewhat limited because of the ice buildup this type of year in the lake there.

And we are fully expecting to be able to initiate the full range of sea trials once we get past the ice season there, most likely in the April time period.

With the LCS-2, which is down in Alabama, we're in the process of completing the construction there to the point that we can get her into the water later this spring.

That is still our current forecast there, and we fully expect to be able to conduct at least the initiate range of sea trials with her later this year.

At the same time...

MARTINEZ:

What time frame in the year? The summer, perhaps?

WINTER:

Probably the summertime. Yes, sir.

At the same time, we've proceeded very well on the mission modules.

We've already taken delivery of the first of the mine warfare modules. That has been delivered.

We also are fully expecting to have the first of the surface warfare and the anti-submarine warfare modules delivered this year.

All of that gives us a good basis for conducting the full range of mission tests that we'd like to be able to do with both of these vessels.

At the same time, we're preparing to start a round of acquisition which would enable us to acquire three additional vessels under a fixed-price incentive-type contract.

Those three vessels would include the one that was previously approved for F.Y. '08 and the two we're requesting for in the year of the current interest to (inaudible) '09.

MARTINEZ:

Thank you, sir.

WINTER:

Thank you.

MARTINEZ:

General Conway, we've discussed this morning here the increased presence in Afghanistan with 3200 Marines.

I'm not sure if it was asked, but if not, I like to be sure that I'm clear.

My concern is that from reports that I hear of an increasingly deteriorating situation in Afghanistan from a security standpoint, that this type of force increase may not be sufficient and that, perhaps, additional forces may be immediate in Afghanistan in the near future.

Aside from the great concern that I have about the lack of participation in real fighting from our NATO partners, can you tell us where you see the Afghanistani force needs going in the near term and the far term in

CONWAY:

Sir, I think your analysis is probably correct.

When we visit there, people are generally pretty satisfied with what they see happening in Regional Command East which is up against the Pakistani border and is in the northeastern portion of Afghanistan.

They are less comfortable with conditions in the south.

Drug fields still operate relatively freely there.

There are what they call rat lines in from what some would consider safe haven across an international border.

Taliban actually controls some ground, and some would say it's the heart of the Taliban. You have families there who have sons fighting as a part of the Taliban.

So I think R.C.-South is still very much an unclear picture at this point.

And whether or not enough troops have now been committed, both coalition force troops who in some cases are doing very good work, and now Marines in addition to the soldiers that have been there will be sufficient, I think, is uncertain at this point, sir.

MARTINEZ:

Have you -- and I know the secretary has been traveling a lot recently and has made his case to our NATO partners, but can you tell us anything about the level of cooperation that you might anticipate from what is a NATO mission from other NATO countries in terms of participating in the actual difficult work that is necessary there?

CONWAY:

Sir, I cannot talk about any increased participation. What we do know is that the Canadians publicly are asking for additional troops. They think that there is a need for additional troops, especially if our Marines pull out in October, which is planned at this point.

The British we see are there. They have a replacement scheduled, a rotation that will replace the people that are there now with a parachute brigade for all intents and purposes.

So we think that the resolve is still readily evident on the coalition forces that are there now for at least the rest of this calendar year. Again, sir, I would not want to presuppose beyond that.

MARTINEZ:

Thank you, General.

My time is up, but let me associate myself with Senator Nelson's comments as it relates to the situation in Mayport and our great desire to continue to see a very vibrant naval places there going into the future.

We've discussed it ad nauseum. I'm sure you know my points on that, but I did want to associate myself with the senator's comments.

Thank you.

LEVIN:

Thank you, Senator Martinez.
Senator Reed?

REED:

Well, thank you very much, Mr. Chairman.

Thank you, gentlemen.

Admiral Roughead, the Navy has the requirement to start detailed design for the next class of ballistic missile submarines.

In fact, we have to start doing that pretty soon since, I think, 2019 is the target date to begin construction.

What are you doing to start that research, develop, and design program in this year's budget?

ROUGHEAD:

Sir, as you know, we have to start looking at that, and we are beginning to move forward with the initiatives to work a design process as well as work cooperatively with the UK government which has a more urgent need than we do.

So we are moving forward in that regard.

REED:

One of the problems, I think, is not in terms of just the delivery of the submarine of the future; it's the maintenance of the R&D force, which is fragile if we don't keep investing these skilled individuals who will leave and go off by necessity.

That is, I presume, a concern that you have and will motivate your actions?

ROUGHEAD:

Very much so. Yes, sir.

REED:

OK.

And Mr. Secretary, can you describe the acquisition strategy for the rest of the seven ships in the DDG 1000 program?

WINTER:

Sir, at this point in time, we have not definitized the acquisition strategy for the rest of the ships. So we will be developing that this year and going through the normal approval process on that.

REED:

And when do you anticipate informing the Congress about the results of the analysis of alternatives and design decisions for the CGX?

WINTER:

Sir, we're still in the process of go through that right now. I will say that, based on the preliminary reviews I've had, we still have a ways to go on that.

And I would be hard-pressed to give you a definitive date at this point in time.

REED:

Is it your intention to leverage investment in existing hulls by reusing DDG 1000 hulls in your planning? Is that one option at least?

I know you can't reach a definitive judgment. Is that an option?

WINTER:

Sir, one of our principle objectives is to maximize reuse of everything from hull forms to individual componentry on all of our ships.

And to the extent that we can use improvements and new technology that is being developed in other programs, we will endeavor to do so.

At this point in time, though, I must, assert just one of a series of options.

REED:

And with respect to the DDG 1000 hull and construction of CGX, can you do that with nuclear propulsion as required for the National Defense Authorization act of '08?

WINTER:

That is one aspect that we're looking at. We do believe that we can accommodate a reactor plant in that particular hull form. But that is something that still need to be fully developed.

REED:

Thank you.

General Conway and Admiral Roughead, in general, do you think we're putting enough money into the research and development to support both shipboard operations and expeditionary forces?

The commandant, you first.

CONWAY:

Yes, sir. I do.

We have a very active warfighting lab that works with the Navy research labs.

We reach out to commercial and educational institutions with our research.

So I think that we are, sir.

ROUGHEAD:

And I agree with that, Senator.

And just coincidentally, this week, I directed the president of our Naval War College to reinstitute the Title 10 wargame so that we can, at an operational level, begin to look at some of the concepts that are

important to General Conway and I particularly in the area of sea basing because I really value the intellectual capital that we have in Newport...

REED:

Rhode Island?

ROUGHEAD:

In Newport, Rhode Island. Yes, sir.

And that adds to not just the R&D but, really, the operational perspectives that must be brought to bear.

REED:

Let me raise a final question.

I understand the Navy is essentially all locating 50 accessions from their ROTC or Naval Academy programs to the Marine Corps this year.

Is there any plan going forward or contemporaneously to make up for that?

ROUGHEAD:

Senator, one of the things that we are requesting this year is to grow the size of the Naval Academy by 100 midshipmen. It will be done over a period of four years.

That really is in support of the Marine Corps requirement, and I seek your favorable consideration.

REED:

Well, as long as they're coming out for the archery team, that's fine.

Thank you.

LEVIN:

Let's see.

Senator Wicker, I believe.

Senator Wicker?

WICKER:

Thank you.

I don't know if this thing's working. Yes. Thank you very much. I appreciate it, Mr. Chairman.

