

**HEARING TO RECEIVE TESTIMONY ON THE  
SITUATION IN IRAQ, PROGRESS MADE BY  
THE GOVERNMENT IN IRAQ IN MEETING  
BENCHMARKS AND ACHIEVING RECONCILI-  
ATION, THE FUTURE U.S. MILITARY PRES-  
ENCE IN IRAQ, AND THE SITUATION IN AF-  
GHANISTAN**

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**Thursday, April 10, 2008**

U.S. SENATE  
COMMITTEE ON ARMED SERVICES  
*Washington, DC.*

The committee met, pursuant to notice, at 2:02 p.m. in Room SH-216, Hart Senate Office Building, Hon. Carl Levin, chairman of the committee, presiding.

Committee Members Present: Senators Levin [presiding], Kennedy, Lieberman, Reed, Akaka, Bill Nelson, Ben Nelson, Bayh, Pryor, Webb, Warner, Sessions, Collins, Graham, Cornyn, Thune, and Wicker.

Committee staff members present: Richard D. DeBobes, Staff Director, and Leah C. Brewer, Nominations and Hearings Clerk.

Majority staff members present: Daniel J. Cox, Jr., Professional Staff Member, William G. P. Monahan, Counsel, Michael J. Noblet, Professional Staff Member, and William K. Sutey, Professional Staff Member.

Minority staff members present: Michael V. Kostiw, Republican Staff Director, William M. Caniano, Professional Staff Member, Paul C. Hutton IV, Professional Staff Member, Gregory T. Kiley, Professional Staff Member, David M. Morriss, Minority Counsel, Lucian L. Niemeyer, Professional Staff Member, Lynn F. Rusten, Professional Staff Member, and Dana W. White, Professional Staff Member.

Staff assistants present: Fletcher L. Cork, Kevin A. Cronin, and Jessica L. Kingston.

Committee members' assistants present: Sharon L. Waxman, assistant to Senator Kennedy, Jay Maroney, assistant to Senator Kennedy, James Tuite, assistant to Senator Byrd, Elizabeth King, assistant to Senator Reed, Bonni Berge, assistant to Senator Akaka, Christopher Caple, assistant to Senator Bill Nelson, Andrew R. Vanlandingham, assistant to Senator Ben Nelson, Jon Davey, assistant to Senator Bayh, Andrew Shapiro, assistant to Senator Clinton, M. Bradford Foley, assistant to Senator Pryor, Gordon I. Peterson, assistant to Senator Webb, Sandra Luff, assist-

ant to Senator Warner, Anthony J. Lazarski, assistant to Senator Inhofe, Todd Stiefler, assistant to Senator Sessions, Jane Alonso, assistant to Senator Collins, Mark J. Winter, assistant to Senator Collins, Clyde A. Taylor IV, assistant to Senator Chambliss, Lindsey Neas, assistant to Senator Dole, David Hanke, assistant to Senator Cornyn, Russell J. Thomasson, assistant to Senator Cornyn, Jason Van Beek, assistant to Senator Thune, and Erskine W. Wells, III, assistant to Senator Wicker.

**OPENING STATEMENT OF HON. CARL LEVIN, U.S. SENATOR  
FROM MICHIGAN**

Chairman LEVIN. Good afternoon, everybody.

On behalf of the committee, let me welcome you, Secretary Gates and Admiral Mullen. We appreciate your willingness to appear before the committee this afternoon. We thank you for a lifetime of service to this country.

The issue before us isn't whether or not we want to succeed in leaving Iraq stable and secure. We all seek that goal. The question is how to maximize the chances of success and whether the course that we're on is the right one.

Since the beginning of this conflict, we've tried repeatedly to get this administration to change course and to put responsibility on the Iraqi leaders for their own future, since just about everybody agrees there is no military solution, and only a political settlement among the Iraqis can end the conflict. The administration has repeatedly missed opportunities to shift that burden to the Iraqis.

In September—excuse me, in January of 2007, President Bush said, in announcing the surge, that, quote, “The Iraqi government plans to take responsibility for security in all of Iraq’s provinces by November of 2007.” Clearly, the Iraqis have not taken the lead in—on security in “all of Iraq’s provinces.” As a matter of fact, as of March of 2008, the Iraqi government had not assumed security responsibility for the most populous provinces. And, as the fighting in Basrah demonstrated, Iraqi security—the Iraqi security hold in provinces for which it is responsible is tenuous at best.

In February of this year, Secretary Gates said that there was within the Department, quote, “a broad agreement that the draw-down should continue,” close quote, as the added presurge brigades left. Secretary Gates, in his written statement to the committee this afternoon, refers to a period of consolidation and evaluation as a, quote, “brief pause,” close quote. Now, that stands in contrast to what General Petraeus said to this committee 2 days ago. Under questioning, General Petraeus pointedly refused to use either the word “brief” or “pause” to describe how long reductions might be suspended under the approach that he was recommending to the President.

General Petraeus’s recommendation was that there be a, quote, “45-day period of consolidation and evaluation,” close quote, beginning in July, which would then be followed by a, quote, “process of assessment, which would determine, over time”—those are his words—when he can make recommendations for further reductions.

In September, in other words, according to General Petraeus’s recommendation, a period of assessment would just begin. And General Petraeus repeatedly refused to estimate how long that as-

assessment period would last or how low U.S. troop levels in Iraq might be by the end of the year, even if all goes well, which was the question put to him.

What recommendation did President Bush adopt a few hours ago? General Petraeus's open-ended approach or Secretary Gates's brief pause? The answer is, General Petraeus, since the President said that General Petraeus, quote, "will have all the time he needs," and even went so far as to say that, quote, "Some have suggested that this period of evaluation will be a pause, and that is misleading," to use the President's words.

In summary, instead of a continuous reduction beyond presurge levels, or even a brief pause, what the President did today was to reinforce America's open-ended commitment in Iraq by suspending troop reductions in July for an unlimited period of time.

The administration's current policies are perpetuating Iraq's dependency on the United States—politically, economically, and militarily; and they take the pressure off the Iraqis to reach a political solution. The administration has repeatedly expressed its unconditional support for the excessively sectarian government of Prime Minister Maliki. Key legislation for reconciliation, including a hydrocarbon law, elections law, and amendments to the constitution, have not been passed. And the success of other laws will depend upon their implementation.

Our continuing funding of Iraq's reconstruction makes utterly no sense, particularly in light of Iraq's cash surplus resulting from the export of 2 million barrels of oil a day. Prior to the start of the Iraq war, the administration told Congress that Iraq would be able to finance its own reconstruction through oil revenues, and that they would be able to do that in fairly short order.

Five years later, the U.S. taxpayers have paid at least \$27 billion for reconstruction activities, while Iraq has reaped the benefits of skyrocketing oil prices. Iraq now has tens of billions of dollars in surplus funds in their banks in accounts around the world, including about \$30 billion in U.S. banks.

Furthermore, according to the inspector general for Iraq reconstruction, the Iraqi government budgeted \$6.2 billion for its capital budget in 2006, but spent less than a quarter of that. The President said, today, that, quote, "Iraqis, in their recent budget, would outspend us on reconstruction by more than ten to one." However, as of August 31st, '07, according to the Government Accountability Office, the Iraqi government has, in fact, spent only a fraction of its \$10.1-billion capital budget for 2007.

Senator Warner and I wrote to the Government Accountability Office on March 6th, asking the Comptroller General to look into why the Iraqi government is not spending more of its oil revenue on reconstruction, economic development, and providing essential services for its own people.

Ambassador Crocker told this committee, on Tuesday, that, quote, "The era of U.S.-funded major infrastructure projects is over," close quote, and the U.S. is no longer, quote, "involved in the physical reconstruction business," close quote.

However, as of last Thursday, the U.S. Government is paying the salaries of almost 100,000 Iraqis who are working on reconstruction. And, listen to this, at the same time that Ambassador Crocker

was saying what he said, that the U.S. is no longer involved in the physical reconstruction business, and the President today adding that, quote, "American funding for large-scale reconstruction projects is approaching zero," just this week the committee received a notice from the Department of Defense that it intends to increase U.S. funding for reconstruction for this year by over 50 percent by reallocating \$590 million of Iraqi security force funds previously designated for training and equipping and sustaining of the ISF, the Iraqi security forces. The notice that we received from the Department of Defense, from the comptroller there, is that the increased funding would be used, for example, to build 55 new Iraqi police stations.

I sent a letter to Secretary Gates earlier today, and we notified his comptroller yesterday, requesting that the Department of Defense's notice to us of its plan to use these additional U.S. taxpayer monies to pay for Iraqi reconstruction be withdrawn.

Supporters and critics of the Iraq war may disagree over much of the administration's policy, but can't we at least agree that a country which is awash in cash as the price of oil tops \$110 a barrel, that that country—Iraq—should be using the resources that they have to pay for their own reconstruction?

Again, I welcome our witnesses. I thank them for coming here. I know just how difficult their schedule is, and our schedule may be comparable to theirs today, since, a few minutes ago, they—as of a few minutes ago, we had a number of votes schedule that are going to be stacked to begin in a few minutes, and I think that we—we've requested that that be changed, that they be delayed until later in the afternoon. But, as of now, there is no change.

Senator Warner?

**STATEMENT OF JOHN A. WARNER, U.S. SENATOR FROM VIRGINIA**

Senator WARNER. Thank you, Mr. Chairman.

I join you and other members of the committee in giving you a warm welcome and thanks, to both of you.

I've had quite a few years experience. It's been an honor to work with Secretaries of Defense and the Chairmen. And I think history will record the two of you one of the finest teams that ever served the country.

Secretary Gates, I don't see your arm in a sling. You're back in every way. You're going to swing at us a little bit, I hope. Don't feel deterred.

But, I also want to thank the servicemen and -women under your command, and their families, particularly those families who have lost loved ones and those families who are loyally trying to nurse back to health the wounded. This country owes them a great debt of gratitude.

This week, we had testimony, as you know, by General Petraeus, Ambassador Crocker. I thought it was well prepared. The hearings explored, I believe, all facets, whether or not the answers meet the requirements of, individual or collectively, the members remains to be seen, but they came forward and did a real strong effort in that vein.

We had witnesses yesterday before this committee with some different perspectives on the situation in Iraq.

I want to commend you, Mr. Chairman, for having a full hearing schedule on this very important subject.

Lastly—that's Iraq and Afghanistan—lastly, Mr. Secretary, I wrote a letter to the President, with a copy to you—and I'll ask unanimous consent that that letter be placed in the record following my opening remarks—

Chairman LEVIN. It will be.

Senator WARNER.—expressing my grave concern about the narcotraffic in Afghanistan. It has grown every year—increased. Today, it's so full of drugs getting out of that country, it's meeting, as I understand it, almost 90 percent of the marketplace. Now, I know you've tried hard, Mr. Secretary, but the letter asked to—this matter be raised to the top levels of the NATO conference, because I think it deserves no less. I find it unconscionable that this narcotics traffic, which money is taken out of as it proceeds to leave Afghanistan and—goes directly into the hands of the Taliban, the insurgents, to buy weapons, which weapons are used against the NATO forces, our independent forces, and other allies struggling to achieve the goals in Afghanistan of enabling that country to exercise the reins of sovereignty over their people and their land.

I would hope, today, that you could tell us what NATO did about that. I understand, from your able staff, that there was strong consideration, and I think I and my colleagues are very anxious to get those reports.

I thank you, Mr. Chairman. I'll ask to put in a statement by Senator McCain and a further statement of my own.

But, let's get to the hearing. We're anxious to hear from our witnesses.

Chairman LEVIN. The statement you referred to, of Senator McCain, will be made part of the record, as will your letter, as well as my letter to Secretary Gates, requesting the withdrawal of this shift of \$600 million for additional reconstruction projects in Iraq. They'll all be made part of the record. [The information previously referred to follows:] [COMMITTEE INSERT]

Chairman LEVIN. Secretary Gates?

#### **STATEMENT OF HON. ROBERT M. GATES, SECRETARY OF DEFENSE**

Secretary Gates: Thank you, Mr. Chairman. Thank you, Senator Warner.

Mr. Chairman, members of the committee, I appreciate the opportunity to be here to discuss the conflicts in Iraq and Afghanistan. As always, I thank the members of the committee for your support of the Department of Defense, but, more importantly, for your support of our men and women in uniform. While there have been, and will continue to be, debates over our strategy in these campaigns, I know we are all unified in our admiration for those who have volunteered to serve.

As you have heard from Ambassador Crocker and General Petraeus, violence in Iraq has declined dramatically since this time last year. In addition to the drop in U.S. casualties, we have seen a dramatic and encouraging decline in the loss of Iraqi civilians.

Ethnosectarian deaths are down approximately 90 percent; and overall civilian deaths, 70 percent.

At the same time, the Iraqi security forces have provided a surge of their own to complement U.S. and coalition efforts. Though the recent operations in Basrah revealed shortcomings of Iraq's security forces, it is important to remember that, a year ago, they would not have been capable of launching a mission of that scale.

At this time, half of Iraq's provinces have attained provincial Iraqi control. The next province we anticipate moving into that category is Anbar, a remarkable development, considering the grim situation—security situation in that province, 18 months ago. The Iraqi forces will shoulder more of the burden as we reduce our forces over time.

On the economic front, the IMF expects real GDP growth in Iraq to exceed 7 percent this year. Oil exports are above prewar levels and generated almost \$40 billion for Iraq in 2007. These numbers reflect improvements that are having a tangible impact on the lives of Iraqis. These economic gains also mean that Iraqis should shoulder ever-greater responsibility for economic reconstruction and equipping their forces.

In recent months, we have seen the Government of Iraq make meaningful progress in the legislative arena, as you heard from Ambassador Crocker. These legislative measures are not perfect, and certainly have their shortcomings. Clearly, these laws must be implemented in a spirit of reconciliation, or at least accommodation. Still, we ought not ignore or dismiss what has been achieved.

Just as there is real progress to report, there are also substantial reasons to be cautious. Al Qaeda in Iraq, though on the defensive, remains a lethal force. It is trying to regenerate itself, and will continue to launch gruesome terrorist attacks. There will be difficult days for Iraqis and coalition forces alike in coming months.

All of this, both the good and the bad, both progress and potential regression, was on our minds as we considered our options, going forward. In order to advise the President, I again asked for individual assessments and recommendations from the Commander in Iraq, from the Commander of Central Command and the Joint Chiefs of Staff. The President received recommendations face to face with General Petraeus, Admiral Fallon, Admiral Mullen, and each of the Service Chiefs. Though all bring different perspectives, from the institutional military to the operational military, all concurred with General Petraeus's recommendations and the course the President has chosen in Iraq.

Presently, three of the five surge brigades have departed Iraq. The other two are scheduled to depart by the end of July. At this point, it is difficult to know what impact, if any, this reduction will have on the security situation. A brief pause for consolidation and evaluation following a return to presurge troop levels will allow us to analyze the process and its effects in a comprehensive way.

I do not anticipate this period of review to be an extended one, and I would emphasize that the hope, depending on conditions on the ground, is to reduce our presence further this fall.

But, we must be realistic. The security situation in Iraq remains fragile, and gains can be reversed. I believe our objectives are achievable. The gains that have been made over the past year, at

no small cost in blood and treasure, should not be allowed to unravel through precipitous actions.

