

**HEARING TO CONSIDER THE NOMINATIONS  
OF: HONORABLE NELSON M. FORD TO BE  
UNDER SECRETARY OF THE ARMY; MR. JO-  
SEPH A. BENKERT TO BE ASSISTANT SEC-  
RETARY OF DEFENSE FOR GLOBAL SECU-  
RITY AFFAIRS; MR. SEAN J. STACKLEY TO  
BE ASSISTANT SECRETARY OF THE NAVY  
FOR RESEARCH, DEVELOPMENT, AND AC-  
QUISITION; AND MR. FREDERICK S. CELEC  
TO BE ASSISTANT TO THE SECRETARY OF  
DEFENSE FOR NUCLEAR AND CHEMICAL  
AND BIOLOGICAL DEFENSE PROGRAMS**

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**Thursday, June 26, 2008**

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

The committee met, pursuant to notice, at 9:37 a.m. in Room SD-106, Dirksen Senate Office Building, Hon. Carl Levin, chairman of the committee, presiding.

Members Present: Senators Levin [presiding], Warner, Thune, and Martinez.

Committee staff members present: Leah C. Brewer, Nominations and Hearings Clerk.

Majority staff members present: Madelyn R. Creedon, Counsel, Richard W. Fieldhouse, Professional Staff Member, Creighton Greene, Professional Staff Member, Michael J. Kuiken, Professional Staff Member, Peter K. Levine, General Counsel, William G. P. Monahan, Counsel, and William K. Sutey, Professional Staff Member.

Minority staff members present: Michael V. Kostiw, Republican Staff Director, Gregory T. Kiley, Professional Staff Member, David M. Morriss, Minority Counsel, Lynn F. Rusten, Professional Staff Member, Robert M. Soofer, Professional Staff Member, Diana G. Tabler, Professional Staff Member, and Richard F. Walsh, Minority Counsel.

Staff assistants present: Ali Z. Pasha, and Benjamin L. Rubin.

Committee members' assistants present: Christopher Caple, assistant to Senator Bill Nelson, Jon Davey, assistant to Senator Bayh, M. Bradford Foley, assistant to Senator Pryor, Peg Gustafson, assistant to Senator McCaskill.

Samuel Zega, assistant to Senator Warner, Mark J. Winter, assistant to Senator Collins, Jason Van Beek, assistant to Senator Thune, David Brown, assistant to Senator Martinez, John L. Goetchius, assistant to Senator Martinez, Brian W. Walsh, assistant to Senator Martinez, and Erskine W. Wells III, assistant to Senator Wicker.

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

Chairman LEVIN. Good morning, everybody.

Today, the committee considers the nominations of Nelson Ford to be Under Secretary of the Army, Joseph Benkert to be assistant Secretary of Defense for Global Security Affairs, Fred Celec to be assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs, and Sean Stackley to be assistant Secretary of the Navy for Research, Development, and Acquisition.

We welcome our nominees and their families to today's hearing. We know the long hours that senior Department of Defense officials put in every day. We appreciate the sacrifices that our nominees are willing to make to serve their country. We also know that they will not be alone in making those sacrifices. So, we thank, in advance, the family members of our nominees for the support and the assistance that all those family members will be needing to provide, and I know will be willingly providing.

Each of our nominees will be called upon, if confirmed, to make important contributions to our National defense.

If confirmed, Mr. Ford will take over as Under Secretary of the Army at a time when our soldiers and equipment are worn out and our Army families are stressed by extended and repeated deployments. The next Under Secretary has a critical role to play in restoring the readiness of the force and ensuring that our Army has the strategic depth needed to face the challenges of the decade ahead. In addition, Section 904 of the Defense Authorization Act for fiscal year 2008 gives the Under Secretary a new role as the chief management officer of the Army. Now, what that means is that the next Under Secretary will also be expected to play a leading role in addressing longstanding deficiencies in the Army's business systems and management practices.

If confirmed, Mr. Benkert will be the first person to serve in the new position of assistant Secretary of Defense for Global Security Affairs. In that capacity, he will be responsible for coalition affairs, technology security policy, security cooperation, counternarcotics, counterproliferation, and countering global threats, detainee affairs, and POW/MIA issues. Any one of those issues—detainee affairs, for example—would appear to be a full-time job. Mr. Benkert is currently serving as Acting assistant Secretary, and we look forward to his assessment of the responsibilities of the new position and how he intends to carry them out.

The position to which Mr. Celec has been nominated, the assistant to the Secretary of Defense for Nuclear, Chemical, and Biological Defense Programs, has been vacant for 2 years. This longstanding vacancy was cited by General Larry Welch, in his report on Nuclear Weapons Security, as emblematic of the inattention of the Department of Defense to nuclear security and command-and-

control. This neglect, as reported earlier this month by Admiral Kirkland Donald, has resulted in inattention to detail, lack of discipline, and a degradation of authority, technical competence, and standards of excellence in the handling of our nuclear weapons. We look forward to Mr. Celec's thoughts on how to address these problems, along with the other important issues in his portfolio, which will include chemical-weapons destruction and chemical and biological defense programs.

Finally, Mr. Stackley, if confirmed, will take over as the senior acquisition executive with the Department of the Navy a time when the major defense acquisition programs of the Department of Defense are overrunning their budgets by an aggregate total of \$295 billion. Less than a year ago, the Government Accountability Office reported that the Navy had experienced a cumulative cost growth of almost \$5 billion on just 41 ships. According to the GAO, the Navy pushed programs forward, quote, "without a stable design and without realistic cost estimates, resulting in higher costs, schedule delays, and quality programs." If anyone is prepared to answer these problems, it should be Mr. Stackley, who has served our committee as the principal Republican staffer responsible for overseeing Navy and Marine Corps programs for more than 2 years. The Armed Services Committee has benefited tremendously from the knowledge and the experience that Mr. Stackley brings to bear on Navy and Marine Corps programs and on acquisition programs generally. And should he be confirmed, our loss will be the Navy's gain.

These are extremely important positions. They merit the attention that we will be giving them today.

Senator Warner?

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

Senator WARNER. Thank you, Mr. Chairman.

I'll ask to place my statement in the record. [The prepared statement of Senator Warner follows:] [COMMITTEE INSERT]

Senator WARNER. You've covered, very accurately and carefully, the distinguished biological records of each of these nominees.

And I'm so pleased to see that they're joined by a number of members of their family this morning. Even though they have served in the Department of Defense for some period of time, I have always thought that, at this hearing, I would tell the families that their respective spouses should be home by 8:00, as every decision made in the Pentagon after 8:00 is usually changed the next day. And having spent many years in that building myself, I tell you, I look back on it as probably one of the most exciting and challenging chapters of my life.

And I thank you for the service to, not only the men and women in uniform, but directly and indirectly to their families. Today's military is very much of a family affair, and we should ever be mindful of their needs and their concerns, especially when their loved ones are sent on missions abroad.

I will have to leave here shortly, which I rarely do, but, in this case, it's an important meeting for me. I join my colleague from Virginia, Senator Web, and we're discussing the new GI Bill,

which, optimistically, will be passed by the United States Senate this afternoon and on its way with the House bill to the President for signature.

I was the—I say, with great sense of humility—the recipient of two GI Bills in my career, for different reasons, and wouldn't be sitting in this chair today had it not been for what our Nation did for me and millions of others as they came back from their period in uniform to regain a place in the civilian community and trying to acquire the education to do their jobs. So, you'll hopefully forgive me for that.