Gentlemen, let's talk about LPD's.

Mr. Secretary, the purpose of the LPD is to load, transport, and unload Marines as well as their assault equipment such as helicopters and other vehicles for amphibious warfare missions.

I noticed, Admiral Roughead, that the LPD is number two on the Navy's unfunded priority list.

And, General Conway, it's the Marines number one unfunded priority.

I'd like to see that moved up a little, and I know that we've got competition between the needs and our ability to finance them.

But I am concerned about our ability to provide continuous global posture as outlined in the naval strategy without additional investments in these large deck platforms.

If you couple the fact that the F.Y. '09 budget outlines a five- year shipbuilding plan, it relies heavily on three new platforms which brings a large degree of risk to an already complicated production strategy.

With the growing Marine Corps, which I support and which most people support, it seems to me that additional LPD's are going to be necessary.

As I understand it, there are nine of these ships that have been authorized and appropriated in last year's act.

Fifty million dollars in advanced procurement was appropriated for the tenth ship, but it is not funded in the budget request.

I'll ask each of you to comment on this.

How much expeditionary strike groups does the Marine Corps have a validated requirement for?
As a matter of fact, somebody tell us what, for the record, what comprises an expeditionary strike group?

(UNKNOWN)

The expeditionary strike group, Senator, is comprised of...

WICKER:

One strike group.

(UNKNOWN)

One strike group will have a large deck amphibious ships with two others; it will have a surface combatants capable of firing tomahawk missiles; and on occasion, we will couple a submarine with that strike group.

WICKER:

But an LPD is an integral part of this expeditionary strike group; is that correct?

(UNKNOWN)

That is correct.

WICKER:

OK. And so isn't it a fact that we have a validated requirement for 11 of these strike groups?

ROUGHEAD:

General Conway's requirement is for 11 LPD's as part of an 11-11-11 mix.

WICKER:

OK.

ROUGHEAD:

I concur with the requirement that he has set forth. With regard to the prioritization with the LPD on my unfunded program list, it is number two.

Number one on my list are the P-3 airplanes that we have experienced cracking in the wings. And I've had to ground 39 of them in the last couple of months.

The P-3s are our premier anti-submarine warfare airplane, so they're important to us in that mission.

But they're also being used very extensively in Iraq because of their intelligence, surveillance, and reconnaissance capability that they have.

And for that reason, I have put the P-3s as my number one priority.

WICKER:

Number one unfunded.

ROUGHEAD:

Unfunded priority.

WICKER:

Well, how are we going to meet these requirements without the number one and number two requirement?

And for you, General Conway, for your number one unfunded priority. How are we going to meet the requirement of 11 strike groups without those?

CONWAY:

Well, sir, first of all, we are short. But let me couch, perhaps, the same conversation just to shade differently.

We see that a minimum two brigade across the shore requirement is how we arrive at the numbers of ships that we need.

You're certainly correct in that the ESGs are afloat; they serve a very valuable purpose, but nine or 11 ESGs do not make an amphibious assault force.

So we have analyzed what our two brigades look like, the amount and the numbers of ships that it would need to carry those brigades. And at this point, we are a little short.

Now, as Admiral Roughead mention the, we've had some tremendous discussions with the Navy. We have come to an agreement on the numbers of ships, 33 to make 30 operational ships in order to give our nation that very necessary capability.

And the Navy has looked at a way to extend some older ships that give us that 30 number for some period on through the FYDP, the five- year defense plan.

Our only certain with it, however, is that we have already, through previous agreement, previous CNOs, and previous commandants, agreed on the 30 ships. That still represents about a 20 percent shortfall that those brigade footprints would require.

If we go with the old ships instead of newer ships, that shortfall becomes about 29 percent.

And we think there's a risk inherent with that that just concerns us greatly with the ability to provide that kind of capability to the nation.

Ergo, it being our number one unfunded priority.

WICKER:

Well, thank you very much.

And I would just simply suggest you've got the gist of my question.

And we put the \$50 million in for advanced procurement for the tenth ship last year, and I would just hope that this government, somehow, could find the ways and means to go ahead with the tenth ship in short order.

Now, General Conway, let me shift in the time I have remaining and follow up on Senator Martinez's question about Afghanistan.

Regional Command South is troubling as I understand your testimony to be.

And this is what I understand also from some of them my colleagues who recently returned from Afghanistan.

I think it's important that we paint the correct picture about what's going on there in Afghanistan.

I think the testimony was that the Canadians are asking for additional troops. I suppose you mean they're asking our NATO allies for additional troops; is that what...

CONWAY:

I think that's a fair statement, sir.

They were saying that there is a need for a thousand additional troops and six additional helicopters. And the Canadian...

WICKER:

That's what the Canadians are saying. Do you agree with that? Is there a need for more than that thousand?

CONWAY:

Sir, I think it remains to be seen. We are in a period, at this point, of lesser amounts of activity.

Those 3400 Marines are not on deck yet. I do think that a battalion of Marines...

WICKER:

I'm sorry. We're in a period of lesser activity?

CONWAY:

Yes, sir. Because it's winter there.

WICKER:

Oh, I see.

CONWAY:

In the heavy snows, the Taliban are historically less active during these months. But I think springtime will be another story.

I was going to say, sir, that a battalion of Marines in Afghanistan, we feel as the joint staff, is probably going to have more effect than a battalion in Iraq because of the nature of the threat and the numbers that we face.

So we don't know yet what the outcome of those 3400 Marines are going to be in the south, but the Canadians, who command R.C.-South, would like to see a continuation of that kind of force structure on through, beyond this calendar year.

And that's what they're asking for to whatever nation that can help them to carry on the fight.

WICKER:

Those would be NATO nations.

The staff has handed me a nice little card, and I know that my time is drawing to a close.

But I would just observe, this is a crucial moment for NATO. And I would say this publicly to anyone that's listening to the sound of my voice.

Our entry into Afghanistan was not controversial as Iraq was later on.

It followed 9/11. The world was with us, and NATO all agreed to hold hands and do this together.

And I would simply suggest that there are a lot of people observing the situation that are wondering if everyone in NATO understands what the agreement was and what the alliance is about.

Thank you.

LEVIN:

Thank you, Senator Wicker.

Senator Akaka?

AKAKA:

Mr. Chairman, would you allow me to commend my colleague?

I agree with your comment with regard to NATO and we should not forget that background.

LEVIN:

I think there's probably a consensus on this committee as to what you just said, Senator Wicker.

We've spoken out on that issue as has the secretary of defense, and your comments, I think, are right on target about the obligations of NATO that have not been met.

Senator Akaka?

AKAKA:

Thank you very much, Mr. Chairman.

Secretary Winter, Admiral Roughead, and General Conway, aloha and welcome to this hearing on the Navy's F.Y. 2009 Defense Authorization Request hearing.

Also, I want to thank all of you for your service to our country and also thank all of those you command for their service to our country. We really appreciate all of that.

Secretary Winter and Admiral Roughead, my question has to do with Guam. Decisions have been made already for us to move 8,000 Marines to Guam by the year 2014.

This move coincides with overall build-up of U.S. military facilities on Guam as it becomes a key strategic location in the Pacific.

The 2009 budget request includes \$34 million to continue planning and development for a national environmental policy act which requires an environmental impact statement.