Whatever you think of how we got to this place, the consequences of failure, of getting the end game wrong, are enormous. Some have lamented what they believe was an unwillingness to listen to our military professionals at the beginning of the war. I hope that people will now not dismiss as irrelevant the unanimous views of the field commander, the CENTCOM commander, and the Joint Chiefs of Staff. All of the Nation's most senior military officers endorse this step-by-step path forward. As I told the President, I also support these recommendations.

A final observation. I have 8 months left in this position. We continue to find ourselves divided over the path forward in Iraq. This is not a surprise. The truth is, perhaps excepting World War II, all of our country's wars have been divisive and controversial here at home. That is the glory of our democracy, and gives the lie to the notion we are a warlike people.

It was my hope, 16 months ago, that I could help forge a bipartisan path forward in our Iraq policy that would sustain a steadily lower, but still adequate and necessary, level of commitment for the years needed to yield an Iraq that is an ally against extremists and can govern and defend itself. I continue to harbor this hope for a bipartisan path, and I will continue to work for it.

But, I do fear that understandable frustration over years of war and dismay over the sacrifices already made may result in decisions that are gratifying in the short term, but very costly to our country and the American people in the long term.

We were attacked from Afghanistan in 2001, and we are at war in Afghanistan today, in no small measure because of mistakes this Government made, mistakes I, among others, made in the end game of the anti-Soviet war there, some 20 years ago. If we get the end game wrong in Iraq, I predict the consequences will be far worse.

Thank you, Mr. Chairman. [The prepared statement of Secretary Gates follows:]

Chairman LEVIN. Thank you so much, Mr. Secretary.  
Admiral Mullen?

**STATEMENT OF ADMIRAL MICHAEL G. MULLEN, USA,  
CHAIRMAN, JOINT CHIEFS OF STAFF**

Admiral Mullen: Mr. Chairman, Senator Warner, distinguished members of this committee, thank you for the opportunity to appear before you today.

I thank you also for your continued support of the men and women of the United States Armed Forces. I've been spending a lot of time with our troops these last 6 months, as I know many of you have, as well. It's apparent to me that they and their families know how much you care, and that, regardless of which side of the aisle you represent, you actually do represent all of them. We are grateful.

I know you've heard extensive testimony this week by Ambassador Crocker and General Petraeus about Iraq, and I know you're interested in the military challenges we face in other places, such as Afghanistan. So, let me get right to it.

The Joint Chiefs and I fully supported the recommendations made by General Petraeus to the chain of command, that he complete the withdrawal of all surge brigades and that he be given time to evaluate and assess his situation before making any further force-structure decisions. That seemed prudent to me.

It's not a blank check. It's not an open-ended commitment of troops. It's merely recognition of the fact that war is unpredictable. That's why we also advised the President and Secretary Gates that General Petraeus's assessments of conditions on the ground be continuously made, rather than on a fixed schedule. More frequent views of exactly how we are doing, from a security perspective, is, in my view, the only way to ensure we make the right decisions at the right time. It is the speed and uncertainty of this war, not just the enemy itself, that we are battling. Such has always been the case in counterinsurgencies. Witness the lethal influence of Iran, the stepped-up attacks in the Green Zone, and the operations ongoing today in Basrah.

I give a lot of credit to General Petraeus and Ambassador Crocker for their brilliant leadership over the past year. They understand, and have solved, many of the complex challenges of waging war against terrorists and extremists, while at the same time helping build the foundations of a new nation. It's tough, grueling, messy, and, yes, even lengthy work.

The surge of forces assisted them in that effort. It has, without question and by any measure, helped to improve security. But, the surge was never intended to be the remedy for all things Iraq. It was designed, rather, to give our military leaders the forces they needed to execute more effective tactics—which it did—and to provide Iraqi leaders the opportunity to work toward political reconciliation and economic progress—which it also did.

That such progress has been slower and of mixed success is, I believe, more a function of the difficulties of a representative government in Iraq than it is of the level of security enabled by military operations.

Our troops can open many doors, but they cannot force Iraqi leaders through them. As the last of the surge brigades come home, the U.S. military in Iraq will be focused on keeping those doors open on assisting the development of more and faster progress and on helping the Iraqi security forces defend their own country.

I can't be perfectly predictive, but I see no reason why we cannot accomplish these goals while also keeping open the option of an informed drawdown of forces throughout the remainder of the year. Such options are critical, because, while Iraq is rightly our most pressing priority right now, it is not the only one. I need the rest of our military focused on the rest of our challenges, which are, in this dangerous world, many and formidable.

With the bulk of our ground forces deployed to Iraq, we've been unable to prepare for, or deploy for, other contingencies in other places. We are not training to full-spectrum capabilities. We are not engaging sufficiently with partner militaries. And we cannot now meet extra force requirements in places like Afghanistan.

Six years of war have certainly sharpened one side of our sword. We now have in our ranks the expertise of some of the most combat-experienced troops we've had in our history. But, the other side

of the blade, the major-combat and full-spectrum side, needs sharpening. And we must turn this around.

A quick word about Afghanistan. I'm deeply concerned. The Taliban is growing bolder, suicide attacks are on the rise, and so is the trade in illegal narcotics. In this economy-of-force operation, we do what we can. But, doing what we can in Afghanistan is not doing all that we should.

As you know, we recently just sent 3500 marines to the south in Afghanistan. They are there, and already making a difference. But they're not enough. Requirements exist there that we simply cannot fill, and won't likely be able to fill until conditions improve in Iraq.

Continued NATO involvement and the commitment of more American forces, such as those the President has recently pledged, will remain vital to the long-term security of Afghanistan and our National interests there.

Let me conclude here, if I may, by echoing the Secretary's sentiments on the quality of our men and women in uniform. I've never seen them better. Though I hear and feel there strain they are bearing in each of my encounters, I cannot deny that they are driven by a sense of mission and purpose. They believe in what they're doing, they know they're having an impact, and they want to serve.

We must, from a leadership perspective, give them, not only the tools to do so, but also the guidance, the counseling, the medical care, the support, and the time to do so safely and efficiently.

The President's announcement today that the active Army deployments will be cut from 15 to 12 months is a welcome first step in preserving the health of our forces, and I am grateful for his decision, as are the brave soldiers in our Army.

Again, thank you for the continued support and leadership of this committee, as well as on behalf of our people and their families, and for your time today, Mr. Chairman.

Thank you.

Chairman LEVIN. Thank you so much, Admiral.

The first vote is on. We have about 4 and a half minutes left in that first vote, plus the 5-minute extra time which we're provided. I think I'm going to try to get my questions in, and those who get back in time can pick up from there. If there's nobody here, we'll—we will just stand adjourned for a few moments until we get back. You both are old pros at this problem, and we appreciate your understanding.

We'll have a 7-minute round.

Secretary Gates, your testimony, saying that a brief pause for evaluation following the return to a presurge level will allow some analysis, you don't anticipate this period of review to be an extended one. Now, it's very different, your words, from those of General Petraeus. We pressed him very, very hard on whether or not he would describe his recommendation as a "brief pause." He pointedly refused to do that. He would not use the word "brief," he would not use the word "pause." You used both.

Then he has, in his recommendation, a "open-ended, unlimited period of time." The way he phrased it was that after a 45-day period, which gets him to September, during which he would do some evaluation, at that point he would "begin"—now we're in Sep-

tember—he would “begin a process of assessment,” and then, over time, would determine what recommendations to make.

Now, were you aware of General Petraeus’s testimony to that effect when you prepared your own testimony?

Secretary Gates: Yes, sir.

Chairman LEVIN. And are you aware of the fact that he refused to use the term “brief pause”—as a matter of fact, refused to put any kind of an estimate of time on his own reviews and assessments? Were you aware of that?

Secretary Gates: Yes, sir.

Chairman LEVIN. To the—I think, to the average reader, here, there’s a difference. Now, you can say that you support his recommendations, but there’s no way you can paper over that difference between your saying you—hoping for a brief pause and his saying we’re going to begin a period, open-ended, and that, over time, starting in September, there may be some recommendations. Would you agree that there’s a difference here? And you may want to describe why there’s a difference, but would you at least acknowledge that there is some difference here in the way you described this upcoming period?

Secretary Gates: There certainly is a difference in the way we’ve described it. When I visited Baghdad in February, I spent quite a bit of time with General Petraeus, and he went through the—if you will, the geometry of the battlefield as he contemplated the five surge brigades coming out and how he would be spreading the forces out, or pulling back from some places, or changing who was responsible for security, moving it to the Iraqis and so on. And he made, I thought, a compelling case that once the five surge brigades were out, at the end of July, that there should be a period of—what I referred to in talking to the press at the time, a period of evaluation and consolidation so we could see what the impact of having withdrawn a quarter of the brigade combat teams would be.

I continue to believe that that period of consolidation and evaluation makes sense. My view is that, in the context of a full year, and the fact that we’ve just—we went through a period, in December, January, February, or thereabouts, where we went 2 and a half to 3 months or so without any drawdowns, that a period of a month to 6 weeks or so made sense, in terms of just seeing what the impact was. Does the security situation hold with the withdrawal of those brigade combat teams?

My view is that he will be—he should be in a position, at the end of that 40-day—45-day period of evaluation and consolidation, to make a determination whether a next-further drawdown could take place of a brigade combat team or some elements thereof. And I think that when he talks about a continuing period of evaluation, what he is talking about is that he will be making this kind of an assessment, beginning—my view—in mid-September, make a decision, in terms of whether to make a further drawdown then, or whether to wait 2 or 3 more weeks or a period of time before making an additional judgment whether a subsequent drawdown or an initial further drawdown should be made.

I think, as the Chairman and I have both pointed out, if the conditions continue to improve in Iraq, as we have seen them improve over the last 14 or 15 months, then we believe the circumstances

are in place for him to be able to recommend continuing drawdowns. But, I think—while we have used different words, I think that that certainly is my understanding and my expectation.

Chairman LEVIN. Mr. Secretary, these are his words, “At the end of that period”—that’s 45 days—“we will commence a process of assessment to examine the conditions on the ground and, over time, determine”—that is an unlimited period of time. There’s nothing in there about 30 days or 40 days. And I particularly said, “Could that be a month?” He won’t answer. “Could that be 2 months?” “I don’t know.” “Could that be 3 months?” “It may be.”

Now, I know you must have been familiar with General Petraeus’s testimony, and it is very different from what you’re saying here and what, apparently, you recommended to the President. I think we ought to acknowledge it openly. You—I’ll let you characterize your own testimony in this regard. But, there clearly is a difference. And the question I’m asking you, though, is, Are you aware of the fact that General Petraeus refused to use the term “brief” or “pause,” and he refused to use any idea of a time period for that second period that began in September—you’re aware of the fact of his refusal?

Secretary Gates: Well, one of the benefits of being Secretary of Defense, I suppose, is that I am more allowed to hope than the field commander is.

Chairman LEVIN. Well, I hope you’re doing more than hoping. I hope you’re giving a hardheaded assessment of what you are recommending to the President.

Secretary Gates: Well, what I’ve just described to you, Mr. Chairman, is what I have recommended to the President, and I believe it is consistent with the decisions the President has made.

Chairman LEVIN. Well, when the President, today, rejected the use of the word “pause”—you used the word “pause” in your testimony. The President explicitly, in his statement, refuses to use the word “pause.”

Secretary Gates: I think they were in reference to different things. My statement of “pause” was pause in the drawdowns. The President was very explicit that we were not going to pause in our operations in Iraq.

Chairman LEVIN. The other question I wanted to ask you has to do—talking about “hope,” you said, in September of 2007, you hoped that we could get down to 100,000 troops in Iraq by January of ’09. Do you still have that hope?

Secretary Gates: No, sir.

Chairman LEVIN. Finally, on the funds, on the reconstruction funds—Mr. Secretary, I find this, frankly, to be extraordinary, to put it mildly, that we have Ambassador Crocker coming before us, 2 days ago, saying that the United States is no longer involved in the physical reconstruction business. The same day, we get a letter from the Department of Defense, asking us to shift almost \$600 million into reconstruction. And today, the President says that we’re just about down to zero, in terms of reconstruction.

Now, it is unconscionable for a country with tens of billions of dollars of surplus money sitting in bank accounts—30 billion, probably, in ours alone; they sell 2 million barrels of oil a day at \$110-plus a barrel; we’re paying \$3.50, on the average, for gasoline—

they're building up these huge surpluses, we have this huge national deficit and debt, we're paying for their reconstruction, and the President is saying we're—that they're getting down to zero in reconstruction, the same week his Department of Defense is asking us to pour an additional \$600 million into reconstruction.

Now, I don't know if you've gotten the letter yet—apparently you didn't—but, we mentioned this to your comptroller yesterday, that this is very troubling to me. If I had the power, as chairman, as I do in some areas, to actually disapprove a reprogramming request, I would disapprove this. I don't have that power in this area, because of a particular law that was passed. But, we do have the power to request that you withhold this shift of funds, and that you consider, during this period, whether or not you really want to make that kind of a shift. I think it's unconscionable. It goes—it runs smack into what the President assured the American people today. It runs exactly contrary to what the Ambassador said, 2 days ago. It just rubs everybody that I know of, of both parties, the wrong way. This is not a partisan issue. This is a commonsense issue about American dollars.

So, when you get my letter, would you please promptly get back—reconsider what the President said today and what Crocker said, and I would hope you would withdraw those—that notice of a shift. [INFORMATION]

Secretary Gates: I will certainly respond to your letter, Mr. Chairman. I will say, the reprogramming was for the Commander's Emergency—

Chairman LEVIN. No, it's not—

Secretary Gates:—Response Programs.

Chairman LEVIN.—these are not CERP funds. No, no, no.

Secretary Gates: And—

Chairman LEVIN. We're all for the CERP funds. That's not this issue.

Secretary Gates: But, I believe the reprogramming, Mr. Chairman, is for the CERP.

Chairman LEVIN. No, the CERP doesn't build Iraqi police stations, 55 police stations.

Secretary Gates: Well, I was unaware of the police stations, but it is certainly—I mean, the CERP, as you know, is to—is to—basically, in the very short term, to give employment to Iraqis so they'll put their guns down and stop shooting at our soldiers.

Chairman LEVIN. We're all for the CERP fund. Everybody, I think, here has basically supported the CERP fund.

Secretary Gates: And it may be the definition of the projects under the CERP. I don't know if the Chairman knows.

Chairman LEVIN. No, I—I just don't think that's what this is, and we'll give you a copy of this letter so you can take a look at it, if you want to today. That's not this issue. This is \$600 million for construction of the size of police stations.

Senator Kennedy?

Senator Kennedy [presiding]: Thank you. Thank you, Mr. Chairman.

And, Mr. Secretary, you, in your opening comments, talked about how your desire to have a bipartisan effort during the time of the Secretary of Defense—I think you should know, as well as Admiral

Mullen, that many of us have differences with regards to the policy in Iraq, but I think all of us have enormous respect for your service, Admiral Mullen's and your comment, both, to your—what you believe is in the best interest for the security of the country. We have our differences, but I think you should obviously know that members of this committee owe both of you the highest possible regard.

