Before the

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

HEARING TO RECEIVE TESTIMONY ON U.S. NORTHERN COMMAND AND U.S. SOUTHERN COMMAND IN REVIEW OF THE DEFENSE AUTHORIZATION REQUEST FOR FISCAL YEAR 2016 AND THE FUTURE YEARS DEFENSE PROGRAM

Thursday, March 12, 2015

Washington, D.C.

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U.S. Senate
Committee on Armed Services
Washington, D.C.

The committee met, pursuant to notice, at 9:32 a.m. in Room SD-G50, Dirksen Senate Office Building, Hon. John McCain, chairman of the committee, presiding.

OPENING STATEMENT OF HON. JOHN McCAIN, U.S. SENATOR
FROM ARIZONA


I would like to extend our appreciation to the witnesses for their many years of distinguished service, and to the soldiers, sailors, airmen, marines, and their families, who serve our Nation with distinction.

General Kelly, this is likely your final appearance before the committee in your current position. And I know how upset you are about that. But, it must be said that the Nation owes you the highest debt of gratitude for your more than 40 years of dedicated service, at which time you have given the most to our Nation that can ever be asked of a military officer and a citizen. I know that I speak for my colleagues when I say that your candor has been as refreshing as it has been valuable to the work we do on the committee. And I implore my colleagues to pay close attention to your testimony today and to heed your warnings to us. It is my sincere hope that your service to the Nation will continue for many years to come.

Over the last month, the committee has heard from some of the Nation's most respected leaders on the current global
security environment, and their testimony has been crystal clear: Our Nation faces the most complex and challenging array of threats it has in over a half a century. This situation in our own hemisphere is no exception.

Compounding the enormous security challenges facing our Nation is the looming threat of sequestration, which is having a devastating impact on the readiness and capabilities of our men and women in uniform. Retired General Jim Mattis rightly told this committee last month, quote, "No foe in the field can wreak such havoc on our security that mindless sequestration is achieving today."

I expect our witnesses to candidly update the committee on what sequestration will mean for their ability to accomplish their missions and protect the force. More starkly, we'd like to know, at what point does sequestration push us beyond accepting risk and towards mission failure?

Admiral Gortney, this is your first time testifying before the committee as the Commander of U.S. Northern Command and North American Aerospace Defense Command. After nearly 4 months in command, I look to your assessment of the challenges within your area of responsibility, as well as your strategy to confront them. I am particularly interested in your views on the current state of U.S.-Mexican security cooperation and ways in which our two nations can strengthen this vital partnership. Though the
President of Mexico's efforts against transnational organized crime have resulted in some notable successes, including the removal of several senior cartel leaders from the battlefield, the security situation remains highly volatile and continues to directly impact the security of our southern border as well as more than 1,200 American cities where these ruthless criminal networks now operate. Additionally, with North Korea moving closer to an operational road-mobile ICBM and Iran publicly stating it intends to launch, as early as this year, a space-launched vehicle capable of ICBM ranges, it's all the more important that the United States expand and modernize its homeland ballistic missile defense system. I support the increase of ground-based interceptors from 30 to 44 by 2017, but we need to be assured that the planned improvements to the ground-based midcourse defense system will stay ahead of the ballistic missile threats to our homeland that are anticipated by the intelligence community.

General Kelly, the situation within your area of responsibility represents as complex and challenging a set of problems as I have ever seen in the hemisphere. While there are important success stories like Colombia, the situation in many other parts of the region remain highly unstable. We are all particularly concerned about Central America, which is mired by feeble governance and weak
security institutions, high rates of corruption, and is home
to several of the most violent countries in the world.
Increasingly capable transnational criminal organizations
exploit these shortcomings and command multibillion-dollar
global networks that traffic in weapons, drugs, bulk cash,
human beings, and anything that will earn a profit.
Increasingly, their activities directly threaten our
national security. Working with our regional partners to
arrest the troubling rise in instability must be a priority.

I agree with you, General Kelly, that our approach to
Central America requires a sustained multiyear commitment
similar to what we pursued under Plan Colombia. I hope you
will describe in greater detail what a Plan Central America
should look like and what role Southern Command would play
in such an effort.

Additionally, I remain troubled by the lack of
appropriate and persistent U.S. support and engagement in
the Western Hemisphere, and how sequestration would further
erode our already limited presence and programs in the
region. We cannot afford to go on treating our own
neighborhood as our lowest geographic priority which only
receives the level of resources and focus that it deserves
when it erupts into crisis. This is a recipe for failure.
And I know you feel the same way.

In closing, I want to ask you, General Kelly, to pass
on the deepest thanks and gratitude of the members of this 
committee to the military men and women conducting detention 
operations at Guantanamo Bay. Putting aside politics and 
the broader debate about the future of this detention 
facility, the Americans serving there today deserve our 
utmost appreciation. Theirs is an extraordinarily trying 
and difficult mission. And, through it all, they continue 
to serve honorably and with the utmost professionalism. So, 
General, please extend our thanks to them.

Thank the -- you, again, for -- our witnesses for 
appearing before us today.

Senator Reed.
STATEMENT OF HON. JACK REED, U.S. SENATOR FROM RHODE ISLAND

Senator Reed: Well, thank you very much, Mr. Chairman. And let me join you in welcoming our witnesses and thank General Kelly for his extraordinary service and his advice and counsel over many years. And welcome, Admiral Gortney. This is your first appearance in your role as the NORTHCOM Commander. And let me also ask you to thank the men and women under your command, and their families, because the -- families service, not just individual servicemen and -women. And no one has served more, as the Senator has pointed out, than the Kelly family. So, thank you, General Kelly.

Admiral Gortney, as you know, one of the three pillars of our defense strategy, as laid out in last year's Quadrennial Defense Review, is to protect the homeland, to deter and defeat attacks on the United States, and to support civil authorities in mitigating the effects of potential attacks and natural disasters. Similarly, President Obama's National Security Strategy, released last month, emphasizes the defense of our homeland as a primary responsibility. This, simply stated, is your very important mission. To that end, while Admiral Haney, the Commander of STRATCOM, is responsible for synchronizing global missile
defense planning and operational support, you are responsible for the operation of our homeland ballistic missile defense system. And we look forward to hearing about the improvements that are planned for the ground-based missile defense system, the progress being made to test, correct, and field additional interceptors, the enhancement of sensors and discrimination capabilities, and the status of the redesigned kill vehicle.

In addition, NORTHCOM works closely with other Federal agencies, the Governors, and the National Guard to collaborate on responding to national and manmade disasters, and partners with Canada and Mexico to promote security across our borders. I look forward to hearing, also, about your current efforts on how these would be impacted by the return of sequestration.

In Southern Command, one of the primary threats is posed by illegal narcotics trafficking and organized criminal networks. These organizations create devastating instability in nations throughout our hemisphere, including the corruption of civilian and security institutions and brutal violence inflicted upon the people of the region. Whether it is illegal drugs for sale or individuals escaping violence in their hometowns, the consequences of crime do not stop at the border. And what often starts as SOUTHCOM's problem soon becomes NORTHCOM's problem. An obvious answer,
then, is to address the problem at its root. But, complicating SOUTHCOM's ability to respond is the fact that sequestration has reduced the military services' support of your requirements and reduced the funding in a defensewide counterdrug account. In your submitted opening statement, General Kelly, you characterized the impact of these reductions as, quote, "managing to keep the pilot light of U.S. military engagement on in the region, but just barely."

This is a stark warning, and one that is certainly amplified when considering the cuts on the civilian side of our government, as well.

General Kelly, given the physical constraints that are likely to face you, I am interested in your insights into how SOUTHCOM can successfully engage in the region. For example, SOUTHCOM is also training and equipping security forces of friendly nations, training and equipping peacekeepers for deployment to peacekeeping operations across the globe, and enabling, advising, and supporting Colombian military and law enforcement operations. These activities often provide benefits far beyond the investment. How can we leverage these low-cost, high-yield activities? Are there other innovative ideas we should be implementing?

General Kelly, Admiral Gortney, you are both exceptional officers whom I am glad are leading these commands, and I look forward to your testimony.
Thank you, Mr. Chairman.

Chairman McCain: Welcome.

Who -- Admiral Gortney, do you want to be first? Or General Kelly?

Admiral Gortney: We are long-time shipmates.
STATEMENT OF ADMIRAL WILLIAM E. GORTNEY, USN,
COMMANDER, U.S. NORTHERN COMMAND AND COMMANDER, NORTH
AMERICAN AEROSPACE DEFENSE COMMAND

Admiral Gortney: Well, Chairman McCain, Ranking Member
Reed, members of the committee, thank you so much for having
my shipmate and myself here to talk to you today. It means
a great deal.

In preparing for today, I thought I would open -- I
first thought I would open with my -- a summation of my
prepared remarks that I had forwarded for the record. But,
after spending, over the past 2 weeks, time with you --
thank you for giving me your valuable time -- I think the
time would be better spent if we talk about the threats that
-- as I see them, in the defense of the homeland, and how it
affects us. So, I am going to set my prepared remarks
aside, and I want to talk to those threats.

And when we look at threats, we look at threats from
the most likely to the most dangerous. And so, I want to
talk about from the most likely to the most dangerous
threats to the homeland. And I think the most likely threat
is that transnational criminal network that is using the
seams between General Kelly's and my COCOMs and PACOMs, our
interagency partners and us, seams between us and our
partner nations, and the seams within those countries
themselves. In those seams, people are moving drugs, money.
As the Chairman said, they are just moving product for profit. And, through those seams -- we need to close those seams, because in those seams, if someone wants to move something that is going to do great damage to our Nation, that is where they will come.

The second is homegrown violent extremists. And it's not -- it's a very effective, I'm sorry to say, but sophisticated social media campaign to stir up distrust from American citizens to do harm to American citizens.

The third is cyber. The cyber, I am responsible for defending my known networks and to help the lead Federal agency in the aftermath of a cyberattack. But, it's far more significant in that -- is that it would effect -- directly effect a cyberattack against a critical infrastructure that I rely on to defend the Nation and we rely on for our Nation to operate. I see that as a significant threat.

The next is the North Korean threat, who has the intent and, we assess, the capability to shoot a ballistic missile at our homeland, and, of course, whether Iran will continue on its path.

And finally, and the most dangerous, China to Russia. However, as significant as those threats are, as I look at mostly likely and most dangerous, I see the mostly likely and most dangerous threat to my ability to protect the
homeland, and that is sequestration. And it's because of how sequestration affects the forces that John and myself and our shipmates that are the other geographic combatant commanders, how it affects the services as they implement the sequestration effect, how it hollows out the force. The services can only go -- have to -- to generate the revenue to meet the sequestration, they must go into the readiness accounts, and as -- which leads to a hollow force. And, as Admiral Greenert said to you a couple of days ago, it delays capability that prevents us from outpacing the threats that is our technological and our advantage in the future battlefield.

As NORTHCOM and General Kelly, in SOUTHCOM, we rely on the services in order for us to do our mission. Our forward-deployed commanders, we -- they rely on that capability. And the specific impacts to each one of the missions, I'd like to answer in the questions.

And I look forward to your questions.

[The prepared statement of General Gortney follows:]
Chairman McCain: General Kelly.
STATEMENT OF GENERAL JOHN F. KELLY, USMC, COMMANDER, U.S. SOUTHERN COMMAND

General Kelly: Chairman McCain, Ranking Member Reed, distinguished members of the committee, thanks for the opportunity to speak here today about SOUTHCOM's soldiers, sailors, airmen, marines, coastguardsmen, and, just as importantly, the civilian workforce.

It's great to be here with my good friend Admiral Gortney. And I can assure you, as he just did, that there is really no gap, no seam, no space between our two organizations. We work very closely together, and we collaborate very, very closely together.