I understand that DOD is making steady progress with their environmental impact assessments, but other agencies such as the Department of Interior do not have the funding necessary to complete their own EIS requirements for Guam.

Secretary Winter and Admiral Roughead, if these other agencies are unable to find the funding necessary to complete their EIS requirements, my question is what impact will this have on the proposed timeline?

WINTER:

Sir, first of all, thank you for the question.

I would note that we have gone a long way over the last several months in terms of developing the interagency coordination necessary to bring in the other departments, in particular, Secretary Kempthorne has been a major player in terms of bringing interior into this act as part of their responsibilities for insular affairs and having the explicit responsibility for Guam.

I believe that the ongoing activity that are needed to support the overall, both EIS development, the Environmental Impact Statement and the master plan development, have all been identified.

We are hopeful that they will be funded in a timely manner.

I know that there's been a lot of effort going toward that direction.

I cannot give you an explicit statement of what would occur if any specific component was unable to support the activity, but I can give you the assurance that we are working with all the other agencies in a very direct manner, and should any specific issue come up of that nature, we would be more than pleased to inform you of that.

AKAKA:

Admiral?

ROUGHEAD:

And, senator, there's nothing I can add to the secretary's statement.

AKAKA:

All right.

I would then say that should the other agencies not provide this information, then maybe reconsideration of the timeline.

WINTER:

Yes, sir.

AKAKA:

Admiral Roughead, the Pacific is likely to increase in relevance for U.S. national security and the for the U.S. Navy.

As China become a greater economic and military power, and as operations against radical extremism continue in places like Afghanistan and Pakistan, this certainly is a huge concern.

And personally, I will tell that you Admiral Keating has made some great moves and has been able, at least, to be able to converse with the Chinese authorities.

Given the importance of the U.S. Navy power projection in the Pacific and the shifting of 8,000 Marines to Guam from the Third Marine Expeditionary Force, is there consideration, Admiral, for basing the new USS Gerald R. Ford at Pearl Harbor given its strategic geographical advantages?

ROUGHEAD:

Senator, as you know, in recent years, we've realigned our carrier force, putting most of it in the Pacific, the same with our submarines.

As we look to the future and the delivery of the Gerald Ford, which will be an aircraft carrier of great capability, we will factor that capability into the force posture and basing plans for the future.

AKAKA:

General Conway, in your statement, you mentioned the importance of maintaining proficiency in the most enduring and traditional of Marine Corps missions, and that's an amphibious forcible entry.

I'm concerned about the current operational stretch on the Corps and their readiness to conduct these types of operations that are so different from the missions our Marines perform with such courage today and many of (inaudible) on the ground.

Given the increased Taliban activity in Afghanistan and the U.S. response to send an additional 3200 Marines to that country, what is the biggest challenge facing the Marine Corps ability to prepare for high, intensity amphibious operations over the next few years so that we don't find ourselves in a situation where we're under-resourced here or neglected the core competency of the Marines?

CONWAY:

Sir, our biggest challenge is to be able to create sufficient dwell time for our Marines and sailors so that we can get back to some of those training venues that give us such a multi-capable capacity to do the nation's work.

When we're home now, we're home for seven months. And, quite frankly, some of that is used in leave time at the front and at the beginning. But the rest of it is devoted toward counter-insurgency training.

As a result of that, we are not doing amphibious training or exercises. We are not doing combined armed live fire maneuver, which would be the extension of an amphibious operation once you're ashore.

We're not doing mountain or jungle training except by exception.

So your concern is my concern, sir. We traditionally have had a cadre of very experienced officers and senior staff NCO's who understood amphibious operations.

I'm afraid we're losing that capacity, and I don't know -- we've been away from it now for five, maybe six years. I don't know that you get it back in five or six years.

I think there's an additional time requirement out there to develop and provide experience levels to those kinds of Marines.

AKAKA:

Yes. Well, let me ask my final question to the secretary.

The strategic importance of Guam in the Pacific has led to increase investment in Navy and Air Force base facilities and equipment as more U.S. military capabilities are being transferred there.

In an effort to make the best use of limited resources, part of the BRAC 2005 recommendation was to realign Anderson Air Force Base by relocating the installation management functions into a joint basing effort led by the Navy.

How is this realignment proceeding, and what are your recommendations for the development of future military capability on Guam?

WINTER:

Well, senator, I would observe that the cooperation that I have seen on Guam between both Navy and Air Force senior personnel is probably as good as any place else in the services.

I have that they are evolving their concept very well. We are doing an integrated planning activity as we develop the master plan which incorporates not only Navy and Air Force activities, but also Marine Corps requirements associated with Anderson and the related areas.

And I think that as we evolve over the next several years, there's all the possibility of making this, perhaps, one of the best cases for integrated joint basing.

AKAKA:

Thank you. I thank you all for your responses.

Thank you, Mr. Chairman.

LEVIN:

Thank you, Senator Akaka.

Senator Sessions?

SESSIONS:

Thank you, Mr. Chairman.

Secretary Winter, you and Admiral Roughead, I think, have been very particular and firm in your affirmation of the Navy's plan to make sure we have 55 littoral combat ships as a part of the 313-ship Navy.

And it's just is a critical component of our defense capability. It's a new high-speed ship that would utilize less sailors and have more capability and be able to go into areas that we've never been before effectively, and could have multiple capabilities.

And maybe even as years go by, we see even greater capabilities for that ship, and we might even need more.

But I was really taken aback last year when the subcommittee zeroed out funding for that. And I can't complain. I believe that persons in your position have to stand up and make sure costs come in on line, but we've now canceled ships from both competitors, and I guess I'm asking you and, Admiral Roughead, (inaudible) of legislative affairs, I just hope that you realize that it's going to take, perhaps, some extra effort to make sure that our members of the Senate and the House are aware that even though you're being vigorous and aggressive on our cost and delayed production and done some things, you remain committed to this program.

Would you share your thoughts there, Secretary Winter?

WINTER:

Thank you very much, senator. I would like to underscore your comment there relative to the critical importance of LCS. I would note that as opposed to many other of our shipbuilding activities where we are modernizing and replacing older vessels of similar types, that this represents, truly, a new capability and a capability that we have no alternative mechanism of providing at this point in time.

It is not just a matter of the speed, as you pointed out, but also the flexibility of the mission, the shallow draft, and the appropriateness specifically for an evolving and increasingly important domain that we have to be prepared to fight in, the littoral.

With regard to the specifics of the acquisition program that we've been engaged in, one of my objectives has been to ensure that we're able to acquire these vessels in a cost-effective manner and a timely manner.

One of the things that became fairly evident last year was that we were proceeding at a rate which was in advance, if you will, of our knowledge and understanding of the vessels.

And the specific actions that I took were with the objective of being able to put the program into a more studied and appropriate development process.

I think we now have a very good focus on both the individual vessels as well as the mission modules.

We are proceeding at a good pace into the development and trials of both of those, and I fully expect that we will come out of this with an exceptionally good product and a capability that will provide excellent service for our Navy for many years to come.

SESSIONS:

And the strong action that you took does not reflect any doubt of the ultimate ability of the ships being considered to meet the goals and requirements of the Navy?

WINTER:

No, sir. If anything, I think we're going to wind up with two very good alternatives here.

And exactly how we sort through that, perhaps, abundance of riches and options is something that we will have to deal with in the future.