Let me, just for a moment, continue what our—Chairman Levin has mentioned and why I think there is at least a degree of confusion. Because, Mr. Secretary, you mentioned the “brief pause,” and I think you used the word “for consolidation and evaluation, and I do not anticipate this period of review to be an extended one.” And President Bush, today, said in his statement, “Petraeus will have all the time he needs for consolidation and evaluation.” And it is that dichotomy which brings the frustration, at least to me, and that, I think, is underlying the point that was being raised by the chairman. I think you've answered him. Unless there's something else that you want to say on it, I'll move on. But, I think it is that difference between what the President has said and what you have said. The chairman was talking out the difference between what General Petraeus himself had said before the committee. And I think it's this difference that brings some confusion and some frustration, in terms of looking at this.

Secretary Gates: I actually think, Senator Kennedy, that there's really not a substantive difference here. I think that the place where we all start is the “decisions will be made.” The place where General Petraeus, the President, and I all start is—and the chairman—is that decision will be made, in terms of subsequent drawdowns, based on the conditions on the ground. We intend to continue that process of evaluation. My view is, clearly the President, I think, was saying that he will defer to General Petraeus's evaluation of the situation on the ground, in terms of—and his continuing assessment of that—in terms of decisions on any further drawdowns. I agree with that statement, and I am—and I certainly support that statement.

My view is that that evaluation—the period of evaluation and consolidation is a 45-day period that General Petraeus has referred, and then I think the initial—he makes the initial judgment, right then, whether or not further drawdowns are possible at that point. And he will continue to make that judgment all through the fall.

Senator KENNEDY. Admiral Mullen, listening to your testimony, you were talking about the doors being opened in Iraq, you said, “We can open doors. We can't force Iraqis to go through the doors. We can keep the doors open.” It's just that kind of open-endedness that is of great concern to many of us, because it looks like we—what we are saying is that we are holding American servicemen and -women hostage to the willingness of Iraqi politicians to make the political accommodations that are necessary in order to reach some kind of resolution there.

How long are we going to keep these doors open? Many of us believe that we have kept them open long enough and that we should say to the Iraqis it's time for them to assume responsibility for their security and for their defense. Now we're just saying we are

going to keep the doors open, and it appears to many of us that we're going to keep the doors open while American servicemen and -women are fighting and dying, and while the Treasury is open to pour additional funds into the sands of Iraq.

Admiral Mullen: Senator, in the other part of my statement—certainly wanted to be clear that I don't see this as an—wide-open commitment, and unending commitment. When I've previously testified here, I've talked about the military solution is not going to be the one that solves all this; we can provide the security so there can be progress. That has clearly happened with the surge, the effects of the surge. The security has improved remarkably. And in that timeframe, there actually has been movement in the political realm. Not too many people, myself included, would have said, last summer or last fall, that the Iraqi government would have passed these four laws which they have passed. They've made progress. There are still other ones that they've got to—they've got to pass. And that there are clearly limits, in terms of how long we would provide that kind of security. And what I—one of the messages that hope to send in this is the sense of urgency that they continue to move as rapidly as possible to provide for their own security—and their security forces have improved dramatically; to pass the laws that need to be passed, in terms of their own government; and to politically reconcile—and that's happened, both locally, provincially, as well as nationally, not like we'd like it to. So, it's really in that context that I'm talking about when I talk about having those doors open. They must take advantage of that.

Senator KENNEDY. Well, there's—seems to be different views on those matters, Admiral, but let me move on, because we know that we have had statements that were made today about—that the President—which I welcome—talks about shortening the deployment of our soldiers from 15 months to 12 months. We had Secretary Gates, on April 4th. You confirmed that the President committed to our NATO allies the U.S. would send a significant additional contribution in troops to Afghanistan. I certainly welcome that.

We're finding out the—all of us know, and Admiral Mullen has talked about this—the stress that is being put on our servicemen and -women. Even if you're rotating the five brigades out of Iraq, those individuals have effectively burned up their time, and now we're talking about shortening the time from 15 months to 12 months, we're talking about the additional kinds of personnel that are going to be necessary in Afghanistan.

So, let me ask you, either Admiral Mullen or General Gates—Admiral, you talked about, "The military must reduce the stress on the Army and the Marine Corps, or risk crossing an invisible red line." Secretary Gates, haven't we already crossed that red line and over-strained our troops? And if we haven't crossed the red line, when do you think we will? Admiral Mullen, I'd like to hear from you, too.

Secretary Gates: I do not think we've crossed that red line. Clearly, the force is under strain, their families, in particular, are under strain. I think—Admiral Mullen's been to the theater more recently than I have, but I was there just a few weeks ago, and morale is high, they are determined and committed. We are watching all of

the indicators, in terms of the health of the force, very carefully. I think all of the Chiefs would tell you that you're not—that we are not past that red line. But, particularly with the Army and the Marine Corps, we are watching very carefully, and that's one of the reasons why we put such a premium on being in a position to reduce the deployment time for troop—for units that are deploying after the first of August to 12 months, so they can have—and that they will have 12 months at home.

Senator KENNEDY. Admiral?

And it's difficult to see, with the stress that is on the military at the present time, the increased demand you're going to have, reducing the amount of time that they're going to be in rotation, and also putting additional kind of numbers into Afghanistan that you don't increase the kinds of pressure.

Secretary Gates: Senator—

Senator KENNEDY. Let me just—there is no other member of the Senate here, so let me just use up—

Secretary Gates: Could I just respond—

Senator KENNEDY. Sure, please.

Secretary Gates:—to the comment about Afghanistan?

Senator KENNEDY. Okay.

Secretary Gates: I made that comment, Senator, and encouraged the President to make the commitment he did, after long discussions with the Joint Chiefs, in full awareness of General Petraeus's recommendations, but also out of confidence that American troop levels in Iraq will be lower in the course of 2009.

Senator KENNEDY. Well, I think you responded to the chairman asking about the—whether you thought the numbers were going to be down, and you indicated you didn't think so, in Iraq.

Secretary Gates: No, I did not. I expressed the hope that they would be.

Senator KENNEDY. Let me, just on another subject, on this long-term security commitment, in the—in the discussions that we had, Secretary Gates, on Iraq in a February 6th hearing of the committee, you said that there ought to be a great deal of openness, transparency to the Congress. You gave the committee your word that the Senate would have an opportunity to review it before it implemented it. So, many of us welcomed that commitment—that Congress should have the opportunity to—I'd like to ask you whether you do not believe that Congress should have the opportunity to approve or disapprove any agreement, regardless of what it's called, if it affects our troops. With the country so deeply involved in Iraq and the Nation so deeply divided, shouldn't we, in Congress, have a right to be able to vote on the nature of any long-term security commitment?

Secretary Gates: Well, Senator Kennedy, as we discussed in February, this—the agreement that is under negotiation is a standard Status of Forces Agreement. It will make no commitments. It commits the new President, in January, to nothing. It will not involve bases, it will not involve troop levels, it will not involve security commitments to the Iraqis. I would say that if an agreement emerged in some way that impacted the treaty-making—that involved treaty-making authorities of the Senate, then obviously it would need to be sent up here, but as long as it conforms to the

standard kind of Status of Forces Agreements, of which we have some 90 or 100 in place, none of which have been ratified by the Senate, I would think it was not necessary.

But, again, I think the important thing, because of the involvement and the controversy associated with the war in Iraq, it's very important for the executive branch to be very open with the Congress as we go forward with the negotiation of this Status of Forces Agreement.

Senator KENNEDY. Well, in 1953 we did ratify on the Status of Forces Agreement with NATO, and President Eisenhower didn't pass—bypass the Congress. And we've also—Congress even approved the Compact on Free Association during the Reagan administration, where we didn't have the kind of velocity and the strong feeling with regards to troops. So, we—there's precedent. And, given the fact—the enormous power of this issue, the fact of American troops—I mean, if we have American troops in those areas, whether we have the agreements or they're not going to be the agreements, they're going to be affected by whatever is understood by the Iraqi government. So, it does seem to me that this is certainly something that ought to be considered by the Congress.

But, my time is expired. Thank you very much.

Senator Warner [presiding]: I thank my colleague.

I was very taken aback by your testimony, Mr. Secretary. That testimony reflects your belief of accountability in public office and your candor about the mistakes made. And I want you to know, having been the chairman of this committee during most of that period, I accept the same level of responsibility for some of those mistakes, as do you, even though you came later on. And we've got to go forward in a manner that we think is best for the long-term interests of our National security. And I just judge, in both you and Admiral Mullen, a—willing to, on a daily base, look at all the options and do what we can to achieve the—just simply the goals of enabling that country to exercise the reins of sovereignty.

But, I was thinking about the Status of Forces Agreement that's coming up and the Strategic Agreement which is going to accompany—two agreements. They are very important to the Iraqi—it, sort of, states that they're in a category of other nations of the world where we have Status of Forces Agreement. And it's a point of pride, as well as a point of resolving things that are needed by both the United States and Iraq.

But, it seems to me that, therein, might be some leverage to achieve a greater degree of reconciliation. They've done some reconciliation. We know what it is. But, it's far short of what I believe the President and yourself had in mind in January, when the surge was lost—launched. Clearly, the surge provided, as the President said, the breathing space, but it simply has not resulted in the measure of reconciliation that we literally entrusted to Maliki and the rest of his government.

So, are these agreements a means by which to gain some leverage?

Secretary Gates: Well, Senator Warner, I think we ought to use anything we can find in the toolbox to try and encourage the Iraqis to move forward on reconciliation. And I think—my own view is that we may have—things began to come together and to move—

after what seemed like many months of stalemate in Baghdad, they moved several of these pieces of legislation, all within a period of a few weeks, earlier this year.

One of the things we're seeing is, all of the different elements in Iraq congratulating Maliki on taking on the situation in Basrah—the Kurds and the Sunnis and others. And so, we may be seeing a growing belief in Iraq, that the Government of Iraq is not sectarian, and that it does represent the interests of all Iraqis. So, this is clearly a work in progress, and I think that—but, I think it has accelerated in recent weeks, and we will need to continue doing everything that we can to push that process along.

And I would just say, in addition, I think that the team that you had in front of this committee, 2 days ago, or 3 days ago, of Ambassador Crocker and General Petraeus, is unlike anything I've seen since I joined the government, 42 years ago, in terms of being on exactly the same page and working with the Iraqi government in trying to push them along in exactly the direction that you're describing.

Senator WARNER. Those two extraordinary public servants are working together as a team, like two strong horses trying to pull the wagon with the problems in it. And that came through, time and time again. And I've had the privilege of working, certainly, with the Ambassador for many years. He used to come up here and be part of the briefing team, before we even went into Iraq. So, I have a high degree of confidence in his judgment. And I think he, likewise, is very pragmatic, recognizes mistakes were made—both of them—and that they stand accountable and a candor—with candor, they acknowledge it.

But, back to the drug issue. I raised it with you. You had the opportunity to see my letter to—

Secretary Gates: Yes, sir.

Senator WARNER.—the President. I sent a copy to you. If you could enlighten me. Again, my concern was that this issue is so serious, in the minds of this Senator, that it had to be elevated—you had the heads of state and government there, and this was the forum, because we cannot stand by and just not do positive steps to ratchet down, substantially—maybe we can't all do it in 1 year, but substantially eliminate those funds that are flowing to the aggressors that are fighting our troops and the troops of NATO.

Secretary Gates: It is clearly a huge problem. It came up in two different forums in Bucharest, first in a meeting of the foreign and defense ministers of the countries that are all in Regional Command South. The importance of dealing with it, the importance of an integrated strategy, the importance of particularly going after the labs, after the large landowners, and working with the Afghans, and trying to get rid of corrupt officials. It then came up again in the meeting that the heads of government had with President Karzai. And a number—

Senator WARNER. Actually, really the buck stops on his desk, in my judgment.

Secretary Gates: Yes.

Senator WARNER. It is his responsibility with his police and his other mechanisms of internal security.

Secretary Gates: Well, and as part of the Afghan Compact, in February of 2006, primary responsibility for dealing with the narcotics problem passed to the Afghan government. Now, they've got a counternarcotics force with an authorized size of about 3,000, and they've got about 2100 onboard. They've got some helicopters—a dozen or so helicopters. They're working with DEA, they're working with us. But, also, the United Kingdom and NATO is trying to figure out how we can support them to do a better job. And Supreme Headquarters, SHAPE, is working on a plan, has addressed this issue on how ISAF can do a better job of supporting the Afghan government. The results of that assessment are classified, but I'd be happy to provide it to you and to the committee for the record. [INFORMATION]

Secretary Gates: There is clearly an understanding on the part of our—of the NATO governments, from the heads of government on down, of the importance of this, and I will tell you, they were very direct with President Karzai in the meeting in Bucharest.

Senator WARNER. I will avail myself of that opportunity, and that pleases me.

Admiral, would you like to comment on that?

Admiral Mullen: Just that it's as critical as you say it is, Senator Warner. It is a concern that troops in the field have, and actually there are—some of our troops are very involved in meeting this challenge, as well, particularly the—some of the labs and that kind of work. And it is something that is very much on their mind. And that a long-term comprehensive, effective strategy be put in place is critical to the outcome—to a successful outcome in this country.

Senator WARNER. Well, the current senior officer in the country—I know him, I—matter of fact, on earlier visits he was stationed there—he has spoken out very frankly on this. And I had a long talk with his successor, General Kern, who's coming up for confirmation before this committee shortly, and he, likewise, is concerned.

Well, we've got to do something. And I leave—I'll come back, but, I mean, I leave this issue knowing that both of you are doing everything you can to reduce that threat to our troops from the drug money.

Joe?

Senator Lieberman [presiding]: Thanks, Senator Warner.

Thanks to you both for being here, and for your testimony and service.

I appreciate the opening statements both of you made. I want to read from the close of your statement, Mr. Secretary. And I quote, "Some have lamented what they believe was an unwillingness to listen to our military professionals at the beginning of this war. I hope that now people will not dismiss as irrelevant the unanimous views of the field commander, CENTCOM commander, and Joint Chiefs. All of the Nation's most senior military officers endorse this step-by-step path forward. I support these recommendations."

I appreciate that, both because of the history that you referred to, but also because there was a lot of media speculation that there was intense disagreement within the military about how to go forward. I've been through this enough now to discount what I see in the media. But, the important point is that the recommendation

General Petraeus brought before us, and that you and the President and the Chief—Chairman of the Joint Chiefs have now accepted, is really the unanimous recommendation of our military leadership. Admiral, I'm—

Admiral Mullen: It is.

Senator LIEBERMAN. Yeah. And I appreciate that. And I think it's very important that Members of Congress and the public know that, that the President has acted on the unanimous recommendation of our military leadership.

As this is going on—and, look, I have a point of view on the war, that you know, and I think the report of General Petraeus, Ambassador Crocker, was—showed real progress. They didn't overstate the case. It's reversible. But, militarily, the numbers that you cited—real progress, politically, and economically in Iraq. And there are now different lines of questioning being raised by critics of what we're doing in Iraq, one of which, I think, has some merit, although it may be overdone, and that's the one I want to ask you to comment on, which is that—the economic side of this, the concern expressed that the Iraqis are now putting some money in the bank, based on the improvement in their oil output and, of course, the increase in the international price of oil.

So, I wanted to ask, Mr. Secretary or Admiral, if you'd talk about—to what extent are we asking the Iraqis, and are the Iraqis now picking up costs of either the military or economic part of our involvement in their country? And, two, what thoughts you have about what more we can ask of them in the months and years ahead.