I believe SOUTHCOM is the only government organization that is 100-percent dedicated to looking at the issues of Latin America and the Caribbean. My folks don't just pay attention to what's going on in this region of the world. They understand it intimately. They care about it, and they support it. They have helped countries in Latin America improve human rights, worked hand-in-hand with the region to professionalize security and defense forces and rebuild institutions, and they've supported our partners as they win back their streets and countries from drug trafficking and criminal networks, much of which is directly attributable to the drug demand in the United States. I'm proud to lead this outstanding group of people, and I'm proud of the work
we're doing in Latin America.

As the committee knows, I think, SOUTHCOM's most important mission is to protect the southern approaches to the United States. We do not and cannot do this mission alone. We work side by side with law enforcement professionals in the Department of Homeland Security, the Coast Guard, DEA, FBI, and the Department of Treasury. Together, we all defend the U.S. homeland against transnational criminal networks, illicit trafficking, and the potential movement of terrorists or WMD into the homeland.

Mr. Chairman, I'd like to take a moment to commend one of our most valued partners in the U.S. Government, and that is the Central Intelligence Agency. I've had the honor of serving with the CIA all over the world for my entire career, and this includes Iraq and Latin America. Like our men and women in uniform, I believe the men and women of the CIA are the best of their generation. When our country needs them most, the CIA always answers the call. They do what the President asks them to do, as we all do, and they do it with a selflessness and a bravery that is very, very seldom recognized. They step forward without question, without hesitation, with the knowledge they will receive zero recognition for the important work that they do. They willingly put their lives on the line every day. They serve
in some of the world's darkest and most dangerous places, executing the most complex, high-risk missions imaginable. And, most often, they do it armed only with their wits.

Along with our Armed Forces, law enforcement, intelligence agencies, the CIA is part of an extraordinary team doing essential work to keep our Nation safe. And I believe most of our citizens sleep safe at night because of what the entire team does, and that team starts overseas with what the CIA does.

I'd also like to say a few words about our partners in Latin America, one relationship in particular. Mr. Chairman, members, as you know, the United States has a very special relationship with a handful of countries around the world. These relationships are with countries that we rely on as regional stabilizers. These countries are our strongest friends and most steadfast allies. They look at -- in the same -- they look at life and live their lives in the same way that we do.

Colombia clearly plays that role in Latin America. But, they are more than just our -- among our most trusted partners, they are the model for winning the fight against violent insurgencies in criminal networks. Colombia has shown us that the key to defeating terrorists in criminal groups is by upholding and defending the very values that these groups threaten: freedom, democracy, and the
protection of human rights. Colombia has shown us that security and economic prosperity really do go hand in hand. And at a -- and at great expense in Colombia blood -- Colombian blood and Colombian national treasure, they've shown us what the term "national will" really means.

In my 30 years in uniform -- over 30 years in uniform, I have never seen a better success story than what I see every day in Colombia. It's one place I believe we got it right, where our support, coupled with a committed partner, brought a country back from the brink, where our engagement in Latin America made a real and lasting difference that's plain to see. Colombia is now stable, thriving, and taking on greater responsibilities to improve international security, not just in Latin America and the Caribbean, but they are looking overseas, as well. In an uncertain and turbulent world, we're lucky to have partners like Colombia.

I'd like to thank the committee for its continued support to the Colombian people as they work to achieve a just and lasting peace, which is just about in sight.

Members of the committee, I look forward to your questions.

Thank you.

[The prepared statement of General Kelly follows:]
Chairman McCain: Thank you, General.

We're now looking at a proposal for a budget that leaves the sequestration numbers in the numbers as they have been following since we passed the Budget Control Act. If that remains the case, General Kelly, what is your view of what sequestration will do to your ability to carry out your mission and the impact in increased risk to the lives of American men and women serving in uniform?

General Kelly: Thanks for that question, Senator.

I would tell you, in Latin American Southern Command, it is -- it will be a -- just simply put, a catastrophe. It will essentially put me out of business. I have very, very little work with now. We do most of our work partnering small -- small groups of soldiers, sailors, airmen, and marines, even law enforcement that go down, spend short periods of time advising, assisting many of these groups, whether it's maintenance, human rights, these kind of things.

I've queried my components -- the Army, Navy, Air Force, Marines. Their cuts would range from anywhere between 75 percent of -- in the case of the Marines, maybe about 25 percent. But, the point is, I will no longer able to partner at -- almost at all with the nations that we work with every day. From a drug-flow point of view, I got -- we got, collectively -- the DOD and all of the agencies that do
this -- we got 158 metric tons of cocaine last year, without violence, before it ever even made it to Central America. I do that with very, very few ships. I know that if sequestrations happen, I will be down to maybe one Coast Guard, maybe two Coast Guard cutters. That means, of the 158 tons I would expect to get this year, I probably, if I'm lucky, will get 20 tons; and all the rest of it just comes into the United States along this incredibly efficient network. So --

Chairman McCain: And the risk --

General Kelly: -- a catastrophe, Senator.

Chairman McCain: And the risk to the lives of the men and women serving?

General Kelly: In my part of the world, it'll be, to say the least, a heightened risk in -- again, I'm in a part of the world, as you know, sir, that is relatively peaceful, that there is no real state-on-state problems. But, in other parts of the world, like CENTCOM and EUCOM, potentially, these are -- you know, we could be talking -- in my opinion, as just one guy talking, we could be talking not high risk anymore, or severe risk, to our plans, but really we could be talking defeat if sequestration happens.

Chairman McCain: Admiral Gortney --

Admiral Gortney: Well, I'll --

Chairman McCain: -- same question.
Admiral Gortney: -- I'll pile onto what General Kelly was saying. In a similar role in countering the transnational criminal networks and our ability to do mil-to-mil training with our partners, particularly in Mexico and in the Bahamas, it's going to have a huge impact. We execute those missions through service-retained forces. As soldiers, sailors, airmen, and marines and coastguardsmen are training for their own future deployment, they come down and do that mil-to-mil activity for us, work for us, but it's training they receive. And we've received, from our components, that that training is going to have to be curtailed significantly. So, that will have a huge impact on us on that.

The other impact would be in missile defense. Because the services can only generate the revenue by going into readiness or delaying delivery of a capability, the Missile Defense Agency will -- does not have a readiness account that they can go to, so they're going to have to go to their new starts, they will have to put the long-range discrimination radar, the improvements to the advanced kill vehicle and a multi-object kill vehicle -- they'll have to put those on hold and will delay the ability for them to field those capability which allows us to outpace the growing proliferation of ballistic missiles.

And so, those are the two primary impacts to me, sir.
Chairman McCain: Thank you.

General Kelly, in your written statement, you said, quote, "In addition to thousands of Central Americans fleeing poverty and violence, foreign nationals from countries like Somalia, Bangladesh, Lebanon, and Pakistan are using the region's human smuggling networks to enter the United States. While many are merely seeking economic opportunity or fleeing war, a small subset could potentially be seeking to do us harm. Last year, ISIS adherents posted discussions on social media, calling for the infiltration of the U.S. southern border." Can you tell us how serious you think that threat is?

General Kelly: I think, Senator, that the kind of people that you're referring to will -- of course, their intent is to do us the greatest amount of harm possible. This network that Bill and I deal with every day, not to mention the law enforcement folks, is so efficient that if a terrorist, or almost anyone, wants to get into our country, they just pay the fare. No one checks their passports, no one -- you know, they don't go through metal detectors. No one cares why they're coming. They just ride this network. And if someone wanted to come in here with nuclear material -- I was just down at Emory University, at the ebola facility there, talking about how ebola spreads and potentially could be used as a weapon. It's an -- it's a
scary proposition when --

Chairman McCain: Well --

General Kelly: -- I think of this network.

Chairman McCain: So, how serious, in your view, is it that, over time, there may be an effort by terrorists to cross our southern border?

General Kelly: Extremely serious.

Chairman McCain: I thank you, General Kelly. And I thank you for your honorable service.

And thank you, Admiral.

Senator Reed: Thank you, Mr. Chairman.

And I think the Chairman's questions and your answers has really illustrated the critical and corrosive effect of sequestration on everything you do -- literally everything you do. But, I think there's a point that also has to be emphasized, because you don't do things alone, you do it with other agencies, some of them civilian agencies.

General Kelly, you just said you were down at Emory, at CDC, talking about the potential of a ebola-type epidemic being transported into the United States. The border is the jurisdiction, primarily, of Department of Homeland Security. I could go on and on and on. So, the question is -- because there's been some discussion of, "Well, we need relief for Department of Defense." And both Senator McCain and I have urged that. But, without relief across the board, without
funding for DHS, Department of Justice, FBI, CDC, can you do your mission, Admiral Gortney?

Admiral Gortney: Sir, thank you for asking that question.

As we look at how we perform the range of missions that we've been assigned, our homeland partnerships, our interagency partnerships with the interagency -- Homeland Security, with the law enforcement efforts -- that's actually our center of gravity -- the National Guard, our Governors, et cetera. But, to your point on -- those interagency relationships are absolutely critical. Those interdependencies, many of which I am supporting to them, but I am still tasked to do that -- should they be affected, it's going to have a significant effect against how I'm able to do my missions to support them and then, again, to defend the homeland.

Senator Reed: General Kelly, your response?

General Kelly: I'd associate myself with that. If -- this is a team effort. And if anyone -- if any of us get hit with a sequestration-type impact, you know, again, the defense of the homeland is, to me, absolute, and it would be seriously degraded.

Senator Reed: You know, there are other aspects that -- not just reactive, but proactive. I'm told that, for example, the Millennium Challenge, which is a quasi-Federal
agency, gets some funding from us, has been significant, in terms of road-building and economic development in your area of operations. And I would assume that's just -- sometimes just as important as the reactive, defensive measure. Is that accurate?

General Kelly: It is. Yes, sir. I mean, we could get into a long discussion about what we're trying to do in the Central American region to stabilize the region so that we don't have another occurrence of, you know, 100,000 migrants coming up all at once. And the Millennium Challenge Corporation is -- things like that or the Inter-American Developmental Bank -- those are organizations that we should invest in, because they do it right, in terms of economic development, in working with countries in identifying projects that will -- everything from stabilize their national institutions to economic development to social development, protects human rights, things like that. I really believe that investment in those kind of organizations is the way to go, as opposed to, you know, we try to do our own standalone-type investment, because they don't seem to work very well.

Senator Reed: Thank you.

Admiral Gortney, you are the operational, effectively, commander for missile defense. Missile Defense Agency does all the sophisticated development. You have pointed out how
they would be harmed. But, from your sense as to -- as you described, the trigger-pull or -- what should be the priorities, in terms of invest in national missile defense?

Admiral Gortney: Well, my priorities are completely aligned with Admiral Syring's from the Missile Defense Agency. And the priorities actually are concurrent priorities. All three have to be taken into account.

The first is, we need to continue to improve our sensors. The sensors are the ability for us to discriminate and track as early as possible to be able to defeat the threat.

The second is, we need to enhance the lethality of our kill vehicles. The -- it's a very expensive proposition to shoot a rocket with a rocket. And so, we want every one of our kill vehicles to be as effective and as lethal as possible, and as well as the means to develop other ways that we can get more kill vehicles into space.

And the last is, as in any weapon system, you need to invest in the sustainment piece of it so that all of -- it's a system of systems, and all of the system of systems are at their peak physical condition, and that includes the ability for us to test and exercise them. And they all have to be done concurrently.

Senator Reed: And so, these priorities are higher, I can assume, than expanding the basing of missiles around the
country?

Admiral Gortney: Yes. Admiral Syring and I are in agreement that, before we put additional money, we want to make sure we assure the three that we just talked about. That's the most important piece.

Senator Reed: Thank you very much, Admiral.

Thank you, Mr. Chairman.

You're recognized, I think.

Senator Inhofe: May I proceed?

Chairman McCain: Senator Inhofe.

Senator Inhofe: Thank you, Mr. Chairman.