But I'm very comfortable that we have two very good, viable designs either one of which has good prospects for fully meeting our objectives in the littoral.

SESSIONS:

And, Admiral Roughead, would you, likewise, affirm that even though the Navy has put its foot down on some costs and other issues, that that in no way reflects a lack of confidence in the capability of these vessels and the need that the Navy has for it to be a part of their fleet?

ROUGHEAD:

Absolutely, Senator.

I believe that we have had to fill this gap that we have, and the littoral combat ship does that, for the quite some time.

I have visited both variants on two occasions in the last eight months.

My visits to that ship only increased my commitment to the program, and I believe that the decision that will be made with regard to LCS 3 and 4 reflect a commitment to the program and the need to get it the cost under control so that we could have the program.

SESSIONS:

Well, we know part of the cost problem was Navy additional requirements. And that all is not the contractor's fault when the buyer wants to add more and more capabilities

And I think in the future, would you not agree that we could do better in making sure Congress has a fair picture of the actual cost of a product when you recommend it?

ROUGHEAD:

Most definitely, sir.

And one of the changes that we put in place over this past year is a formal set of gate reviews that mandate that explicit discussion so that we have a definitive set of requirements, not just the top level, but a complete set of requirements in a timely manner and are willing to commit to stability in those requirements during the course of acquisition.

Thank you.

SESSIONS:

I would just note, I know the Navy, since, I guess, the beginning, has favored the Law of the Sea Treaty -- the lost treaty we call it.

I'm not here to argue all of that, but I would just say to you I have a broader responsibility. This is an organization that gives us, I think, for the most part, just one vote out of a hundred and something nations.

It creates a possibility of international taxing body of American corporation and businesses.

And it deals with anything that effects the seas, and we even had lawsuits over nuclear power plants trying to block plants on land because somebody argued that it might be a part of this sea.

It creates international courts that we are bound to follow, and we got, perhaps, enough courts already in our country in creating that.

And I just wanted to -- and environment concerns. Someone could argue that this or that action might impact the environment of the sea, and we could have an international body blocking something that our environmental agency has approved in the United States.

And also, I would suggest that a hostile group, over some political international military issue who was unhappy with the United States, could, at times, generate enough votes to create rules that might block the military from doing things that we historically have been able to do.

So I just wanted to say that I have some -- I think we need to look at it carefully, and that's why it probably hasn't been passed yet.

And it also has sovereignty issues that are not minor. We need to think those through.

General Conway, I was honored to visit you and interact.

I don't know whether you had the opportunity to talk about it, but I remember the briefing we had in, I believe, 2006 that Senator Warner and Levin were there. It was so troubling about the Marines about some of the difficult things in Al Anbar with the Al Qaida group.

And within months, it seemed, General Gaskin and his team had begun negotiate with very local leaders, not regional leaders, not Baghdad leaders, but local leaders, tribal leaders, city mayors.

And agreements were reached, and all of a sudden, persons who had been helping the Al Qaida were now helping us.

And it really has been the model of this dramatic reduction in violence, 60, 70 percent we've seen, in Iraq.

Would you agree with that that that was a key part of the change that's happened in Iraq?

And would you say to us that if we have legislation that would direct that you could only use force against Al Qaida, would be impractical in the battle field as has been proposed?

I don't think we're going to vote on that now. Maybe it's cooled down, but we had legislation up in the last few days that would have said you've got to identify one group or another, and you can only attack this group and not another one.

Any comments you would have on that?

CONWAY:

Sir, last question first. I would not want to put restrictions on the battlefield commanders or, more importantly, those NCO's that have to make split-of-the-moment decisions that result in lives being lost or saved.

With regard to your earlier observation, I think that's right. I would say that General Gaskin and his folks, the Marines and soldiers and sailors there, did a wonderful during that rotation.

They had the same theme during that period as we had from 2004. So I credit all those rotations that were through those cities and that surrounding countryside with maintaining the presence, maintaining their patience, their discipline, and trying to work with the Sunni sheiks to show them that we were not their worst enemy, but the Al Qaida was.

I think when the Al Qaida finally overplayed their hand through the murder and the intimidation, wanting to intermarry and so forth, the sheiks finally decided collectively they had had it up to here.

And when they came to us to say we will turn on them and slaughter them with your assistance, we were only too happy to say we think that that's the right thing to do.

And that's when you saw the province turn and it was a west to east movement, but it has continued east on, now, to Baghdad and places north and south of Baghdad.

And I see that as very positive.

SESSIONS:

Thank you.

LEVIN:

Thank you so much, Senator Sessions.
Senator Webb?

WEBB:

Thank you, Mr. Chairman.

And first, I would like to say, it was mentioned earlier, this is Senator Warner's last Department of the Navy posture hearing at least as a sitting senator.

And I want to express all of the appreciation I can muster for the years of service that the senior senator from Virginia has given our country first as a Marine, then in the defense department, and finally here in the Senate.

As you know, Mr. Chairman, I was a 25-year-old Marine. My last year in the Marine Corps on then Undersecretary and Secretary of the Navy Warner's staff.

I've been pleased to have an association with him since that time. And I think it can fairly be said that there is no one wearing the uniform of the United States military today whose military life and well-being has not been affected by the dedication of the senior senator from Virginia.

So we will look forward to working with you in many other capacities, sir.

WARNER:

I deeply am humbled by the comments that you make, my good friend. I thank you.

WEBB:

Thank you, sir.

LEVIN:

Thank you, Senator Webb, also. I tried in an inadequate way to express those sentiments earlier today, and I appreciate your...

WEBB:

I certainly wanted to add on what the chairman said.

Admiral Roughead, I've said many different times, you're familiar, that I not only support the growth of the Navy to 313 ships. I think we need to work really hard to figure out what the best number can be.

It may be higher than that. I personally believe it should be higher than that.

We have major strategic concerns around the world that I think that, in some ways, atrophied because of the focus that this country has had have in recent years on the situations in Iraq and Afghanistan.

And there's no substitute for a tangible presence of the United States Navy in times of crisis when we have strategic concerns around the world.

And you hear how the members feel about that. Everybody seems to want ships home ported, and everybody seems to want to build ships.

So let's see what we can do to work together to get efficient shipbuilding programs and to streamline the process so that we can have the best strategic defense of our country.

General, I would like to follow on a bit from what Senator Akaka began talking about this shift in our assets in the Pacific situation, particularly from Okinawa to Guam.

But I would like to hear more of your perspectives on that. I've been involved in it at one level or another for a very long time.

One question that came up that I hope you can give us some further light on for the committee here is this aviation facility on Okinawa that was scheduled to be built off shore on the far northern part of the island.

I can recall when I was visiting Okinawa a few years ago as a journalist where there was a good bit of support, at least from what I could tell, for moving it. And there was something about a lawsuit that originated in the United States that would interrupt the construction of this facility.

Can you help us out on that?

CONWAY:

Sir, if I can, I will talk briefly about the facility and then ask the secretary if he'd like to comment because it is very legal and he and his lawyers have been discussing it in detail.

The facility is called the Futenma Replacement Facility. It would be built off shore; you're correct, sir, off Camp Schwab in a coral area there to replace the one we have at Futenma; move it from a less-populated area to an area off shore.

We're asking for a similar type of facility that would take aboard both our helicopters and our C-130's for sort of an inter-theater lift.