Secretary Gates: This is one place, Senator Lieberman, where I think there is true bipartisan agreement—[Laughter.]

Senator LIEBERMAN. I think you're right.

Secretary Gates:—across the entire political spectrum, that the time has come for the Iraqis to pick up the bill for their own economic reconstruction and equipping of their forces, and so on. And I think the figures that the President was referring to today, when he said a ten-to-one differential, in terms of investment, is that the Iraqis have \$13 billion in their budget for reconstruction, and there's nothing in our budget.

And I'm going to come back to the chairman of the committee, here, in a second, with an apology.

But, we—and my understanding is that in '07, out of \$2 billion in foreign assistance the State Department got for Iraq, only about \$520 million went for reconstruction. They've asked for a little less than a billion in foreign assistance. And if you had the same proportion, it would be—it would be similar to that.

And I must—and maybe I'm using a little of Senator Lieberman's time to offer you an apology, Mr. Chairman, but I've been handed a note, and, as strange as it may seem, leading the largest and most complex organization in the world, there are actually things that go on that I don't know about. And the \$600-million reprogramming that you talked about is not for CERP, and I will take a very close look at it—

Chairman Levin [presiding]: Thank you.

Secretary Gates:—for the reasons that you cite. But, it gets to the point—

Senator LIEBERMAN. Right.

Secretary Gates:—that Senator Lieberman has raised. And I think this is an area where there is broad agreement, it is time for the Iraqis to spend some of their money.

Senator LIEBERMAN. Is it—should they be spending more of their money, not only on their own military costs, but on some of ours, which, of course, has happened in previous American involvements in conflicts, both in the Middle East, but also post-second World War, for instance?

Secretary Gates: We haven't really discussed that, at this point. The focus has really been more on their spending money on their own forces and on their economic reconstruction. They clearly have a lot of money they need to spend in those areas. We've now, I think, actually delivered about \$2 billion worth of arms and equipment, under foreign military sales, to them that they bought with their own money. There are several billion dollars more on order. Their forces, we will be asking for a significantly smaller amount for Iraqi train-and-equip in fiscal year-09 than we have in the past. So—

But, the question, in terms of whether there are some of our costs they ought to pick up, I'm not aware that we've really begun to consider that yet. It's been more of making—one of the concerns, again, the chairman raised, is getting them—they can budget the money, but one of the—

Senator LIEBERMAN. Right.

Secretary Gates:—problems they've had is getting them to execute their budget. And part of it's a lack of expertise, part of it is a lack of trained people, and part of it, in the past, has probably been politics. We think they're making headway on all of those.

Senator LIEBERMAN. It's good to hear. And I hope you'll start to think about that, because I'm sure some of that bipartisan agreement on this question of the Iraqis picking up more of the costs of the conflict will be expressed, at some point in the Congress, urging you to do that.

I want to ask a second question. There's been a lot of concern expressed about the negotiations going on for a Status of Forces Agreement for a longer-term military relationship with Iraq. And I'm thinking, here, particularly of—let's look to that day when it's post- conflict, when our troops are not involved in actual combat. Obviously, there's been a lot of controversy in the presidential campaign about Senator McCain's comment that we may have troops there a longer time after the war is over, for peacekeeping. And some seem to suggest that for us to have a longer-term military presence in Iraq would be somehow dangerous or destabilizing for the region.

I don't want to coach the witness too much, but it does strike me that if you take—one takes that position, then you've got to answer the question, Well, what about our presence in Qatar and Bahrain and Oman and, you know, throughout the—in the UAE, throughout the Arab world, throughout the Middle East?

So, I wanted to ask you to put—if you would respond to the concerns about a longer-term, essentially, military- to-military agreement between free, sovereign Iraq and the United States of America.

Secretary Gates: I think that the—first of all, the states and their—and I'll invite Admiral Mullen to comment—I think, with one exception, virtually all of the states in the region would like to see the United States maintain some kind of a presence in Iraq, and not just as a stabilizing force, but to continue the hunt for al Qaeda, to continue going after—helping the Iraqi government go after extremists, and so on. So, I think that—but, we are talking, at least in my opinion, of a force that is a fraction of the force that we have there now.

Senator LIEBERMAN. Admiral Mullen, do you want to add to that?

Admiral Mullen: Yes. Senator, most of believe we will need a long-term presence there, that is, as the Secretary said, obviously much, much smaller than we have had.

Senator LIEBERMAN. Right.

Admiral Mullen: I'll just use the Basrah—just briefly—the Basrah operation as an example. While they moved a division's worth of forces, there are capabilities they just don't have yet—the intelligence, surveillance, reconnaissance, the logistics, the—what we—and there a lot of them—what we call enablers, so that they can take care of their own security. So, there will be some of that. I would look—that if they, again—and I'm—you know, this is a sovereign country—if they want training assistance, which is what we do routinely in lots of countries around the world, that would be part of this. I would expect that would be part of this, as well.

And this is a part of the world that is as unstable as any, and so, to the degree that our forces have that kind of footprint that provide the kind of stabilizing influence that we often do, I would expect us to be there.

Senator LIEBERMAN. Secretary Gates, I assume that the one country in the region that you would guess doesn't want us to have a long-term military presence in Iraq is Iran.

Secretary Gates: That would be correct, Senator.

Senator LIEBERMAN. Thank you both.

Thanks, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Lieberman.

Thank you, Secretary Gates, for your clarification.

Let me just give you a couple of other numbers. We've expended, on reconstruction so far, 27.5 billion on just three funds; 12 billion is unspent that's been appropriated. So, there's another 12 billion to look at, as to whether or not we should not tell the Iraqis that—rather than our spending that unspent \$12 billion that's previously been appropriated, that we're going to look to them to pick up that slack. That's in addition to this "\$600 million" letter that you'll be getting.

The—let me just give you one incident that I shared with General Petraeus and Ambassador Crocker. When I was there a month ago, and I was talking to one our generals, and he said, "You know, Senator, I was asking an Iraqi general, the other day, this question." He said, "I asked him, 'Why is it that we Americans are cleaning up your cities at our expense?' And his answer was, 'As long as you're willing to pay for it, we're going to let you do it.'"

That's the dependency. That's what's been created here. And that's what I think there is a real feeling in the country which is

united on that issue, and, I think, a bipartisan feeling, hopefully, at least on that question. And we appreciate your taking a close look at that request.

The—there's another number out there, which I want to ask you about. By the way, on the budget, when you said that they've got \$13 billion in their budget for capital costs, you very properly point out that the issue is whether they're going to spend it. And I just want to reinforce that point, because in '06 they had a budget of \$6.2 billion, the Iraqi budget; they spent less than a quarter of that. In '07, as of August 31st, they had spent, depending on which figure you use, either 4 percent, which is what the GAO said, or 24 percent, according to the White House computations—somewhere between 4 and 24 percent of their '07 capital budget, which was \$10 billion. So, the issue isn't a number that they put on the paper, it's what they spend which is the critical number. They've got the money. It's sitting in our bank—in our banks. We know that.

I mean, Secretary, these are 2 million barrels of oil a day, at 200—excuse me, at \$110 a barrel. That's \$200 million a day. And the U.N. is going around, trying to get the world to pick up costs for Iraqi people who have left their homes, instead of the Iraqis paying for the Iraqi people who have left their homes. Why is it—why is it that we're paying money, and that the U.N. is paying money, for Iraqi people who have been either removed forcefully or fled their homes—there's 2 million in Iraq and 2 million out of Iraq, approximately. Someone's going to have to pay for 'em; we understand that. But, why isn't the Iraqi government paying for that? That's less than a billion dollars the U.N. is seeking. They do—they get that in 5 days' worth of oil sales.

Secretary Gates: Well, again, Mr. Chairman, I think that—as I suggested to Senator Lieberman, I think a big part of the problem here has been the Iraqi capacity to execute their budget, not a lack of willingness to do it. And they are—we have, for example, just sent 12 experts from the Department of the Treasury to work with the different ministries in Iraq, to try and help them figure out, How do you execute a budget? How do you get money to the provinces? How do you let contracts? This is all new for the Iraqis.

Chairman LEVIN. I'm sorry, I just—it's just not acceptable. Cutting a check from an account that they have in New York—I—it's—Secretary, I just think it's totally unacceptable that we say they don't know how to cut a check. They pledged—do you know how much money they pledged last year to the U.N. for their own—for the support of their own Iraqi people who have been pushed out or fled their homes? Do you happen to have that article? I think it was something like \$25 million. \$25 million. That's a pledge. I don't even know if they followed through on the pledge. We have a responsibility to those people, by the way. I happen to feel that very deeply. But, my gosh, so do the Iraqis have a responsibility to their own people. We're spending more of our money, by far, on Iraqi refugees than the Iraqi government is spending. And that—the only reason we hear on that is that they don't have the capacity to cut a check to the U.N.? It's—it doesn't wash. It's another example of a failure to force the Iraqi government to take responsibility for their own country. It's just another example of that.

Here's what I asked Ambassador Crocker about the number of employees that we have that are working on reconstruction. And this—this aren't—these are not your employees, these are not people working at the bases, these are not the Sons of Iraq, these are USAID and Army Corps reconstruction people—100,000 people on our payroll. And the President describes this as coming to an end, today? It doesn't compute.

And what we're going to need you to do—and I really believe that there's a lot of bipartisan support for what I'm saying—I really need you to take a look at these monies that are in our budgets, that are unexpended, and—these are the DOD budgets, these are reconstruction funds. We think there's 12 billion, at least, unexpended. If you would take a look at that and get back to this committee with what can and should be covered by the Iraqis, it would be very helpful. [INFORMATION]

Chairman LEVIN. I think it would put us on a path, which is a kind of path you described in your opening statement, about a desire that this be put on a bipartisan course. You told me that, the first day that you came in my office, when you were nominated, and I believed you then, and I believe you now, that that is your desire, to try to find a path which can get bipartisan support. This is an element which I believe can get bipartisan support.

The last question, if no one else is here, and then—I hope that there—we're going to have a few more coming back—I was over there at the Senate; I can only tell you that there are so many people, so many colleagues of mine who were there voting, stuck there, because they obviously wanted to be here. And we did make an effort to get these votes delayed; I want you to know that.

My final question has to do with Afghanistan, and it goes to you, Admiral, because you, I think, made reference to Afghanistan in your statement. You indicated, I believe, that we have inadequate troops, that we may need to have more troops in Afghanistan. And I believe you said that—at least earlier in the month, and you, perhaps, said something similar today, which I may have missed—that there are force requirements in Afghanistan that we cannot currently meet, and that the high level of forces in Iraq doesn't allow us to fill the need that we have in Afghanistan. And you said, in December, "It's simply a matter of resources, of capacity. In Afghanistan, we do what we can; in Iraq, we do what we must."

There's going to be a reduction in the—from a 15-month deployment to a 12-month deployment—very regrettably, only starting, I guess, in August, which makes it too hollow for many of us. But, nonetheless, that's what the President has decided. So, that this isn't going to—this reduction is not going to help people who are already there. But, nonetheless, that reduction has been announced today by the President, to begin 4 or 5 months from now. How does that affect the Afghanistan picture? If you haven't already answered it. If you've already answered that, then I'll read it. But, if you have not answered that question, perhaps you could—

Admiral Mullen: The reduction from 15 to 12 most significantly affects the—what I believe—the health of the force, because it takes—these deployments, which I have believed for some time, are just—they're just too long. And it really isn't going to affect availability for troops for Afghanistan. What will affect that is more

troops being available. And the only relief valve that I see out there that would provide that would be levels of forces in Iraq. So, I'd need to come down—we'd need to come down a certain number of brigades before we could start to meet the requirements—legitimate force requirements that we have in Afghanistan that we just can't fill.

Chairman LEVIN. All right. And I said that was my last question, but I do have one more that has to do with the militias. There's a ban that the Prime Minister has placed on the Sadrists and on their militia. Does that ban, do you know, extend to Hakim's Badr Corps and all other militias, as well as to the Mahdi Army?

Admiral Mullen: I think it is specific, but I don't know.

Chairman LEVIN. Specific to what?

Admiral Mullen: I think it's just to Sadr's—to the JAM and to Sadr's militia, and not to—

Chairman LEVIN. Because that would be—

Admiral Mullen:—the Badr Corps.

Chairman LEVIN.—that would be a real problem, if it's only limited to his opponents, his competitors—

Admiral Mullen: Well, I'd have to—

Chairman LEVIN.—in which

Admiral Mullen:—I'd have to—

Chairman LEVIN. You can double check that—

Admiral Mullen:—check and get back—

Chairman LEVIN.—because—

Admiral Mullen: Yes, sir. I'll do that. [INFORMATION]

Chairman LEVIN.—Article 9 of the Iraqi constitution already prohibits the formation of military militia, outside of the framework of the armed forces. That's a constitutional prohibition. I don't know if this recently announced ban, whether it's narrow or broad, will stick any more than the already existing constitutional prohibition will. I'm not particularly optimistic that it will. But, in any event, if it is not a broad ban for all militias, the way the constitution provides, then I think the legislation, which is the subject of—the benchmark provides, it would really create a problem, in terms of selectivity. And if you could get back to us on that, that would be helpful, as well. [INFORMATION]

Chairman LEVIN. The—I want to make sure none of my colleagues are on their way back. [Pause.]

Chairman LEVIN. Okay, Senator Reed is on his way back. We will—and there's others, as well, but he's literally on his way. With your indulgence—you've made an apology to me today, we're grateful for that; you are always open in that regard. I'd like to emulate you. [Laughter.]

Chairman LEVIN. I apologize for this kind of interruption.

But, we will stand in recess until Senator Reed or someone else comes back to take the gavel. We do know he's on the his way back. So, we will be in recess. [Recess.]

Senator Warner [presiding]: I thank our distinguished witnesses for their indulgence today. We have a series of votes; and, thus far, I've run back and forth and made every one, and I have to leave shortly. But, I'd like to ask a few questions now.

And I would say to our witnesses that a number of Senators I visited with on the floor are coming over after, hopefully, a final-

passage vote, here shortly. I think the staff can let us know when that vote begins and ends.

Admiral Mullen, on the 2nd of April 2008, you said, and I'm quoting, "Having forces in Iraq don't, at the level they're at, allow us to fill the need that we have in Afghanistan. Equally broadly, around the world there are other places we would put forces or capabilities, not so much brigade combat teams as other kind of enabling capabilities of small training teams that we just can't, because of the pressure that is on our force structure now in the Central Command. And I think we'll continue to be there until conditions allow we start to be able to reduce our force levels in Iraq." I think I got it correct. And I'll make sure the recorder gets the accurate—

Admiral Mullen: Yes, sir.

Senator WARNER. Would you expand on that, sir?

Admiral Mullen: Just available forces, that we have additional force requirements for—specifically for Afghanistan, up to—up to three additional brigades—

Senator WARNER. Now, this is on top of the—

Admiral Mullen: Yes.

Senator WARNER.—marines that are going in now.

Admiral Mullen: Yes, sir. The marines—actually, from a fighting/ combat standpoint, I'm pretty comfortable this year in Afghanistan. But, there are additional requirements we've had for a training brigade—so, about 3,000 trainers—

Senator WARNER. Training the Afghan—

Admiral Mullen:—training the Afghan army and police.

Senator WARNER.—and police.

