

Stenographic Transcript
Before the

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

NOMINATIONS

Thursday, November 16, 2017

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Thursday, November 16, 2017

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

The committee met, pursuant to notice, at 10:01 a.m. in Room SD-G50, Dirksen Senate Office Building, Hon. John McCain, chairman of the committee, presiding.

Committee Members Present: Senators McCain [presiding], Inhofe, Wicker, Fischer, Cotton, Rounds, Ernst, Tillis, Sullivan, Perdue, Sasse, Reed, Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine, King, Heinrich, and Warren.

1 OPENING STATEMENT OF HON. JACK REED, U.S. SENATOR FROM
2 RHODE ISLAND

3 Senator Reed: Chairman McCain is unavoidably detained.
4 Senator Inhofe, who is the ranking Republican, has
5 suggested, along with Senator McCain, that I ask the
6 appropriate questions of our nominees. And then I will read
7 my statement. And when Senator McCain returns, he will read
8 his statement.

9 So let me, on behalf of the chairman, Senator McCain,
10 ask, and you can just simultaneously assent, have you
11 adhered to applicable laws and regulations governing
12 conflicts of interest?

13 Mr. Rood: Yes.

14 Mr. Schriver: Yes.

15 Senator Reed: Will you ensure that your staff complies
16 with deadlines established for requested communications,
17 including questions for the record in hearings?

18 Mr. Rood: Yes.

19 Mr. Schriver: Yes.

20 Senator Reed: Will you cooperate in providing
21 witnesses and briefers in response to congressional
22 requests?

23 Mr. Rood: Yes.

24 Mr. Schriver: Yes.

25 Senator Reed: Will those witnesses be protected from

1 reprisal for their testimony or briefings?

2 Mr. Rood: Yes.

3 Mr. Schriver: Yes.

4 Senator Reed: Do you agree, if confirmed, to appear
5 and testify upon request before this committee?

6 Mr. Rood: Yes.

7 Mr. Schriver: Yes.

8 Senator Reed: Do you agree to provide documents,
9 including copies of electronic forms of communications, in a
10 timely manner when requested by a duly constituted committee
11 or to consult with the committee regarding the basis for any
12 good-faith delay or denial in providing such documents?

13 Mr. Rood: Yes.

14 Mr. Schriver: Yes.

15 Senator Reed: Have you assumed any duties or
16 undertaken any actions which would appear to presume the
17 outcome of the confirmation process?

18 Mr. Rood: No.

19 Mr. Schriver: No.

20 Senator Reed: And we thank you, Mr. Rood, Mr.
21 Schriver, for joining us today. We thank your families.

22 And when I have concluded my opening statement --
23 Senator Inhofe, if you want to make a statement now?

24 Senator Inhofe: No, you go ahead.

25 Senator Reed: Yes, sir.

1 I will conclude my statement, and then would encourage
2 you, when you make yours, to introduce your families.

3 Thank you very much for joining us here today. We
4 welcome you, the nominees, and thank you for your
5 willingness to serve in these positions of great
6 responsibility. I would also like to thank your families
7 who are here.

8 Mr. Rood, if confirmed as the Under Secretary of
9 Defense for Policy, you will play a key role in shaping
10 Department of Defense contributions to our national
11 security. The department has defined the primary threats
12 facing the country today as Russia, China, North Korea,
13 Iran, and the enduring nonstate threat of violent extremism.

14 While we have made great progress in our efforts to
15 deal ISIS a lasting defeat, we have not achieved similar
16 success in addressing the political challenges in the Middle
17 East that gave rise to ISIS in the first place.

18 You will also be faced with formulating department
19 policies to help address the civil war in Syria, the
20 expansion of Taliban territorial control in Afghanistan,
21 Russian active measures and other malign activities, and
22 Iran's malign influence in the Middle East.

23 It is important to note that effectively addressing
24 each of these national security challenges is not a job
25 solely for the Department of Defense. Sustainable solutions

1 will require significant diplomatic contributions from your
2 colleagues at the State Department.

3 Unfortunately, our ability to achieve such a whole-of-
4 government approach is hampered by massive proposed cuts to
5 the State Department's budget and the fact that our career
6 diplomats are leaving government service at an alarming
7 rate.

8 Mr. Rood, the department is undertaking the first
9 Nuclear Posture Review since 2010. The threat environment
10 has changed significantly since that time. Our relations
11 with Russia have worsened. China is fielding a ballistic
12 missile submarine deterrent in the Pacific. Pakistan's
13 arsenal is growing capable of reaching some of our allies
14 with whom we have security agreements. North Korea is
15 quickly becoming a nuclear-armed state, soon capable of
16 holding at risk our homeland.

17 The last administration began a modernization program
18 of all three legs of the triad, as well as our national
19 coalition of certification center systems. Given the
20 existential threat posed by nuclear weapons, this
21 modernization effort has, for the most part, been a
22 bipartisan endeavor.

23 I want to make sure you, as you complete this Nuclear
24 Posture Review, continue that tradition, because these
25 modernization programs are 10 to 20 years in length,

1 outlasting this administration and future ones. They will
2 only be successful on this time scale if that bipartisan
3 tradition continues.

4 Mr. Schriver, if confirmed as the Assistant Secretary
5 of Defense for Asian and Pacific Security Affairs, you will
6 be responsible for dealing with three of these primary
7 national security challenges: North Korea, China, and
8 violent extremism in South and Southeast Asia.

9 North Korea poses one of our most complicated
10 challenges. You will be required, along with Mr. Rood, to
11 develop a policy that both creates military pressure on
12 North Korea but also creates and maintains the space for
13 diplomatic negotiation with the North Korean regime.

14 At the same time, you be faced with developing long-
15 term strategies to counter China's behavior in the South
16 China Sea and across the region. While we must work
17 together with China to counter the nuclear threat from North
18 Korea, we must also work to counter China's attempts to
19 bully its neighbors in the region and its failure to abide
20 by the rules-based international order from which it has
21 benefited so greatly.

22 If confirmed, you will also be involved in further
23 developing and executing the administration's South Asia
24 strategy. As we continue to expand Afghan warfighting
25 capabilities, as the strategy calls for, it will be equally

1 important to continue to build and reform the institutional
2 capacity of the Afghan Government to sustain U.S. and
3 coalition training and investments.

4 Fundamental success of any of these efforts will be a
5 whole-of-government approach to translate any military
6 progress on the battlefield to political progress toward a
7 peace settlement.

8 Mr. Rood, Mr. Schriver, thank you for your willingness
9 to be here today and to serve your country. The committee
10 looks forward to hearing your views on these issues.