I think both of you were watching, a couple of weeks ago, when we had Secretary Carter here. And you're familiar with his testimony, wherein he -- one of his statements was, "Readiness remains at troubling levels across the force," that, even with the FY budget, the Army, Navy, and Marine Corps won't reach their readiness goals until 2020; and the Air Force, 2023. And then General Dempsey stated that we -- what we need to remain at the lower ragged edge of manageable risk in our ability to execute the defense strategy. Now, do both of you agree with these statements?

General Kelly: Yes.

Admiral Gortney: Yes.

Senator Inhofe: The defense planning requirements are that you guys are the one that -- are in charge homeland
security. And that's supposed to be our number-one
requirement, number-one guidance. Is that correct?

Admiral Gortney: Homeland defense, sir.

Senator Inhofe: Homeland defense, yeah.

Admiral Gortney: Yes, sir.

Senator Inhofe: Well, the requirements are found in the
homeland defense, that's correct.

What concerns me is that, for the past 14 years, I
think that everyone's aware, and you're certainly aware,
that both of your areas of responsibility have been
prioritized behind the wars in Iraq and Afghanistan. Is
that correct?

General Kelly: Yes, sir.

Admiral Gortney: Yes, sir.

Senator Inhofe: Well, that's a big deal. I don't
think many people out there in the real world, or in
America, understand that -- sure, we understand that our top
priority should be homeland defense. Everyone understands
that. But, what the budget -- forgetting about
sequestration, bringing us up to where we are today as
taking away your ability, or that priority for homeland
defense -- you know, I think it's something that we have to
be talking about up here. Are -- do you think -- I'd ask
both of you, in your opinions, are we accepting too much
risk as it relates to our number-one priority, homeland
defense?

Admiral Gortney: I'll take that, sir.

You know, our -- the way we execute, the way and the means that we execute homeland defense is an away game. It's better to fight the fight at the further reaches through the forward-deployed geographic commanders, such as General Kelly, here. And the challenge that we're having, even though we've been in 14 years of war, as we come out of these wars, you're usually entering a better security situation than when you went into war. That's why we went to war. But, as Dr. Kissinger testified to you a few weeks ago, clearly that's not what we had, and it's -- we just didn't predict it, even 3 short years ago. And the forward-deployed combatant commanders, each and every single one of them, are dealing with a crisis in their AOR on their doorsteps today. And they're seeking, and they need -- in order for them to defend the Nation in the far game, they need the forward-deployed forces and the forward-based forces to deal with those crises, get them into an off-ramp, and not let them escalate any more than they already are. And that's where the risk is. They own that risk, and that's the -- their ability to execute that mission is very tattered because of our -- how thin we are, because we have to distribute them globally. And as the service chief said, our ability to surge them release -- surge them greater
capability from the homeland so the game's -- the fight is still overseas, is reduced. And how that also impacts is those servicemembers that are executing that mission --

Senator Inhofe: All right. Admiral --

Admiral Gortney: -- their risk and the acceptable losses have gone up significantly.

Senator Inhofe: Admiral -- and I appreciate the answer. It's a very good answer. It's a long way of saying "yes." And so, we --

Do you agree with that, General Kelly?

General Kelly: I do, yes, sir.

Senator Inhofe: Okay.

General Kelly, the area that I'm really familiar with -- I spent 20 years of my life in the -- building and developing down in south Texas. I'm familiar, not with the rest of the border, but the Texas border, I am. And you talk about -- you said -- and I wrote it down, here -- your people understand it intimately. Included in what they understand intimately, does that include the border -- the Texas-Mexico border?

General Kelly: No, sir, not in my case. My boundary ends with the south Mexican --

Senator Inhofe: I see.

General Kelly: -- border.

Senator Inhofe: Okay.
Admiral Gortney: So, Bill's your guy.

Senator Inhofe: Yeah. Oh, well -- yeah, all right.

Are they very familiar with that? The reason I say that -- there's danger on the border down there. In fact, it's misunderstood, because it's mostly between two cartels or two drug groups firing. One of the few places in that border where people can go over from the United States was a little community called Progreso. And, even the other day, that ended up a battleground. Is everyone on top of that and familiar with that and aware of the risk that that gives some of our people?

Admiral Gortney: Yes, sir. Everybody's aware of the risk. Do we have 100-percent visibility into everything of that? No, sir, we don't. We work that very, very hard with our interagency partners -- Homeland Security and our interagency partners inside --

Senator Inhofe: Yeah.

Admiral Gortney: -- inside Mexico. And our responsibility is to expand the capacity through training with the army, the navy, and their marine corps, Sedena and Semar. And we're --

Senator Inhofe: Okay. I've got a problem with my timing, here, and I did want to get into some statements that have been made.

General Kelly, you talked about, in -- on GTMO, ever --
the history of that, when we got it, the good deal it is
even today, and what all is there other than the
incarceration of terrorists that are down there. So, I'm
going to ask you this question for the record and -- because
I am very interested in some of the other things that are
going on down there.

[The information referred to follows:]

[COMMITTEE INSERT]
Senator Inhofe: Thank you, Mr. Chairman.

Chairman McCain: Senator Donnelly.

Senator Donnelly: Thank you, Mr. Chairman.

And I want to thank both of you for being here.

General Kelly, I know this is your last time that you will be here as SOUTHCOM Commander. And my father-in-law was a Guadalcanal marine. And I think if he was still around, he would say, "If you want to know what a marine is, look at General Kelly." So, we're very grateful for your service.

And, Admiral Gortney, my dad was in the Navy. He chipped a lot of paint. He didn't see a lot of admirals, but we -- he'd be very grateful for your service.

To General Kelly, when you look -- one of the things we're dealing with in my home State of Indiana is, there's been a huge influx of heroin into our State. And I was wondering if you could tell us a little bit about the challenges you face in trying to interdict that, in trying to stop it. And what is, maybe, the best thing we could do to help you in that effort?

General Kelly: Senator, the first thing everyone should -- needs to understand is, really 100 percent of the heroin that's consumed in the United States -- and we, in fact, are right in the middle of a heroin epidemic, a drug epidemic. A lot of people in this town will say no to that,
but we are in the middle of a serious epidemic in -- particularly in -- when it comes to the heroin. So, 100 percent of it is produced here in the United -- or, here in the -- in Latin America. About half of it is produced in Mexico, and the rest of it is produced further south, in various parts of the isthmus -- Central American isthmus in South America. It's a relatively small amount -- 40-50 tons, we think -- of heroin that feeds the heroin epidemic in the United States.

What's the first step in stopping it? Stopping the drug demand in the United States. That's the first step. And I don't think we take that very seriously, as we do, say, tobacco use and seatbelt use and things like that. So, we don't do much to reduce the demand in the United States. If we did that, there would be less of a market for it, obviously. But, because of this network -- and I say it a lot -- this network has got to be broken. And the way the network stays in place is drug demand in -- primarily drug demand in the United States, and then the unbelievable profits that come out of that drug demand. Cocaine alone, $85 billion a year in profits from cocaine sales alone in the United States. And, of course, that's an unlimited amount of money to either bribe officials, in our own country as well as in Latin America, or to kill people or have people killed. And until we really get around the drug
demand issue, there's not an awful lot we're going to be able to do to that network.

Senator Donnelly: Is there anything you can do on the ground, in terms of interdiction? Any other things that we can help you with? Obviously, resources, but -- what is the key to their success in getting that into our country?

General Kelly: It's just years and years and years of a very, very elaborate -- development of this very elaborate, very efficient network.

Some of the things we do do -- and I'll go back to Colombia for a second. I mean, Colombia is absolutely heroic in their attempts to eradicate coca and poppy before it's ever harvested. They knocked down about 1400 jungle laboratories last year that make cocaine and make heroin. And they, themselves -- cocaine, alone -- 150 tons before it ever left -- of cocaine -- before it ever left Colombia on its way north. So, Colombia is deep into the fight. In fact, they, frankly, do more to fight drugs in our country than I think the United States does, sometimes.

Further north, in these countries that we're trying to help in Central America, where an awful lot of the poppies are, in fact, grown, we're just starting to see these countries -- their security forces able to stand up on their own. And then, Mexico, about 40 -- about 50 percent of the heroin consumed in the United States is -- the poppies are
grown and the heroin is produced in Mexico. And that's really Bill's bailiwick.

Senator Donnelly: In terms of interdiction, you had mentioned about the Coast Guard cutters and other resources that you have -- I may be mistaken with the exact number, but I thought last year you told us you were able to -- or had the physical capability to stop about 25 percent of the traffic that came through. Is that -- is --

General Kelly: We're stopping --

Senator Donnelly: -- is that --

General Kelly: -- we think, about 20 percent.

Senator Donnelly: Okay.

General Kelly: With very few cutters. More cutters, more ships mean we get more. Less means less.

Senator Donnelly: So, it's simply a direct -- your ability to stop is simply a direct correlation to the resources that you have in that area.

General Kelly: That's correct, sir.

Senator Donnelly: Okay.

What -- could you give us a little bit of a primer for a few seconds on Venezuela and what's going on there right now?

General Kelly: It's a sad thing to watch. Two years ago, when I took this job, the discussion was, How long would it be before it collapses or implodes? I mean, I
think we're kind of there. Inflation rates of over 80 percent, there's almost nothing on the shelves that common people can buy. Their -- the government there is, to say the least, restricting the free press more and more every day. They're arresting opposition leaders. Of course, they're blaming us for everything from coup planning to this recent move by our President to put sanctions -- or, not sanctions, but to put restrictions in place. They see that as an attempt to topple the government. They don't need any help toppling their government. I mean, it's just a really, really sad state of affairs to watch.

Senator Donnelly: Thank you.

Thank you both very, very much.

Thank you, Mr. Chairman.

Chairman McCain: Senator Sullivan.

Senator Sullivan: Thank you, Mr. Chairman.

And I also want to thank both of the members of the panel for their distinguished service to our country.

Admiral Gortney, I was -- it was great seeing you in Alaska recently. I wanted to dig into a little bit more on the Arctic strategy that's highlighted in your testimony. And I actually really appreciate how much emphasis you've been giving that in your new position and in your testimony. You know, one of the things that I think has come up in a lot of the hearings here, whether it was General Dempsey
or the -- Secretary Carter's growing importance, but also
to the fluidity of what's going on in the Arctic,
particularly with regard to the Russian moves that I know
you've been keeping an eye on. As a matter of fact, your
testimony mentions the aggressiveness that we haven't seen
since the cold war, in terms of the bomber runs. As you
know, they -- they're building new airfields in the Arctic,
and they're -- have a new Arctic Command. General Dempsey
tested last week, three -- four new Arctic combat
brigades being deployed by the Russians in the Arctic, a
huge icebreaker fleet with as many as 11 more new
icebreakers. So, they're clearly seeing it as a strategic
area. For the world, resource development, new sea lanes
that are developing there.

And my concern is that we're well behind the Russians,
in terms of this, not only as an opportunity, but also as a
growing area of military competition that they're clearly
making it out to be. I'll give you a few examples on that.
You know, the Army is looking -- our Army is looking at
reducing, in the light of what the Russians are doing --
reducing two combat brigades based in Alaska. That's a big
concern.

I just have a couple of questions. And they're all
kind of related, so I'll just pose them to you. Do we have
an Arctic O-plan right now? And how would the Army troops
in the Arctic, in Alaska, fit into that? And does it make sense to significantly reduce our military presence in the Arctic before we even put out an O-plan and in the face of what clearly is a Russian dramatic increase in the militarization of the Arctic? You know, General Odierno mentioned, yesterday in testimony before the Appropriations Committee, that he was waiting on NORTHCOM's Arctic strategy to kind of get a sense of what they're going to do with troop levels. So, you talk about seams. I -- as you and I have discussed, Alaska is really at the seams of NORTHCOM, PACOM, EUCOM. And sometimes that's helpful. Other times I think we can have our strategy fall through the seams. Can you just comment on that, please?

Admiral Gortney: Yes. I'm assigned to be the "advocate of the Arctic," which is not a doctrinal term, it's not -- I can't direct anybody to do anything, but we are working on answering that question: What are the requirements that we're going to need to be able to inform our own operational plans, as you mentioned, on the future of the Arctic, and then what we feel are recommendations for all of DOD, not just the services, for what necessary investments that get up there?