Admiral Mullen: And the marines are sending, basically, two battalions, one of—this year—one of will—one of them will be dedicated to training, and—

Senator WARNER. Training.

Admiral Mullen:—the other to combat. But, they leave in the November timeframe. And so, they're partially filling those combat and training requirements right now, but those will still be there.

So, we've got a requirement for a training brigade and for up to two additional combat brigades in Afghanistan, down the road, and we need to—I mean, we've got it now, and we're not going to be able to fill that until we've got forces that are released from other obligations, principally in Iraq, at the brigade size.

In addition, I've got requirements in other theaters around the world that wouldn't necessarily be brigade combat teams, but that would be small—smaller units that do training with various militaries around the world or do exercises and those kinds of things, which are mitigating or preventative capabilities for the long term that we would normally be doing, that—some of which we are doing, but we wouldn't—we're not doing it to the level that—

Senator WARNER. The level that you—

Admiral Mullen:—we would be.

Senator WARNER. Yeah.

Admiral Mullen: Most of the—but, most of the pressure is on the brigade combat teams, specifically, and the enabling—the significant enabling capabilities that it takes to fight and—in Iraq and

in Afghanistan—the ISR capabilities, the—and also the trainers, both in Iraq, as well as Afghanistan.

Senator WARNER. Well, let's clarify. So, you would add those brigades. What percentage would that increase the United States force structure in there? Now, your force structure is divided between those American forces that are working with the NATO—as a part of NATO; then we have the independent force structure out here for the U.S. Now, would those brigades be going into the NATO structure or our own structure?

Admiral Mullen: They would notionally be going in—notionally into the NATO structure, but, essentially—and it's—and it would be three brigades worth would be 10,000, 11,000, 12,000, you know, that—those kinds of numbers, in terms of overall size of the force.

The other place we find ourselves is, we're growing the Army and the Marine Corps at a time—from the Army to the active Duty Army—I think it's at 525,000. So, we're drawing to 547 over the next couple of years. So, we find a great demand on the forces right now, at a time we're growing. In 2 or 3 years, there'll be more capability. That will provide some relief. Same in the Marine Corps. But, it's not going to—that growth isn't going to provide much relief in the '09 or '10 timeframe.

Senator WARNER. Well, that—but, the—we'd better be very cautious that someone doesn't translate your comments to say we may be there 3 or 4 years more in Afghanistan. That may be the case, but I think we should proceed very carefully before we try and reach a benchmark of a date when we're there.

So, the augmentation of our forces, given the actions of the Congress and the appropriations to fund—to enlarge both the Army and the Marine Corps, as you say, will not come to full bear until late '09, correct?

Admiral Mullen: Well, actually the growth is out to '10 and '11. I mean, when we really have—

Senator WARNER. Out to '10 and '11.

Admiral Mullen:—all that capability.

Senator WARNER. So, I was trying to focus on the interim period.

Admiral Mullen: Yes, sir.

Senator WARNER. And you think that we would contribute three combat brigades to the current NATO structure.

Admiral Mullen: We—if Iraqi forces came down far enough, that would be that—

Senator WARNER. I see.

Admiral Mullen:—that—and it is the judgment of the Chiefs—that's the next priority.

The third piece of this, though, is to bring some of those—you know, a brigade home, or two, at some point, because we need to start building dwell time—

Senator WARNER. Correct.

Admiral Mullen:—which gets relief on the stress on the force.

So, those are the three big—those are the three big pieces, right now, that have an extraordinary amount of pressure on our forces.

Senator WARNER. Now, the President announced, today—you mentioned it, Mr. Secretary, also—in the President's speech, he says, we'll also ensure that our Army units will have at least a year home for every year in the field. Now, with the anticipated

augmentation of three brigades to Afghanistan, are we going to be able to hold tight on the tour of 12 months and a minimum of 12 at home?

Secretary Gates: Let me comment, and then invite Admiral Mullen to comment.

The three-brigade figure comes out of a view of the ISAF commander that that's what he could use. We were very careful in Bucharest that the President not make a specific commitment or a specific period of time when additional U.S. forces might be available. So, I think it's an open question whether—how much of that three-brigade request the United States would be prepared to fill, or could fill. And that decision will almost certainly need to be made by the next President of the United States. So, what we're really talking about is capabilities, here.

But, I would say that the Chiefs feel very strongly—and I'll let the Chairman speak to this—but, the Chiefs feel very strongly about the dwell-time issue. And a big part of coming back to 12-months deployed is making sure they have a year at home.

One of the things that—

Senator WARNER. At a minimum.

Secretary Gates: Yes, sir. And our goal actually would be to move to 1 year deployed, 2 years at home—

Senator WARNER. Two years at home.

Secretary Gates:—for the active Force, and maybe even, ultimately, 3 years; and, for the Guard and Reserve, 1 year mobilized, and 5 years at home, would be the goal, ultimately, that we're headed to. And your support of our proposals for growing the Army and the Marine Corps are really critical to making that happen.

Senator WARNER. Well, the Congress is foursquare behind you, Mr. Secretary, and—

Secretary Gates: Did you want—

Senator WARNER.—you, Chief.

Secretary Gates:—to add anything?

Admiral Mullen: No, sir. I—again, I—this is a—we look at these requirements that—

Senator WARNER. Correct.

Admiral Mullen:—we have. And this goes back to the discussions we've had about Afghanistan being an economy-of-force campaign. And we've got a requirement for that one training brigade and two other brigades.

Senator WARNER. This will be refined, on the occasions you have this period of reflection, once you draw down the surge forces. Is that correct?

Admiral Mullen: Yes.

Senator WARNER. Fine.

On Pakistan, gentlemen—I'll ask both of you to comment—it's been a major ally in this conflict, in Afghanistan. Much of our logistics comes across the territories of Pakistan. And we've seen quite a turbulence in the political structure, and it is yet to be resolved. And, at the same time, we see the threat growing from the level of insurgents up in Waziristan, on that border between Pakistan and Afghanistan, that there's no diminution in that threat. How are we going to deal with that, Mr. Secretary?

Secretary Gates: Well, first of all, I think some credit is due to the Pakistanis, not only for allowing us the logistical supply routes and so on, but they've had over 100,000 troops deployed up in the northern and western part of Pakistan. They—I think they've suffered 3,000 or so killed in action. They've killed a lot of terrorists up there. They are a force principally trained to deal with their long-time adversary to the east. And so, clearly we have some opportunities for training. But, we also have—

Senator WARNER. Mr. Secretary, I've got a problem.

Secretary Gates:—to let the civilian—

Senator WARNER. I've got 3 minutes to make it to the floor.

Secretary Gates: We—okay.

Senator WARNER. If you'd finish that, for the record—

Secretary Gates: Okay.

Senator WARNER.—in other words. [INFORMATION]

Senator WARNER. And may I compliment you on going through Denmark en route to the NATO conference. That country, although small, have—made a valuable contribution to this operation in Afghanistan, and their troops come and fight, just as the U.S. troops.

Secretary Gates: And I met with some of those troops when I was in Copenhagen.

Senator WARNER. I know you did. Thank you.

Excuse me, gentlemen.

Chairman Levin [presiding]: Senator Reed?

Senator REED. Thank you very much, gentlemen, for your—not only testimony, but for your service.

And, Secretary Gates, I was listening to your opening statement, and it seems now that the parameters for success in Iraq are, as you describe it, an ally against extremists and a nation that can govern and defend itself. And the first point raises the curious relationship between the Iranians and the Iraqis. Could you—are they truly an ally with us against what some people would call some of the extreme policies of the Iranians?

Secretary Gates: I think one of the things that has happened over the past year or so, and perhaps one of the most significant outcomes of the Maliki government initiative in Basrah, is that they have increasingly become aware and become educated to the realities of what Iran is doing, in terms of meddling in Iraq, in supporting groups that are adversaries of the government, in their influence in the south, and particularly around Basrah, and their supply of weapons and so on to people who are opposing the government. And I think that this has been a real eye-opener for them.

I think that there has long been a religious connection between the two, because of the location of the holy sites. The Iraqis obviously, under Saddam Hussein, were huge adversaries of the Iranians. But, I think that the Iraqi government today is quite aware and increasingly concerned about Iranian activities inside their country.

Senator REED. Well, I think they are, but I don't know if this is a recent revelation. I think you understand, probably better than most, that, for example, Hakim spent a great deal of the Iraq-Iran war in Iraq. The Badr Brigade was organized by the Iranian forces, presumably still have close contacts with Iranians, maybe not in a

military capacity. But, one of the problems here is that the Iranians, as Ambassador Crocker pointed out, have close ties with practically every Shi'a organization and with Kurdish officials, and I would hesitate to say maybe even Sunni officials.

So, one of the points that was made, I think very eloquently, yesterday when we had our panel, was the conflict between attempting to stabilize Iraq, given the huge influence of the Iranians and suggestions by some in the administration that we consciously destabilize Iran. It was described as, basically, contradictory objectives. Would you comment on that?

Secretary Gates: Well, I think that—you know, I think our focus has certainly been on trying to stop the Iraqi—the Iranian activities that have involved the supply of weapons and IEDs that have been used against our troops. And we've been pretty aggressive in that respect.

I think what's—you know, these connections with Iran, as you say, go back quite a ways with a number of these—of the Shi'a leaders and politicians in Iran. I think what they are coming to understand is that that Iranian influence has a significant malicious side that is contrary to their interests as Iraqis. And, I think, in the past few months we've seen them beginning to take some actions that indicate, not only an awareness, but a willingness to act on it.

Senator REED. Thank you.

Admiral Mullen, the President announced, today, that tours of the Army will begin to phase down to 12 months, which I think is welcome news for many, many soldiers who are—

Admiral Mullen: Right.

Senator REED.—serving, and who are yet to serve. Does this require an increased call-up of National Guard and Reserve brigades to maintain the force structure in Iraq because we've shortened the tour of the units that are in the field now?

Admiral Mullen: Not—in the planning that I'm aware of right now, it doesn't. And this—

Senator REED. Is that—

Admiral Mullen: And this commences, the 1st of August—

Senator REED. Why?

Admiral Mullen:—for troops deploying after the 1st of August.

Senator REED. As you project force levels, going through until next year or beyond, I presume you're at least working on a 18-month to 2-year cycle, are you showing a decrease in forces? And is that one reason why we don't have to call on additional Reserve and National Guard components?

Admiral Mullen: Well, we actually—I mean, we're building some capability. I think, next year it's—we come up two brigades. It's about two brigades a year. That's part of it. At this level, if we—if we stayed at this level for a—that we're at right now—for a long period of time, clearly just the math would tell you that it would potentially impact that. I just haven't seen that, from a planning standpoint, at this point.

Senator REED. So, if, in fact, this—the commitment to 12 months is irreversible, then eventually, based on force structure alone, we have either—two options—either to drop the force structure in Iraq

or to significantly—or at least to increase the number of National Guard or Reserve brigades that will be called up.

Admiral Mullen: Clearly, if we are going to—if we're going to sustain this over a long period of time at the number of brigades we have there right now, that we would—we would have that kind of impact. I think that would be longer-term, as opposed to immediately in front of us.

Back to your point, we're planned pretty well out for the next couple of years.

Senator REED. And at what force level are you planning? The current force levels—

Admiral Mullen: Well—

Senator REED.—for 2 years?

Admiral Mullen: What General Casey has said is, he can basically sustain 15 brigades in CENTCOM. So, let's say 13 in Iraq, two in Afghanistan for the foreseeable future at—

Senator REED. Twelve months.

Admiral Mullen:—a high-risk level, specifically, particularly at high risk for the next 2 years. So, sort of, through the end of '09 and into '10, until he builds out more brigade combat teams with the Army growth.

Senator REED. And high risk—among the consequences of high risk is the lack of any significant strategic Reserve.

Admiral Mullen: Certainly front the ground forces—

Senator REED. Ground forces.

Admiral Mullen:—yes, sir. I—we wouldn't be put in a much different position than we are right now.

Senator REED. There has been a great deal of discussion about the assumption of financial obligations by the Government of Iraq. Specifically, have they agreed to begin to fund the CLCs, or the Sons of Iraq, the components—Sunni components that we have organized in different parts—principally Anbar, but also south of Baghdad, in mixed areas?

Admiral Mullen: There is a—there's a commitment on the part of the Government of Iraq to provide what we're calling Iraqi CERP to \$300 million. And they made that a few weeks ago. And General Petraeus said, recently, they're very close to that money being made available. He also said—I was made aware, within the last few days, that they have an additional commitment in the CERP; I just can't remember what the number is.

Senator REED. But—

Admiral Mullen: I couldn't tell you, in the CERP category, whether that's going to salaries.

Senator REED. But, as I understand CERP—and my time expired—that is essentially civic-action funds.

Admiral Mullen: It's both. It's both to pay the Sons of Iraq, as well as to build projects. And that's—one of the reasons that we, and Dave—General Petraeus, in particular—pushed so hard on this, is because it's—he calls it his “ammunition” right now. It's had such a positive impact, in terms of employing people, providing—and providing additional security, and, obviously, providing a salary for an Iraqi family so that they can survive in a meaningful way until we're, sort of, through this whole transition.

Senator REED. Thank you very much.

Chairman LEVIN. Thank you, Senator Reed.

Senator SESSIONS?

Senator SESSIONS. Thank you, Mr. Chairman.

And I thank both of you for your leadership. And, from my observations, I think both of you have won the respect of the American people and the commentators, critics even, of our effort, and that speaks well of how you've conducted yourselves and the integrity you've shown.

Secretary Gates, one of the complaints that we had was, "Well, things may be getting better, militarily—violence is down, there's no doubt about that—but, there has been no political progress in the country since the last report from General Petraeus and you." But, you note some political progress in your written statement—a pension law, an amnesty law, a provincial powers law, a justice and accountability law—and they passed a 2008 budget. Would you tell us—just give us a rundown of how significant you think those political developments are. What are some of the political challenges that remain?

Secretary Gates: Well, I think that they—those laws represent, if I'm not mistaken, four of the six benchmark laws that we all talked about last year. One of the interesting aspects is how three of the laws were passed as a package deal in a negotiation between the Council and—within the Council of Representatives. It was actual politics going on, where, "I'll support your bill if you'll support my bill, if you'll support my bill," kind of thing. And I think that, again, you've—

Senator SESSIONS. That's never done in Washington. [Laughter.]

Secretary Gates: And the—I think that it has been interesting to watch the reaction of the other politicians, the non-Shi'a politicians in Iraq, responding to Maliki's initiative in Basrah, for all of its military shortcomings, because they saw him go after Shi'a extremists. And so, he has heard positive things from Sunni leaders, from Kurdish leaders, and so on. And, you know, it's still a long path to reconciliation, but I think that—I think that there has been real progress, particularly in the last 3 or 4 months, in terms of the political process in Iraq. It's still a long way to go. The challenge is still the suspicion of the Shi'a, it is still the feeling of the Shi'a—or the Sunnis that—presumably, some residual hope that they could regain power someday. There will be the contest over politics—over elections in the provinces, and that will be—those will go well, I think, in those areas that are—that are largely Shi'a or Sunni or Kurdish—it'll get more complicated in the provinces where there's a mixed population—this fall. But, I think that they're moving in the direction—I don't know whether they'll make elections in October, but I think that the judgment of our folks in the State Department and the intelligence community is that they'll probably be able to get them done this year, the provincial elections, and then a presidential—then a national election next year.