11 Again, with the concurrence of Senator Inhofe, or would
12 you like me to --

13 Senator Inhofe: Let's do this, Senator Reed. Let's
14 hear the opening statements of our witnesses, and then we
15 will see if Senator McCain has returned at that time. If
16 not, I will start with the questions.

17 Senator Reed: Thank you very much. Thank you.

18 Gentlemen?

19 Senator Inhofe: Go ahead. Your entire statement will
20 be made part of the record, and try to keep you remarks down
21 around 5 minutes.

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1 STATEMENT OF HON. JOHN C. ROOD, TO BE UNDER SECRETARY
2 OF DEFENSE FOR POLICY

3 Mr. Rood: Yes, sir. Thank you, Senator Inhofe. Thank
4 you, Senator Reed and members of the committee, for giving
5 me the opportunity to testify before you today as the
6 nominee for Under Secretary of Defense for Policy.

7 I would like to thank the President of the United
8 States and the Secretary of Defense for my nomination.

9 If confirmed, it would be an honor to again serve my
10 country at the Defense Department at such a consequential
11 time.

12 I would also like to thank my family and friends who
13 are here with me today, especially my wife, Sandy, and my
14 children, Sydney and Jacob. I would also like thank my
15 parents, Whei-Chu Chen and Jim Rood, and my sister, Audrey
16 Rood, who are at home in my hometown of Phoenix, Arizona,
17 right now.

18 Without the love and support my friends and family, I
19 would not be before you today.

20 Mr. Chairman, in my view, today, the United States
21 faces the most complex and uncertain security environment
22 that we have seen in my lifetime. We are faced with the
23 rapid pace of change, the rise of threats from transnational
24 groups, and new policies and approaches to competition by
25 potential adversaries using all instruments of national

1 power, be it military, economic, and political.

2 These factors have made the security landscape more
3 dynamic and unpredictable, from which we must be more
4 flexible and function at the speed of relevance in
5 addressing our national security concerns.

6 The specter of conflict among the world's great powers
7 has returned, with attempts by Russia and China to carve out
8 spheres of influence and to dominate their neighbors.
9 Russia and China have taken an aggressive posture and shown
10 a willingness to confront the United States and our allies,
11 while building some very concerning military capabilities.

12 These states have also challenged the international
13 system that has been put in place over the course of the
14 20th century that has yielded enormous benefits to the
15 United States and the international community by providing
16 free access and trade through the global commons, including
17 in the sea, air, space, and cyber domains, while also
18 providing many years of stability and security.

19 We are confronted with more severe threats from a long-
20 time potential adversary in North Korea, including threats
21 from its young leader to use long-range missiles armed with
22 nuclear weapons against the United States. These bellicose
23 threats serve to punctuate with an exclamation point the
24 long-standing concerns that we have had about North Korea's
25 pursuit of missiles and weapons of mass destruction with

1 which to threaten the United States and our allies.

2 In the Middle East, Iran and its proxies are engaged in
3 military operations across a swath of territory from Tehran
4 through Iraq, Syria, and Lebanon to the Mediterranean, as
5 well as in Yemen.

6 Iran's malign activities extend throughout the region,
7 and its missile and nuclear programs and support of
8 terrorism remain a serious threat to the United States and
9 an existential threat to our allies in the region.

10 We face a continuing threat from terrorist groups and a
11 violent extremist ideology that continues to metastasize
12 across many regions. America's military forces remain
13 engaged around the globe as we speak, combating this threat
14 from groups like ISIS and Al Qaeda in places like
15 Afghanistan and Syria.

16 In addition, our potential adversaries are growing
17 their technical capabilities. And we face increased threats
18 from cyberattack; the proliferation of weapons of mass
19 destruction, including greater nuclear capabilities; and
20 threats to our critical space-based capabilities.

21 This complex and concerning security environment
22 compels us to act, as Secretary Mattis has testified, to
23 improve the readiness and capabilities of our military, to
24 strengthen our alliances, and to bring business reforms to
25 the Department of Defense.

1 Our defense strategy, policies, processes, and the
2 capabilities of the force that we field must be adapted to
3 meet the challenges we faced in the 21st century. We must
4 rebuild America's military and reverse the erosion of the
5 edge that we have possessed over our potential adversaries.

6 From my past experience serving for over 20 years at
7 the Defense Department, the Central Intelligence Agency, the
8 National Security Council, the State Department, and as a
9 Senate staffer, I know the importance of using the range of
10 U.S. diplomatic, intelligence, economic, and military
11 capabilities and a whole-of-government approach to address
12 these challenges.

13 I also know the importance of maintaining and building
14 strong relationships with friends and allies as the United
15 States cannot do it alone.

16 Mr. Chairman, I have valued and enjoyed working over
17 the past 9 years in the aerospace and defense industry,
18 supporting the U.S. Government and partner nations, but my
19 heart is drawn by patriotism to again seek to serve my
20 country alongside the dedicated government servants and
21 military personnel in the Department of Defense.

22 If confirmed, I look forward to working closely with
23 this committee. From my time as a Senate staffer, I know
24 the important role that this committee plays, and, indeed,
25 the role of the Congress as a whole in addressing the

1 national security challenges facing our Nation.

2 Thank you for your consideration of my nomination. I
3 look forward to your questions.

4 [The prepared statement of Mr. Rood follows:]

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1 Senator Inhofe: Thank you.
2 Mr. Schriver?
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1 STATEMENT OF RANDALL G. SCHRIVER, TO BE ASSISTANT
2 SECRETARY OF DEFENSE FOR ASIAN AND PACIFIC AFFAIRS

3 Mr. Schriver: Thank you, Senator Inhofe, Ranking
4 Member Reed, other distinguished members of the committee.
5 I am honored to appear here before you today as the
6 President's nominee to be Assistant Secretary of Defense for
7 Asian and Pacific Affairs.

8 I am truly humbled by the confidence the President and
9 Secretary Mattis have placed in me. And I look forward, if
10 confirmed, to assuming these duties.

11 I would like to take a moment to also thank my family
12 members who have taken the trouble to be here. I am joined
13 today by my parents, John and Sally Schriver; my mother-in-
14 law, Chris Bredholt. And of course, I would like to thank
15 especially my wife, Jordan. And we have our four children
16 here, Lucas, Rory, Brody, and Mae.

17 I am also joined by some colleagues and mentors and
18 friends. One in particular I would like to note, who did
19 not make it today, is my longtime mentor and friend, former
20 Deputy Secretary Richard Armitage.