Senator Sullivan: Great. Because, you know, another thing that kind of looks like it's falling through the seams, at least within DOD and outside of the DOD, is
icebreakers. When the CNO was here last week, talked about
the importance of those. Everybody agrees they're
important, and yet the Navy's not in charge of those; it's
the Coast Guard. So, there doesn't seem to be a coordinated
focus on that, as well.

Admiral Gortney: Which goes to the impact of our
interagency relationships and the impacts of sequestration.
The Coast Guard is responsible for the icebreakers. We
don't -- as CNO said, we don't have any ships up there, but
we -- but -- that are -- that float on top of the ocean, but
we have submarines up there quite frequently. So -- but, we
need to figure out, What are the capabilities that we need?
Because it's a very harsh place. I mean, I graded -- I
loved visiting your State, but it's a hard place to live and
operate. And we have a difficulty -- we have the inability
right now to reliably navigate, communicate, and then
sustain ourselves as we're up there. So, that's what we're
trying to answer, what we will endeavor to answer as the
advocate. And that report will be due out this spring, sir.

Senator Sullivan: Great. Thank you.

And I do think the hardness actually makes for great
training, whether it's the Marines or the Army or the Navy,
Air Force, out there.

I'd like to turn to missile defense. You know, I think
your testimony highlights the growing threat, the ICBM
threat, whether it's from North Korea, whether it's from
Iran -- you know, even potentially with, you know, weapons
of mass destruction in the future. Can you just comment on
the role that Fort Greely plays in that, and how important
it is to continue the focus, I think, which is a bipartisan
focus here, on increased missile defense?

Admiral Gortney: Absolutely.

You know, the strategic location of Alaska cannot be
overstated. Location, location, location. It's easier to
deploy forces from, say, our F-22s that are based there
around the world. They get wherever we need to put them
quicker than, say, we launched them out of Langley. So, the
strategic importance of Alaska can't be overstated. And, as
a result of that, that's where the Missile Defense Agency
decided to put the vast majority of our interceptors, up at
Fort Greely, which we were just up there visiting about a
month ago.

We're on track. The first, which -- the first missile
field -- there's three missile fields, as you're aware --
the first was a test and evaluation. They're refurbishing
that. And by the end of '17, we'll have all 40 missiles up
there, which brings our numbers to 44. There's nothing
preventing us from getting there to maximize the investment
that we've made for the effectiveness of our missile defense
program.
Senator Sullivan: Thank you.

Thank you, Mr. Chairman.

Chairman McCain: Senator Blumenthal.

Senator Blumenthal: Thanks, Mr. Chairman.

I want to join our Chairman in thanking both of you for your distinguished service, but particularly, General Kelly, thank you for your candid and thoughtful and insightful remarks, but also for your and your family's service to our Nation, which, as the Chairman said so eloquently, should elicit our gratitude. And certainly members of the committee feel it.

You mentioned the porousness of our borders and the efficiency of the network that can transport drugs and people into this country. As you may know, the Senate is now debating, with uncertain prospects, a bill that would provide greater assistance to the victims of human trafficking. And as a strong supporter and leading cosponsor of that measure, I'm very interested in what can be done by both of your commands in stopping the flow of women and children who are exploited for sex and slave labor. This kind of trafficking is modern slavery, in effect. And you've spoken very powerfully on the importance of human rights and the rule of law as it's been vindicated in Colombia. I wonder what can be done, in your view, in Central America, where the flow of both drugs and human
trafficking has gone. In the wake of success in Colombia, perhaps you can give us your general comment on the trafficking issue.

    General Kelly: Thanks for the question, Senator. It's a really important one. And my answer is not a military one for sure; it's to give the people from that part of the world a reason to stay home. All of the polling and all the indicators are, they prefer to stay where their families are, where their culture is, where they're comfortable. But, without better human rights -- and that is getting better in these countries -- without some access to economic well-being -- and I think that is the key -- without lowering of the violence, basically due to -- to a large degree, to our drug consumption -- and the countries are, in fact, getting their arms around that. It's controversial, in some respects, how they're doing it. But, the violence is going down. And the human rights -- accusations of violations are not going up. And that's hugely important in the way they're doing business there. Again, we've sometimes, in our interagency, criticized the way people get at problems locally. The fact is, they're getting at the problems.

    But, really, the answer is, they won't leave if they can get a job and live a decent life. We know that.

    Senator Blumenthal: And, as you said, the solution
isn't going to be exclusively military, although law
enforcement is a part of it. And I think Senator Reed, in
his remarks, made the point that sequestration in affecting
the non-Department of Defense aid and functions in those
areas is important in fighting the flow of human
trafficking, as well. Is that correct?

General Kelly: Yes, sir, it is.

Senator Blumenthal: Admiral, I wonder if you, in your
command, have any insights into stopping the flow of
trafficking.

Admiral Gortney: Yes, sir. We work very closely in
the mil-to-mil relationship with both Sedena and Semar,
because they've been asked by their government to go after
the -- some of the internal challenges that they have. And
so, we have been very, very effective. And in the last 24-
36 months, a significant change and an increase in
receptiveness and desire to partner with us and work with us
and help them train to be more effective. And I just
received and we've just started on a path to really assist
their efforts on their southern border, because, as they
said, "If we fix our southern border, it'll help with so
many challenges inside of our country." And that's why the
impact of sequestration will cut back that ability -- our
ability, the amount of mil-to-mil training capacity that
we'll be able to give them so that they can assist and make
their country better.

Senator Blumenthal: In effect, the result of sequestration is a kind of ripple effect that affects not only our military readiness, but also the impacts we can have on cultural and governance change for the better in these countries, that eventually effects us, because trafficking of drugs and slave labor across our borders affects our quality of life, as well.

Admiral Gortney: Absolutely. It's a -- as General Kelly said, this is a team sport. It requires unity of effort, whole of government, things we speak to infrequently but are just such a huge part of our -- of how we deal with our partners to our southern border.

Senator Blumenthal: My time is expired. I want to thank you both for your testimony here today. Thank you. And thank you for your service.

Chairman McCain: Senator Lee.

Senator Lee: Thank you, Mr. Chairman.

And thank you very much, Admiral Gortney and General Kelly. We really appreciate your service to our country.

I'm mindful of the ongoing search and rescue efforts in connection with the soldiers and marines who were involved in the helicopter crash off the coast of Florida in the last 2 days. Our prayers go out to them and to their family members.
General Kelly, you stated, last year, that the threats associated with the drug trade and with the flow of undocumented immigrants across our southern border presented an existential threat to the national security of the United States. I was wondering if I could just get -- both of you -- get each of you to tell the committee, in your opinion, what the greatest threats are to our national security in connection with this -- that is, the greatest threats that exist as a result of an unsecure southern border, and how significant these threats are if we're not able to achieve a greater degree of control over who and what might be crossing our southern border.

General Kelly: Well, sir, I would start with -- I mean, there's many different threats against our country. And oftentimes we focus, certainly I'm -- lectured repeatedly on -- the threats that I concern myself most with are not, kind of, military threats, they're maybe law enforcement threats, they're immigration threats. But, you know, I am a problem-solver, and I am tasked to try to protect the southern approaches to the United States. I don't just focus on military threats, because, frankly, from my part of the world, there's very few military threats. But, you know, on a -- there's 40,000 Americans that die every year from the drugs that move up through my part of the world into Bill's and then into our homeland. 40,000
people a year. You know, since 9/11, there's -- half a
million people have died from narcoterrorism, as we call it
in -- down where I live. Narcoterrorism. 500,000 Americans
have died. Very few have died from, you know, traditional
terrorism, if you will, since 9/11. It costs our country
$200 billion a year to deal with the people that are into
drugs but are not, you know, dying. So, I see that as a
huge, huge, huge threat.

And I'm -- I won't just limit myself to worrying about
traditional military threats, because, as Bill says, it's a
team sport, and most of the -- all of the law enforcement --
the CIA, the DIA -- everyone's doing their part, but, at the
end of the day, I'm not going to concern myself with, "Look,
General Kelly, it's not a military threat, so don't worry
about it." That's why -- I mean, 95 percent of my
activities in the course of the -- of my time -- all of my
time -- 95 percent, I focus on nonmilitary things --
economics, human rights, developing relationships with
presidents and ministers of defense to -- and police chiefs
in all of these countries, particularly the Central American
countries, so I can move them in the direction of solving
their problems, which will ultimately solve our problems.

Senator Lee: Great.

Admiral?

Admiral Gortney: To add on exactly what John said, you
know, these businesses that are moving product have outstripped the capacity of the nations to our southern -- from our southern border -- their capacity to be able to handle these challenges. And that's why it requires the team effort from all of our elements of government to assist them to build their capacities, whether it's in a mil-to-mil capacity, which is what my responsibility is, whether it's a law enforcement, whether it's capacity-building in governance, in the judicial system. That's what has to occur. It just can't be focused exclusively on the military. It takes everything to deal with the challenges that these countries are being faced with.

Senator Lee: Thank you.

General Kelly, can you discuss the level in the recent trends and activity of Islamic terrorist organizations within the SOUTHCOM area of responsibility?

General Kelly: I'm comfortable to say, Senator, that the Islamic extremist, you know, organizations are not very well entrenched in my part of the world. I don't see any direct terrorist threat right now. And I'm -- you know, the people that'll look the hardest at this are CIA and FBI. So, I'm comfortable. But, there is a fair amount of activity by both Iran and recruiting, or at least attempts to recruit, by other Islamic extremist organizations. They're -- we expect -- or we calculate right now somewhere
less than 100, but close to 100, young people that have left
the Caribbean region, in particular, who now have gone to
Syria to fight for the Islamic extremist organizations.
And, of course, these small countries that don't have
anything approaching our FBI or any of the law enforcement,
they're extremely concerned about them coming back, as we
are to our own country. And western Europe has the same
concerns. The difference is, these small countries that I
-- that I'm describing have no real ability to deal with
them. And, of course, if they come back, or when they come
back, they can -- they conduct operations in their own
country or they can simply get on the network, ride up into
our country, and do whatever someone tells them to do.

Senator Lee: Because they're right at our backdoor.

Thank you.

Thank you both.

Thank you, Mr. Chairman.

Chairman McCain: Just to be clear about your answers
to Senator Lee, is the southern border secure, or not
secure?

Admiral Gortney: The southern border can be more
secure, as can the Mexican border be more secure.

Chairman McCain: That's the only question I had.

General?

General Kelly: Sir, I think, with the amount of drugs
and people that move across our southwest border, it doesn't
seem all that secure to me.

Chairman McCain: Senator King.

Senator King: Thank you, Mr. Chairman.

Admiral Gortney, I want to thank you. In fact, I want
to thank you both for your emphasis on the importance of the
effect of sequestration on your commands and on your ability
to carry out your responsibilities.

As I talk to people at home, often I run into people to say, "Well, sequestration is not such a big deal. It's only
2 percent of the Federal budget." What people don't realize
is, two-thirds of the Federal budget isn't subject to
sequestration. So, what it really amounts to, in your case,
is about a 10-percent cut, which is very significant. Two
percent of one-third, you end up with about a 10-percent
cut. And that's what you're facing.

The other thing that I think we have to realize around
here -- everybody's worried about sequestration. In talking
to my colleagues, the solutions are not easy, and we have to
keep in front of us the danger of sequestration. When we're
talking about the solutions, finding other alternatives to
replace it are -- there's no low-hanging fruit, here. It's
going to be difficult. But, I'm very happy to have your
testimony, this morning, which underlines for this committee
and for the country how serious a threat this is to our
national security.

Admiral Gortney, if -- with regard to your responsibilities in the Arctic, is -- would it be in the national interest for this country to accede to the Law of the Sea Treaty?