But, I wish each of you well. Again, I look back on my period there as one of the most exciting in my life. I often tell the story—there was an old fellow there—this is 1969—who wore a green eyeshade, and he actually come there with Jim Forrestal when he was in the comptroller's office. And we all liked him. He used to wander around the hall and kibbitz with us about the “good old days,” as he said in those days. And he said, “You know, you'd better always remember, you've got a front row seat on the greatest and most important show on Earth.” And that, you have, because it is the men and women in uniform, and their families, that are the Guardians of the freedoms we have today. And I know each of you, in your respective responsibilities, will ensure that they can do that as best they can.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Warner.

Let me ask, now, standards questions of each of our nominees. Have you adhered to applicable laws and regulations governing conflicts of interest? [All four witnesses answered in the affirmative.]

Chairman LEVIN. Have you assumed any duties or undertaken any actions which would appear to presume the outcome of the confirmation process? [All four witnesses answered in the negative.]

Chairman LEVIN. Will you ensure that your staff complies with deadlines established for requested communications, including questions for the record in hearings? [All four witnesses answered in the affirmative.]

Chairman LEVIN. Will you cooperate in providing witnesses and briefers in response to congressional requests? [All four witnesses answered in the affirmative.]

Chairman LEVIN. Will those witnesses be protected from reprisal for their testimony or briefings? [All four witnesses answered in the affirmative.]

Chairman LEVIN. Do you agree, if confirmed, to appear and testify, upon request, before this committee? [All four witnesses answered in the affirmative.]

Chairman LEVIN. Do you agree to provide documents, including copies of electronic forms of communication, in a timely manner when requested by a duly-constituted committee, or to consult with the committee regarding the basis for any good-faith delay or denial in providing such documents? [All four witnesses answered in the affirmative.]

Chairman LEVIN. Okay. We thank.

And as I call upon each of you for your opening statement, we'd be delighted if you would introduce any members of your family that might be with you.

Secretary Ford?

**STATEMENT OF HON. NELSON M. FORD, NOMINEE TO BE  
UNDER SECRETARY OF THE ARMY**

Mr. Ford: Thank you. Mr. Chairman, Senator Warner, members of the committee, it is a—both an honor and a privilege to be here this morning at the President's nominee for the Under Secretary of the Army. I want to thank Secretary Gates and Secretary Geren for their confidence in me, and for the Army's staff in their help in preparing for this hearing.

I'd like to introduce my wife, Cecilia, who's behind me. She has been my partner and my number-one supporter during our many years together. She recently retired after 35 years as a Federal attorney, mostly with the Department of Health and Human Services. Her service continues as a strong supporter of our two sons on Active Duty. Aidan, our oldest, is a doctor in the Air Force, and Alex, who will graduate next month from Army Special Forces training, spent a year in Afghanistan with the 82nd Airborne. Their service is a great inspiration to me.

I expect that my daughter, Mary, who is a senior at the University of Virginia and interested in medicine and public health, will follow them into public service, but I haven't had any luck, so far, convincing her to join the Navy. [Laughter.]

Mr. Ford: The soldiers of our Army are a precious gift to the Nation. I am in awe of the soldier's commitment and the sacrifice of Army families who demonstrate their resilience in communities across the Nation and around the world. It has been humbling to help lead such a tremendous organization over the past 3 years, and I look forward to continuing my contribution as the Under Secretary of the Army.

In this era of persistent conflict, during the 6th year of deployments in Iraq and Afghanistan, the Army is stretching to meet our assigned tasks. We are balancing the requirements of today's deployments with needed investments in new capabilities to ensure our future security.

Our soldiers and our Nation are counting on us to provide the direction and resources needed for the Army to succeed in its mission.

Mr. Chairman, I am honored to be working on the challenges facing the Army today. And, if confirmed, I will work diligently to serve the Nation and the Army to the best of my ability.

Finally, I would like to thank the committee for all it has done for the men and women, the soldiers and families of our Army. Your generous support and unwavering commitment to the Army's needs has been instrumental to our success. If confirmed, I look forward to working with you and your staff in the months ahead. I believe that partnership and collaboration will be crucial to keeping the Army strong.

And I'm happy to take your questions. [The prepared statement of Mr. Ford follows:]

Chairman LEVIN. Thank you so much, Secretary Ford.

Mr. Benkert?

**STATEMENT OF JOSEPH A. BENKERT, NOMINEE TO BE ASSISTANT SECRETARY OF DEFENSE FOR GLOBAL SECURITY AFFAIRS**

Mr. Benkert: Thank you, Mr. Chairman.

Mr. Chairman, Senator Warner, members of the Senator Armed Services Committee, thank you for the opportunity to appear before you today for this confirmation hearing. It is a great privilege and an honor to appear before you as the President's nominee for the position of assistant Secretary of Defense for Global Security Affairs and, Mr. Chairman, as you noted, the first nominee for assistant Secretary of Defense for Global Security Affairs.

I'd like to thank the President for nominating me for this position, and Secretary Gates for his confidence and support. I'd also like to thank the committee for what you've done, and continue to do, to support our Armed Forces, and, in particular, the men and women of our Armed Forces.

And finally, I'd like to thank my family for their support as I pursue continued public service. With me this morning, and behind me—seated behind me—are my wife, Gail—we've been married for 26 years through a career in the Navy, as well as public service, following that—her mother, Jean Deveure, and my son, Stephen.

If confirmed I look forward to working closely with this committee, the United States Senate, and your colleagues in the House of Representatives, to advance the security of the United States.

The issues within the purview of the assistant Secretary of Defense for Global Security Affairs can only be addressed by working closely together with the Congress. I hope, if confirmed, to be able to work constructively with the committee to meet the many challenges facing us.

Thank you. [The prepared statement of Mr. Benkert follows:]

Chairman LEVIN. Thank you, Mr. Benkert.

Mr. Stackley?

**STATEMENT OF SEAN J. STACKLEY, NOMINEE TO BE ASSISTANT SECRETARY OF THE NAVY FOR RESEARCH, DEVELOPMENT, AND ACQUISITION**

Mr. Stackley: Chairman Levin, Senator Warner, members of the committee, thank you for your time and for the efforts of the committee in preparing this hearing today. I'm greatly honored that the President, the Secretary of Defense, Secretary of the Navy have put forth my nomination, providing this opportunity to appear before you today.

I would like to take a moment to introduce my wife and three of my four children who are joining me here today. My wife, Terry, has been keeping me out of trouble for the past 28 years. My oldest daughter, Erin, joins me—she currently works for Congressman Bob Goodlatte in the House of Representatives; my son, Scott, and daughter, Maura.

It has been my utmost privilege to serve the Senate Armed Services Committee these past few years. During this time, I've had the opportunity to work with, and learn from, the distinguished members of the committee, as well as my dedicated, very professional

staff colleagues. If confirmed, I look forward to working closely with this committee in helping to resolve the challenges before the acquisition community in the Department of the Navy.

Before coming to the committee, I had the privilege of fulfilling a career in the Navy. And when I consider the prospects of departing the committee to return to the Department, I'm equally humbled by, and focused on, this next opportunity to serve our sailors and marines, to provide them with the ships and aircraft, the systems and equipment that they require to train and deploy, to succeed in their missions, and to return home safely.

If confirmed, I will work, with the best of my ability, to fulfill my duties and execute responsible leadership for research, development, and acquisition matters in the Department of the Navy.

Again, I thank you for your time and look forward to answering your questions. [The prepared statement of Mr. Stackley follows:]  
Chairman LEVIN. Thank you very much.

Mr. Celec?

**STATEMENT OF FREDERICK S. CELEC, NOMINEE TO BE ASSISTANT TO THE SECRETARY OF DEFENSE FOR NUCLEAR AND CHEMICAL AND BIOLOGICAL DEFENSE PROGRAMS**

Mr. Celec: Thank you, sir.