21 If confirmed, I would have the great opportunity to
22 return to an office I actually started in as a young
23 professional. My first civilian job in Washington was in
24 the Office of the Secretary of Defense, Asian and Pacific
25 Affairs, which I joined after serving in the Navy and after

1 graduate studies. I enjoyed the issues, the challenges, and
2 would very much look forward to returning to that work,
3 should you see fit to confirm me.

4 If confirmed, my immediate attention would have to turn
5 to the warfighters in this region. The administration's
6 South Asia strategy has a reinforce element, so we will
7 continue to have Americans in harm's way. That service,
8 they deserve our best policy support, and we need to honor
9 them with our best efforts.

10 This region, of course, also has the very urgent
11 challenges associated with North Korea. If confirmed, I
12 would work with my colleagues in the Department of Defense,
13 Pacific Command, U.S. Forces Korea, to ensure our deterrence
14 is strong and credible, to ensure that our homeland is
15 protected, our citizens, our allies, and our friends.

16 For this administration's vision for a free and open
17 Indo-Pacific to be realized, we also have to deal with the
18 rising challenges presented by China. While we need to
19 continue to look for opportunities to work with China where
20 our interests overlap, we must also recognize that their
21 aspirations, their vision, for the future security
22 architecture of the Asia-Pacific region with China at the
23 center is, in many ways, at odds with our own aspirations.

24 Should I be confirmed, I will approach the duties of my
25 position with an understanding that the challenges posed by

1 a rising China are probably the most consequential
2 challenges of my generation.

3 If confirmed, I also look forward to strengthening the
4 long-time alliances we have with Japan, South Korea, and
5 Australia, and work to rebuild the long-time alliances we
6 have with Thailand and the Philippines.

7 I think we also must continue to invest in our natural
8 strategic partner, India.

9 If confirmed, I will also make it a priority to invest
10 in our security partners in Taiwan and Singapore, and
11 emerging partnerships with countries such as Vietnam.

12 I also look forward, if confirmed, to working with
13 countries in the region that have been partners of ours and
14 who really punch above their weight, countries such as New
15 Zealand and Mongolia.

16 I think we also need to remember that the Department of
17 Defense not only plans for military contingencies in terms
18 of warfighting. The Department of Defense also has a role
19 in making lives better when people need our assistance.
20 The Asia-Pacific region is particularly prone to disasters,
21 both natural and manmade. And if confirmed, I understand
22 that our department must also contribute to policies that
23 help address human suffering in the region.

24 Finally, if confirmed, I am committed to working with
25 this committee and Congress as a whole. I very much

1 appreciate the role that this committee plays and look
2 forward to finding ways to cooperate to enhance our position
3 in the Asia-Pacific region.

4 Mr. Chairman, Senators, my interest in this region has
5 always been deeply personal. I was born in Hawaii. I was
6 raised in the Pacific Northwest. So I have always had a
7 Pacific-orientation. That was only strengthened when my
8 wife and I and my older children welcomed our daughter, Mae,
9 who we adopted from the Marshall Islands.

10 So this is a very a personal interest on my part in
11 this region. But, of course, equally important is the
12 strategic interest we have there.

13 So I very much look forward to working in this region,
14 should you see fit to confirm me, on behalf of our
15 department.

16 I am grateful for your consideration. I look forward
17 to your questions.

18 [The prepared statement of Mr. Schriver follows:]

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1 Senator Inhofe: I thank both of you.

2 We will go ahead, and when Senator McCain gets here, we
3 will stop so he can have his opening statement.

4 Let me just, at the risk of sounding a little paranoia
5 here, because I always want to get this position out, we
6 have so many of our uniformed people at the top who
7 recognize that we are facing the greatest threat, arguably,
8 that we have faced as a Nation before. And you can look
9 back wistfully at the days of the Cold War when things were
10 predictable. Two super-groups were out there. And we knew
11 what they had, and they knew what we had. It is not that
12 way anymore.

13 So the statement that I like to use is that, we use any
14 number of them, but General Dunford said at this committee,
15 he said, "If we do not address this dynamic with sustained,
16 sufficient, and predictable funding over the course of
17 several years, we will lose our qualitative and quantitative
18 competitive advantage."

19 That is a scary thought. One of the things that I see
20 different now than I have seen in the 30 years that I have
21 been here on the House and the Senate committee is the fact
22 our uniforms are now coming out of the closet and saying how
23 really serious the threat is, and this is something they
24 weren't doing before.

25 When we are around our States and talking to the people

1 out there, we do not have the credibility. But you guys who
2 are the secretaries, you who are the individuals who are in
3 the uniforms, are the ones who have that credibility.

4 So let me ask just one question. Senator McCain is
5 here now. But the one question I would like to ask both of
6 you, just a yes or no question: Will you be as
7 straightforward and candid and honest with expressing what
8 this threat is to the American people as the uniforms have
9 been? Yes or no?

10 Mr. Rood: Yes.

11 Mr. Schriver: Yes.

12 Senator Inhofe: Okay.

13 Senator McCain?

14 Chairman McCain: [Presiding.] Thank you. My
15 apologies for being a little late.

16 There are standard questions that --

17 Senator Reed: We have done that, sir.

18 Chairman McCain: You have done that. So, obviously,
19 you have answered all those questions in the affirmative or
20 you would not still be sitting there.

21 [Laughter.]

22 Chairman McCain: So let me just say that my most
23 important and eloquent statement will be made part of the
24 record, without objection, except from the Senator from
25 Maine.

1 [The prepared statement of Chairman McCain follows:]
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1 Chairman McCain: I also would like, since a quorum is
2 now present, I ask the committee to consider the nominations
3 of Anthony Kurta to be Principal Deputy Under Secretary of
4 Defense for Personnel and Readiness, James McPherson to be
5 general counsel of the Department of the Army, and Gregory
6 Maggs to be a judge of the United States Court of Appeals
7 for the Armed Forces.

8 Is there a motion to favorably report these three
9 nominations?

10 Senator Reed: So moved.

11 Chairman McCain: Is there a second?

12 Senator Inhofe: Second.

13 Chairman McCain: All in favor, say aye.

14 [Chorus of ayes.]

15 Chairman McCain: The motion carries.

16 Okay, Mr. Rood, the chairman of the Joint Chiefs of
17 Staff, General Joseph Dunford, has testified, "The U.S.
18 military's competitive advantage against potential
19 adversaries is eroding. In just a few years, if we do not
20 change the trajectory, we will lose our qualitative and our
21 quantitative competitive advantage, and the consequences
22 will be profound."