So, I think there's—you know, everyone, I think, has learned lessons from the past. And you heard great caution from General Petraeus and from Ambassador Crocker. I think you will hear caution from us, as well, in terms of expecting too much, too quickly. But, I do think there has been progress.

Senator SESSIONS. Admiral Mullen, one of the things about a withdrawal—and I certainly hope that we can—if we do have this pause—and I'm inclined to take the advice of General Petraeus; I think his performance and his integrity and responding to our questions, and the success that we've seen, that exceeded my expectations, in the last number of months, makes me feel that we ought to be respectful of his opinion; so, I'm inclined to be supportive of that—but, I do believe a—plans for continuing the draw-down is important so that our allies and friends and—in Iraq don't become dependent upon us. But, explain to us, as has been explained to me, both in some of the hearings and privately by generals, how difficult it is when you pull a brigade out of an area. So—the danger of leaving gaps in your lines, and who's going to fill those responsibilities. Would you give us some appreciation for some of the decision difficulties that our commanders have when they take out a brigade in an area in Iraq?

Admiral Mullen: General Petraeus frequently talks of “battlefield geometry” as he looks at where he has forces and where he needs to move forces. And clearly he's done that, both in building the surge, as well as—now we've got three of the surge brigades who have returned home, and the other two will be coming out through the end of July. And it is that battlefield geometry, obviously, that he takes into account, in terms of where he's going to put people. And that's clearly based on the security requirements that are either right in front of him or that he expects in the future. And he's moved forces around very deftly, I believe, to handle this drawdown in a way where he's very comfortable handling the drawdown. And that kind of calculus goes on constantly.

As we look at—and, at the same time—and there is, obviously, very focused discussion today on the pause and the consolidation and evaluation and assessment. From my perspective, I think it's also very important to do this continuously, and it really—because it is really that, it is really conditions-based assessment that is actually going on, has been going on for—you know, since the surge started to decline, as well as we'll continue, no matter how many troops we have there.

It also takes, depending on the size of the—whether you're a light brigade or a heavy brigade, literally—and where you—where you are coming from and where you might redeploy to—it takes a—45—depending on those factors, 45 to 75 days to move you from where you are in Iraq to, let's say, back home, or vice versa.

So, those are all factors, planning factors that he has to take into consideration as he makes decisions about where he puts his forces.

Senator SESSIONS. And would you tell the American people—what I hear you to be saying is that this is complex and difficult, and you are spending considerable time on it, in planning it so that it goes as effectively as we can make it go.

Admiral Mullen: We—I—and General Petraeus is the principal architect of this, as the tactical guy, and he spends, along with his commanders, an extraordinary amount of time doing exactly that.

Senator SESSIONS. Thank you.

Chairman LEVIN. Thank you, Senator Sessions.

Senator Bill Nelson?

Senator BILL NELSON. Gentlemen, thank you, as everyone have said here, for your public service.

I want to ask you about Afghanistan. We've recently put more marines in there. My question is—it's my understanding we still have such a paucity of troops, not only our troops, but the entire NATO force, that, once we clear an area, that we can't hold it. Can you comment to the committee about that?

Secretary Gates: Let me make a brief comment, and then invite Admiral Mullen.

It—first of all, it depends on the part of the country. In the north, where there is less of a Taliban presence, where there has been less violence, this is not so much of a problem. In the east, where we have had a very successful counterinsurgency, where most of our forces are located, and where we have a—very effective provincial governors, there we have been able to hold. The principal area of concern has been in the south. And I would say that your characterization of the—of not having enough forces to hold areas that we had cleared is an accurate description. I would also say that, countrywide, one of the shortages is for people to train the Afghan army and police.

Admiral Mullen: Just—I would only echo what the Secretary said in that regard. And the train—if you ask the commanders there right now, their number-one requirement is for trainers—the Afghan army and the Afghan police. And we've generated—and are doing it very rapidly—an Afghan army. The police are behind that. And that's probably the most critical part of this.

So, two of—one of these two battalions of marines that are going in are specifically going in to train. They leave in 7 months. The fact that the French have now come forward and said they're going to add additional troops will provide capability that we need to address the shortfall that we have, although it won't meet it fully. And it is principally in the south right now that we are most concerned, with respect to, certainly, combat. And that's where the Taliban is most dense.

Senator BILL NELSON. Let me ask you about Iraq. We had testimony in the Foreign Relations Committee last week from a couple of retired generals—General McCaffrey and Retired Lieutenant General Odom—and General Odom told about how much we are paying Sunnis, basically, to be on our side. He specifically mentioned some kind of council, and that it basically costs us about \$250,000 per month for 100- square-kilometer area. Do you know anything about this?

Admiral Mullen: I think—I didn't see his testimony in—I think he's speaking to the salaries we are paying those in the—what used to be the Concerned Local Citizens, and now we refer to as the Sons of Iraq, to the tune of about 90,000 Sons of Iraq, who are providing for their own security, who have taken back their villages, their towns; and about 20 percent of them are—we're moving them into the security forces. So, all of that, from my perspective, is a winning strategy, because you take 'em off the street, you—they're providing for their own security, they can provide for their family, and, in fact, they're moving into their own—into the Iraq security forces. If it is different than that, then I'd have to get back to you, Senator.

Senator BILL NELSON. So, basically, his cut on it was, "Well, we don't own 'em, we merely rent them," but what you're suggesting is that it's—we're not buying their allegiance, we're buying their assistance.

Admiral Mullen: I would say there's a mix. When I talk to commanders on the ground out there, they—there are those that they trust implicitly—vet 'em very hard—there are those that they trust implicitly, and there are others that they keep their eyes on. So—but, the impact that it's had, in order to local security, has really been extraordinary.

Senator BILL NELSON. Let me ask you about something General McCaffrey said. And I'll quote him, "The U.S. Army is starting to unravel—equipment broken, National Guard is under-resourced, terrible retention problems, severe recruiting problems—the Army is too small," end of quote. You want to comment on that?

Admiral Mullen: We're growing the Army to 547. The recruiting environment is—the environment is challenging, although we continue to make the recruiting numbers, and we did so again this month. There are clearly—there are waivers, there are concerns about the waivers that are there, but that's watched very carefully, and their—performance of individuals in the Army who have received waivers is consistent with the rest of the force, best we can tell. We watch the indicators very closely. Clearly, the Army—the ground forces in the Army, in particular, is stressed. That's why the 15- to 12-month deployment is so important.

That said, they're resilient, they're performing at an exceptionally high level, they're succeeding now in Iraq. And when you visit them, they send you that message. They have a skip in their step, which is very positive. And yet, they're looking for some relief. In addition to shorter deployments, they'd like to stay home longer. Their families are pressed very hard.

But, I would not describe it as unraveling. General Casey has talked about this "invisible red line." We're not standing right in front of that invisible red line. It's out there. It's a concern that we all have. So, I wouldn't—I would not use that kind of language to describe where we are.

Senator BILL NELSON. And finally, Mr. Secretary, I think what folks like me grapple with is the political reconciliation, as to whether or not it, indeed, is possible. You listed a number of laws that had been passed. And I think the true test there is the question of whether or not those laws are being implemented, whether they're being executed. What about an oil law, which is a major one, because that's the divvying up of the resource? You want to—other than what you've pointed out, that they have had some politics and produced some laws, you want to give us any other insight into political reconciliation?

Secretary Gates: My view is that reconciliation in Iraq is the beginning of a process that will go on for a very long time. The enmities are ancient, and have been kept in place, as they were, in many respects, in the old Yugoslavia, by force. And once that force was removed, all of the monsters of the past have, sort of, come back.

I think what we are seeing—it has taken longer than any of us would have wanted, but I think we are beginning to see the re-

emergence of a sense of Iraqi nationalism, including in the Government of Iraq. And I think that is progress.

But, it is—for these folks to learn to work together and live together freely and in a democratic society is going to take some real time, and that is not unusual for countries that have the kind of history that Iraq has. But, I think there has been progress, and I think they are moving in the right direction.

Chairman LEVIN. Thank you, Senator Nelson.

Senator Collins?

Senator COLLINS. Thank you.

Secretary Gates, Chairman Levin raised the issue of the Iraqis taking over more of the expenses associated with the war, an issue that I brought up with General Petraeus earlier this week, and I'm very sympathetic to the points that the chairman made. I want to bring up one particular expense that just floors me that the Iraqis are not covering now, and that is the fuel costs. According to press reports, the Pentagon is paying the Iraqi government \$153 million a month for the fuel that's used at a time when the Iraqis are reaping billions of dollars in unanticipated oil revenues because the price of oil per barrel has doubled. Isn't that an expense that the Iraqis should be covering? Shouldn't they just give us the fuel that we need to operate?

Secretary Gates: Well, it's—the question of—first of all, I think the practical aspects are, they cannot give us the fuel, because they have their own shortages of the actual fuel. But, I think the real question is whether there is the potential for reimbursement or something along those lines. And I would be honest with you, I think that it's only been in recent weeks, first of all, that we've been seeing the kinds of dollars, and projecting out the kinds of dollars, that the Iraqis may be able to accumulate. A certain amount of that, they have to keep in Reserves, under IMF agreements, but the question is—they are making a lot of money, they have a big budget—I mean, if you want a fundamental comparison between Iraq and Afghanistan, it is that Iraq, this year, has a budget of \$50 billion and the Afghan government will have revenues of \$675 million.

So, the point—I think we are all beginning to come to grips with this, and I know the President feels strongly about this. He has weighed in with us, in terms of what we are—what we would propose to pay for Iraqi equipment and why we should pay for Iraqi equipment at this point. And I think we're just beginning to address some of the issues, in terms of what kinds of expenses the Iraqis ought to start taking over, in addition to their own reconstruction funding.

So, I would just tell you we are mindful of this, and we are—but, we are at the beginning of the process of looking at it.

Senator COLLINS. I hope that you'll work with us on this issue. Senator Nelson and I have had many conversations about this. I know the chairman and Senator Graham are interested, as well. I've often thought that if the group of us had succeeded in 2003 that had wanted the reconstruction money for Iraq to be in the form of a loan rather than grant—than a grant, that we might have seen far less sabotage of the reconstruction projects if the Iraqis had had personal money, more of a commitment to it. I don't

know, we'll never know that. But, I hope that you will work with us. It's really difficult for Americans, who are struggling with the high cost of energy, to see us paying for fuel costs in a country that has the second largest oil Reserves, and that is—has a budget that was supposed to be 48 billion, but now looks like is going to have revenues of 60 billion because of the soaring price of oil. So, I think this really is an issue that we need to try to work on and come up with a solution.

I do want to switch to Afghanistan. Your comments—your opening comments about the mistakes in American policy 20 years ago, and that we can't repeat those mistakes in either Iraq or Afghanistan, brought to mind the first meeting that I had with President Karzai in 2003. Senator Levin was there, and many of my other colleagues, and I'll never forget it, because we landed at Baghram Air Base, we met with him in an Army tent, and his message to us, even back then, was, "Don't abandon us. Don't make the same mistakes that were made decades ago." And that's always stayed with me. And, in subsequent visits to Afghanistan, President Karzai has repeated that plea.

And that's why I'm concerned about the reports from the Afghanistan Study Group and the Atlantic Council that warned very bluntly that we are under-resourcing Afghanistan and that NATO—the Atlantic Council's report goes so far as to say, "Make no mistake, NATO is not winning in Afghanistan." I'd like—and I apologize if you covered this and I missed it while we were voting, but could you give us your best assessment of whether you expect NATO countries, other than ours, to step up to the plate and provide the troops that there's widespread agreement it's necessary. I know you've worked very hard and pressed so hard on that. I know you've gotten grief for that, but I applaud you for that. We do need more troops. But, I'm really worried about—having to send more American troops will make it impossible for us to, in the long term, sustain the 12-month deployments that all of us are desperate to see us return to.

Secretary Gates: One of my defense minister colleagues referred to—accused me of megaphone diplomacy. I think that—two things. First of all, I think that one should not underestimate what happened at Bucharest last week. In 2006, when NATO took on the Afghan challenge, I think a lot of countries really didn't know what they were getting into. I think they thought it was going to be largely peacekeeping, economic reconstruction, and so on. And I think that's one of the reasons why they've had political problems at home in trying to justify more forces, or why they have not been willing to do that.

In 2008 at Bucharest, the leaders, knowing what they know now, still unanimously reaffirmed the challenge of Afghanistan as NATO'S most important operational activity. So, the leadership, the leaders of all of the NATO countries, basically said, "We've got to do this." And President Sarkozy, at one point, referred to the importance of winning. And I mention him in particular, because the French made a substantial additional contribution that will be going—Regional Command East—that will allow us, then, to send some additional forces to Regional Command South.

The requirement of the commander—the desire of the commander—it's not a formal requirement at this point—the desire of the commander in Afghanistan to have three additional brigades, in my view, is a requirement that NATO will not meet. I think we will get additional forces from a number of different countries. And I think they will have real capabilities. But, I think they will not add up to another 10- to 12,000 troops that would be represented by three brigades. How much they will contribute, I don't know. And it will depend, in part, on election politics.

One of the things that I tried, a year ago, that I initiated a year ago, was getting NATO to approve a vision—a strategic vision statement of where we want to be in 3 to 5 years in Afghanistan, and what we've accomplished, and why we are there, in terms of the terrorist threat to Europe, that the European governments could then use in their domestic politics to try and educate their people about why the commitment in Afghanistan is important.

And so, I guess I would say, the experienced part of me would say they're probably not going to make significant additional contributions. My hope would be, taking advantage of the Bucharest Declaration and perhaps electoral politics changing in some of the countries, that there would—that there could be some significant additional contributions.

I'll just leave it at that.

Senator COLLINS. Thank you very much.

And, Admiral Mullen, I know you've been very concerned about this, as well, and have pushed very hard for the reduced deployment. I know my time has expired, but I'll be interested in talking to you subsequently about that, as well.

Thank you.

Chairman LEVIN. Thank you, Senator Collins.

Senator Ben Nelson?

Senator BEN NELSON. Thank you, Mr. Chairman.

Thank you, gentlemen, for your service, and, of course, the men and women in uniform, both at home and abroad, and we appreciate, so much, their service, as well.

Senator Collins and Senator Graham, Senator Bayh, and a whole host of us, have raised the question about making loans or seeking reimbursement for any direct payment for certain things. We are sort of reminiscing about 2003, and regretting that we didn't get that in position back at that time, but the administration balked it on the basis that it would affect, negatively, our going to the donors conference with other countries. And, in large part, that so-called donors conference turned out to be a lenders conference, with the exception of our effort.

Is it possible for us to be able to work together with the administration to work out a method of reimbursement? Do you think we could come to an agreement as to the kinds of things that should be reimbursed or should be footed—the bill footed by the Iraqi government, before we even approach the Iraqi government with—to obtain their concurrence wherever necessary? And if that's the case, where we could work together, do you have an idea of the kinds of things that you could identify for us that might be reimbursable? For example, gasoline, the cost of training. That—in some parts, money has gone from reconstruction into training pro-

grams for their security purposes. So, I guess I'm just asking, Can you give us some idea of the things you think that might be reimbursable or direct payments by the Iraqis, so that they don't come at the expense of the American taxpayer and borrowing from future generations?