Senator Levin, Senator Warner, and members of the committee, I am honored to be here today, and appreciate your personal time at this critical point in your legislative calendar. I also wish to thank the President for having sufficient faith in me to nominate me for this important position.

I have a few remarks, but, before I make them, I'd like to introduce my family—my wife of 47 years, Irene, who's behind me here; my daughter, Christine Gold, and her husband, Jonathan; their children and two of my four grandchildren, Adam and Hannah; and my son, Ken.

Senators, if I am confirmed, I am already aware of several critical issues that I will have to address, simply from following the National news. I'm sure there are others that I'm not aware of that need resolving.

Perhaps the most urgent is restoring the culture for nuclear safety and security in the Air Force. That culture was very much a part of the Air Force I served in for 21 years, and I will work hard to ensure its restoration.

Another is supporting the congressionally mandated commission on our strategic posture, with the expectation that they will make recommendations that will help obtain bipartisan support for the future of our nuclear enterprise.

Yet another is ensuring, to the best of our ability, that we destroy our chemical munitions as rapidly as possible and attempt to meet the treaty-mandated 2012 date for completion.

And finally, there are issues surrounding the way ahead for the entire nuclear enterprise as systems continue to age, and many are approaching their end of useful service life.

If confirmed, I will work to get each of these issues on track toward resolution. But, I recognize that I will need the support and encouragement from both the administration and the Congress in order to be successful. If confirmed, I expect to work closely with

you and your staffs as we seek to resolve these difficult, but strategically important, issues of national security.

This concludes my opening remarks. Thank you, sir. And I will be happy to answer any questions. [The prepared statement of Mr. Celec follows:]

Chairman LEVIN. Thank you.

And, again, thanks to all of your family, whether they're here or whether they're unable to be here.

Senator WARNER. Mr. Chairman, could I put my questions into the record and, thus, let them reply to them that way?

Again, forgive me. We're going to announce the GI Bill, which is going to help the very men and women, after they leave the service, that you're working with.

Thank you very much.

Chairman LEVIN. Thank you, Senator Warner. The questions will be made—will be asked, for the record, and our witnesses will be asked to promptly answer the questions of Senator Warner or other Senators who may not be here; some cases, those of us who are able to be here. [The information previously referred to follows:] [COMMITTEE INSERT]

Chairman LEVIN. Secretary Ford, let me start with you. The Army's—has three major modernization initiatives that are going to shape the force over the next several years, and perhaps over the next several generations. And those are the—growing the Army's end strength, restructuring units to the modular design, and transformation to the Future Combat System. All three have very expensive investment implications for the Army's current and future budget. However, it's uncertain that the Army will be able to afford all three modernization initiatives at the same time. Could you give us your thoughts on that, as to the affordability of these initiatives within the current and projected Army budgets?

Mr. Ford: Thank you, Mr. Chairman.

We believe that we do have enough financial wherewithal to complete all three initiatives. Of course, the FCS program will not reach its full acquisition until after the end of the upcoming budget cycle, and so, the out-year fiscal guidance for that system hasn't yet been given. But, over the next 6 years, out through fiscal '15, we think that we're able to afford all three programs, in balance, to keep the Army a balanced force, going forward. And our budget planning will reflect that when it's submitted to Congress.

Chairman LEVIN. Now, ongoing operations supporting the global war on terror put a huge amount of wear and tear on Army equipment throughout the force. So, now there's going to be a real challenge to reset the force, not only as current operations continue, but for as many as 3 to 5 years after they conclude. Could you give us your view, Secretary Ford, as to whether the Army's current equipment reset program meets the requirements of the global war on terror as well as the requirements for changing to a modular force.

Mr. Ford: The plans that we've had over the last several years to reset the Army have been largely based on supplemental funding, and it's been our position that we will require substantial supplemental funding, on the order of \$15 to \$17 billion a year, for several years after the deployments diminish. Of course, we need

that amount of money every year, which the deployments at the current rate, so it's about a \$17-billion-a-year investment that's required to sustain the wear and tear on the equipment, based on current deployment levels.

We think that those are appropriate expenses to be included in the supplemental, and we look forward to working with Congress to help Congress understand why those are valuable and important expenses to be appropriated.

Chairman LEVIN. Is it your understanding that our repair depots are operating at full capacity to meet rebuild-and-repair requirements for the reset?

Mr. Ford: Our depots are running at full capacity, but not at maximum capacity. If there was more money, we could run three shifts, or two long shifts each day, 6 days a week, with downtime on the weekends for equipment maintenance. But, they are running at very full capacity, and they are running commensurate with the amount of funds that we have available to support them. And the labor hours are up almost 100 percent over the predeployment period.

Chairman LEVIN. Would you give us, for the record, what maximum capacity could produce and what its cost would be?

Mr. Ford: We can certainly do that, yes, sir. [INFORMATION]

Chairman LEVIN. Secretary Ford, the—by the way, we'll have a 10-minute round here for the first round, if that's all right. Does that work for you, Senator Martinez?

The Army's practice of using supplemental appropriations to fund parts of its annual modernization or routine maintenance costs obscures the real growth in the Army base budget. That's because of supplemental appropriations. We may, in fact, be losing sight of what a trained and ready Army will realistically cost on an annual basis after the operations in Iraq and Afghanistan draw down.

Secretary, give us your views on how supplemental appropriations have been used over the years, and its potential impact, if any, on our ability to estimate the annual baseline costs of a trained and ready Army.

Mr. Ford: Senator Levin, we are very mindful of the effect of supplementals on the training and reset requirements in the Army, and we track very carefully what activities have been transferred from the base program to the supplemental. They're mostly in the areas of equipment reset and in training costs, where the training costs specific to the deployments that we're entering into have been transferred to the supplemental at the direction of the Department. But, we are monitoring that very carefully, and we understand that as the deployments draw down, we're going to have a challenge in transferring this activity back to the base. We are doing that planning now. We understand. We're building a base budget that's based on fiscal guidance at historic rates, not at substantially-greater-than-historic rates, and we are paying very careful attention to that issue.

Chairman LEVIN. Secretary, if confirmed as Under Secretary, you'll also become the chief management officer of the Army, with responsibility for improving the Army's outdated business systems and processes. One of the keys to successful business trans-

formation is a sound business enterprise architecture and transition plan to guide investment decisions.

Now, last month the GAO reported that the Army has fully satisfied only one of 31 core elements of a sound business enterprise architecture. And moreover, the GAO reported that the Army has, quote, “experienced a 29-percent decrease in those core elements that it had partially satisfied a year ago.” So, in other words, not only has the Army not made any discernible progress towards an enterprise architecture, it is actually going backward.

What steps would you take to reverse this trend and ensure that the Army has a sound foundation for business transformation?

Mr. Ford: Senator Levin, we’ve been working very diligently, since I joined the Department 3 years ago, on improving our business systems. We have three major efforts ongoing. We have the General Fund Accounting System, that’s in development, that will give us a good realtime view of the financial transactions of the Department, not only the income statement, but the balance sheet. And that’s scheduled to—it’s in test now, and it’s scheduled to go to full, live operation in the next couple of years. We are using our logistics system, and we are marrying that with our financial system, so that we will be able to track both our equipment and its financial aspects at the same time. We are leading the Department’s effort in implementing the DIMHRS system, which is the new payroll/personnel system for the Department of Defense, and we’re doing a test of that late this year, with full implementation scheduled for next year.

I’ve spent a significant part of my career working on information systems and information systems implementations. They are complicated, difficult to do, particularly in an enterprise the size of the Army, with \$150 billion worth of base activity and a million people. But, we are working at it—we work at it every day—with great seriousness of purpose.

Chairman LEVIN. Would you agree that the Army business transformation has not been well served by the existing stovepipe organization and that the Department needs a single office responsible for managing the effort to reform business systems and processes?