23 Mr. Rood, do you agree with the chairman of the Joint
24 Chiefs of Staff?

25 Mr. Rood: Yes, I do, Senator, very much so.

1 Chairman McCain: And the indications that you have?

2 Mr. Rood: I would say, one of my concerns, that I
3 think that I share with the chairman, is that the growth of
4 the capabilities that we have seen that Russia is
5 developing, that China is developing, that, indeed, some of
6 our other adversaries, such as North Korea, are developing,
7 the comparative advantage, the qualitative edge that the
8 United States military enjoyed, has begun to erode in some
9 very significant ways.

10 And as we look at the way that the Russians have
11 employed their forces in places like Ukraine, I am concerned
12 about us retaining that edge and, in a couple of cases,
13 regaining it.

14 Chairman McCain: Mr. Schriver, I am going to be very
15 unfair to you.

16 And welcome to your families, by the way. Thank you
17 all for being here.

18 Twenty-five years of effort by administrations of both
19 parties to convince or compel North Korea to abandon its
20 quest for nuclear weapons has failed. What have you got to
21 say?

22 Mr. Schriver: It would take a special kind hubris to
23 say, after 25 years, we have it figured out now. But I do
24 believe that the campaign of maximum pressure gives us some
25 opportunity to create the environment that is conducive to

1 dialogue. And I think it is essential we get out of this
2 binary trap of, we can choose between military interdiction
3 and conflict, or recognize North Korea as a nuclear power.

4 So I think by strengthening deterrence, working with
5 other partner countries, it gives us a chance to have that
6 path.

7 Chairman McCain: Well, I must say, Mr. Rood and Mr.
8 Schriver, one of the disappointments that many of us on this
9 committee have had is that, with a new administration, we
10 thought we would see a clear and concise strategy
11 articulated by this administration. So far, we have not
12 seen that. And we put into the NDAA a requirement for it.

13 But it is very, very disappointing that we continue to
14 see the situation deteriorate, particularly in Iraq,
15 Afghanistan, and with Syria.

16 And now we seem to have emerged on another crisis in
17 the form of the Prime Minister of Lebanon either being held
18 captive or not allowed to return home or some other aspects
19 of a tremendous upheaval that is taking place, particularly
20 led by the new leader of Saudi Arabia.

21 So you have your work cut out for you.

22 For both of you, President Trump's new strategy for
23 Afghanistan and South Asia seeks to, "Use strategically
24 applied force to create the conditions for a political
25 settlement that includes elements of the Taliban."

1 Mr. Rood and Mr. Schriver, we all know that when the
2 enemy has sanctuary, the enemy has a significant advantage.
3 Obviously, in this case, it is Pakistan.

4 What do you think we ought to be doing to try to get
5 the Pakistanis to act more effectively on the Haqqani
6 network, sanctuary, a lot of the other aspects of this
7 conflict, which has basically put us into either a stalemate
8 or a deteriorating situation, depending on which military
9 leadership you are talking to, military civilian leadership?

10 Mr. Rood, do you want to say anything on that?

11 Mr. Rood: Senator, I think it is a very tough
12 challenge we face. And as you correctly point out, the
13 Pakistanis have provided sanctuary to the Taliban and the
14 Haqqani network, and assistance that has been a real
15 undercut to our efforts in Afghanistan. And unfortunately,
16 this has been a problem that has persisted really over the
17 16 years of that conflict, a very stubborn problem to solve.

18 I do think the new strategy, which calls for
19 regionalizing the approach, involving India more in the
20 reconstruction and the support of the Afghan Government, and
21 bringing other countries to bear, in addition to the United
22 States, so that we are involving at a larger number of
23 partners in that discussion with Pakistan, is one potential
24 avenue that may produce some results.

25 But, ultimately, we in the United States have to make

1 it clear to the Pakistani Government that we cannot tolerate
2 that sort of support that will undermine our efforts in
3 Afghanistan where our troops have been fighting, and we have
4 had over 2,000 of our Americans killed in that conflict.

5 Chairman McCain: Well, Mr. Rood, I have developed,
6 over the years, an excellent relationship with our friends
7 in Pakistan. But there is going to come a time where we
8 have to tell them they have to choose.

9 And of course, Chinese influence is increasing. And as
10 you know, there is further turmoil that is ongoing as we
11 speak.

12 This is a very, very, very, complex and difficult
13 challenge we are facing. But we have tried everything that
14 I know of, besides saying, "Look, you either help us or we
15 are going to have to change our relationship."

16 And I hate to say that, because they are good friends.
17 They have done good work against terrorist elements. They
18 have been great partners in some of the military activities.
19 But you cannot allow them to have a place where we know the
20 street address where they send people out to do bad things,
21 including killing Americans.

22 Let the record show head-nods.

23 I thank you for your willingness to serve, and I thank
24 your families for being here.

25 Senator Reed?

1 Senator Reed: Thank you very much, Mr. Chairman.

2 Again, gentlemen, thank you for your service already
3 and your commitment to serve. And once again to your
4 families who are providing support, thank you.

5 I am stealing a bit of the thunder of Senator McCain
6 and Senator Shaheen, because, yesterday, they wrote a letter
7 commenting upon the rapidly dissolving State Department.
8 And your jobs without effective support, collaboration, and
9 cooperation from State, it becomes not only complicated, but
10 it might become virtually impossible to achieve objectives.

11 So would you comment, Mr. Rood and then Mr. Schriver,
12 on what you are perceiving as the deteriorating role of
13 State?

14 And I am afraid, in some respect, it seems to be, with
15 more and more evidence, that this is a deliberate, not just
16 an accidental, occurrence.

17 Mr. Rood?

18 Mr. Rood: Senator, I have a very strong appreciation
19 and admiration for the role of the State Department, having
20 served there myself. I think that that is a critical
21 element of our strategic approach and protecting the
22 country.

23 The type of challenges that we have discussed so far
24 this morning require a whole-of-government approach and
25 having our diplomats, having the civil servants at the State

1 Department very engaged is a critical element to that.

2 If confirmed, that would be part of my role, to be the
3 interface with the State Department, to try to bring that
4 whole-of-government approach at the National Security
5 Council. So if confirmed, I certainly look forward to
6 trying to work with the State Department as best I can to
7 advance those efforts.

8 Senator Reed: Mr. Schriver, please?

9 Mr. Schriver: Well, I had the chance to work at the
10 State Department for 4 years under Secretary Powell and
11 Secretary Armitage. It is an institution I care a great
12 deal about.