And it has been seeing recently problems with the finding of the Ninth Circuit, and I'd ask the secretary to chime in there.

WINTER:

Yes, sir.

Senator, appreciate the question.

What has transpired here is that a group of individuals, principally from Japan with a small group of plaintiffs from the United States as well, have argued that the National Historical Preservation act applies in this circumstance.

Notwithstanding the fact that the government of Japan is responsible for the actual construction activity and that the government of Japan is under going their equivalent of a (inaudible) process with their style of environmental impact statements, that is it is incumbent upon us to deal with the dugong, which is a manatee-type animal which has been designated by the government of Japan as a cultural treasure.

And it is, therefore, argued that the Okinawan dugong is subject to protective measures under the National Historic Preservation Act which is one of the few acts which does constrain activities outside the United States.

WEBB:

Would you say this is going to interrupt the construction of the facility?

WINTER:

It has the potential, sir, of disrupting the activities. It constrains our ability to provide the final approvals on the process.

And I am concerned about, in particular, the schedule impact, notwithstanding what we believe is a good likelihood of success in the final adjudication of this. The time period that it's going to take is going to be significant.

We are currently evaluating our options to be able to continue in parallel at risk, if you will, in particular, given the fact that the government of Japan has the principle responsibilities here.

WEBB:

Thank you. We'll look forward to working with you to help resolve that, I hope.

The final disposition, General, of the assets, what would that look like between Guam and Okinawa, Japan?

CONWAY:

Sir, what we'd like to see is about 10,000 on Okinawa; about 8,000 on Guam. We're proposing that, as a part of the initial agreement, that we also be able to distribute some of our forces to Hawaii.

In the end, what we would like to do is effect a brigading, if you will, of those locations in the Pacific with a primary headquarters on Guam.

But with the air wing and CSS headquarters located -- air and wing headquarters located elsewhere so as to be able to respond to some need in the future by the combatant commander.

WEBB:

It's absolutely essential for us to keep forces in that region not only for that region, as you know, but for maneuverability throughout that part of the world.

Have you looked at Babeldaob?

CONWAY:

Sir, not as basing, but...

WEBB:

Great training area.

CONWAY:

But our commander in the Pacific is developing what he optimistically calls a Twentynine Palms of the Pacific.

And he is looking at the Palaus, the Marshalls for opportunities to train and, perhaps, even put a station, if you will on some other nations where we would visit and bring the camp to life and then put it in a cool-down status when we leave.

We think that there are going to have to be additional training opportunities because Guam is simply not that large. And probably the best you're going to be able to do on island is company-sized.

LEVIN:

Could you help us with Babeldaob, please?

WEBB:

Mr. Chairman, we have a discussion about this. The first book that I wrote when I was 27 years old postulated that we should realign our military bases in the Pacific with a very heavy axis on Guam and Tinian.

And during those discussions, actually, Lou Walt (ph) -- General Lou Walt (ph) had gone out into the areas where the Marine Corps had operated in World War II.

In the Palau Island group, there's an island called Babeldaob, which is very difficult to spell. But he had recommended that as a training area.

LEVIN:

The reason I asked was to help our reporter -- but it's another reason to go back and read your book, though.

WEBB:

I can summarize it for you pretty quickly, sir.

Admiral, you mentioned something here about the Naval Academy increasing in size in order to resource the growth of the Marine Corps; am I hearing you correctly?

ROUGHEAD:

That's right, Senator.

We would like to take the Naval Academy brigade strength from 4300 to 4400 because of the increased number of officers that are being commissioned into the Marine Corps in support of the growth and...

WEBB:

What percentage of the Naval Academy now going in the Marine Corps?

ROUGHEAD:

We are not set on a percentage. If you were to run the percents, it's almost 30-plus percent a year that are now going into the Marine Corps.

WEBB:

That's incredible.

You know, when I look back when we had a 4100 midshipman brigade and the Marine Corps was a 190,000 going into Vietnam, I think they had about 6.75 percent were going in the Marine Corps.

And then the Marine Corps went from 190,000 to 304,000 during Vietnam, and they went up to 10 percent.

And when it was at 200,000 when I was in the Pentagon, I don't think it was much higher than 10 percent.

ROUGHEAD:

It was 16 percent when I was the commandant there.

WEBB:

What you're really seeing is the impact of a reduction in the size of the Navy, I think, with those percentages going over.

These people don't go through regular Marine Corps OCS, do they, General?

CONWAY:

They do not, sir, any longer. They do go to Quantico, if interested in a Marine Corps option, for a three-week period after their third year.

WEBB:

Mr. Secretary, when it grew above 10 percent when I was Secretary of the Navy, I mandated that those Naval Academy midshipmen who wanted to go in the Marine Corps should go through the Bull Dog Program the same as the ROTC midshipmen.

At the time, it was done because we were looking at the class standing of Naval Academy midshipmen in basic school. And it had gone way down.

You know, we don't ever worry about the people at the top; they're always going to do well. You know, the people who are really motivated.

But when you have that high a percentage, I mean, I would be curious to see what the spread looks like. You want to make sure that everybody's motivated.

The Marine Corps has a different perspective than a lot of different areas in the...

CONWAY:

I can talk to it some, sir, if you'd like.

When I was CO at basic school, I did a like study, and as you might imagine, our MECEP program, Marine Enlisted Commissioning Program, was absolutely producing the best students.

In ROTC and PLC a distant second, and at that point, the academy was about the same as OCS. And that was troubling to us.

We started a series of engagements, and I can tell you, sir, it's quantum better today.

Their performance today is akin to their intelligence levels and the four years of experience they've gained at the academy.

ROUGHEAD:

Senator, I'd say it turned around when I was the commandant at the Naval Academy.

(UNKNOWN)

But I would also that that in addition to supporting the Marine Corps growth, the Naval Academy remains one of the primary institutions where we get our technical base from.

So that's why the growth is important. It can't be zero sum, and that's why we need the growth.

WEBB:

Having had an engineering degree shoved down my throat during four years at the Naval Academy, I know what you mean about technical requirements.

But I'd kind of be curious to see those numbers, actually.

Thank you, Mr. Chairman.

LEVIN:

Thank you, Senator Webb.

Senator McCaskill?

MCCASKILL:

Thank you, Mr. Chairman.

I just want to say that no one has been more of a gentleman and more of a class-act in terms of a senator since I arrived here than Senator Warner.

It's a wonderful time when we can get past all that party label stuff and acknowledge this. It's what makes this place good for our democracy.

So I certainly echo the warm sentiments that Senator Webb had.

WARNER:

I thank my colleague.

MCCASKILL:

Thank you.

I note in your testimony, Admiral, that you're concerned about the tactical aircraft inventory shortfall.

The older F-18's are being use, as you well know, far beyond their original design.

I know your inventory is really challenged by the delays in the joint strike fighter, and we're talking about, now, depending on who you talk to, and depending on whether we want to be very optimistic or whether we want to be overly realistic, somewhere between two-, three-, six-year delays.

The Carrier Air Wing 7, it's my understanding is missing all of its tactical aircraft at this point, and it playing kind of a shell game to cover its mission responsibilities.

I think your inventory models predict, at best, a 70-aircraft shortfall during this transition to JSF.

And my question is: Would you comment on your plans in F.Y. '09 and beyond to fix this shortfall?