Mr. Ford: I would agree with that conclusion. Yes, sir.

Chairman LEVIN. Thank you.

Senator MARTINEZ?

Senator MARTINEZ. Thank you, Mr. Chairman. Good morning.

Chairman LEVIN. Good morning.

Senator MARTINEZ. I wanted to begin by thanking all of you for your willingness to serve, and, again, to add my word of congratulations and thanks to your families, as well.

And I particularly wanted to single out Mr. Stackley, who I’ve had the privilege of working with in the Seapower Subcommittee. We are, again, very proud of your career as a naval officer, and, particularly, we appreciate your service to the United States Senate. And, as was mentioned earlier, the Navy’s gain is certainly our loss, and we will miss you greatly, but we wish you the very best and are proud of what you have done and what you will continue to do.

And, on that vein, I wanted to just follow through and ask Mr. Stackley a couple of questions along the lines of the things that

we've been working on having to do with the Navy and our shared concern about low rates of production that have been experienced lately, and how that relates also to an industrial base that will suffer if we don't resolve these issues. So, I wonder if you might address that for us.

Mr. Stackley: Thank you, Senator Martinez. And thank you for the kind words.

Let me start in addressing that important question by going back to the Navy shipbuilding plan itself. If you look back, a couple of years ago, the Navy shipbuilding plan, in fact, was changing annually. So, each year, a new 30-year shipbuilding plan would emerge which would have a different forecast for the numbers and types of ships to support the Navy's requirements, as well as the industrial base.

When Admiral Mullen took over as Chief of Naval Operations, he recognized that this churn in planning for shipbuilding was harming both the Navy's ability to meet its requirements, as well as the industrial base's ability to facilitate, to equip their workforce, to efficiently meet the Navy's requirements. So, he chartered a group that took a look at the long-term requirements, and put in plan—the plan the Navy's commitment to stabilize that plan.

And I think folks—the committee is well aware of what's referred to as the 313-ship Navy. Incorporated in this plan was an—is an attempt to, one, provide stability, and, two, to procure the ships at a rate that balances the Navy's requirements, the Navy's resources, and the industrial base's needs to be able to stabilize around that, if you will.

It continues to be a challenge. The rates at which we've been procuring ships over the past 10 to 15 years has been about six, seven, eight per year. And taking a metric, where you take the number of ships per year that you procure, versus the number of shipyards that you have, it's been just about one ship per year per shipyard.

The future plan looks at increasing that rate, to get up to a 313-ship Navy, as well as to improve upon the base for the shipyards. The challenge remains to accomplish that affordably within the resources that are available to the Navy.

Senator MARTINEZ. So, do you think that we have a realistic plan that can get us to that 313-ship Navy? I mean, is that—do we have a realistic approach to getting that done?

Mr. Stackley: Let me answer that question in terms of historical and then future projections.

Historically, over the last 10 to 15 years, the Navy's investment in shipbuilding has averaged \$10 to \$12 billion per year. When you look out to the end of the fiscal year DP and beyond, the investment that's required to meet the 313-ship plan is on the order of 18 to 20 billion per year. So, right there, you have a 50-percent increase in the investment required to meet the plan.

That challenge is significant, and that investment is going to be required at the same time that other bills are coming to the Department. Would I call it realistic? I think it requires significant effort, between now and the end of the fiscal year DP, to retire the risk associated with both cost projections and the inherent challenges associated with ship construction.

Senator MARTINEZ. And lastly, let me ask you, in the area of concerns that we share—the DDG-1000 and its future—what do we need to do to get that program back on track, as well as the LCS program?

Mr. Stackley: Let me start with the DDG-1000. The DDG-1000 program represents a significant investment in research and development in establishing requirements for the capability that the ship brings to the fleet. Up to this point in time, the Navy has done a credible job, a thorough job, of establishing the requirements, identifying the risks, and putting together a development plan to retire those risks through a series of engineering development models for the top-ten technology risks for the program.

The two lead ships were awarded with—authorized and appropriated in the 2007 budget—were awarded design and construction contracts earlier this year. By all measures, they are currently on track, at this very nascent stage of design and construction, but—there appears to be a robust plan in place to manage the risk, but the fact remains that the capabilities that are brought to that platform are, in fact, leading-edge, and the investment in those ten engineering development models still has in front of it the integration of those technologies on the platform.

I believe that, at this stage, proper planning has gone into the lead ships. We are at the front end of execution, need to maintain discipline in managing the risk to the program, discipline in managing design and requirements so we don't introduce disruption. And we need to provide the oversight required, not just in the shipyard, but in the systems development arena, to ensure that the management—the risk management plan holds true to its intentions.

The Littoral Combat Ship program is at a similar stage, but arrived here at a much different path. As opposed to the DDG-1000 program, which had a lengthy development period, the Littoral Combat Ship program placed an emphasis on accelerating design and construction to deliver a capability that is needed in the fleet today. So, risk was assumed in the design and construction phase. Risk was not retired through the development phase. And, as a result, you had a lot of parallel development/design/construction taking place; and, as soon as disruption was introduced into the program, through design change, snowballing effect took place and costs grew significantly.

Today, the first two lead ships—one is getting ready for trials; the second ship, in the water, 6 to 9 months behind the first ship. This stage, we have to push these ships to completion of their tests and trials. We have to clean up the design on those ships to enable a more orderly construction process for follow-on ships. There's much left to be learned on the programs. The third, fourth, and fifth ships have been solicited. Those bids are in the hands of the Navy. They're evaluating those proposals. They understand—there's an understanding of the cost cap that was introduced by Congress. I think, at this stage, we complete the evaluation of the proposals, complete the design, test, and trials for those ships. The CNO has been emphatic—the past three CNOs have been emphatic—that this is an important requirement. The cost growth—they are wrestling with the cost growth to ensure that we continue

to meet the requirement. But, the—there's much information to be learned in completing these first ships before building the path for the follow-on ships.

Senator MARTINEZ. Thank you, sir.

And, Mr. Benkert, I want to just ask you if you might have any comment on the proliferation issue as it relates to the announcement this morning on the—North Korea that the President made—obviously, the concern was their involvement in Syria—potential involvement in Syria and what was discovered there just a few weeks ago, and whether you feel that this announcement today is significant, in terms of ameliorating or decreasing the threat to the world, of proliferation from North Korea.

Mr. Benkert: Thank you, Senator Martinez.

Clearly—

Chairman LEVIN. Why don't you pull that mike right in front of your mouth.

Mr. Benkert: Thank you. Thank you, Senator Martinez.

I would just note, first of all, that our Department, and this job to which I've been nominated, in particular, have been very much in a mode, here, of supporting the lead, when it comes to North Korea, of the Secretary of State, Ambassador Hill. And we are full participants in this process, and, in particular, in the—in evaluating how one would go about verifying North Korean declarations. And I think, as this process has continued, the prospect, obviously, is for a significant reduction in the proliferation threat as we go forward. But, again, I am—within my—the scope of my competence here, I am in the business of helping to support this process as it moves forward and to ensure that we can verify—to help ensure that we can verify what is declared and what—in the process.

Senator MARTINEZ. Thank you. My time's expired. Thank you all very much. And I congratulate all of you on your future assignments, look forward to working with you.

Chairman LEVIN. Thank you, Senator Martinez.

Secretary Ford, I'm concerned that the Army is still not investing enough in developing next-generation technologies to reduce the Army's fuel-related costs and logistics burdens. The Army is not moving aggressively, still, to develop and adopt advanced energy technologies and systems, including vehicles, that could increase performance, enhance military capabilities, and reduce costs to the taxpayer, and reduce the use of fossil fuel. If confirmed, what proposals would you make to put the Army on a more aggressive path in developing and adopting advanced energy technologies?