13 I have enormous respect for the diplomats. The senior
14 diplomatic corps is every bit as important to our country as
15 the three- and four-star generals that spend their careers
16 on the military side of the house. We need a strong State
17 Department. And particularly where we would work, if
18 confirmed, we need we need support from the State
19 Department.

20 Senator Reed: Well, thank you.

21 Mr. Rood, President Obama in May of 2013 issued a
22 Presidential Policy Guidance for counterterrorism, the
23 CTPPG. There was an attempt to properly articulate the
24 principles, we understand the sensitivity of some of the
25 information, and also to publish a declassified summary of

1 the doctrine.

2 There are discussions now that we are hearing that the
3 current administration might be rewriting the CTPPG, which
4 is well within their prerogative. But do you feel that a
5 similar sort of transparency and at least declassified
6 publication of the results should be in order?

7 Mr. Rood: Senator, while I am not personally familiar
8 with the state of a potential review as you describe, I
9 think the principle that we need to explain to the American
10 people and, indeed, key players in the government, such as
11 this committee, about what approach we are going to take,
12 what the elements are of that basic approach, I think
13 clearly needs public articulation to be effective.

14 Senator Reed: Thank you. Going back to the situation
15 in North Korea, which is very critical, I was there about 3
16 or 4 weeks ago, one of the many relationships we have to
17 maintain, and it is both U.N. and State Department
18 personnel, is between our allies as well as our adversaries.
19 The South Koreans and the Japanese are our allies. But it
20 is a full-time job to keep everybody headed in the same
21 direction.

22 So, Mr. Schriver and Mr. Rood, you both are going to
23 being doing this. First, I assume you are completely aware
24 of the need for the attention to these two countries, our
25 allies. And any ideas you have about trying to strengthen

1 our relationship would be appreciated.

2 Mr. Schriver, why don't you start? And then Mr. Rood.

3 Mr. Schriver: Well, there is no question that is a
4 challenge, given their shared history and some of the
5 remaining legacy issues there.

6 I would note that some progress has been made in terms
7 of trilateral cooperation. We have begun some exercising.
8 We have begun senior political dialogue between the three
9 countries.

10 I think the fact that North Korea continues with its
11 provocations, although we would like to live in a different
12 world, it does make very stark the security threats to both
13 South Korea and Japan, and sort of compels them to work
14 together. So I think we can we can play a role facilitating
15 that.

16 It is difficult work, but incremental progress is
17 nonetheless progress. And I think that, if confirmed, I
18 would hope to work on --

19 Senator Reed: I would just note that I have heard
20 reports that, as our three carrier battle groups are
21 steaming offshore, along with South Korean maritime vessels,
22 the South Koreans weren't particularly happy that the
23 Japanese Self-Defense Forces joined them.

24 So I think it is important to point out that we have
25 allies, but we also have to spend a lot of time making sure

1 they are on the same track as we are.

2 Mr. Rood?

3 Mr. Rood: You are correct, Senator. It is a
4 persistent challenge, unfortunately. For the outcomes that
5 the United States seeks, we need the cooperation of our
6 allies in South Korea and Japan and, indeed, beyond that.

7 We also, as you say, need them to work together. Many
8 times, the United States needs to be the bridging function
9 in that relationship because of the historical animosities.
10 And at times, there are current issues that cause friction
11 there.

12 But I think that both parties do appreciate the United
13 States playing that role, and our military bridging them,
14 creating some interoperability there. And so, certainly, it
15 is a very important thing as we go forward to make sure we
16 get that right.

17 Senator Reed: Thank you very much.

18 Thank you, Mr. Chairman.

19 Chairman McCain: Senator Inhofe?

20 Senator Inhofe: Thank you, Mr. Chairman.

21 I had a little bit of time to start with, so I will
22 make this brief. There is one subject that never comes up
23 in these hearings. And as I read your background, Mr.
24 Schriver, I think you are the right one to share my concerns
25 with.

1 I actually started some 30 years ago in the House, and
2 I remember, at that time, we had adopted, I think way back
3 in 1972, the One-China option. That is what we have been
4 operating under. Then, of course, we had the legislation
5 formalizing that in 1979.

6 There is a book that I read a long time ago back when I
7 was first elected. It is called "Modernizing China," by
8 Anthony Kubek. Have you ever heard of that?

9 Mr. Schriver: I have. I am afraid I have not read it.

10 Senator Inhofe: All right. It might be a good idea,
11 because as we move forward -- and nothing has changed there.
12 They are a great ally of ours. When we do our arms sales,
13 we have to bundle it, and it actually has to come to
14 Congress. A lot of time is wasted.

15 Do you have any thoughts right now on how that could be
16 improved or should be improved?

17 Mr. Schriver: I would like to see a normal FMS
18 relationship. I would like to see a situation where Taiwan
19 determines its requirements in consultation with us, but
20 through their own process of determining requirements, puts
21 forward letters of requests, and they get answers. I would
22 like to see a normal, routine process.

23 Senator Inhofe: Yes. I would, too. I appreciate
24 that.

25 And lastly, Mr. Rood, the concern I have always had, at

1 least since the last parliamentary election in Ukraine,
2 when, for the first time in 96 years, they do not have any,
3 zero, Communists in their Parliament, and then, of course,
4 in the previous administration, some pretty bad things
5 happened right after that parliamentary election, and there
6 were a lot of people who came in and started killing
7 Ukrainians.

8 We had a policy at that time under the previous
9 administration that we were not going to send them defensive
10 weapons. That is changing now.

11 I just would ask, as a final question, what do you
12 think Putin is thinking? He has gone through one
13 administration where we were refusing to offer the things
14 that those of us on this committee felt we should be
15 offering, and now that is going to be changing. Are we
16 moving in the right direction on that?

17 Mr. Rood: Senator, I personally support the provision
18 of defensive military equipment to Ukraine. I think that it
19 is important that we stand with them as they face Russian
20 aggression.

21 I had the opportunity to visit Kiev, Ukraine, last fall
22 on a U.S. trade delegation and had the opportunity to meet
23 with the President, the Defense Minister, the national
24 security adviser, and others. I came away with an
25 appreciation that the Ukrainians are in a tough fight with

1 the Russians there. The Russians have invaded the
2 sovereignty of Ukraine.

3 And so I think it is important to send a message to
4 President Putin and others that we are prepared to support
5 the Ukrainians in that regard, because I do think that
6 President Putin sometimes perceives weakness on the part of
7 the West.

8 Senator Inhofe: Yes. I agree.

9 Thank you, Mr. Chairman.

10 Chairman McCain: Senator Shaheen?

11 Senator Shaheen: Thank you, Mr. Chairman.

12 And thank you both for your statements relative to the
13 importance of the State Department. I appreciate Senator
14 Reed bringing up the letter that Senator McCain and I wrote.