Admiral Gortney: Yes, sir. The Department of Defense, the Chief of Naval Operations, and myself are all in agreement that we should accede. It would -- especially as we take on the role as a lead for the Arctic Council, it would give us a better strength, a better position of strength as we negotiate through there.

Senator King: And, as I understand it, it's actually compromised -- our failure to be a member of that treaty is actually compromising our ability, for example, to stake claims to where the Continental Shelf is and those kinds of things.

Admiral Gortney: That's one of the reasons why we feel it's a -- it would be a good idea to accede.

Senator King: General Kelly, you agree with that?

General Kelly: I don't have a lot of experience, in my part of the world, with the treaty and the issues related to the treaty, but certainly, in my broader opinion, I agree with Bill exactly, yes, sir.

Senator King: Thank you.

General Kelly, you talked -- it was kind of amazing --
Well, first, let me say, I really appreciate your comments about the CIA, because I've -- I -- as I travel, and as a member of the Intelligence Committee, I generally meet with CIA personnel around the world, and I have found them to be uniformly patriotic, intelligent, passionate about their work on behalf of this country. And, as you mentioned, they live in a dangerous world. There are places in the world where, if they -- they can -- you know, it's a danger to go outside and have lunch downtown. And I think it's very important to recognize these people that don't get recognition generally, and I really appreciate the statement that you've made.

You talked about Colombia as a model partner. And I had to think, you know, 15-20 years ago, we wouldn't have been saying that. And in -- we're dealing with so many unstable regimes around the world. How do we replicate what happened in Colombia? What are the steps that they took in order to take their country back, if you will, from the chaos that they were in 20 years ago?

General Kelly: Well, sir, they -- when you're looking over the abyss -- and it's a long way down -- you have kind of a -- you know, a come-to-God point, I think, and you make -- you have to make some decisions. And they made those decisions. And really Plan Colombia, such as it was -- very, very successful -- really started on this side of the

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hill, I think, and -- but, certainly it started in the Congress.

And there's a real misconception about what -- in some places, about what Plan Colombia was. We gave -- our money was 4 cents on the dollar, as to what the Colombians contributed. So, we didn't bankroll it. A lot of think -- I have people tell me that, "We shouldn't put boots on the ground like we did in Colombia." We didn't put boots on the ground. They did all their own fighting, they did their own dying. And, while they were committed -- or, making these commitments, they made social changes. Their elites were taxed and had to make a commitment to Plan Colombia. It is a remarkable reorientation of their society that they had to conduct.

And, frankly, the good-news story there is that what we're doing in Central America now -- because they face similar problems; they're in the abyss, they're about to be failed states -- so, the Colombians -- I just was down in Colombia, I met with the President and the Minister of Defense, and we talked about this at length -- but, I've brought the Colombians up to have seminars, to Miami, and invited all of the senior-most officials of the three countries that I'm particularly concerned with -- Guatemala, el Salvador, and Honduras. And a daylong seminar is to -- "This is where my country, Colombia, was, 20 years ago.
This is how close we were to being a failed narco state. These are the decisions we had to make. And, oh, by the way, they're exactly the decisions you have to make. You have to redo your tax codes. You have to get your own wealthy people investing -- instead of investing in Miami, in high-end South Beach real estate, to invest in your own country," these kind of things. We've done that twice now, focusing, the second time, on economics. And I'm going to do another one in -- with all three presidents and their teams coming up in Miami to do a higher-level economic development conference. As I say, 95 percent of my efforts are not military. It's economic development.

Senator King: And, as you testified earlier, that's the key to stopping the flow of illegal immigrants into this country, is to make their countries more attractive places to live. And, in fact, that's happened with Mexico, hasn't it? Don't we -- isn't it a net-zero immigration from Mexico at this point?

General Kelly: As I understand, it is net-zero, and it is because of the economy in Mexico.

Senator King: Thank you, General.

Thank you.

Chairman McCain: Senator Ernst.

Senator Ernst: Thank you, Mr. Chair.

Thank you, Admiral, General.
It was a pleasure to meet with you the other day, General. I thank you for your time and attention, and thank both of you for your testimony today.

Of course, I've shared with many folks that I am a very proud member of the Iowa Army National Guard. And our members have been very involved in a number of SOUTHCOM's missions, whether it's counterdrug, security missions -- I had an MP detachment that served in Honduras as part of their security mission -- but, we also have National Guard members from all over the United States that serve in Guantanamo Bay at the Detainee Center. And unfortunately, a lot of folks will want to politicize Guantanamo Bay, or, as we all it, "Gitmo." But, I'm very proud of the service that is given there, and I believe it is a very important mission. I believe that this is vital to our national interests, to keep these terrorists at Guantanamo Bay.

So, General Kelly, if you would, if you could describe the treatment that our citizen soldiers, or those that work at the Detainment Center, receive from the inmates. And if you could also describe, just in your own words or your personal thoughts based on your experiences, whether you think that these terrorists that are housed there -- do you think that they would return to the fight if they were released?

General Kelly: Well, maybe -- thanks for the question,
Senator. I think the -- I'll take the first part -- the second part first and just simply say there's -- and again, I don't track these kind of things. I'm not responsible to track these kind of things. But, I think the -- the best estimate on about how many of them return to the fight is about 30 -- 30 percent. So, it's a fair number. We know for sure something in the neighborhood of about 18 percent have. With the kind of intelligence people, CIA and others, their estimate is about 30 percent. So, they do return to the fight. Less so recently, but, of course, the more recent detainees that have been released, they've got plenty -- you know, they've got plenty of time to get back in the fight if they want to. But, for right now, in the most recent detainee transfers or releases, we don't see any of them going back. But, again, they've just been released.

As far as the treatment goes -- first, as the Chairman said at the beginning, the troops down there that guard -- that do the detention, that carry out the mission -- I mean, we do exactly what the President of the United States tasked us to do, and it goes from the President to SECDEF to me to GTMO. And you'll see it when you go down there on Friday. The detainees are treated very, very, very well. Their medical care is excellent. Their -- they're treated humanely, with dignity, all of that.

Now, if they cross the line, they're disciplined --
they're treated firmly, with minimum use of force. And there's a percentage of them down there that we have to -- that are pretty abusive to my guys and gals down there. I won't go into what "splashing" is, but it's pretty vile stuff. They'll tell you all about it. Physical assaults.

But, at the end of the day, you know, we're the good guys, they're not. We carry out the mission that the President gives us. And all of the human rights groups that go down there give us very, very high marks on how that's done. And again, we can decide -- talk to policy, which I'm not into; but, at the end of the day, it's a very, very important mission to this country, and it's done superbly well by the men and women that are down there.

Senator Ernst: Thank you very much, General.

We also did discuss the State Partnership Program the other day during our discussion. And I do feel that this is a very important program for many of our National Guards. Currently, we are involved in a State Partnership Program with Kosovo. I know other States are involved with a number of countries. If you would please, in your own words, just describe how important you believe this program to be.

General Kelly: Yeah. The Partnership Program is very, very high impact and very, very low cost. And what I have seen over my years in working with other countries, whether in the part of the world I'm in now or in the Central
Command area, you know, in -- among the Arab countries, it's our example that they -- that catches their attention. The fact that men and women are -- come down from Iowa or wherever and work together.

You know, the role -- or the status of women in many of these countries is very low. Yet, they see American units come by, come down, and men and women working together; in many, many cases, women actually in command of the unit, the small unit that comes down. That's startling to them.

And I think, over time, that is what changes these countries for the better, how -- just working alongside American servicemen and -women, and really, just as importantly, Homeland Security men and women that are sprinkled around the world -- FBI, DEA, at -- our good example is what changes these countries over time. Where we touch, they notice, they take notice, and then they change. We have very, very positive effect on these societies.

Senator Ernst: I appreciate that so much.

And I do want to take the time to thank all of the staff members that join us here today for the testimony. Lots of great servicemembers come out of the IOS. So, thank you, Sergeant Major, very much.

Thank you, Mr. Chair.

Chairman McCain: Senator Kaine.

Senator Kaine: Thank you, Mr. Chairman.
And thanks, to you both.

I want to offer a thank you and then two questions. So, on the thank you side, you each helped prepared Senator Cornyn and I for our recent visit to Mexico, Honduras, and Colombia. And it was a very successful visit. We saw evidence of what you had said, Admiral Gortney, the increasing mil-to-mil cooperation between the United States and Mexico that's very laudable. We went to Honduras, General Kelly, at your request, to meet with President Hernandez. Our Ambassador, when we landed, first took us to a neighborhood that he said, "I'm now going to take you to the most dangerous neighborhood in the most dangerous city in the most dangerous country in the world," the Chermeleon neighborhood in San Pedro Sula. But, we saw USAID projects in that very dangerous neighborhood that are helping folks, visited your -- some of your folks at JTF-Bravo at Soto Cano, and then had a chance to talk to the President about the proposed budgetary investment in the region. And then, finally, in Colombia, we went out to Tolemaida and saw the U.S. and Colombian military, together, talk about the progress that they've made in helping turn the failed state into a reliable ally of the United States. And it was remarkable.

I saw all the challenges that you've testified to and that my colleagues have asked you about, and I think you've
done a good job at responding to those. But -- and I came
back mindful of challenges, but I also came back thinking of
some upside opportunities if we get it right. If we get it
right. And I want to ask you about that.

Senator McCain, in his opening comments, kind of talked
about, "We don't necessarily pay that much attention to the
region, as we do other places, and more sustained effort
could be helpful." What I came away from our trip thinking
is, of the deep cultural connections that we have in this 36
countries in the Americas, from Canada to Patagonia, where all
this mixture of an indigenous culture that has welcomed
European, African, and Asian immigration -- in that mix is a
common feature, north to south. We all call ourselves
Americans -- North, Central, or South. We are all
Americans. There is a growing middle class in these
countries, and growing economic prospects, and growing trade.
The most significant number of free trade agreements that
the United States has is with nations in the Americas.

There is the prospect for no war in the Americas, maybe
for the first time in history, and certainly in a very
different way than any other continent. The peace
negotiation between the Colombian government and the FARC,
if it reaches a successful point in the sort of final
chapter, could make us two continents, with millions of
challenges, but two continents without a war, when you can't
say the same thing about Europe, you can't say the same thing about Africa, you can't say the same thing about Asia.

And so, I really see some opportunities for an Americas, a billion people strong, with cultural ties, with trade ties, with better and better military ties, even in the midst of all these challenges, which are real. And I just wanted to ask you, Do you have that same sense of -- there are really upside opportunities in both of your areas of responsibility if we pay persistent attention, rather than episodic attention, sort of across all of government?

General Kelly: Couldn't agree more, Senator. The one thing -- my takeaway in the part of the world I work in, with the exception -- with very few exceptions -- you know, the people that didn't get the memo about, you know, human rights and things like that -- Venezuela is an example -- the vast majority of the continent, all the way down to Patagonia, as you say, they want to be best friends with the United States, they want to partner with us economically, socially. I mean, it's -- they very, very -- and they're disappointed that we pay so little attention to them.

Now, there are some competitors. You know, the Chinese are very heavily involved, in terms of economics and things like that. The Russians in -- much less. But, they're, you know, competitors, in a way. But, the frustration that the countries have is, they would rather deal with us on a -- on
the very issues they deal with China and Russia on, but we
sometimes just show a lack of interest. But, they want to
partner with us, and they love the fact that the United
States no longer comes down carrying a big stick, but,
rather, equal partners. And an awful lot of that good
feeling comes as a direct result, I think, of the men and
women out of the command that I command, and how much time
and effort they put in, in partnering across the region.
Senator Kaine: Admiral Gortney?
Admiral Gortney: I'll echo what John said. You know,
our partners know that we are a really great nation, and
we're with them for the long haul. We may have some ups and
downs, like most relationships, but we'll be there, we're
stable, and we'll be there with them for the long haul. So,
a little bit of investment of a -- a little bit more
investment of our time and energy from all the elements of
our government will go a long way, because they need our
help. Some -- they have some immense challenges out there.
Senator Kaine: Thank you, Mr. Chairman.
Thank you.
Chairman McCain: Senator Fischer.
Senator Fischer: Thank you, Mr. Chairman.
And thank you, gentlemen, for your service and for
being here today.
Admiral, in your prepared testimony, you discuss the
growing threat that's posed by cruise missiles, to the United States; and you say that Russia is progressing towards its goal of deploying long-range conventionally-armed cruise missiles, and, if that trend continues, that, over time, NORAD is going to face increased risks in its ability to defend North America. Does the budget support your plans for the cruise-missile defense that we need for this country?