Mr. Ford: Thank you, Senator Levin.

Just this past week, Secretary Geren asked to have a meeting on this issue, and we addressed several ideas.

First, the majority of our spending on fuel is for nontactical vehicles and for energy on our posts, camps, and stations. And so, the first efforts, and the efforts where we think we can have some almost immediate impact, are moving to acquisition of hybrid vehicles for the nontactical vehicles on posts, camps, and stations, and looking for pilot ways to look at solar power, wind power, energy conservation in the buildings here in the United States.

FCS, as you know, is based on the theory that the common platform will be a hybrid vehicle, a—I believe, diesel/electric vehicle.

And so, we are investing in the technology for the tactical vehicles to reduce our fuel consumption.

Our current tactical vehicles are very—consumer great amounts of fuel, and we understand that the logistic tail require to get that fuel to the tactical vehicles is a real problem. And so, we are looking at it both in the tactical and nontactical areas.

Chairman LEVIN. We have some laws on the books that require the military to look at alternative fuel systems for the nontactical vehicles. They're usually—instead of doing what we said that we—the Army and the other services should do throughout the years, there usually is a waiver signed that is simply waiving it, because the comparable cost isn't there. Are you going to take a different kind of a view of the need to do this now?

Mr. Ford: Well, I think—I'm not aware of any waivers that have been signed in the past. It wasn't under my purview, I don't believe. But, in the future, with gas at—north of \$4 a gallon, the economics of energy, particularly with regard to nontactical vehicles, has clearly changed, and we will look at that very carefully. But, our plan is to almost immediately take advantage of GSA's offering of significant numbers of hybrid vehicles.

Chairman LEVIN. Well, I hope you would not just look at the current economies, but also the future. The problem is that when gas was cheap, they always said, "Well, doesn't pay." Well, it would have paid. We could have kept gas cheap if we had taken the pressure off buying more and more oil. So, I understand what you're saying about the current cost of gas making it easier to justify economically, but I think we have to take a longer view. Even if a miracle happened and gas prices came down, the same truth would be there. And so, we'll count on you take a look at that.

We also would invite you to come out and take a look at the ways in which the Army is working on dual-use technologies, including vehicle designs and batteries, but also how that can be increased, that dual-use approach. Would you be willing to come out and take—

Mr. Ford: Very interested—

Chairman LEVIN.—a look at that?

Mr. Ford:—in doing that, sir.

Chairman LEVIN. Thank you.

Secretary Ford, in the aftermath of the problems with outpatient care in facilities at Walter Reed, the Army established Warrior Transition Units, or WTUs, to which all injured or ill soldiers were assigned. The exclusive mission of these units is to heal. And, while we certainly commend the Army for the work done thus far to help improve the quality of care and case management of these wounded warriors, high operational tempo and recent redeployments of large combat units have increased the size of many of these transition units, to the point where case manager staffing no longer meets the ratios of case managers to wounded warriors which were established by the Army. And, additionally, we've heard that the Army expects that these WTUs will grow by as much as 900 soldiers per month for the foreseeable future.

The most alarming case that we've heard about is at Fort Hood, where the number of nurse case managers to soldiers is far beyond

the Army's established ratio. Are you familiar with that situation at Fort Hood?

Mr. Ford: I am.

Chairman LEVIN. And if so, can you tell us what is being done to help increase the number of case managers to support the wounded-warrior population?

Mr. Ford: At the beginning of this year, we expanded the definition of who would be included in wounded—Warrior Transition Units. And from January, we—where we had a caseload of about 5,000, our current caseload is almost 13,000. So, in a 6-month, almost 7-month period, it's more than doubled.

We believe, at this point, that we have identified almost everybody that is going to be included in the Warrior Transition Units. And the key, at this point, is to make sure that we are providing the right services to each of those folks, as they are needed. Some of those folks have never deployed—actually, 40 percent have never deployed. Anyone who is in a medical limited-duty status has been, kind of, wrapped under the Warrior Transition Unit label. What we need to do now is to figure out which of our soldiers need simply to be monitored, that they're making their medical appointments, and which need the serious physical rehabilitation, mental-health services required so that they can heal and either get back to their unit or move on with the rest of their lives.

So, we are looking at this very carefully. The chief of staff intends to deliver new guidance, I think, in the next couple of days on this issue. Brigadier General Gary Cheek has just taken over as the head of the Warrior Transition Unit. He's a very able leader and really, I think, has his hands around the administrative—or the management problems that we've—currently been created by this explosive growth.

We don't think that there will be much more growth from current levels. And so, really, at this point, it's about figuring out how to take care of the wounded warriors in the best possible way.

Chairman LEVIN. And it's your continuing goal, as I know it is ours, that all wounded and injured soldiers will be assigned to Warrior Transition Unit?

Mr. Ford: Oh, yes. They'll be assigned to Warrior Transition Units.

Chairman LEVIN. The Congress authorized, last year at the request of the Department, an increase to the maximum monthly amount of hardship duty pay from \$750 to \$1500. The Army's proposing to use this authority to institute a—an umbrella pay program, called Warrior Pay, that will reward servicemembers for lengthy or repeated deployments to certain high-risk areas. Will any servicemember, at the end of the day, receive, under your approach, less money under the Warrior Pay Program than they are now, under the various special and incentive pays?

Mr. Ford: I am not familiar with the details of that program sufficiently so that I could assure you that there is no situation in which someone would get paid less. But, clearly the intention is that pay for warriors who are deployed in theater would be greater than it is today. That is our intention.

Chairman LEVIN. Can you double check with people who are familiar with the details, so that you can give us the assurance that there won't be any reduction as a result of the—

Mr. Ford: We'll be happy to look into it further. [INFORMATION]

Chairman LEVIN. Thank you.

Mr. Benkert, you made reference, now, to the announcement this morning about North Korea, and I have a number of questions on that, but I also want to just announce—staff can carry this back to the Senators—that we are going to be having a hearing on this announcement today. We'll have a hearing sometime in July, before this committee, going into the issues in detail. But, I just want to ask you a few questions this morning.

Do you know whether or not—do you know what the plan is for the plutonium that has been produced in North Korea? What commitment has been made or insisted upon by us?

Mr. Benkert: Mr. Chairman, I don't know. I—

Chairman LEVIN. Okay.

Mr. Celec, would you know, by any chance?

Mr. Celec: Sir—no, sir, I do not.

Chairman LEVIN. All right.

Do you know what role, Mr. Benkert, the Defense Department's going to play in assisting the disablement and dismantlement of the nuclear program?

Mr. Benkert: The role the Defense Department is going to play obviously is constrained, at this point, by the Glenn Amendment. The Department has been supportive of the lead that State Department has had. I think that the Department will play—one is, we have been—we—the Department will be involved in the verification, and the Department will be involved, as is necessary, in other aspects. But, we have not been asked—we have not been asked to be—to—at this point, to support the—to support the dismantlement.

Chairman LEVIN. Do you know what information, if any, was provided by North Korea, relative to its enriched—alleged enriched uranium program?

Mr. Benkert: Sir, I do not.

Chairman LEVIN. All right.

Mr. Celec, would you know?

Mr. Celec: No, sir.

Chairman LEVIN. Okay.

Mr. Celec, do you have—just on this subject, let me move to you—do you have any understanding that's different from what we heard from Mr. Benkert about the actions that the Department of Defense may undertake in—to implement the disablement or the dismantlement of North Korean nuclear program?

Mr. Celec: Historically, the Department has provided the logistics necessary to move things for the Department of Energy and the Department of State. And I would assume that that's the role that they will continue to provide in this operation.