15 I hope, if confirmed, that you will both share those
16 views, not just with the military leadership, but also with
17 the President and with Secretary Tillerson.

18 Right now, the State Department continues to be the
19 only department within our Federal Government that is under
20 a hiring freeze. And Secretary Tillerson has proposed a
21 staffing cut that would reduce department employees by about
22 2,000. So this is a serious issue, and your voices will be
23 important as we try and address it.

24 I want to go back to the issue that Senator McCain
25 raised about what is happening in Lebanon and the sudden

1 resignation of Prime Minister Hariri.

2 It appears that the proxy war between Saudi Arabia and
3 Iran is being spread to Lebanon. So I wonder, Mr. Rood, if
4 you could talk about what the fallout of a destabilized
5 Lebanon would be, and what the United States and the
6 Department of Defense can do to try and preserve stability
7 in that country.

8 Mr. Rood: Senator, for some time in Lebanon, we have
9 all been concerned about the role of Hezbollah, which is an
10 Iranian-backed organization in that country. They have
11 largely come to dominate the Lebanese landscape --

12 Senator Shaheen: Certainly. I understand that. But
13 can you talk about what more we can do to help provide
14 stability? Because I would argue that the resignation of
15 Prime Minister Hariri does not help with stabilizing the
16 country.

17 Mr. Rood: I certainly agree with you in that regard,
18 Senator. It is not helpful. I think Prime Minister Hariri
19 was someone that was trying to bring stability to the
20 country. In addition to that, the Lebanese armed forces
21 have also played a role.

22 So I think, in response to your question, the role of
23 Defense Department would be defense cooperation with the
24 Lebanese armed forces, trying to support their expansion of
25 their capabilities in the sense to bring stability to the

1 country.

2 Senator Shaheen: And what do you think our message
3 should be to Saudi Arabia?

4 Mr. Rood: With regard to Lebanon?

5 Senator Shaheen: And further inflaming tensions in the
6 region.

7 Mr. Rood: Sure. It is not in our interest that the
8 Saudis create greater tensions in the region. Certainly, we
9 want to encourage some restraint on their part in that
10 regard. As you know, they are engaged in a large arc of
11 area with the Iranians, with the two of them on different
12 sides of, frankly, many conflicts there.

13 And so I think that is an issue that affects us across
14 the region.

15 Senator Shaheen: Thank you.

16 Senator Inhofe started with the concern from General
17 Dunford about the challenges that we face in the future, and
18 you both mentioned those in your statements. And I think
19 you, Mr. Rood, certainly mentioned the importance of cyber
20 as we look at the future challenges.

21 It appears that we are continuing to operate very much
22 in the way that we have in the last 10 to 20 years, in terms
23 of looking at further military buildup and looking at doing
24 the same kinds of efforts that we have in the past. And we
25 are dealing with our adversaries who have developed hybrid

1 warfare, who are using disinformation, who are not fighting
2 by the traditional rules of war.

3 So can you talk about the role of information warfare,
4 the role of cyber, and what we ought to be looking at in the
5 future, and who should be in charge of that, in terms of the
6 military or State or the White House?

7 Mr. Rood: Senator, I think that the cyber threat has
8 grown rather exponentially in recent years. We are
9 continuing to see it both affect us in our homeland here,
10 but also, as you say, posing a threat on the battlefield in
11 a convergence of capabilities, particularly amongst the
12 Russian and Chinese capabilities, but, indeed, further
13 beyond that, places like Iran and North Korea.

14 So we have to adjust ourselves and adapt our
15 capabilities. It is not just the ability to manipulate ones
16 and zeros in cyberspace. It is also, principally, an
17 integrated strategy so that we can bring together the levers
18 of our government.

19 Senator Shaheen: I certainly agree with that. Can
20 either of you tell me what our integrated strategy is and
21 who is responsible for that component of what that
22 integrated strategy should be?

23 Mr. Rood: My view, Senator, is we need to do some work
24 there, because I do not think that we have a sufficiently
25 effective strategy or a comprehensive understanding of what

1 the roles and responsibilities are, because, as you
2 correctly pointed out, the State Department will have a
3 role, the Defense Department. The Department of Homeland
4 Security certainly will have a role in this country. And
5 much of our infrastructure is owned by the private sector,
6 things outside the government's control.

7 And so I think we clearly do have a lot more work to do
8 in order to get the right sort of approach, because that
9 threat is growing substantially. It is upon us. We must
10 deal with it.

11 Senator Shaheen: Mr. Schriver, do you have anything to
12 add to that?

13 Mr. Schriver: Well, I agree with John's remarks on
14 this. I have followed the threat side of this for a couple
15 decades, being a China watcher, and when I look at the
16 investments they have made, and when I look at what the
17 state-sponsored activities are targeted at, it is clear to
18 me that we are not sufficiently prepared to deal with this
19 challenge.

20 And I very much agree with John. We have some work to
21 do here.

22 Senator Shaheen: Thank you.

23 Thank you, Mr. Chairman.

24 Chairman McCain: And, Mr. Rood and Mr. Schriver, we
25 are driven to such a point that we have been required to put

1 into the defense authorization bill a requirement for a
2 strategy and a policy.

3 For the last 8 years, as far as I know, there has been
4 none. So I hope that you will take very seriously Senator
5 Shaheen's words and get going on a strategy. No one that I
6 know of thinks the situation is getting better.

7 Every time we turn around, there is a new revelation of
8 some betrayal or penetration in cyber. And I am glad that
9 we have a Cyber Subcommittee, which is doing a lot of hard
10 work, thanks to Senator Rounds and Senator Nelson and
11 others. But, look, there is no strategy. So therefore, we
12 find ourselves just reacting to certain incidents or
13 penetrations that take place. It is unacceptable and
14 disgraceful.

15 So we will be expecting you to comply with this year's
16 defense authorization act, which requires a strategy and a
17 policy.

18 If there has been anything that has been frustrating to
19 this Member, and I know many other Members, it is our lack
20 of reaction to what has been massive breaches of privacy and
21 security. So we will be relying on you to make compliance
22 with the NDAA one of your highest priorities.

23 And we do not want to act and punish. We do not want
24 to threaten. We do not want to do anything. But we expect
25 you to carry out the law. And the law is going to be that

1 we need a strategy and a policy, so that we can react to
2 what has been massive breaches of security and privacy.