Do we need to strongly consider a new, multi-year procurement of F-18's to fill in the gap in terms of these carrier deck shortfalls, particularly in light of our mission in that regard and the national security concerns?

ROUGHEAD:

Senator, thank you very much for question.

The joint strike fighter is going to be a capability that will add greatly to our Navy capability in the future.

That said, as I look at how we are using our strike fighter aircraft, we're using them as quite a rate. In fact, we have a study underway currently to see if we can stretch out the life of the Hornets that are in service today.

As I look at our future air wing, and your number is very close to ours. We're saying it's 69 that we believe in the 2016 timeframe that we will have a dip.

We have to look at what are the mitigators for that.

I do not believe we can stretch the Hornets any more than what we're seeing to do right now.

But as we go into the preparation of our fiscal year '10 budget, this is something that is foremost in my mind because our ability to project power around the world is a function of our carriers and a function of our air wings, and we have to make sure that we have the capabilities that we need.

MCCASKILL:

Well, I am encouraged that you're looking at that. And I certainly, obviously, I think we have a lot to be proud of in the FA-18.

It's under budget, on time, and it has been a great aircraft for its purpose.

And, frankly, having a few more of them around during this transition period of time, I think, is not something that we should shy away from, particularly realizing the gap that's coming.

ROUGHEAD:

It's a great airplane, and I'm pleased we've been able to transition it into an electronic attack variant that I think will be very valuable to us as well.

MCCASKILL:

It's terrific.

The only other question I had today for you all and, frankly, any of you can speak to this.

I know that Senator Kennedy talked about the MRAP problems in terms of the availability. I'm concerned about the whistle blower. I'm concerned about Franz Gayl.

And I would like some reassurance from you that Mr. Gayl is not going to face any adverse employment decisions or actions because of his whistle blowing in regard to the study that was done that has now become out and part of the public discourse.

CONWAY:

Ma'am, he works for Marine Corps. I have purposely stayed at arm's length from that discussion.

I have never met Mr. Gayl or Major Gayl. There is, I would say, I guess, an investigation under way to determine whether or not he has complied with the guidance that was given to him by his boss.

We are making every overture to ensure that we don't violate any aspect of his whistle blower status.

But if it's determined that Mr. Gayl has done something other than what his leadership and his bosses have instructed him to do, then that outcome will have to be determined as to what happens to Mr. Gayl.

MCCASKILL:

Well, I know that General Magnus recently referred this to the DOD IG, which I think is an appropriate move.

I know how hard it is internally to be careful in this regard. And I know that there are some whistle blowers who have not followed direct instructions and who have gotten out in ways that may be they shouldn't have.

But the impact that dealing negatively with whistle blowers has on the entire operation is something that we really need to avoid.

I mean, whistle blowers are so important to accountability regardless of whether we're talking about a bureaucratic agency that's dealing with the taxpayers or whether we're talking about the military.

And I just want to make sure that I didn't leave this hearing without expressing to you how strongly I feel and how closely I'll be watching to make sure that any whistle blower, and this whistle blower in particular, is treated with respect and deference and under the letter of the law in terms of any potential adverse consequences because of what he did.

I just think it's tremendously important, and I just didn't want it leave the hearing without expressing that very strongly.

CONWAY:

I do appreciate that, and I can assure you, from my leadership position, he will be treated in accordance with the law.

MCCASKILL:

Thank you.

Thank you, Mr. Chairman.

LEVIN:

Thank you very much, Senator McCaskill.

Admiral, I think you made reference to the number of P-3s that are grounded.

ROUGHEAD:

Yes, sir.

LEVIN:

There's 39?

ROUGHEAD:

Thirty-nine is correct.

LEVIN:

What's the total number of P-3s we have?

ROUGHEAD:

Senator, let me get back to you.

LEVIN:

What percentage is that?

ROUGHEAD:

That's about a third of what we have operationally.

LEVIN:

All right.

You can get us the precise number just to get some idea of it.

By the way, we'll just have a brief second round for those who want to ask some additional questions.

On the MRAPs, General, your decision on the MRAPs, which is totally understandable and you explained it very well as to the various missions and what vehicles you need for which mission.

When you purchased less or fewer MRAPs than expected, does the Army need the ones that you did not buy; do you know?

And does that speed up delivery to the Army of their requirement because you're not going to go using all of ones you originally planned on?

Does it have any impact positively on the Army?

CONWAY:

Sir, potentially in that there would be been a distribution over time of those that were built that was depending upon the need of the units in theater.

Frankly, a part of our determination to recommend reduction of our buy was that we were not seeing the contact with the west that the Army was still having; Baghdad, Diyala, and up toward Mosul.

Now, so the answer, I think, is probably yes. That said, when we considered the reduction, we looked at the impact that it would have on industry. We didn't want them to have bought up steel and transmissions and tires for a vehicle we would suddenly say that we didn't need.

And there was no impact there.

LEVIN:

That would be a second question. But as far the Army, you're not sure whether or not that brings them quicker to the requirements?

CONWAY:

I think it's fair to say that it will, sir, because all of those built on this last buy, which I think was December of this last year, will be Army.

There will be no Marine vehicles in that.

LEVIN:

I'd like to talk to you about your troop levels.

General, as I understand it, in CENTCOM now, in Iraq and Afghanistan, you now have eight battalions; that is correct?

CONWAY:

Sir, today as we speak, we have eight battalions, that is correct.

LEVIN:

And it's your intention to increase that to ten in March; is that your general plan?

CONWAY:

Sir, it gets complicated, but our committed battalions will be ten in March because you'll have the eight in Iraq and two more battalions, of course, with the MEU headquarters and the support elements going into Afghanistan.

So from March through May, the commitment will be ten battalions.

LEVIN:

Then, in May, you're going to be bringing back two battalions as I understand it.

CONWAY:

That is correct, sir.

LEVIN:

And then you'll be staying with eight through October?

CONWAY:

That is correct, Senator.

LEVIN:

OK. Now, is it your plan to draw down below eight in October? Is that your current plan?

CONWAY:

Sir, the conditions under which the secretary of defense approved a request for forces was such that the deployments to Afghanistan represent seven-month deployments, which is our norm for both the MEU and the battalions.

So ostensibly, those forces will be coming out in October of this year.

LEVIN:

Is it fair to say, then, that is what the current plan is, but it could be changed?

CONWAY:

Mr. Chairman, that's exactly right.

LEVIN:

Now, on that Law of the Sea Convention that we made reference to, and I'm delighted to hear the administration is going to strongly support the ratification of that convention.

It's my understanding that the Foreign Relations Committee voted that out again this Congress. I'm wondering whether any of you or either of you may have testified before the committee or was that your predecessors?

ROUGHEAD:

I did not testify. I believe Admiral Mullen testified.

LEVIN:

Admiral Mullen. He testified? OK.

(UNKNOWN)

And very strongly, if I might say, Mr. Chairman.

LEVIN:

That's great. I'm urging, again, that this convention be brought to the floor. I just think it's long overdue.

It's got great value in terms of the Navy and the way in which we can have orderly processes at sea working with other nations.

My dear colleague, Senator Warner, was the person who actually signed the treat, I believe, as I remember.

WARNER:

When I was Secretary of the Navy, I was the delegate for the secretary of defense to the Law of the Sea Conference in Geneva.