Chairman LEVIN. The President said, this morning, that this could be a moment—I'm quoting, here, now—"a moment of opportunity for North Korea. If North Korea continues to make the right choices, it can repair its relationship with the international commu-

nity. If North Korea makes the wrong choices, the United States and our partners in the Six-Party Talks will respond accordingly. If they do not fully disclose and end their plutonium, their enrichment, and their proliferation efforts and activities, there will be further consequences.”

Do you know what the President was referring to, Mr. Benkert?

Mr. Benkert: Mr. Chairman, I don't know.

Chairman LEVIN. Do you know, Mr. Celec?

Mr. Celec: No, sir.

Chairman LEVIN. Okay.

Mr. Benkert, you stated, in your responses to the advance policy questions, that there's a need for better coordination between the Department of Defense's counternarcotics program and the security assistance program. And one area where the DOD could—will encounter, could encounter, a duplication of efforts is in the West Africa region, where the counternarcotics program has requested expanded authorities, and where the DOD has utilized, extensively, it's Section 1206 authorities.

But, on the same issue of coordination, earlier this month I sent a letter to Secretary Gates regarding the \$75 million in funding for the Pakistan Frontier Corps, requesting that it be made conditional on the inclusion in any peace deals that are struck between the Government of Pakistan and the tribal militants of a commitment to stop cross-border incursions into Afghanistan and a strong mechanism to enforce that commitment.

It's my understanding that, in addition to that funding, the Department of Defense also planned to expend approximately \$54 million in funding from the counternarcotics program in fiscal year '08. In your view, what should be the status of that \$54 million? Should that funding be conditioned—indeed, should the 75 million in funding that I previously referred to be conditioned—on a peace agreement between the Government of Pakistan and the tribal leaders, including a commitment to stop cross-border incursions with strong enforcement mechanisms?

Mr. Benkert: Thank you, Mr. Chairman.

First of all, I would just note that the 54 million that you had mentioned in counternarcotics funding was very closely coordinated with the plans for the 75 million so as to avoid duplication of effort and also to stay in the proper lanes.

I would also note that one of the intents—among the intent of the counternarcotics program is to assist in creating border surveillance centers—initially on the Afghan side of the border, but potentially also on the Pakistan side, later on. These border surveillance centers would be staffed with—in addition to our personnel, with Afghan and Pakistan personnel, as well, precisely to assist in being able to monitor the cross-border—what may be going back and forth across the border.

I—the—so, from that point of view, I do not think that it would be necessary to make the funding—or wise—to make the funding contingent on some sort of an agreement with the Pakistanis, since, in part, the purpose of this funding is to assist in stopping the cross-border operations.

Chairman LEVIN. Well, the problem is that there's some evidence that Pakistan doesn't care about those cross-border operations, and

could get—easily be supporting militants crossing into Afghanistan between those posts that you talk about. Unless we have an understanding from the tribal leaders that they're going to put an end to this and that they're going to give us some metrics that we can measure putting that to an end, we would potentially be spending \$75 million of taxpayer dollars to support a Pakistan Frontier Corps, which is the opposite goal that we have. And that's the concern that I've raised with Secretary Gates. So, the mere presence of some posts along the border—I don't know how many you're talking about—doesn't solve the problem, unless there's an intent, on the Pakistan side, to put an end to the militants crossing the border into Afghanistan, where they're attacking our troops.

So, do you have any opinion, then, about the importance of getting the commitment of those tribal leaders? Our military people and our diplomats have said it's critically important that we get those commitments as part of any peace agreements. And I'm just wondering what your view is on it.

Mr. Benkert: Mr. Chairman, I think, as you know, the concern that you have expressed is known, and there is an understanding of this concern. I mean, this an issue—it's on the Secretary's agenda, as well as the Chairman's and the senior military leaders, including the Commander of ISAF in Afghanistan. And I think I would defer to them on the answer of whether some additional restrictions might be necessary with the—based on their discussions with their Pakistani counterparts.

Chairman LEVIN. All right. Well, then let me just—since I've stated publicly that we have sent this letter to Secretary Gates, I'll just state publicly that we are anxiously awaiting a response to that letter.

I understand that you, as assistant Secretary for Global Secretary Affairs, would be overseeing the Office of Detainee Affairs. Is that correct?

Mr. Benkert: Yes, sir.

Chairman LEVIN.—that formulates Defense policies in support of strategic defense affairs objectives, including that office. I visited one of those detention operations at Camp Cropper, in Baghdad, when I was there in March. It was a very impressive operation, with standards which I consider to be really important standards, with a new reintegration effort being made for the detainees, with programs that included family visits, religious discussion, literacy, and vocational training. Are you familiar with that approach?

Mr. Benkert: Yes, sir.

Chairman LEVIN. Do you support it?

Mr. Benkert: Very much so. I mean, I think one of the very positive developments in the—in detention operations in Iraq over the past year or so, under the leadership of Major General Doug Stone, who was the commander of the Detainee Task Force, was a shift in focus from simply holding detainees off the battlefield, to a focus on what he called counterinsurgency within the wire, which is the—to ensure that the fact the they had been put into a detainee facility did not make jihadis or insurgents out of individuals who were not radical to start with, and then to provide a way to reintegrate 'em into society when they left. And I think the track record has been very good. And the intent now, obviously, is to try

to apply what we've learned in this process elsewhere, such as Afghanistan.

Chairman LEVIN. And is it your intent that the lessons learned from these positive operations would be incorporated into DOD doctrine and procedures and training?

Mr. Benkert: Absolutely. The—we need to capture these lessons learned.

Chairman LEVIN. We—as a nation, we have a long way to go to cleanse the stain of Abu Ghraib, and this is an important part of that shift of the perception of us in our dealing and handling of detainees.

Al Qaeda has a safe haven in Pakistan. What can we do to try to eliminate that safe haven, more than what we're already doing?

Mr. Benkert: Mr. Chairman, again, I—within the competence of the job to which I've been—the position to which I've been nominated, I would note that with—this Office of Global Security Affairs is in the position of looking at the tools that are available to carry out the intent that is determined by the Secretary and the military commanders. I think that we are fortunate to have—again, at the level that we support this—these operations, we are fortunate to have a set of tools available to us, that you have given us, that allow us to put together a package that addresses the issue in a—of the safe haven.

I would also note that this is—these—there are issues here, in the world of counterterrorism, that I would not be able to talk about in this hearing, but the—I think the principal point is that we are—we have the ability, I think, to put together the necessary set of support mechanisms that would assist the Pakistani military in dealing with this. And we also have measures that we can—that are available to our forces, as well.

Chairman LEVIN. Mr. Benkert, we face a huge number of global security challenges. And in order to address many of them, we're going to need a sustained cooperation, internationally, and that includes cooperation with Russia; Iran just being one example, but one of the bigger ones. We have a number of successful areas of cooperation with Russia, but we also have some significant strains in the relationship. Can you give us your assessment as to the future of cooperation with Russia on a number of international security challenges? Can we improve that security cooperation with Russia?

Mr. Benkert: Mr. Chairman, I think we can. I think it's—and I appreciate the fact that you've noted that we have examples of successful cooperative programs, as well as strains, in the relationship—I think it's unfortunate that attention is sometimes only paid to the strains. And I think some of those are well known; for example, in the area of missile defense.

I—let me just note several areas where I think we have very productive relationships with Russia on which we—that continue and on which we want to expand.

First, I think, as you know, the Cooperative Threat Reduction Program, the Nunn-Lugar program, I mean, I think, is a real example of a program of solid cooperation with Russia that has continued over many years, despite whatever ups and downs in the overall relationship may take place. I think it's a very strong pro-

gram. And we continue to have very good working relationships with the Russian counterparts in this program.