Admiral Gortney: Provided we're given the account that the Department has asked for, I think we'll be on a good path. When it comes to the particular cruise-missile threat, you know, we're experimenting with JLENS, up at Aberdeen. That shows great promise. It's not without challenges any test program is going to have, but -- there's a lot of air traffic up there. And to be able to integrate that into the rest of our architecture, to include our Aegis ships that will be off of our coast, so that we can deal with the leakers -- you know, I've been in the cruise-missile threat since I was a lieutenant JG, and I've shot over 1300 of them, so I know how effective they are, and I know how hard they are to defeat. And it really requires us to have a layered approach that we -- it's more effective -- it's only effective if we get the archer and not just deal with the arrows, and have the ability to reach deep to get the cruise-missile shooter so that we're only dealing with a
few of the leakers out here.

The long-range aviation -- Russian long-range aviation, it's a pretty significant increase in numbers. And what concerns me more are two things. It's the -- where they're flying, even through the English -- down the English Channel -- it's where they're flying that has not been what they have done in the past, even back with the Soviet Union. And the development of the cruise missiles that they have, that have a very long range, that -- from the Russian -- from eastern Russia, they can range critical infrastructure in Alaska and in Canada that we rely on for our homeland defense mission. So, we have to look at this in a more expansive manner. But, if we have the investments that we've asked for, we'll be able to outpace that technology.

Senator Fischer: And so, also in this year's budget, when we look at those investments in the next-generation defense technology, which I support -- I think it's needed, and I support it strongly -- I am concerned, though, that those capabilities are not going to be deployed anytime soon. I believe it will be in the next decade, at the earliest. Do you have concerns with that, as well? Are you satisfied with that timeline, or are you just, I guess, accepting of that timeline?

Admiral Gortney: Well, there's -- as a military officer, we'll take capability earlier than later any day.
And -- but, for the necessary investments, as the technology is advancing, I'm satisfied with where we are.

Senator Fischer:  Okay, good to hear.

With your cyberspace mission, you state that it would be rather simplistic to assume that a large-scale cyberattack on the Nation's infrastructure would somehow not impact both us and our partners' ability to successfully perform the DSCA mission, the support that we give to our civil authorities. And it makes strategic sense to consider the steps that could be taken to mitigate or prevent those types of attacks. Can you elaborate a little bit on that statement that you made?

Admiral Gortney: Yes, ma'am. My assigned responsibility is to defend my own networks and to help the lead Federal agency in the defense support for civil authorities. But, effectively, it can be a mission kill. We are very reliant on critical infrastructure -- held by the private and public -- but critical infrastructure in order for us to defend the nation. A cyberattack in Ottawa would take out the northeast quadrant of our air-defense sector. It would be, effectively, a mission kill. So, not only would it affect me to be able to do my mission, more -- quite frankly, more importantly, we, as a Nation, rely on this same infrastructure for us to operate, whether it's banking, rail, aviation, power, movement of water. All of
these things have critical infrastructure that we must have, and they need to be hardened against an adversary.

Senator Fischer: Can you give us, specifically, some of the steps that you would recommend we take so that we can look towards that prevention when it comes to our cyber?

Admiral Gortney: Well, ma'am, this is out of my league, as the technical aspects, I'm going to defer to my good friend, Mike Rogers, at DSCA. He's -- he really understands it. I don't know a switch from a router.

But, the real issue comes down -- is from you all. It requires law and policy that are very difficult for us to come across as a nation. Some -- it's privacy -- some privacy concerns, some things that you might even say cross the Bill of Rights, many of the same issues that we had before 9/11. And, as a result of 9/11, we passed new laws and got new policy that gave us the ability to better protect our Nation. And I would hope that it wouldn't take a cyber 9/11 or a cyber Pearl Harbor for us to finally realize we need to do that sort of thing. And you all have done -- you have taken great strides, and we're grateful for that. And we need to continue that momentum.

Senator Fischer: And do you think that it is imperative that the government be able to share some information with private businesses, and private businesses also share that information with each other, so that we can
1 look more towards defense, deterrence, and, if necessary,
2 offensive use of our capabilities?

3    Admiral Gortney: Yes, ma'am. And I'm really focused
4 on the defense. You don't transmit until you're ready to
5 receive. And we need to shore up that defense.

6    Senator Fischer: Thank you, sir.
7    Thank you, Mr. Chair.
8    Chairman McCain: Senator Gillibrand.
9    Senator Gillibrand: Thank you, Mr. Chairman.
10    And thank you both for your testimony here today, and
11 your service.
12 I want to continue Senator Fischer's questions about
13 cybersecurity. Cyberattacks against the homeland are
14 growing as a threat to U.S. infrastructure, business, and
15 defense. A critical mission of NORTHCOM is to coordinate
16 the response to attacks on the homeland with the Department
17 of Homeland Security. Admiral Rogers told our colleagues on
18 the House side that the Obama administration isn't where it
19 needs to be yet in planning the coordination between the
20 military and civilian agencies' response to a major
21 cyberattack. How would you assess the coordination between
22 NORTHCOM and DHS?
23    Admiral Gortney: We're supporting the DHS in that
24 regard, predominantly in the aftermath of the event, in my
25 defense support for civil authorities. The difficulty that
they have are exactly what we were just discussing. It goes to the laws that we need as a Nation so that then DHS has the authorities they need to be able to better defend our Nation in that regard.

Senator Gillibrand: From your perspective, how is the overall coordination between Federal, State, and local governments, and how, beyond what you've suggested, do you think we could improve?

Admiral Gortney: Federal, local, and -- we just -- just a couple of weeks ago, we met with the Council of Governors within DOD. And I'm a member of that particular board in my capacity as Northern Command. And we have a long way to go to sharing information. We're doing a pretty good job sharing gov-to-gov, from local/State to Homeland Security. The challenges, we're working our way through. Homeland Security is working their way through, sharing private-to-Homeland Security. But, there are even some reasons why private can't talk to State and local. And so, it's expanding those authorities that are required to better communicate, to better defend.

Senator Gillibrand: I'd now like to turn to your Arctic mission. Obviously, NORTHCOM plays an integral role in the Arctic. How important are international cooperative agreements and partnerships such as Tri-Command Framework for Arctic Cooperation for U.S. NORTHCOM's success in the
Arctic?

Admiral Gortney: Absolutely critical. You know, it's a very, very difficult place to navigate, communicate, and sustain ourselves. And so, those partnerships that we can share capability and capacity, as we do with Canada through the NORAD role, cannot be overstated.

Senator Gillibrand: New York's 109th Airlift Wing is home to the only LC-130 Skibirds in the U.S. Air Force. Their unique ability to provide airlift on snow and ice has made them valuable resource to the National Science Foundation, supporting science missions in Greenland and Antarctica. Last year, the unit showed the full range of their capabilities by successfully supporting exercises with the Canadian military in the Arctic. Based on the current types of threats you see in the Arctic, how important is this type of airlift capability to the future success of the NORTHCOM?

Admiral Gortney: Absolutely critical. Once again, it goes to, How are we going to navigate, communicate, sustain ourselves, and the C-130s with skids, our helicopters with skids from our other Guard outfits to help us out there, absolutely critical.

Senator Gillibrand: I've read a lot of recent articles about sort of -- some sort of rush to use the Arctic for natural resources, for other leverage. Do you think we need
more of this particular capability or other capabilities in the future as our Arctic presence increases?

Admiral Gortney: I do. And that's why, as I'm working on our -- "Arctic Way Ahead" is the atticad for the Arctic that will be addressing those issues, and I'll have that out in the spring.

Senator Gillibrand: Thank you.

My last question, for General Kelly, is: Specifically, what is your assessment with regard to Iran's role in the SOUTHCOM area of operation?

General Kelly: Senator, the Iranians have, over the last decade or so, been increasing the number of embassies, as an example, in the region. I think they've tripled the number of embassies. They've opened what they call "cultural centers" to -- you know, trying to -- try to garner support, in terms of their country, and certainly to try to circumvent the sanctions, I think. But, the point is, they've opened up these cultural centers. And, you know, frankly, I don't see a lot of similarity between the Latin culture and the Iranian culture, for sure. I'm a little bit suspicious of these -- of this activity, just because there is such a vast different -- difference between the two countries -- or the two regions, two cultures. So, we keep an -- we keep a watchful eye on them.

You know, there's a fair amount of concern about, you
know, local Jewish communities in Latin America, of which there are many, actually. You know, I'm sure the Senator knows about the issue in the '90s, the 85 deaths that were -- that took place in the Jewish Community Center there in Buenos Aires. So, we keep a close eye on that. They're generally a country that, whatever they're up to, it's -- generally, they're up to no good, and we have to watch them closely.

Senator Gillibrand: Thank you.

Thank you, Mr. Chairman.

Chairman McCain: Senator Cotton.

Senator Cotton: Thank you, gentlemen, for your service and for your time here today.

I have two say, General Kelly, I agree with your statement that there doesn't seem to be all that many similarities between Latin American culture and Persian culture. I would also like to point out that Iran has been implicated in the murders of many Jews in South Africa and Argentina. The investigator, which mysteriously turned up dead a few weeks ago.

And, Admiral Gortney, I'd just like to highlight in your testimony on page 6, that you say Iran recently launched another satellite into orbit and, quote, "Despite international condemnation and sanctions, Iran has failed to cooperate fully with the International Atomic Energy Agency
to resolve all outstanding concerns regarding its nuclear
program, particularly those concerning its possible military
dimensions," end quote. So, before we even reach any
further deal with Iran, Iran is already not living up to its
obligations under multiple U.N. Security Council
Resolutions.

But, now I'd like to turn to Russia. General Kelly, on
page 8 of your written testimony, you say, quote, "Under
President Putin, we have seen a clear return to cold war
tactics," end quote. Could you please elaborate on what you
mean, specifically in your AOR?

General Kelly: Well, yes, Senator.

For a number of years, we saw almost no real activity
of any kind from the Russians. And just in the last couple
of years, there's been some long-range bomber missions, they
deployed a small task force of warships to the Caribbean,
made various stops in, you know, countries like Cuba,
Venezuela, and Nicaragua.

They're, you know, from my perspective, really a
nuisance, but they seem to be ratcheting up their kind of
in-your-face "We can go anywhere we want, and we have
friends around the globe." We know that they're in
discussions, not to open bases, but to have, you know,
agreements to where they can either bring ships to refuel
and -- or aircraft to land and refuel. So --
But, as I say, they're more of a nuisance, but they're really up to, I think, just kind of making their point that they can go anywhere they want and challenge us in various ways.

There's also a pretty steady stream of electronic warfare collection vessels that, you know, ply the waters of the Caribbean in the Atlantic -- our Atlantic coast. And periodically, you know, they'll stop and get fuel, as I say, or pull liberty in some of the countries that they're friendliest with.

Senator Cotton: Admiral Gortney, could -- would you share your perspective on growing Russian influence and activity in your AOR?

Admiral Gortney: Absolutely, sir.

You know, qualitatively, the Russians are -- have developed a better military than the quantitative military of the Soviet Union. And they're -- and they've also developed a new doctrine, and we're seeing that military and that doctrine playing out in the Ukraine.

In the homelands, we're seeing them use that better military with long-range aviation and the deployment of their submarines and of the collection vessels that John was taken about.