And it's about 36 years ago that I performed that service. It was somewhat different than the incidents at sea.

But I commend you, Mr. Chairman, for bringing up this question of this treat. It's important for the United States of America if we're going to continue to lead as the major maritime power.

And we now have before us today the current team that's in charge of the Navy, and they give unqualified support to this treat.

So thank you for bringing it up.

LEVIN:

Oh, and I thank you. There's a wonderful picture of Senator Warner, if you have a chance to see it, when he was just a couple years younger on behalf of the United States of America initialing or signing fully that agreement.

And it's a wonderful bit of naval history, an important part to security, stability on the seas. And it's a great history, and I hope that we're able to confirm this while Senator Warner is still in the United States Senate.

But the number of the benefits of the Law of the Sea Convention, which have been cited, were the right of unimpeded transit pass everything through straits that are used for international navigation, a

framework for challenging excessive claims of other states over coastal waters, and the right to conduct military activities in exclusive economic zones.

And, Admiral, I believe you have said that the convention provides stable, predictable, and recognized legal regime that we need to conduct our operations today and in the future.

ROUGHEAD:

Absolutely.

LEVIN:

So I wanted to get all that in the record because I will be asking the majority leader to bring that convention to the floor.

And the only other question, I think, I have is about the EFV, the expeditionary fighting vehicle.

And, General, let me just ask you about the funding for that vehicle.

You are, as I understand, that is really kind of the missing piece in your over-the-horizon assault goal.

And it's been in development, this vehicle, since the early '90's. There was a cost breach of (inaudible) which occurred last year. That results in a delay.

But there's a funding shortfall as I understand that. Is that correct in that, or is that not a funding issue at the moment?

CONWAY:

Sir, I think at this point it's a developmental issue more than it's a funding issue.

We have reduced our requirements by half in order to have just those vehicles that we sense that we have to need. We accept fully the reason why the Navy would not want to close closer than 25 miles to an unfriendly shore.

So you're precisely right. We've got to find some way to bring that distance and do it quickly.

I would ask the secretary, sir, if you have any comments about that?

LEVIN:

May be you can comment on it.

Mr. Secretary, is there a funding issue, or is that a different problem?

WINTER:

No, sir. I believe the issue here that you're referring to is a developmental one.

When we went through the test and evaluation activities last year, while the vehicle was able to perform the vast majority of its objectives, the reliability was far from what we were looking for.

And so we went and took the program and said we needed to do a design for reliability and maintainability with the hope of being able to come up with a configuration that would reflect those types of improvements, give us the ability to maintain this critical asset on board ship and have the availability and reliability that we expect out of a vehicle of this type and make all of those changes before we went into production.

LEVIN:

Thank you.

(UNKNOWN)

Sir, if I could add one thing. We've talked some about the growth of other Navies.

I am going to China at the end of next month. I'm invited to go out and ride aboard one of their new amphibious ships and then to be taken ashore in their equivalent of the EFV that will ride well above the wave heights at something exceeding 25 miles an hour.

LEVIN:

That's great. I think, by the way, these mil-to-mil contacts are valuable for all kinds of reasons, and that's a perfect example of it.

Senator Warner?

WARNER:

Thank you, Mr. Chairman.

Mr. Chairman, every now and then we should acknowledge the support that we get from our staffs, and I want to thank you a member of your staff, Fletcher Cork (ph), for recognizing when the hearing started, the temperature in this room was 64 degrees and we've now got it up to 70.

That is...

LEVIN:

This conversation has not been heated at all.

WARNER:

Just the foresight of a very able staff member.

LEVIN:

New technology in operation here. It's amazing.

WARNER:

It's your staff.

LEVIN:

We want to thank you for recognizing my staff.

WARNER:

Thank you.

LEVIN:

They've done some other important things as well. Not recently, but...

WARNER:

I want to talk a little bit about the family structure which so important to each and every one of those whose family member, be it male or female, is proud to wear the uniform.

Admiral, I understand that you recently requested the chairman of the joint chiefs to hold a tank session of the senior military leadership to address military health care costs and DOD medical issues.

I hope that that will come to pass.

We're fortunate in the Department of Defense to have the services of a man by the name of Dr. Salgin (ph). Are you familiar with him?

ROUGHEAD:

Yes, sir. I know him.

WARNER:

Extraordinary achievement in the private sector as a cardiac surgeon.

And he's heading up the team. He'll undoubtedly be integral to this study.

But tell us what you hope to achieve from bringing this up with your fellow members in the tank.

And then, General, I'd like to invite you to address the same question.

CONWAY:

Yes, sir.

WARNER:

We have tried to improve the health care. This committee has taken a leadership over many years. We did TRICARE For Life legislation.

We had the very serious problem of -- I just call it the Walter Reed syndrome -- which awakened all us to the need for further study.

And now I think you're carrying it to another level.

ROUGHEAD:

Yes, sir.

My motivation in recommending to the chairman that chiefs talk about health care really stem from a couple of things.

One is that as we look at what our people value, what our sailors and their family value, the surveys always point that health care is at the very top of the list.

It is also true that the costs of health care are significant and that they are squeezing and putting pressure on budgets in ways that were not envisions years ago.

But most importantly, when you combine these things, and as we make adjustments in how we deliver care, whether it's privatized or direct care, I believe that the chiefs must have a discussion as to what the nature of our operational health care will be.

And in the case of the Navy and Marine Corps, we're an expeditionary force. We're a deployed force.

So as we make changes to health care systems and how we budget for that, what effect does that have on the operational dimension?

And I believe that it's the chiefs that must have that discussion. We can talk about the business plans and other things and other forums. But we, collectively as services and as we become more joint in the providing of health care, I think it's time that we have this discussion.

And it's not aimed at any particular...

WARNER:

I strongly commend you for that initiative.

Would you like to add your perspective?

CONWAY:

Sure. There's two or three points I'd like to offer.

One, we, with Navy medicine, I think, are doing a very good job with our wounded warriors. That includes PTSD and TBI, although continue to, I think, do some discovery learning in terms of techniques.

There was no lack of effort to provide the best possible medical care.

Now, the Navy has a forward-deployed footprint. The admiral mentioned that they're expeditionary; they are. They're forward with us with teams sorting out these things really now in both theaters. And as it should be.

What happens as an indirect result of that, and I'm attempting to manage it through discussions with the families and so forth, is that there is a shortfall in some of the hospitals in clinics.

Our people wait a little longer, but they still get great treatment when they get in. And we're helping our families to understand that.

One area that I find, though, I think we need to pay some increasing attention and increasing certain are for those Exceptional Family Member Programs.

We have stories out there of a first sergeant living in his mother-in-law's home with his wife and two children, one of whom is an exceptional child.

He is paying \$80,000 a year for that treatment to that child, and that's where all his income is going. He's a devoted parent.

But the care that's being offered for some of our exceptional family members through the TRICARE system that we have now, I think, needs to take a closer look at those specific concerns and help these families because they're having tough times otherwise.

WARNER:

Well, they look to you, the uniformed boss.

But I would like to invite Secretary Winter to follow on to the general's observation. I commend you for your recognition of the Navy and Marine Corps family as they endure these high operation tempos.

The initiatives you have outlined, adding 4,000 child care spaces authorizing a hundred thousand house of respite care for families of deployed service members, enhance program for children and youth, indeed, at a price.