Secretary Gates: Senator Nelson, as I indicated to Senator Collins, we've, I think, just really begun—we have focused—as we have begun to look at the sums of money that Iraq is earning from the oil sales, we have, just in recent weeks, been looking at ensuring that the reconstruction funds and their—and the military equipment for them are increasingly and dramatically headed in the direction of them picking up those costs. The subject of their reimbursing us, and of those kinds of things, or areas where they would pay for certain services, has not been broached yet because of this focus on the reconstruction and military equipment and so on. But, based on this hearing, I'm more than happy to carry the message back to the administration and see if we can have a look at this.

Senator BEN NELSON. I suggested it recently. They're a bit aware of it, because I suggested it to Mr. Hadley, that this—so that it wouldn't be a surprise that I intended to bring this up.

But, don't—wouldn't you think it would be a good idea to do it in a comprehensive fashion so we don't do it piecemeal—in other words, so we could put together a program, certain things that clearly would be a loan, those things that could be reimbursed today, those things that could be—would be loaned for repayment in the future—wouldn't it be a good idea to have it in a comprehensive fashion?

Secretary Gates: Well, I certainly agree that if we're going to down this path, we ought to look at it comprehensively.

Senator BEN NELSON. And with some urgency, because every day that goes by, people pay more at the pump, and the oil was at \$1.10, now it's \$1.12, maybe spiking up yet today. I hope not, but perhaps. And it's—it is a very strong drag, I think, on our economy to see these things occur, and then it's sort of an insult on top of the—or injury on top of the insult, when we're also paying for some—for services for some other country.

I've got another area that I'd like to raise, as well. During testimony yesterday before our committee, I discussed with Retired General Jack Keane the—one of—who's one of the authors of the surge strategy—about language that Senator Collins and I and others have wanted to get passed, and that is to transition the mission in Iraq out of providing security in Baghdad into providing more combat troops into the north to take out the al Qaeda and the insurgency through counterinsurgent methods in the north; and, at that time—we've also proposed, for some time, a stronger emphasis in the south, with the militias and the Mahdi Army and other groups in the south. We've really not received any support from the administration. We've not set a timetable to withdraw. We set a date to start the process, and that would be to start it. Now, based on what I heard General Keane say, and what I'm hearing in the discussions with General Petraeus and Secretary—or, and Ambassador Crocker—is that, in fact, that's what's happening. And I guess my question of you is, Is that what's happening? Have we

begun the transition of the mission from providing, essentially, security for the Government of Iraq in Baghdad to expanding it into these other areas?

Secretary Gates: Let me comment and then invite Admiral Mullen to comment.

I think we began the transition of mission with the withdrawal of the first surge brigade, in December. What is going to happen in Iraq—the country—if you’re doing this in a color graphic, the country is not going to turn from one color to another color for the whole country. It will be more as—of a mosaic, with different pieces of it turning at different times. There are already eight provinces under provincial Iraqi control. Anbar will probably go to provincial Iraqi control within a matter of weeks. So, the mission will have transitioned dramatically in those places, to strategic overwatch, where there will be relatively few troops, relatively few coalition troops, and their role will be very different, say, in Anbar, than it was 7 or 8 months ago. And it will be—

Senator BEN NELSON. And if I might ask you, could—would that also be, perhaps, the beginning of the establishment of a residual force or a residual mission there, as well?

Secretary Gates: Yes, sir, I think so. And so, we will have—there will be places in Iraq where the mission has transitioned from our being in the lead and being in combat to a strategic overwatch, where we have a residual force, to other places in Iraq where we’re still engaged in combat, such as in Mosul and places like that. So, I believe we are in the process of a transition of mission, and it is taking place at different times and different places in Iraq.

Admiral Mullen: In fact, General Petraeus, when he was here in September, was given a mission statement that essentially was directed to make—to generate this kind of transition. And that’s obviously tied to building the Iraqi security forces. We’re up about 20 battalions now from where we were a year ago, in addition to about—I think it’s about 107 or so that are leading or—leading independently or leading with us throughout the country, all of which is part of this transition. And there will be places where we can do it and get into an overwatch position very quickly; in others, it’s going to take more time.

Senator BEN NELSON. Well, and we have stressed, with this legislation, that we always felt that, if it started, the question of “How fast does it go?” depended on conditions on the ground and commanders on the ground and success. So, I guess we—it was passed, even though it wasn’t voted on. Is that—that might be an unfair way to characterize it, but it does seem that, in effect, that that is now the strategy. I never understood the opposition to our legislation. But, that probably isn’t the first, nor will it be the last time, that I don’t understand opposition.

Thank you very much for your answers. Appreciate it.

Chairman LEVIN. Thank you, Senator Nelson.

Senator Graham?

Senator GRAHAM. Thank you, Mr. Chairman.

The whole premise of the surge was to provide better security and hoping that would lead to better performance by the Iraqi military and a better economy and quicker political reconciliation. In January 2007, the President announced that we were going to

change strategy. And, Admiral Mullen, as I understand the strategy behind the surge, was to add additional combat power to bring a level of security to Iraqi that was unknown before January 2007. Is that correct?

Admiral Mullen: There's actually two things—not just the—

Senator GRAHAM. Okay.

Admiral Mullen: —additional combat power, but also that provide security for the Iraqi people. Really, it's—

Senator GRAHAM. That's right, to—

Admiral Mullen: —the counterinsurgency—

Senator GRAHAM. —protect the population.

Admiral Mullen: —the counterinsurgency approach, which had not—which was generated at that time, as well.

Senator GRAHAM. So, my premise has been that, without better security and better protection and more confidence of the Iraqi people, nothing is going to happen. You had political and economic stagnation before January of 2007; you had, basically, Anbar Province occupied by elements of al Qaeda; widespread sectarian violence. So, the hope would be that, by protecting the Iraqi people, getting out behind the walls, the joint security stations, confidence would be built by the Iraqi people to take more action, to tell us more about the insurgency.

And, I think, by any objective measure, it's worked, that the military situation in the Anbar situation has dramatically improved, that the biggest success of all, from my point of view, is that the Anbar Iraqis rose up against al Qaeda, aligned themselves with coalition forces, and al Qaeda has taken a very big beating. And, to me, of all the things that could happen in the war on terror, having Muslims reject al Qaeda, particularly Sunni Muslims, would be a huge sea change in the war on terror. And I just want to compliment you both, and all under your command, for having brought about success that was not known before and has come at a heavy price.

So, now, where to go. The SOFA agreement that is of much discussion. The reason I think we need to deal with that now is, it's my understanding the legal underpinning for our presence in Iraq is based on the U.N. resolution that expires in December. Is that correct?

Secretary Gates: Yes, sir.

Senator GRAHAM. Okay. So, come December, the legal authority that we're basing our presence upon in Iraq, dealing with security threats and our—and the ability to be there, goes back to the U.N. resolution. And the good news, for me, is that the Iraqi government is saying, "We want out from Article VII—Chapter VII of the U.N. We want to be seen as a legitimate state, not a chaotic place," and that will require about—a bilateral negotiation to continue our presence. Is that the game plan, here?

Secretary Gates: Yes, sir.

Senator GRAHAM. Do you know of anyplace in the world where thousands of American troops are stationed in a foreign country without a SOFA agreement or something like it?

Secretary Gates: No.

Senator GRAHAM. Matter of fact, it would be very irresponsible, wouldn't it, to leave our troops in Iraq or any other country without

some law governing their conduct and providing them protections? Is that correct?

Secretary Gates: Exactly. The—

Admiral Mullen: Yes, sir.

Secretary Gates: A SOFA agreement is for the protection of our troops. It's the ground rules under which they are in another country.

Senator GRAHAM. Having been a military lawyer for 25 years, I appreciate how important that is, because when a soldier, airman, sailor, marine may be caught by the host nation police forces sometimes, we don't want our folks to go into that legal system, and I would argue that maybe this is an occasion where we would want to retain jurisdiction over any offenses committed in Iraq.

So, there is an effort to negotiate a bilateral agreement, a traditional SOFA, with the Iraqi government. Is that correct?

Secretary Gates: Yes, sir.

Senator GRAHAM. And I would just urge you to get that done, sooner rather than later, because the next President, whoever he or she may be, is not coming into office until January, and there's a legal no-man's land beginning in December. So, I hope we can do that, and certainly not make it a treaty that needs to be ratified. And standard SOFAs are not.

Now, about Iran—let's think of Iraq a little more strategically. Iran seems to me to be hell-bent on requiring nuclear capability, that they are not producing power—nuclear power for peaceable purposes, or at least I don't believe they are; I don't trust 'em when they say they are. What would be the effect of a nuclear armed Iran to the region, in your opinion, Admiral Mullen and Secretary Gates? How would it change the balance of power?

Admiral Mullen: Well, it's—it—I think it would have a dramatic effect on the region. I worry a great deal about it generating concerns in other countries, who might think—who then would think they'd have to have the same capability. Clearly, it—that kind of capability puts Israel under the—potentially under the envelope, which is—

Senator GRAHAM. Is it your understanding that the Iranian nuclear desires could eventually lead to a nuclear weapon? Or what is their motives? What do you think they're up to, when it comes to a nuclear program?

Admiral Mullen: Oh, I believe they're still trying to develop a nuclear weapon.

Senator GRAHAM. What about you, Secretary Gates?

Secretary Gates: I think they're determined to get nuclear weapons.

Senator GRAHAM. Okay. Now, how much time do we have before they get there? Does anybody really know?

Secretary Gates: No. You have estimates. And the estimates range from, the worst case, sometime maybe late next year, to—

Admiral Mullen: '09.

Secretary Gates: —out several years.

Senator GRAHAM. Now, Israel is a very valuable ally. Is it fair to say that some of the attacks that are being generated from the Gaza Strip, in terms of rockets coming into Israel, the weaponry is coming from Iran? Are you familiar with that?

Admiral Mullen: I would go so far as to say that certainly Iranian support for Hamas is there.

Senator GRAHAM. Okay. So, Iranians—Iranian support for Hamas is there. It's clear that the "special groups" that are operating in Iraq have Iranian ties. Is that correct?

Admiral Mullen: Yes, sir.

Senator GRAHAM. General Petraeus's testimony was pretty stunning to me, in the sense that he said, "Now it's not al Qaeda, it's not sectarian violence that's the biggest threat to a peaceful, stable Iraq, but Iranian influence." Is that a fair statement, Admiral Mullen?

Admiral Mullen: Yes, sir, I think it is.

Senator GRAHAM. Secretary Gates, do you agree with that?

Secretary Gates: Yes, sir.

Senator GRAHAM. Okay. Okay. Some people have said we've taken our eye off the ball when it comes to al Qaeda by being in Iraq. What would be the consequence to the war on terror, in general, if al Qaeda were—would have been seen to have lost in Iraq because Sunnis in Iraq turned on 'em? Would that have a benefit throughout the world, in terms of our struggle with al Qaeda?

Secretary Gates: My opinion is, it would have a—given the level of investment—in fact, as the President said this morning, given the level of effort and investment that al Qaeda made in Iraq, and where they were, 15–18 months ago, in Anbar, it would be seen, I think, throughout the region, as a major setback.

Senator GRAHAM. Has anyone suggested to you that we should take troops out of Iraq and send 'em to Waziristan? Okay. No?

Admiral Mullen: No, sir.

Senator GRAHAM. Okay.

Final question. What intrigued me about the comment about the budgets of Afghanistan and Iraq is that it—did you say it was 675 million for all of Afghanistan?

Secretary Gates: Yes, sir.

Senator GRAHAM. Has anybody gone to the Iraqis and asked them, "You know, there's another nation out there struggling, trying to regain their freedom. Would you contribute some money to the Afghan people?" I mean, you know, if they've got \$60 billion, and they've budgeted for 48—I've never thought about that, til you mentioned it, but if you get a chance to talk to the Iraqis, this may be a chance to demonstrate to the world that they're going to be a team player, here.

So, with that thought in mind, thank you for your service.

Chairman LEVIN. Thank you, Senator Graham.

Senator Cornyn?

Senator CORNYN. Thank you, Mr. Chairman.

Secretary Gates, Admiral Mullen, I'm not going to ask you about Iraq or Afghanistan. I'd like to stick a little closer to home and talk about our hemisphere; and specifically, Latin America. As you know, I come from a State with a 1600-mile common border with Mexico, a place that, but for the grace of God, may have been governed by somebody unfriendly to the United States, Lopez Obrador, if he had won, beat President Calderon. And President Calderon, of course, has been a good ally and worked with us; and, particularly, we've helped him fight the narcoterrorists—narcotraffickers

in his own country. But, it's still a lot of violence, and it's a big challenge.

But, going a little farther south, we have another tremendous ally, named Colombia. And recently, I had a chance to visit with Admiral James Stavridis—of course, head of Southern Command—about current developments and challenges our Nation faces in his area of responsibility, which includes Latin America. And I've read that our policy—our official or national policy toward Latin America has been described as one of benign neglect. I prefer to think that it was more unintentional, because of our concentration in other parts of the world. But, the Admiral made it clear to me that there's a real threat of the spread of terrorism in Latin America. And, of course, President Uribe, in Colombia, is fighting the FARC, which has found safe haven and support in places like Hugo Chavez's Venezuela and elsewhere.

And, unfortunately, today we have the news that the House of Representatives—and this is not your bailiwick, necessarily, but the House of Representatives has changed its rules and prevented us from acting on the Colombian-U.S. Free Trade Agreement. But, my question is not so much about trade, but about our National security.

I would just ask both of you, If the United States were to turn its back on Colombia, how would this impact our National security?

Secretary Gates: Well, Senator, a week or 10 days ago, I published an op-ed on the National security implications of our relationship with Colombia and of the trade agreement, and I'd be happy to get you a copy of that. But, it clearly focuses on the—where we were in Colombia, 10 years ago.

And I will tell you, one of the biggest changes in the time since I retired from the government and came back has been what has happened in Colombia. And what troubles me is that there was recognition of Colombia's importance to our security, on a bipartisan basis, beginning in the Clinton administration, with the Plan Colombia, that has invested something like \$5 billion of American money in Colombia for their security, for their police, for counter-narcotics, for counterterrorism, and so on. We have seen a real success in Colombia along all these—in all of these ways. We have seen the kinds of connections that the FARC has with neighboring countries. And so, I believe that Colombian security is very important, and it would be a shame to see the progress that's been made there put at risk because they face economic difficulties or because President Uribe suffers political consequences because his good friend the United States of America basically turned its back on him.

Senator CORNYN. Admiral Mullen?

Admiral Mullen: Senator, I visited Colombia 2 months ago, I think, and, while I was aware, from a distance, how much better their security had gotten, it was really an incredible experience to go through it with their military and to see exactly what they had, which has, in effect, become a counterinsurgency force, expanded in size, and taken back their own country, about 30 percent of which—I'm sure you know this—the local mayors, in 2002, didn't live anywhere close to the towns they were mayors at; they are now all living in their towns. And I give the Colombia leadership,

President Uribe, as well as the Colombian military, great credit for doing this.