So, what bothers me is the intent. What is their intent? They're clearly messaging us. That's -- we do
that, as well. But, what is the intent as they employ that
doctrine through the spectrum of conflict? That's what
concerns me.

Senator Cotton: And now this is a question for both of
you. If the United States proceeds with the sequestration
cuts to our defense budget, would you expect to see Russian
influence and activity in the western hemisphere continue to
grow or decrease?

Admiral Gortney: I think any opponent will seize an
opportunity when they see it. And I think that that's
exactly what would happen.

General Kelly: I agree, sir. And the sequestration
thing, again, is -- the -- what our partners around the
world are looking at is this kind of almost withdrawal of
our leadership role, depending on what part of the world and
who you're talking to. But, to take away the ability to
partner with nations, to do deployments, to -- would really,
really, I think, send a shock wave through many of the
countries that we're -- that are -- that most -- that we're
most aligned with and allied with. I know, in my part of
the world, they're already very, very concerned at the
limited amount of engagement that already takes place.

Senator Cotton: So, let me get this straight. Twenty-
five years after the collapse of the Soviet Union, 50 years
after the Cuban missile crisis, 200 years after the Monroe
Doctrine, your opinion is that, if this Congress proceeds with the sequestration cuts to our defense, we will see continued and growing Russian adventurism in the western hemisphere. Admiral Gortney, yes or no?

Admiral Gortney: I would agree with that.

Senator Cotton: General Kelly?

General Kelly: Yes, sir.

Senator Cotton: Thank you.

Chairman McCain: Senator Shaheen.

Senator Shaheen: Thank you, Mr. Chairman.

And thank you both for you being here and for your service to the country. I apologize for missing the -- your remarks. Unfortunately, there are too many things going on at one time, which I know you appreciate.

General Kelly, last year during the crisis on the southern border with unaccompanied minors, you gave a briefing to a number of Senators. And one of the things you talked about is the impact of cutbacks on your ability to address drug interdiction and interdiction of illegals coming across the border. Can you talk a little bit about that here and what the impact of these budget cuts have had on your ability to address those issues?

General Kelly: Yes, Senator.

As far as the interdiction of drugs go -- and we've talked about it a little bit here in the hearing, previously
it's all -- in my world, it's all about having an ability to see them, detection and monitoring. That's really my mission. And then I work closely with law enforcement, particularly Coast Guard, to do the final interdiction phase.

The interdiction phase really takes ships or cutters that you can fly a -- or some vessel that you can fly a helicopter from. Last year, we interdicted 158 -- collectively, we interdicted 158 metric tons of cocaine, with no violence. Once it gets ashore -- and that's the key -- once it gets ashore in Central America and moves up through Mexico, we're taking almost nothing off the market, and the violence is unbelievable. More ships, more cutters means more cocaine.

You're never going to get to the point of going -- you know, stopping it all. That includes heroin and methamphetamine. Again, all that comes up through the network that runs through my zone and into Bill's. You're never going to stop it all. But, the key -- what you're trying to do is drive down availability and drive up price, and then people -- less people won't start toying around with drugs and get -- you know, get hooked on drugs and all that kind of thing.

And you weren't here, but, you know, 40,000 Americans a year die from drugs. It costs our country $200 billion a
year, and then all the human misery that goes with that.
So, that's kind of the -- more vessels that I can fly
helicopters from.

Another option, and something I'm doing more and more
of, is -- that is working with the department of militaries,
particularly in Central America -- moving their militaries
away from the internal parts of their country to the --
recommending that they move to the borders, and then work
together with border -- with their neighbors, north/south,
to include Mexico, in -- to try to -- you know, this year,
in fact, the Hondurans, for the first time, I think, in
history, interdicted multiple tons of cocaine, a lot of it
because of how we recommended they go about their business.

So, the partners have ponied up to this in a big way,
because they see it as -- much of it is because their
countries are in the conditions they're in because of the
drug trafficking.

Senator Shaheen: And how is -- how important is it to
those countries in Central America to have -- to be able to
see us as a strong partner in those efforts? And what will
be the impact of further cuts on our ability to do that?

General Kelly: Well, the -- they see us, as I
mentioned just a few minutes ago -- they want to be
partnering with us, they want to trade with us, they want to
interact with us, they want our help, our investment -- a
better way to put it. And if we walk away -- frankly, if we
walk away -- if we reduce any more of what I'm doing in
Latin America, it'll be -- it'll go to zero. I mean, we're
doing so little now, and we could do so much more with just
a little bit more.

Senator Shaheen: Well, we certainly appreciate that in
New Hampshire and northern New England, where we've seen a
real epidemic of heroin and drug abuse and deaths from
heroin overdoses. So, we very much appreciate that.

Can I also ask -- and again, you may have covered this
-- but, are you seeing terrorists from other parts of the
world exploiting the smuggling routes that are used by
organized crime?

General Kelly: That's actually a great question,
Senator. We are beginning to see a real convergence of the
two. We know, as an -- the biggest problem these
traffickers have is not getting drugs and things into the
United States. The biggest problem they have is laundering
the $85 billion of illicitly-gained funds. And we know, to
one degree or another, that there are Lebanese Hezbollah
associates that are helping launder some of that money. And
we don't know exactly how much they're taking as a fee, but
we know it's an awful lot -- tens of millions of dollars,
for sure.

Senator Shaheen: And do we know what banks they're
using to launder? Is it Lebanese banks?

General Kelly: There are connections with the Lebanese banks back in Lebanon. And beyond that, I'm over my head. We'd -- you'd have to get Treasury in here to talk about it. But, they're very aggressive. Our Treasury Department, very aggressive, and increasingly so, going after this issue.

Yes, ma'am.

Senator Shaheen: My time is up, but thank you both.

Chairman McCain: Senator Ayotte.

Senator Ayotte: I want to thank the Chairman.

I want to thank both of you for your leadership and what you do for our country.

I wanted to ask you, General Kelly -- I note, in your prepared statement, the superb work done by our guards and medical force at Guantanamo. And I wanted to follow up and ask you about an article I had read in the New York Times about a court order that was not allowing female -- certain female guards to do all the same functions as men at Guantanamo, which obviously -- to me, strikes me as somewhat unusual, because I don't think we would find that in other prison-type settings. So, could you tell me a little bit about that and what's happening? And if there's a specific group of detainees that has generated this court order, who are they and why are they there?

General Kelly: Yes, Senator. This issue on the women
-- and you're exactly right, I have court orders against using women, because they are women, with certain detainees -- the high-value detainees. But, this is really just a series of -- they manipulate us. They're experts at manipulating us, them and their proponents. This is just a series. You know, 2 years ago, it was Koran desecration, which we don't do, and they had motions in the courts, and we got past that. Then it was how we search them, that we were searching their genitals, which we don't search that way. And right -- you know, the temperature in the cells, the noise in the cells. And this is just one of a series.

I mean, frankly, we're dealing with women now. We have two orders from two different judges, in the Commission side, to not use women, because they were women, because the high-value detainees felt it was against their religion, which anyone that knows anything about the Muslim religion knows that it's not against their religion. But, the point is, they're -- you know, we had women restricted from doing the jobs they're trained to do --

Senator Ayotte: And who -- you know, give us a sense of who some of these high-level detainees who have brought this action to prevent women guards, who, by the way, we're very proud of --

General Kelly: Yeah.

Senator Ayotte: -- are doing great work at --
General Kelly: Well, certainly the --
Senator Ayotte: -- Guantanamo?
General Kelly: -- the 9/11 five.
Senator Ayotte: So, the 9/11 five --
General Kelly: Right.
Senator Ayotte: -- want to tell us that our women --
that women who serve our country can't guard them?
General Kelly: That's exactly right. And then the
Cole bomber.
Senator Ayotte: And the Cole bomber.
General Kelly: The Cole bomber. And the expectation
is, once we get through this -- we have two judges, two
court orders. One has been lifted, the other one is still
under consideration. And, as soon as this is over, it'll
be, "We don't want to be touched by Jews," or "We don't want
to be touched by, you know, black soldiers," or "We don't
want to be touched by Roman Catholics." It's just a series.
It's beyond me why we even consider some of these requests,
but I'm not a lawyer, I'm not smart enough to figure this
out.
Senator Ayotte: Well, it's beyond me, too, because I
think they'll find that, in the United States of America, we
believe very firmly in equality for women. And so, to me
this is just absurd that we're even entertaining these
challenges.
But, I want to commend the women guards at Guantanamo. And I know that you're every bit as good. And, you know, when the 9/11 attackers don't want women guarding them, it's absurd, and I don't think we should be accommodating that. So, please say thank you, for me, and that we support them fully.

General Kelly: Sure will.

Senator Ayotte: I also wanted to follow up on the recent transfers from Guantanamo to Uruguay and just ask you -- I understand there were a number of transfers made there in December. And can you tell me whether you have any concerns about the resettlement of these detainees in Uruguay? And I did see public reports that one of them actually left Uruguay already and went to Argentina. And can you help me understand how we're keeping tabs on these folks?

General Kelly: I can tell you that -- first, I'm not in any way involved with the decision to transfer them. That's all done by an interagency group. And I'm not privy at all to the agreements that may or may not be made with countries that receive these guys. Sometimes -- the Algerians, as an example, the Saudis, very specifically, when they take control of these guys, they put them in a setting that is very, very restrictive. It's my understanding, probably from reading the same open press
reports, that the -- in particular, the Uruguayan President, who said, once they arrived, that they are free men, and that there are very few restrictions on them.

At a -- there's another concern I have, that I cannot talk in an open setting like this, about some of their activities; the Uruguayans, in particular. But, you know, generally speaking, if you believe the newspaper reports, some of them want to come back to Guantanamo, because they're not living the lifestyle they thought they would lead in Uruguay. It was kind of an interesting twist.

But, again, I'm concerned somewhat about their activities, but it's really not part of my responsibility to track them at all.

Senator Ayotte: Well, I would like to follow up, certainly offline, about some of the concerns that you may have about Uruguay so that we can understand that.

And I just want to thank both of you for your tremendous service to the country.

Chairman McCain: Senator King has a additional comment.

Senator King: Just -- no, just a quick question for General Kelly.

You've talked several times about the sophistication of this network that's moving, principally, drugs in and out of the country. Do you have any specificity on where they
penetrate the border? Is it in a particular area? Is it by land, sea? What's the -- how do they make it through? I guess, Admiral, your jurisdiction, but either of you. I'm interested in more specificity about where they come through.

General Kelly: I'll push it to the Admiral, but the answer is "everywhere you can imagine."

Chairman McCain: Isn't -- could I interrupt? Isn't the answer also, it's like squeezing a balloon? And right now the Arizona-Mexico border is one of the major transshipment points. One reason is because we have mountains that -- they come right up and actually station guides on the mountains to lead them forward.

I didn't mean to interrupt, but right now the Tucson sector of the Arizona-Mexico border is one of the most heavily trafficked, I'm sorry to say. But, it -- but, please respond, both of you.

Admiral Gortney: Chairman, that's exactly right. Part of the challenge of -- John and his predecessor's success in the maritime pushed it up through the peninsula. And so, as we -- wherever we squeeze, we've got to squeeze equally on the balloon. The efforts in the maritime right now is pushing it up outside through the Bahamas into the east of the Bahamas. So, wherever we apply pressure, we will be effective for a period of time, and they're going to find
the weakness. It's like water. And so, it's understanding
and have the intelligence as to where to apply the pressure
and where will they go next, which is the real challenge.

It sounds --

Chairman McCain: But, isn't it true that right now the
Arizona- --

Admiral Gortney: You have a --

Chairman McCain: -- -Mexico border is --

Admiral Gortney: Yes, sir.

Chairman McCain: -- one of the major trafficking
points? Is that correct?

Admiral Gortney: That is correct, sir.

Chairman McCain: Thank you.

Senator King: But, again, I'm just trying to
understand this. As you seal up one place, you're going to
find other -- some of the routes seem to be by water?

Admiral Gortney: Yes, sir.