Tell us a little bit about those initiatives.

WINTER:

Well, sir, as has been said many times, we recruit sailors and Marines; we retain their families.

And ensuring that we're able to provide for an appropriate lifestyle and an appropriate environment for our families there is of absolute importance.

Doing that at our fleet concentration areas has been a major objective here. It has been somewhat easier, if you will, in those areas than it has been at some of the more far-flown places that we operate.

And in particular, a little bit more challenging, obviously, for those families associated with our individual augmentees has reservists that have been called up for active duty.

What we're trying to do right now is to develop a full range of programs and processes that can address the full spectrum of those families; the child development center investment that you referred to are a major part of that.

That happens to be one of the highest priority times any time we go out and conduct surveys of the families as to what is really important for them.

Similar, being able to provide the full range of support from the Fleet and Family Service Centers is increasingly important.

What we've been doing of late, in addition to those activities, is affording mechanisms for families that are not co-located, that are not in those fleet concentration areas, to participate in.

The call centers, the Internet Web sites, the other mechanisms that we've been able to identify to be able to make sure that our families are taken care of and know how to get the resources that we need no matter where they live.

WARNER:

Thank you for that initiative.

Gentlemen, I'd like to -- my last question, Mr. Chairman.

It's interesting. This July will mark 35 years of the all-volunteer force. Too much has been said about me here today, but I was privileged to be in the Department of Defense in your position in July 1973 when the draft ended.

And we took a deep breath. I say, we, the whole of the United States and particularly the military leaders, civilian and uniformed, to try an experiment that no other nation had ever tried.

And it has worked magnificently. As a matter of fact, I think it has worked better than any of us, at that time, had the vision to foresee.

We've got to protect it. And I'd just like to wind up the session by, hopefully, receiving your assurances that in your collective professional judgment, all three will respond to the question, that the all-volunteer force is very much alive and well and even strengthening.

Mr. Secretary?

WINTER:

Yes, sir. I would argue it is not only necessary, but it is clearly possible. We just need to take care of all of our service members and their families. And I think this nation will continue to support us.

WARNER:

Thank you.
Admiral?

ROUGHEAD:

Senator, in June of 1973, you spoke at my graduation.

WARNER:

In Annapolis.

ROUGHEAD:

And you "headed me fair," as we say in the Navy. And I'm honored that you're here at my posture statement.

And the reason I bring that up is because of your leadership and your concern for the men and women of our Navy that today I serve in the best Navy I have ever served in.

And it's a function of the all-volunteer force, the care that you and this committee, the attention and the thought that goes into truly creating an environment where our young men and women can come and be fulfilled personally and professionally has made our Navy what it is today.

And I thank you, and I thank you the committee for everything that you do.

WARNER:

General?

CONWAY:

Sir, I joint the Marine Corps in 1971 and the operating forces, and that was before the all-volunteer military.

There is no comparison between today's military and the people we had in our ranks at that point, absolutely no comparison.

I would offer that a small, all-volunteer military is really put to the test in a protracted conflict such as we see here now, but use of our reserves, I think, across the all services, has helped to mitigate, and we're managing that, I think, effectively in many instances.

I would answer by saying, however, that we're now a country of over 300 million people. Less than 1 percent of our numbers wear the uniform at any point in time. That is our warrior class. That's our insurance against all those things out there that could, in some way, do damage to our country.

And I would only ask that you continue to support and sustain those people to the best of your ability because we owe them a great deal.

WARNER:

Well, I thank you for those comments.

As a matter of fact, I leave the here to go to the floor at 2 o'clock to join Senator Webb, who's really been a leader in so many initiatives in the short time he's been in the Senate, to put forth legislation to strengthen and broaden the G.I. Bill.

When I reflect on my modest career, it would not have been achievable had I not received a G.I. Bill education for modest service in World War II and a law degree for, again, modest active duty in the Marine Corps, this time, during the Korean Conflict.

And I think this generation is entitled to the same benefits that my generation had.

And that educational program was probably the best investment the American taxpayers ever made. It started in 1944.

And I mention that only because, in my judgment, the initiatives of Senator Webb and others who've joined on this bill are going to strengthen and solidify the foundation on which the all-volunteer force exists.

I think it's an important step. Sleep with one eye open, we can ever revert back to the draft, in my judgment, absent some extraordinary and unforeseeable situation.

You remember, General, and I think probably, Admiral, you saw the vestige of the draft.

The problem that we had, the disciplinary problems because there were just individuals who were there, not because they raised their hands and volunteered, as does every single person in uniform today, they are there because they had the courage and the willingness to raise their hand and said I volunteer.

So sleep with one eye open and guarded.

And I thank you, again, Senator, for your comments.

LEVIN:

Senator Warner, a lot's been said about you today.

WARNER:

Too much.

LEVIN:

Well, no. Not enough. A lot more is going to be said about you in the months ahead.

But most importantly, it's not just what you have contributed to the security of this country, representing your beloved commonwealth, but we're going to look forward to many, many, many more years of your contribution to the security of this country after you leave this particular place early next year.

Senator Warner and I exchanged this gavel many times as chairman. I have we've each been chairman three times now.

And I'm just wondering, Senator, since this is going to be, I think, your last posture hearing unless we can slip in an additional one just for old time's sake before you leave, I wonder if you would gavel this hearing to a close.

WARNER:

Well, this is an expected pleasure. Thank you.

A third of a century of my life has been with the Army, the Navy, the Marine Corps, and with our military. And I wouldn't be here today for what they did for me, and I don't think I've done in return that much for them.

But I thank you this honor.

Thank you, everybody.

CQ Transcriptions, Feb. 28, 2008

List of Panel Members and Witnesses

PANEL MEMBERS:

SEN. CARL LEVIN, D-MICH. CHAIRMAN

SEN. EDWARD M. KENNEDY, D-MASS.

SEN. ROBERT C. BYRD, D-W.VA.

SEN. JACK REED, D-R.I.

SEN. DANIEL K. AKAKA, D-HAWAII

SEN. BILL NELSON, D-FLA.

SEN. BEN NELSON, D-NEB.

SEN. EVAN BAYH, D-IND.

SEN. HILLARY RODHAM CLINTON, D-N.Y.

SEN. MARK PRYOR, D-ARK.
SEN. JIM WEBB, D-VA.
SEN. CLAIRE MCCASKILL, D-MO.
SEN. JOSEPH I. LIEBERMAN, I-CONN.
SEN. JOHN MCCAIN, R-ARIZ. RANKING MEMBER
SEN. JOHN W. WARNER, R-VA.
SEN. JAMES M. INHOFE, R-OKLA.
SEN. JEFF SESSIONS, R-ALA.
SEN. SUSAN COLLINS, R-MAINE
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SEN. LINDSEY GRAHAM, R-S.C.
SEN. ELIZABETH DOLE, R-N.C.
SEN. JOHN CORNYN, R-TEXAS
SEN. JOHN THUNE, R-S.D.
SEN. MEL MARTINEZ, R-FLA.
SEN. BOB CORKER, R-TENN.
WITNESSES:
SECRETARY OF THE NAVY DONALD C. WINTER
ADMIRAL GARY ROUGHEAD (USN), CHIEF OF NAVAL OPERATIONS
GENERAL JAMES T. CONWAY (USMC), COMMANDANT OF THE MARINE CORPS