Second, there have been some joint initiatives that the U.S. and Russia have undertaken, and I would note the Global Initiative to Combat Nuclear Terrorism, an initiative that Presidents Bush and Putin announced a couple of years ago, this is a program under which any nation that ascribes to the principles of the Global Initiative can become a member, and we're now up over 70 members. And in the space of the time that this program has existed, it has helped to generate a greater focus on combating nuclear terrorism and an opportunity for the U.S. and Russia to work together to promote best practices, exercises focused on dealing with this matter, and so forth, in the international community.

So, I think that those opportunities have continued, despite the challenges in other aspects of the relationship.

Chairman LEVIN. I want to go back to North Korea just for a moment, Mr. Benkert. You made reference to a letter—in your written response to the advance policy questions, you made reference to a letter that I received from Secretary Gates, responding to my question as to when operations in North Korea would resume to recover the remains of unaccounted-for American servicemen. The letter that you referred to says that operations will resume at a, quote, “appropriate time,” close quote. Is it not now appropriate, given this breakthrough that's been announced by the President today, to resume these operations and to press the North Koreans for us to be allowed to look for our—those remains?

Mr. Benkert: Mr. Chairman, I think, as you know, we have been—and I say “we,” it's not just the Department, but with other—in consultation with other agencies of the Government—of the administration—of the Government, as well. We have been looking at the circumstances and the progress within the Six-Party Talks and the activities related to that; and, I think, now with this announcement we will—it's a—we will go back and, again, in consultation with our partners in the interagency, look at the impact of this and on the—on when might be the appropriate time.

Chairman LEVIN. Well, there's a lot of interest in this, and I just hope that it won't just be, kind of, inquiring “When?” but asking, “Hey, isn't it time now to get this high up on this agenda?”

Mr. Benkert: Mr. Chairman, I think, as you know, we are—we have—we are very attuned to the desires of the families for a full accounting of those who are missing in North Korea. I mean, we talk to the families—and I personally do, as well—and their representatives, frequently. And so, I'm very much aware of the desire and the need to get this process started again at an appropriate time.

Chairman LEVIN. Mr. Stackley, we have a situation, which you're very personally familiar with, that the F/A-18 and the AV-8B aircraft are continuing to age. There could be, now, a shortfall of 125 strike fighter aircraft in the next decade, according to the Navy prediction, which would increase the concern about the schedule for the Joint Strike Fighter. In response to the pre-hearing questions, you indicated that one of the options available to the Navy would be, quote, “extending procurement of the F/A-18 aircraft.” Some have asserted that the JSF program is threatened by continuing

procurement of legacy aircraft. And I'm wondering if you can give us your view as to whether the continued procurement of those legacy aircraft to address near-term inventory shortfalls will threaten the JSF program.

Mr. Stackley: Yes, sir.

The—first, the timeframe in which we're discussing, here—the F/A-18 procurement proceeds out through 2011—correction, the current multiyear procurement for the F/A-18 goes out through 2011, and then there are—additional 3 years, outside of the multiyear procurement, where the program winds down. So, the—that program, today, is in—call it “hot production,” stable, delivering at economic rates.

JSF is at the other end of the spectrum, the front of the program. IOC for Marine Corps is 2012; IOC for the Navy, 2015. So, there's this critical period between shutting down the F/A-18 production line and ramping up the JSF program.

Between now and that point in time, we expect risk to be retired on the JSF program, we expect to have greater understanding, in terms of the service life extension program for the F/A-18 to determine exactly where we will be relative to the magnitude and the duration of shortfall for strike fighter aircraft.

So, there is opportunity, if there is a need, to continue procurement of F/A-18s, and that decision will need to be made based on, as always, available resources and what we understand about the JSF program at that point in time.

I would not—I would not try to indicate that F/A-18s would be procured instead of JSFs with those resources; but, rather, if we can't get to the procurement rate that's needed for JSF in that timeframe, then an option is to continue procurement of F/A-18s.

Chairman LEVIN. And you don't have an opinion, at this time, given what we now know, as to whether that option should be exercised?

Mr. Stackley: The Department is clearly committed to the JSF program. The magnitude—again, the magnitude and duration of the shortfall will depend on what happens with the extension program, with the ability to ramp up the JSF, and with—call it “workaround plans” for the fleet, to ensure they can meet the requirements. I think we have to—I think we have to march further down that path to understand if the problem will get worse or if it will stay stable at the current projections.

Chairman LEVIN. You may have partly answered this—addressed this question before, Mr. Stackley, but let me put it slightly differently. When the LCS program was announced by the CNO, he indicated that we could afford \$220 million per ship. And, since that time, the Navy has requested, and the Congress has approved, an increase in the cost cap up to \$460 million per ship for the sea frame. What would you propose to do to get better cost estimates for complex construction and development programs, since that estimate for the sea frame turned out to be so wildly wrong?

Mr. Stackley: Yes, sir.

The—I understand that the basis of the estimate for the LCS was centered on commercial design. In other words, the two shipbuilders in the program have comparable commercial ships that they used for their bids, and those costs—the Navy's cost estimates

were linked to commercial experience. LCS is not a commercial ship. In going from—call it “those commercial designs” to the current warship design, significant change was introduced in what’s referred to as “naval vessel rules,” as well as combatant features and requirements associated with reduced manning and other Navy requirements for survivability. So, there is significant deviation on the LCS program from whatever the basis of estimate was and the current platform.

If you look at major defense programs, and you look at cost growth, in most cases cost growth will trace back to poor-quality cost estimates. The Navy has a cost estimating group that is working on improving its cost-estimating, modeling techniques, et cetera. As well, the Department of Defense relies on the cost analysis improvement group to provide some outside independent cost estimating. I think we need to beef up these efforts. I think we need to take a harder look at the cost models that we’re using. The complexity of Navy warships today far exceed what the earlier cost models used for determining cost estimates for Navy programs.

So, step 1, improve the cost modeling. Step 2, ensure that the correlation between the requirements and the estimates are tightly coupled. Step 3, ensure discipline in the process, so you don’t see growth in requirements, growth in design, outside of the estimates that were provided for the program.

Chairman LEVIN. Mr. Stackley, shortcomings in the acquisition workforce are faced by all of the military services. And, I guess, earlier this month the Navy announced the establishment of a new position of Principal Deputy assistant Secretary for the Acquisition Workforce. And that would be your—a deputy who would work for you, if you’re confirmed. Do you agree that the Navy has significant shortcomings in its acquisition workforce? Do you support the establishment of that new position?

Mr. Stackley: The answer is yes to both questions, Mr. Chairman. The acquisition workforce has seen steady reduction over the past 10 or 15 years, and I think it’s inarguable that the pendulum has swung too far in that regard.

Again, I—in the discussion on cost estimates, I discussed discipline. An important part of discipline in the process is a qualified workforce. The appointment of the principal deputy that will have responsibilities for strengthening the acquisition workforce, I think, is a good, strong move. There has traditionally been a senior civilian in the Navy who has had ad hoc responsibilities in that regard. This goes beyond ad hoc; this assigns someone with principal responsibilities, and ensures that that individual has the credibility and the experience that’s required to do the job.

Chairman LEVIN. Thank you.

Mr. Celec, one of the concerns that has arisen from the blue-ribbon report and the other reports coming from the B-52 flight from Minot to Barksdale, as well as the more recent Donald report, is that the various security and operational inspections of nuclear forces do not find, and are not designed to fix, deficiencies. How are you going to work with the services, the Nuclear Weapons Council, and the National Security Administration to improve the quality of these inspections if you are confirmed?

Mr. Celec: Thank you, Sir.