They are a good friend of ours, and I do worry, and have historically worried, about how well we look to the south. And this is just my own experience. And I'm not sure benign neglect is the right answer, but clearly they are an important—that is an important—Latin America is an important part of the world for us. They are our neighbors. And clearly there—there are growing challenges down there, not just from the narco piece, but potentially the—becoming narcoterrorism and other—and the leadership, which is clearly not supportive of—in other countries—is not supportive of where we're headed.

So, we need Colombia to—from a—certainly from a military standpoint, to be a strong ally. They've made incredible progress, and I, too, would hate to see what that kind of—the investment that we've made be jeopardized, based on other issues which are clearly in play.

Senator CORNYN. Well, I think it's not a coincidence that we've seen countries like China and Iran interested in South America, Latin America, generally. And, of course, if I'm—my memory serves me, I believe there is a—there has been some developments about weapons production down in Venezuela. If I'm not mistaken, there's—involving Kalashnikov rifles, sale of military materiel to Venezuela by other countries.

And I would just hope that the memory of President Ahmadinejad, of Iran, a state sponsor of international terrorism, touring Latin America, strengthening their ties with the likes of Hugo Chavez and leaders of the terrorist group FARC, would cause us to wake up—and I'm not talking about you, I'm talking about Congress—to wake up and realize the importance, not only of our economic ties, but the importance of our National security ties to a country like Colombia.

And I would just think that the only person who is celebrating the killing of the Colombia Free Trade Agreement today, at least til after November, is probably Castro, Chavez and all of our enemies in that part of the world. And they're, in effect, telling President Uribe, "This is what you get for being a friend and ally of the United States." Not a message we want to send, and one that's not consistent with our National security interests.

My time's expired. Thank you.

Chairman LEVIN. Thank you, Senator Cornyn.

Senator Akaka?

Senator AKAKA. Thank you very much, Mr. Chairman.

Thank you, Mr. Secretary and Admiral, for being so patient today.

Admiral Mullen, a recent estimate by the Congressional Budget Office puts the projected cost of future operations in the global war on terrorism between \$440 billion and \$1 trillion over the next 10 years. The lower figure is based on an assumption of 30,000 troops deployed to both Iraq and Afghanistan by the year 2010, a significant reduction from the approximately 200,000 currently engaged, an increasingly unlikely goal.

Admiral Mullen, if realized, what impact will these expenditures have on the ability of the services to transform and modernize over

the next decade so that they can effectively meet 21st-century challenges, especially with regards to future combat systems and the Air Force and Navy fleets.

Admiral Mullen: Senator, that obviously is tied very clearly to what the defense budget is over time. Over that same period of time, we're challenged in managing the funds that we have, with buying what we need for the future, operating today in operations just as you've described, as well as resourcing the people who really make all this possible. And that tension is clearly there in a time-frame. If our defense budget went down fairly dramatically, then that—and that—those operations were still ongoing—there's only one place to get that kind of—those kinds of resources, and that's pretty significantly take it out of future development or reduce the number of people. Most of us believe, right now, that's—that probably wouldn't be a prudent move. We're living in a very dangerous, unpredictable, uncertain world, and having the right resources to support the men and women who have—who carry out these missions is absolutely vital. So, it could put a great deal of pressure on our future accounts, certainly our acquisition accounts, based on the size of the operation in an extended period of time.

That said, that kind of projection, in terms of operational level, long term, most of the analysis that we've done in the Defense Department look at some level of operations out there in a time of what we call persistent conflict. And in the world we're living in, one of my biggest concerns is that we figure out a way to resource that correctly.

Senator AKAKA. Mr. Secretary and Admiral Mullen, the absence of attacks within Iraq is a necessary, but not sufficient, condition for stability. Dr. Stephen Biddle, who testified only last week, says that much of the reduced level of violence is due to Iraq's becoming a—and I'm quoting—"a patchwork of self-defending sectarian enclaves that warily observe each other," unquote. Even if a situation of reduced attacks is maintained by these regional cease-fires, the underlying problems of political and ethnic fracturing would still exist. These so-called cracks in the foundation of the new Iraq represent the absence of the political reconciliation that the surge was supposed to be able to help provide.

My question to you, Secretary Gates and Admiral Mullen, What are the long-term implications for the U.S. military presence in Iraq if the Maliki government is unable to achieve a degree of reconciliation that will convince the warring factions to lay down their arms?

Secretary Gates: Well, Senator, I—first of all, I believe there has been some real political progress in Iraq with the passage of four of the six pieces of benchmark legislation. They are distributing the revenues of the oil—even though there isn't a hydrocarbon law, they are distributing them according to, basically, the percentages that would be in the law. I think that, as I mentioned earlier, we have seen Maliki take action in Basrah against Shi'a who were influenced by Iran, probably supported by Iran in many respects, and try to establish the authority of the National government down there. He's been congratulated on this by the Sunni leadership, by the Kurdish leadership, and so on.

They're not one big happy family, and they won't be for a long time, but I think there is progress in this respect. And in some regards, I would say that oil will be the glue that holds Iraq together and provides the motive for everybody, no matter how hard things get from time to time, to ultimately work out their problems. And I think they've made some headway on that. And I believe that they will—I think it'll be a mixed record, but, I think, on the whole, it is moving forward—more slowly than we would like, but moving forward.

Admiral?

Admiral Mullen: The only thing I'd like to add to that, Senator, is we oftentimes focus on the National-level political reconciliation, which is a very important part, but there's been considerable progress in reconciliation at the provincial level, as well as at the local level. And when I, again, visit our Provincial Reconstruction Teams, our commanders on the ground, they speak to a lot of progress, and it's—it varies, depending on where you are in the country. But, the kind of movement between—among the Iraqi people from a—from the local-politics standpoint, that just wasn't there a year ago. And also, provinces starting to connect with Baghdad, and Baghdad starting to connect with them, all of which is part of this, needs to move more quickly, but, like in many other things, I think, a year ago I would have—not have predicted it have even gone this far.

Senator AKAKA. Admiral, one of the security successes over the past 6 months has been the Sunni Awakening Movement in Anbar Province, where former Sunni insurgents have turned on their former al Qaeda allies in order to bring stability back to their local neighborhoods. This practice has started spreading to other provinces, and now even includes some Shi'ite groups.

However, there is now a growing concern over what may become the focus for those battle-hardened militia groups in the years to come, much like the Mujahedin soldiers the U.S. aided in Afghanistan in 1980s against the Soviets and eventually developed into elements of the Taliban. My question to you, Is there a concern that these group will ultimately make it even more difficult for the central Iraqi government to establish and maintain effective control over the provinces, especially given the sectarian conflicts which are currently witnessing—we are witnessing now?

Admiral Mullen: Certainly I think there is a concern along those lines, but it is not something that the commanders on the ground have spoken to as something they see in the immediate future with respect to those who are now working with us. I think the longer-term—the long-term outcome here is going to be tied to success in the country. Can the country come up in a way to provide the kind of overall economy, security, the—you know, the big things we've talked about before, and, in fact, think of Iraq first, as opposed to the sectarian aspects of this, thinking that way? We're moving in that direction, but it is painfully slow, and it's just going to take some time to do that. The Concerned Local Citizens, 90,000 or so, 20 percent of which are Sunni—are Shi'a, and about 20 percent of that overall force is also joining the security forces. So, this is all moving in the right direction.

Can we sustain it? I think that's the question that's out there. There's a current—the feeling is that there's a willingness to do this, but it's the entirety of the country that's got to come to bear on this across all aspects of economy and politics, as well as security, which provide for a better country and a better outcome for all of the Iraqis.

Senator AKAKA. Thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Akaka.

Senator Thune?

Senator THUNE. Thank you, Mr. Chairman.

And Secretary Gates, Admiral Mullen, thank you very much for your presence here today and for your service to our country, and thank you for your patience. I think you're at the end of the line, here.

But, Admiral Mullen, last week the Readiness and Management Support Subcommittee received testimony from the Service Vice Chiefs on the current readiness of our forces. And during that readiness hearing, I asked the Vice Chiefs about the impact on each service that may occur from the delay on the passage of the second part of the fiscal year-2008 supplemental appropriations request. And General Magnus, the assistant Commandant of the Marine Corps, said that the delays in funding send a strong—and I quote, “send a strong, unmistakable signal to our seasoned warriors who have been willing—and their families have been willing to sign them up to re-enlist,” end quote. And then he went on to say, and I quote again, “that whenever we see a significant delay in deliberations regarding appropriations to support the pay for our armories—and I'm sure it's the same for the other services—you have a very intelligent, very professional force, and they also pause to be able to see what this means for them and their future,” end quote.

Admiral, would you agree with General Magnus's assessment of the messages that these delays in funding send to our troops in Iraq and Afghanistan?

Admiral Mullen: In my opening comments, I talked about the support that this committee and Congress has had for our men and women in uniform, and it's been extraordinary, and we couldn't be the military that we are without that.

That said, this specific issue of the supplemental—the remaining supplemental for this year starts to be seen —send the kind of signals that you've described, or that General Magnus describe. It also impacts the institution in a way that the institution starts to react earlier than even the time that we figure we're going to run out of money. So, the discussion now gets centered on—that we potentially could run out of money to pay the Army as early as June, and there—the institution starts to get poised for that, and the people start—certainly the troops start to worry whether that's going to happen.

And so, I would ask the committee and Congress to pass this as rapidly as possible, because it does have those kinds of effects. And clearly, it then has a rolling effect, if it didn't—if funding didn't out there—into our readiness—very seriously, our readiness for the rest of this year.

Senator THUNE. The—General Cody also—the Army Vice Chief—testified about the delay of emergency war supplemental funding and its effects on equipment readiness. And he said that these delays have a—and again, I quote, “cascading impact on readiness over time,” end quote. Could you talk a little bit about the impacts on—of delayed funding on the equipment readiness in theater?

Admiral Mullen: Clearly, we’ve brought equipment back from theater to run through the depots to repair it. The funds that are spoken to in this bill—in this—in this bill are those kinds of funds, and that does have a cascading and cumulative effect that would, in fact, impact our ability to be ready to go do what we need to do in theater, and to refurbish it in order to continue to support what we’re doing.

Senator THUNE. The—and this would be for Secretary Gates or for you, Admiral—but, at a committee hearing last week, again, General Cody, the Army Vice Chief, testified that the Army is out of balance, and that the current demand for our forces in Iraq and Afghanistan exceed the sustainable supply and limits our ability to provide ready forces for other contingencies. And we’ve heard similar statements that have been made, expressed by the Army Chief of Staff, General Casey. And at the same time, Congress has been very supportive of initiatives that have been proposed by the Department to increase the number of ground forces, to accelerate the purchase of new equipment, provide recruiting and enlistment incentives, and to support the investment required to transform the Army into modular brigades. In addition, the President announced, this morning, that the Army plans to reduce deployment times in Iraq from 15 months to 12 months.

All of these fixes are intended to relieve the stress and the strain of the current operations tempo for the Army’s ground forces. And I guess my question is, In your opinion, does the Army have the remedies in place to improve their readiness while continuing to meet security requirements in Iraq and Afghanistan? And, if not, what more can be done to help the Army get themselves back in balance?

Admiral Mullen: The “grow the force” initiative is incredibly important. And yet, we’re still 2 or 3 years out from when we complete that.

The ability to—when General Casey speaks of the Army being out of balance, he focuses on the training that we’re going through now, and then the missions we’re executing, which principally focuses on counterinsurgency. So, there’s a full-spectrum aspect of this which we’re not able to do right now, in the Army or the Marine Corps, because we’re focused here. General Conway would tell you it’s—you know, he is not able to do any expeditionary amphibious operations, both training—because of where he’s focused right now—and in that regard, out of balance, that the Army—the ground forces—and we do focus on the Army, and these 15- to 12-month deployments are specifically Active Duty Army. But, we shouldn’t forget the pressure that the Marine Corps is under. They’ve been in a one-to-one dwell, 7 months gone and 7 months back, for a significant period of time, as well. And that pressure is on those forces, and it’s going to take, actually, a—both a “build the force” and a—a combination of that and reducing the amount of

forces that are deployed, to start to build more dwell time, which is the next big step, so they can—forces can go out for a year and come back for up to 2 years; clearly, the funding to refurbish the equipment to—and also the time, if I were back 2 years, to do some of this additional training.

And the other thing is, I—is the Army, in particular, has modularized at an—when you consider what we’re doing in war, they have modularized at an incredibly fast rate—and I really applaud that—to meet the needs for the future.

So, we’re in a—we’re in a very delicate place right now, for all these things, and it’s the—the force requirements are generating a lot of this, and until we get some relief there—that would be the next big step.

Secretary Gates: Let me add one thing to that, Senator.

I think one of the biggest differences between a conscription Army and an All-Volunteer Force is the attention that we need to pay to families. The family has become incredibly important in the success of the All-Volunteer Army. And we hope to have, up here fairly soon, some initiatives that address the family needs and send messages—more messages to the families about their importance. This will include requests for accelerated construction of daycare centers and longer hours for daycare centers, and hiring preferences for—in the whole Federal Government, for the spouses of our men and women in uniform, and some—potentially, the sharing of unused benefits and so on. And so, we hope that the Congress will take a close look at those. The Congress has always been supportive of these kinds of initiatives, but paying attention to the family needs are really—is really going to be important to—has been, and will continue to be.

Senator THUNE. We would welcome suggestions that you have about that, and look forward to working with you when you are prepared to submit those to us.

So, thank you all very much, again, for your service.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Thune.

Thank you both. It’s been a long afternoon, and very uneven, in terms of schedule and calendar, but that’s the U.S. Senate. You’ve been very understanding.

Admiral?

Admiral Mullen: Mr. Chairman, just in the hopes that I could eliminate additional administrative requirements, the—your specific question about Maliki’s ban really was focused on JAM, and there actually are other efforts for other militias that people are trying to—that are—there are significant efforts to try to make them go away, not successful, as you—

Chairman LEVIN. Well, if you look at the—I think it’s called the Council of—if you look at the Iraqi—I think it’s called Presidency Council, but I’m not sure—

Admiral Mullen: Right.

Chairman LEVIN. —their—and it may have been their security advisor—National Security Council—their statement was “all militias.” And there’s a huge difference.

Admiral Mullen: Right.

Chairman LEVIN. It's just not going after his own—Maliki's only going after the Sadr militia, and leaving out his own. Number one, he's not being consistent with the constitution. Number two, he's sending exactly the wrong message, I think, in terms of even enforcement of the effort to stop all militias. Remember, the benchmark is aimed at a law to prohibit all militias. Maliki's taken it onto himself a statement that, unless certain militia is disbanded, apparently leaving out the others, that they will not have a opportunity to participate in the October 1 elections. I don't—I'm not sure where he got that from. But, in any event, if that is accurate, I think that our ambassador should be—

Could you do this, Admiral? Would you—I think we'll take—this is really a suggestion for you, Secretary, not for the Admiral—could you double check that with our ambassador and to see whether or not that reflects our policy and whether it reflects the Iraqi constitution? "That" being to just single out one militia for the prohibition. And if it is the Maliki position, and if it doesn't reflect our policy—and I don't think it does—or their constitution—and I don't think it does—could you then express your own opinion, whatever it might be, to our ambassador? [INFORMATION]

Secretary Gates: Sure. And we'll start with making sure of what Maliki actually said.

Chairman LEVIN. Right.

We thank you both. It's been a very important hearing for us. Thank you.

[Whereupon, at 5:04 p.m., the hearing was adjourned.]