General Kelly: The example I would give you -- one of
-- 2 and a half years ago, when I first took this job, we
had the vast majority of cocaine moving up Central America,
Mexico, into the United States, 2 or 3 percent moving up the
islands into, say, Dominican Republic and over to Puerto
Rico. Now we see about -- we've had a lot of success on the
isthmus. We've put a kind of a shield in place, so we've
deflected a lot of the cocaine. Now it's moving -- maybe
14-15 percent is moving up in a way that had not been used since the 1980s.

In my JIATF-South -- Joint Interagency Task Force-South, down in Key West -- we've just stood up a container cell, because we know they're starting to move things now increasingly by container. And we just got, I think -- just the other day, 156 kilos in a container. As we've done things with --

Senator King: The container, which came over -- came by sea.

General Kelly: By sea, yes, sir.

Heroin, we know, because it's very, very high value, travels primarily by air. That is, a passenger with a couple or 3 kilos in -- you know, in his bag. We see the aviation flights that used to come out of Venezuela -- exclusively out of Venezuela, in -- going into Honduras, because of things we've done with the Hondurans, in the Honduran -- recommendations we made to the Hondurans and the Guatemalans -- we're now seeing the jets -- or the aircraft, they've transitioned from, say, propeller aircraft to jets. And now they're going deeper, to Mexico. So, it --

Senator King: It would be --

General Kelly: They change very quickly.

Senator King: It would be helpful to us, in terms of allocating resources to protect against this, to have some
analysis -- and perhaps you could get together with the DEA, the FBI, CIA, other -- Homeland Security -- about where the -- not necessarily where, but the types of routes -- sea, air, land -- just so we know where we should be putting our resources.

General Kelly: We certainly have that, Senator. I mean, I could sit here for 3 hours and tell you.

But, the bottom line is, my organization can see, electronically as well as through intel, working with DEA and FBI and all -- we can detect and monitor this stuff to a very, very high rate of accuracy. What I can't do -- what the interagency can't do very effectively, because we don't have ships and cutters, is interdict it.

Senator King: And that's a question of resources, getting back to the sequester.

I -- for the record, if you would supply a one-pager on where you see the paths, that would --

General Kelly: Yes, sir.

Senator King: -- be helpful.

General Kelly: Yes, sir.

[The information referred to follows:]

[COMMITTEE INSERT]
Chairman McCain: Could I also mention, while we're in this conversation, that, because of the legalization of marijuana in Colorado and other places, that we are seeing a reduction in marijuana shipments and an increase in methamphetamines, heroin, and other so-called "hard" drugs. Do you want to comment on that phenomenon?

Admiral Gortney: Yes, sir. It's one of the common questions that come up in my partnership with the Bahamas and Mexico, is -- is the legalization of marijuana. It concerns them, it concerns us, it especially --

Chairman McCain: Yeah, but hasn't it affected the kinds of drugs that are being sent up? Less marijuana.

Admiral Gortney: The drug traffic has evolved. Is -- I'm not aware if it's a direct result, yet, of a -- less of a demand for marijuana that is legally grown and sold here in the States. I can't help but think that, in the future, that is exactly what's going to happen.

Chairman McCain: Thank you.

General?  

General Kelly: Yes, sir. The heroin issue is remarkable, and the methamphetamine, as you point out. You know, methamphetamine used to be produced in the United States, but, because of different laws that the Congress changed, it's harder and harder for the local labs to get the precursors to make the methamphetamine. So, now I think
it's something in the neighborhood of 87 -- 90 percent of all the methamphetamine now consumed in the United States is produced in Mexico and then smuggled in.

As far as the heroin goes, illegal pharmaceuticals -- you know, oxycontin, that kind of thing -- have -- is very, very expensive. I'm told that if you went out here and bought a single oxycontin pill on -- illegally on Capitol Hill, it would cost you about $60 and get you a certain place. That same amount of heroin is about $6. So, we see -- as the Federal Government has really gotten its arms around illegal pharmaceuticals and the availability of illegal pharmaceuticals would come down, now the heroin has just exploded. And it's not just in -- as I've -- I think I testified last year, it's not -- it's just not in inner-city communities now, it's everywhere. I mean, it's in New Hampshire, it's in, you know, Capitol Hill, it's in Beacon Hill, it's on the Harvard campus, you know, and it's really very, very, very disturbing.

Chairman McCain: Senator Ayotte had an additional question.

Senator Ayotte: Thank you, Chairman.

Let me just say that, you know, this issue of heroin, it's devastating in a State like mine. We've seen almost a 60-percent increase in drug deaths because of, you know, the inexpensive nature of heroin, and the addictive nature of
it. So, thank you for everything you're doing on that. And I think that's an area where we should work together in this committee to get more resources for you to -- the more we can drive up the price of heroin, obviously, and interdict more of it, the more we can try to combat this along other ways, too. So, thank you.

I had a followup question, though, about Guantanamo. And, you know, there's been a lot of talk about Guantanamo being used as a -- by our enemies as a recruitment tool. And has anyone ever looked at the issue of -- if we move these terrorists, we move some of these high-level detainees, to a facility in the United States, does anyone know whether -- have we looked at the idea of whether that facility would also be used as an example of a recruitment tool? Seems to me that our enemies -- almost anything that becomes symbolic of the United States of America and our fight against them can be used as a radicalization and recruitment tool. Have you looked at this issue or have any thoughts on that?

General Kelly: I have a lot of thoughts on it, Senator.

Senator Ayotte: Well, what are your thoughts?

General Kelly: I don't believe -- well, my belief is, the people that -- these Islamic terrorists are focused on doing us so much harm, not because of GTMO or wherever we
house these guys; it's really about us, as a people, as a
country.

Senator Ayotte: And what we stand for.

General Kelly: And what we stand for, the way we live
our lives, the way we worship any god we want to worship,
the way we educate in -- our little girls. That's why they
hate us. I don't -- they don't need GTMO to hate us. And
if you -- and if we move them to Charleston, then they'd --
then it would be -- Charleston would be -- they -- it's
because of who we are and who they are as to why they hate
us so much.

Senator Ayotte: Thank you, General.

Chairman McCain: Senator Tillis.

Senator Tillis: Thank you.

Thank you both for your extraordinary leadership and
service.

I want to go back to expand on something that Senator
Donnelly asked. And this has to do -- General Kelly, you
and I met earlier this week, and we were talking about the
level of situational awareness you have. You know where a
lot of these bad people are, you may even know their phone
number. You know where they're moving and when they're
moving. So, there's got to be a high degree of frustration
that you could do so much more if you had the resources
available. Can you kind of replay what we talked about, in
terms of just how much you know about what's going on down
there that you can't really stop because you have priorities
that you have to leverage your assets?

General Kelly: Yes, Senator.

The fusion of intelligence, most of it coming from DEA,
FBI -- and they have agents in many of these countries,
living full-time, and they work with the law enforcement --
the local law enforcement. So, the human intelligence is
collected by them, and it is just remarkable, the clarity
that -- and then, the technical intelligence that the
military provides, whether it's NSA, satellites -- we've got
radars that triangulate and watch the entire Caribbean. So,
we fuse all of that together in a place called JIATF-South,
in Key West. And the picture we have is really remarkable.
I mean, as I was mentioning in your office, oftentimes we'll
know within a couple of hours when one of the go-fasts, the
speedboats, is going to leave Cartagena Harbor, the fact
that they have a ton and a half of cocaine onboard, that
there's two guys, one of whom is -- you know, first name is
Jose, maybe have his phone number. The frustrating thing
is, we have insufficient airborne ISR to then really get the
detail on him as he's moving. And then, the end game is a
law enforcement helicopter, usually Coast Guard.

So, we see it. It's amazing picture, a very, very
clear picture. It's that we don't have the assets.
Now, what we've been doing more and more, since we don't have the assets and we're getting less and less assets -- although I will say the Coast Guard Commandant has made a real commitment to double the number of Coast Guard cutters. But, that'll go from three to six. And he also -- the Coast Guard also has an awful lot of other missions to accomplish -- migration up in the Florida straits and all -- you know, a lot of other things. But, the point is, we're working more and more with the partners. The Panamanians are very good partners in this, and they take X-number of tons. The Nicaraguans, believe it or not, are cooperative in this. And then, certainly the Hondurans or Guatemalans.

The one thing we don't get when -- if we -- "we," the U.S. -- apprehend these guys, we bring them into the Federal court system, and they very quickly plea bargain, and we get an awful lot of intelligence that then goes back into the cycle. When our partners get these guys, we kind of lose that ability to interrogate them and then offer them a deal they can't refuse.

But, the point is, since I don't have the assets -- I've got two Navy ships right now. That'll go to zero, forever, in -- by the summer. And that's not even with sequestration. As I say, the Coast Guard Commandant's doubled his commitment, but that's, you know, five or six ships.
So, the answer now is the partners, and try to get them to play. And I have to give credit, as well -- we, about 6 months a year, will have a -- at least one Canadian frigate, and they turn themselves over to us. And so, we use them in the same way that we would use a Coast Guard cutter or Navy ship. The British occasionally have a ship down. The Dutch are very cooperative. But, they don't have many ships in the region very often. The French, out of Martinique. When they're working together with us, they plug into our system, and we work them hard.

Senator Tillis: Thank you.

Another question for the both of you. Secretary Schultz was here a few weeks ago, and he was talking about the border security. And he said, when you're talking about the southern border, you need to ask the question, "Which southern border?" That would be the -- relating to the Mexican southern border. We know it's unsafe, and we know that 80 percent of the people coming across our border are not from Mexico. So, there seems to be something to be said for looking at both borders and trying to figure out how to prioritize.

And I want y'all to speak on the subject. But, in a general way, if we were giving you a dollar and you were setting the border security strategy, you had a dollar to spend, how much would that be spent on our southern border
versus the Mexican southern border?

I know it's an unfair question. You can get back with me if you need to. But --

Admiral Gortney: Well, I'm --

Senator Tillis: -- I think it's important to talk about --

Admiral Gortney: If --

Senator Tillis: -- how the two are --

Admiral Gortney: If it's --

Senator Tillis: -- intrinsically liked.

Admiral Gortney: If it's my dollar, I'm going to put it on the Mexican southern border, partnering with Sedena and Semar, helping strengthen their southern border, because Homeland Security is in charge of our border between Mexico and the United States. So, I think my dollar would be better spent partnering with Mexico so we can shore up -- help assist them shore up their southern border so it's less of a challenge up on our border.

General Kelly: And if I had -- if had the same dollar, I'd work my northern boundary, which is Guatemala, Honduras, and El Salvador.

Senator Tillis: And, Mr. Chair, just -- if I may just -- as a closing comment, I think that the comment, Admiral, in your opening comments on page 6 with respect to Iran and their trustworthiness -- should be emphasized by anybody who
hasn't read the statements.

And the last question I have is, in your discussions with leaders in Latin America, how do they feel about the current administration's policy towards Cuba?

General Kelly: Actually, in general, they think it's a good idea. They know, as they point out to me, that Cuba's problems are not due to American embargo or whatever. I mean, it's -- everyone else on the planet trades with Cuba except us. But, their advice is, you know, "This is a good thing to do, because now it gets everyone -- all the naysayers off your back, you know, all of the people that would criticize United States." But, at the end of the day, they understand that -- you know, that the Cubans are -- have the worst human rights record in the western hemisphere, it's a completely repressive regime, and their economic problems are due to their incompetence, not due to the embargo. And so, they -- but, they think it's a good idea, because it gets -- friend to friend, it gets people off our back, in terms of their -- they no longer can criticize us about "the terrible things we've done to Cuba."

Senator Tillis: Thank you, Mr. Chair.

Chairman McCain: Well, I thank you both. And it's been very helpful.

And again, General Kelly, we wish you every success in the future, and thank you for your service.
Admiral Gortney, it's great to have you here, and I am sure you're looking forward to next year.

This hearing is adjourned.

[Whereupon, at 11:32 a.m., the hearing was adjourned.]