The problems in the Air Force, I think, are cultural in nature. They didn't develop overnight, and they obviously won't be cured overnight. It's going to require leadership attention, not only in the Air Force, but in the Office of the Secretary of Defense, where I hope to be. And so, I would expect—I know, for example, that the Air Force is currently reviewing its policies and procedures to ensure that they're current. The real question is, Will the leadership insist that they be followed to the letter of the law, if you will. In the past, leadership focus has just been diverted elsewhere. They're involved in, obviously, fighting two wars right now. However, it's going to take the focus of the leadership of the Air Force and the Secretary of Defense—and that's where I hope to participate—to oversee that they will—they will make some tremendous strides over the next couple of months, but the question is, Will this be sustained? And it's going to take oversight and leadership to sustain the return of the culture that we knew in the past.

Chairman LEVIN. Thank you. Mr. Celec, you made reference, in your opening remarks, to the Chemical Weapons Convention, which requires us to destroy all the chemical weapons no later than April of 2012. Now, the Defense Department has not notified Congress that the United States will not be able to meet that extended treaty deadline. You've indicated that we have an obligation to take our treaty obligations seriously. We expect other nations to do that. And if you're confirmed, will you make mighty efforts to ensure that the Department provides the adequate funding either to meet that deadline or, if that proves impossible, to come within as close a distance as possible to it?

Mr. Celec: Absolutely. And I think it's important that we meet our treaty obligations, to the best of our ability. And I would work very hard to make sure we do.

Chairman LEVIN. In 2003 and 2004, Mr. Celec, the Congress debated, at length, whether to fund the Robust Nuclear Earth Penetrator, the RNEP, and the development of small nuclear weapons, which were sometimes referred to as "mini nukes." Before you retired from the Department of Defense, in August of '03, you were the deputy for nuclear matters, reporting to assistant Secretary—reporting to the then-assistant to the Secretary, the position for which you've now been nominated.

The Department supported the development and the fielding of an RNEP capability, and, in your previous capacity at the Department, according to statements that you made at the time, you, too, supported the development of the RNEP. Congress eventually declined to fund that program. Are you going to resume your advocacy of the RNEP program if you're confirmed?

Mr. Celec: My personal view certainly has not changed. Whether or not that view is the administration's or the Secretary's prevailing view, I don't know, and I will find out once I get there.

I do know that there are a number of underground structures that exist in the world today that we cannot attack with conventional weapons, even the weapons that we project out into the far future of their capabilities. I know that these—many of these underground structures have multiple entrances, and whether or not we know where all of the entrances are or not is a problematical question. I know that we could close the entrances that we know

of conventionally, although they could be reopened within a matter of a few tens of hours.

And finally, many of these underground structures are command-and-control facilities. And by closing the adits—or the entrances—to these things, the facility itself will continue to function. And, in that time, an awful lot of people could die.

And so, the Robust Nuclear Earth Penetrator gives the President an opportunity to end that issue right now, and I think he—my personal view, not necessarily supported by the Secretary—is that he ought to have that capability.

Chairman LEVIN. In your written responses, Mr. Celec, you state that, quote, “There are serious issues with the Comprehensive Test Ban Treaty that need to be resolved.” Could you give us just a couple of examples of those?

Mr. Celec: I’ll be glad to. First off, the treaty was signed some 15 years ago, and a lot has occurred in the world, particularly with the threat, and particularly in the nuclear; three nations have actually tested nuclear weapons that weren’t nuclear powers when that treaty was signed—North Korea, Pakistan, and India. In addition, part of our verification system that we had intended to use in the CTBT was actually installed in the TTBT, the Threshold Test Ban Treaty. Those stations have been dismantled; and so, our verification problems are going to increase. We can’t change those verification technologies without going back and renegotiating, certainly, the TTBT.

And perhaps the most critical issue that I have is the issue of, What is “zero yield” in the Comprehensive Test Ban Treaty? The United States tabled the definition of “zero yield” during the negotiations in the treaty. And the Russians said, “Thank you very much. We understand your position.” But, they didn’t accept it, and it didn’t enter into the treaty.

There’s only one treaty that actually defines “yield,” and that’s the TTBT, the Threshold Test Ban Treaty. In that treaty, it says “yield” is what comes out of the explosive cannister. And the explosive cannister is a big container that you put the nuclear device in when you detonate it.

Now, it is possible, with that language, if unchanged, that the Russians could put small, low-yield nuclear weapons into very large containers, detonate them, and still be in compliance with the CTBT. And, as a result of that, I believe—and one further thing. The Russians have said that part of their weapons development program are these low-level tests. They’ve admitted that in public. And so, I believe there are—there’s some serious concern, because of history—that is, the number of years since the treaty was negotiated, and some of the technologies—that need to be addressed when we go back. I think we need to go back and do it, because I think the treaty is the right thing to do, but we’ve got to be careful.

Chairman LEVIN. Let me ask you both, Mr. Celec and Mr. Benkert—each of you have a responsibility for the Cooperative Threat Reduction Program, and—Will each of you commit to work cooperatively on the Cooperative Threat Reduction Programs? And, since you both have some responsibility there, do either of you have

any thoughts about the need to work cooperatively? Any impediments to that?

Mr. Benkert, why don't we start with you.

Mr. Benkert: Thank you, Mr. Chairman.

To the first part of your question, absolutely I will commit to working cooperatively on the Cooperative Threat Reduction Program. And I think the cooperation goes in several dimensions. One is, I think we've had a very cooperative relationship with your staff and your colleagues on the House side as well, as we've advanced this program, and we greatly appreciate that relationship and the developments that—for example, the flexibility that you've provided us to move the program—to begin moving the program outside the former Soviet Union. And so, I commit that we will continue that cooperative relationship.

I think, as we move the—just on the thoughts on moving the program forward, I have discussed a bit, before, the—I think, the strong level of cooperation we have with the Russians in this program. I think we have cooperative relationships, as well, with other countries, with the other countries that are in the program of where—there are problems, but generally we work through them. And, again, they help build very strong relationships at various levels with these countries.

The issue we have, I think, is, over time, moving the program from one that is an assistance program, in a lot of ways, to one that is more defined by partnership, both partnership with the Russians, partnership with other countries, and particularly partnerships outside the former Soviet Union. Over time, I think we want to move in that direction.

I think the second thing that we are, I think, trying to do—and, again, in cooperation with your staff and the flexibility you've given us—is find ways to make the program more flexible, nimble, and responsive as—again, as we move outside the former Soviet Union, so that we are able to seize opportunities for cooperation and partnership, perhaps in a—more rapidly than was the case in the way we developed the CTR program.

Chairman LEVIN. Okay. Mr. Celec?

Mr. Celec: I agree. I have a personal interest in that program, because when it was initiated as the Nunn- Lugar program, it was sent to the operations directorate of the Defense Nuclear Agency for execution. And I was the deputy director for operations at the time, and so, I have—I helped begin see that program born, if you will, and I think it's been tremendously successful, and I will continue enthusiastically to support that program and to make sure that it continues to make the progress that it has. It has destroyed more missiles than the Strategic Air Command ever thought about doing.

Chairman LEVIN. Well, we welcome that enthusiasm. We're—we wish you were a little bit less enthusiastic about RNEP. [Laughter.]

Chairman LEVIN. You gave us your honest opinion, and that's what we ask for.

We thank you all. We thank your families.

And if I can single out your grandchildren, Mr. Celec, since I'm a proud grandfather, you've got two of them here. We've got Adam

and Hannah. We—I just want to let you kids know how important it is to a grandpa to have his grandkids standing behind him, and sitting behind him so patiently, and looking like you're following every single thing that you heard. It's amazing to me how beautifully you two did, there. But, I know it's important that your grandpa have you here. And we thank you, particularly, and we thank all of the families.

And we stand adjourned.

[Whereupon, at 11:06 a.m., the hearing was adjourned.]