3 So we are not going to relax on this. And I do not
4 want us to have to use the power of the committee to force
5 action. But this present situation over the last 8 or 9
6 years has been totally unacceptable.

7 Senator Ernst?

8 Senator Ernst: Thank you, Mr. Chair.

9 Gentlemen, thank you and your families for being
10 willing to take on the additional responsibility of serving
11 our Federal Government.

12 Mr. Rood, as chair of the Emerging Threats and
13 Capabilities Subcommittee, I have oversight of
14 unconventional warfare activities. And I remain
15 particularly concerned about Russia's continued activity in
16 the so-called "gray zone." And so I would like to delve in
17 a little bit there, especially when they are taking those
18 gray-zone activities against Ukraine and our other allies on
19 Europe's eastern flank.

20 So what is your assessment of the United States'
21 current strategy to counter unconventional warfare and the
22 growing security challenges that we have in the gray zone
23 posed by adversaries like Russia? And how do you see this
24 strategy changing in the upcoming National Defense Strategy?

25 So you just mentioned, in response to Senator Inhofe,

1 that you do support defensive weapons. But we are going
2 beyond that, talking about the gray-zone activities that
3 exist out there coming from Russia, if you could provide a
4 little information.

5 Mr. Rood: I think that is an area that also needs some
6 additional work for not only the Defense Department, but
7 also more broadly the government and our allies. Because
8 one of the features of the way the Russians have approached
9 hybrid warfare is, of course, many of the activities that
10 would trigger action by the North Atlantic Council, by the
11 United States, they expressly try to stay below those
12 trigger points or express plausible deniability. Putin's
13 famous comments about little green men and things of that
14 nature, or saying soldiers are merely patrolling, they had
15 their weapons with them, but they are not occupying Ukraine,
16 those things are intended to stay below a certain threshold
17 that trigger actions from us.

18 So, number one, we have to look at our processes and
19 procedures not only in the United States in our government,
20 but with our allies about understanding they are not going
21 to give us those trigger points, if that is what we are
22 waiting for. We have to be prepared to be more flexible and
23 supple as an alliance and as a government, and respond at
24 the speed of relevance. Many of these things, by the time
25 we come to apply our pressure, we have missed the moment

1 when that would be more effective.

2 So I think all of those things are a challenge for us.
3 And then, of course, there are some technical and physical
4 capabilities we need in the areas like electronic warfare,
5 countering unmanned aerial vehicles, and things of that
6 nature, which we have seen the Russians employ in Ukraine to
7 great effect.

8 Senator Ernst: So you think that we could also, kind
9 of a whole-of-government approach not only working within
10 SOCOM, but some of our other Federal agencies develop their
11 own unique strategy on how to handle those gray-zone
12 activities?

13 Mr. Rood: Very much so. And your mention of special
14 operations forces, they would be one of the things that we
15 would look to in the right circumstances to employ in
16 certain circumstances as well in this gray-zone area.

17 Senator Ernst: Okay. Thank you very much. I
18 appreciate that.

19 Mr. Schriver, I am sure you are aware, but we now have
20 three aircraft carriers operating simultaneously in the
21 Indo-Asian Pacific for the first time since 2007. So it is
22 a very, very important display of America's military power
23 and might in that area.

24 However, we do have other instruments of power that we
25 can use, and that would be our economic strength, which can

1 be used in the form of sanctions, but also cooperatively
2 through trade agreements.

3 The benefits of such agreements are not strictly
4 financial, and I preach this all the time even when I am
5 home in Iowa.

6 They are not just financial, but also, as even U.S.
7 Pacific Commander Admiral Harris has stated, regional trade
8 deals are as important as another aircraft carrier. So not
9 only economically important, but also militarily, national-
10 security-wise important.

11 Can you explain the value of such trade agreements to
12 our national security? And do you think it is critically
13 important that we pursue another trade deal, maybe similar
14 in substance to what we saw with TPP?

15 Mr. Schriver: Well, in the past, I have been very much
16 on record supporting these regional trade deals. I think
17 trade liberalization has to be part of our agenda for the
18 very reasons you point out, Senator.

19 We cannot have a policy that only has a military face
20 to it. We need to be involved and integrated in the
21 economic life of this region, not to mention the economic
22 benefits we derive from such deals.

23 So trade, of course, would fall outside of our
24 portfolio at the Department of Defense, but I recognize its
25 importance. And we will stand by. The President and others

1 have said that they are open to at least bilateral trade
2 agreements, and so we will see how that progresses.

3 But I very much would endorse your comment of the
4 importance of trade deals.

5 Senator Ernst: Very good.

6 I appreciate it very much, gentlemen. Thank you.

7 Thank you, Mr. Chair.

8 Chairman McCain: Senator Kaine?

9 Senator Kaine: Thank you, Mr. Chair.

10 And thanks to the witnesses.

11 I want to echo comments, first, that Senator Shaheen
12 made about the situation in Lebanon and how troubling it is.
13 The Prime Minister, in his resignation, in his comments, he
14 put the burden of the resignation on his concerns about the
15 growing power of Hezbollah in Lebanon. But the
16 circumstances of his resignation, doing a resignation while
17 on a trip to Saudi Arabia, in a way where his comments were
18 very contrary to some comments he had made days earlier,
19 have raised great concern throughout the region that it was
20 done under pressure from the Government of Saudi Arabia and
21 even potentially, the rumor is around, that he is detained
22 in some way by Saudi Arabia. There is an announcement that
23 he will be returning to Lebanon soon to address these
24 issues.

25 But the proxy war between Iran and Saudi Arabia, as you

1 mentioned, is affecting the entire region. Yemen, possibly
2 Lebanon, and other locations where I visited, people have
3 said we feel like we are getting crushed by a proxy war. We
4 hardly have room to breathe on our own because of this proxy
5 war between Iran and Saudi Arabia.

6 Neither of these countries are going anywhere. They
7 are both going to be there for a very long time. And I hope
8 that we can do things, as the United States, that would
9 encourage them not to find a friendly rapprochement, that
10 seems completely unrealistic now, but at least bring the
11 temperature down, because the proxy war that they are waging
12 is really crushing a lot of people.

13 Second, I want to ask a question that is about
14 diplomacy, recognizing each of you are being nominated for
15 important positions within the Pentagon. Secretary Mattis
16 states over and over again the United States is never out of
17 diplomatic options. And when we are dealing with a
18 situation like North Korea, we will always prefer diplomacy
19 first. That is the reason President Truman realtered the
20 Seal of the President, so that the eagle faces the olive
21 branches of diplomacy and not the arrows of war.

22 But I have been in two hearings this week in the
23 Foreign Relations Committee where the realistic possibility
24 of a land war on the Korean Peninsula has been discussed
25 probably in a more serious way than we have seen it

1 discussed for a very, very long time. And it seems like the
2 issues that are being talked about are whether there is war
3 or whether there is going to be a containment strategy for a
4 North Korea that has a nuclear capacity.

5 And I want to continue to focus on what I know
6 Secretary Mattis wants to focus on: Are there diplomatic
7 options that are out there that we have not fully explored?

8 And one that I am interested in is, we all know there
9 was an armistice in 1953 in the Korean War, but there has
10 never been a peace deal. Over the years, there have been
11 requests to start peace negotiations to end the Korean War,
12 requests by the North Koreans, requests by the United
13 Nations. In general, United States has either rejected
14 those entreaties or said we will only do it if you first
15 make a commitment to denuclearization.

16 Within the siege mentality of this police state, North
17 Korea, they flip this around and they basically say, look,
18 the U.S.'s unwillingness to do a peace deal to end the
19 Korean War is why we need to arm up, why we need to pursue a
20 weapons program.

21 And I hope that as we are pursuing diplomatic options,
22 acknowledging that they may be somewhat limited, that we
23 would explore whether a discussion about the end of the
24 Korean War and a formal peace discussion that would likely
25 involve at least four parties -- the United States, China,

1 North and South Korea -- might be one of those strategies
2 that can help us find a diplomatic path so that we would not
3 have to tolerate a nuclear North Korea, and we would not be
4 pushed into a war on the Korean Peninsula.

5 It would seem a small thing without a lot of downside
6 to explore that, if it would help us avoid either of those
7 two untenable positions. And that is really more of a
8 comment for my colleagues, but in the spirit of what
9 Secretary Mattis has laudably always insisted upon, that we
10 should not consider ourselves out of diplomatic options and
11 we should look at creative diplomacy to solve this.

12 If either you have comments on that, I would be open to
13 hearing your comments. I know it is not really a question.

14 Mr. Schriver: Senator, thank you. I do believe we
15 need to get out of that binary trap of either we go to war
16 and have a military conflict or treat North Korea as a
17 recognized nuclear state. And the only way you fall
18 anywhere else on that spectrum is through diplomacy.

19 So I think we have expressed, through our President,
20 our Secretary, a willingness. Of course, we have to have a
21 willing partner on the other side. I would only note that
22 President Moon Jae-in in South Korea has made a number of
23 overtures to North Korea in the form of humanitarian aid, in
24 the form of wanting to begin dialogue, and those have been
25 rejected by North Korea so far. So we need a willing

1 partner on the other side.

2 But I think your suggestion, there are probably other
3 creative ways. The first step is getting to a place where
4 you can talk. And then the second step, and equally if not
5 more important, is the substance and the content of those
6 talks.

7 But I agree. We should remain entrepreneurial and
8 creative in this, because the alternatives are very bad.

9 Senator Kaine: Thank you.

10 Thank you, Mr. Chair.

11 Chairman McCain: Senator Perdue?

12 Senator Perdue: Thank you, Mr. Chair.

13 And thank you both for your willingness to step up and
14 fulfill these huge responsibilities, as well as to your
15 families.

16 I have two quick questions. I want to comment on the
17 State Department comments that have been made so far today.
18 I want to echo what Senator Shaheen and Chairman McCain have
19 said today about the State Department.

20 Of course, we need a functioning State Department, but
21 I just want to remind everybody this is endemic of the
22 problem we have with the DOD as well. The budget of the
23 State Department has more than tripled under two
24 administrations since the year 2000. This is a problem we
25 have in the Federal Government. We are losing the right to

1 do the right thing.

2 And I want to relate that to, Mr. Rood, I could not
3 agree more with you that the world is more dangerous than
4 any time in my lifetime. I am a little older than you are,
5 but I would agree with you. It is more dangerous than any
6 time in my lifetime.

7 I am concerned about what happens in Iraq and Syria
8 post-ISIS. With Russian now having signed a 50-year
9 contract for Latakia, a big air force base there in Syria,
10 they have access to Tartus, a huge naval base there in
11 Syria, and what Iran is doing through their militia in both
12 Iraq and Syria, how are you guys in the state of reality in
13 Syria and Iraq, what is the -- and as you approach this
14 National Defense Strategy, what is the U.S. role in Iraq and
15 Syria going forward in a post-ISIS environment, given what
16 Iran and Russia are doing?

17 Mr. Rood: Senator, I think, first, our primary
18 objective in Syria and in Iraq right now is the defeat of
19 ISIS. We have made good progress in the destruction of the
20 physical caliphate that ISIS established there. As
21 Secretary Mattis has said, some 95 percent of the territory
22 has been reclaimed.

23 But first, we should not take our eye off that ball and
24 complete that mission to defeat ISIS.

25 Senator Perdue: Do you believe that Bashar al-Assad

1 should go, as part of any going-forward strategy?

2 Mr. Rood: Senator, I would say that, given the
3 atrocities that he has conveyed against his own people, the
4 barrel-bombing of his own cities and the activities using
5 chemical weapons, it is hard for me to see a political
6 settlement that leaves him in power at the end of that.

7 But I do think, after the defeat of ISIS and this next
8 phase of the conflict where I would expect after the
9 physical caliphate is gone, ISIS would follow the playbook
10 that Al Qaeda took to go to ground, blend back into
11 villages, and then later emerge to conduct terrorist
12 attacks, we are going to have to be vigilant to prevent an
13 emergence of an ISIS 2.0.

14 Senator Perdue: And the overflow into places like
15 Niger and the other places around the world with affiliates
16 as well.

17 Mr. Rood: Yes. And the tremendous catastrophe that
18 has befallen the Syrian people from 5 to 6 years now of
19 civil war, with more than 500,000 people killed, we and
20 others are rightly concerned about the humanitarian crisis
21 there. And that affects so much beyond Syria that we have
22 to be concerned about.

23 Senator Perdue: Mr. Schriver, you are a China watcher
24 by your own description, as I am. Over the last 30 years,
25 there was a book written in the early 1990s called "The Rise

1 of China." It is now an antiquated book. And what I am
2 concerned about is China today spending about \$235 billion
3 on their military. And if you adjust for purchasing power
4 parity, that is approaching our level of expenditure and
5 probably more, given the difference in the cost of things
6 that they can buy over there, as well as they are bringing
7 new technologies much quicker than we are, not because they
8 have better innovation, but because of the regulatory
9 environment, et cetera. It takes us much longer to get
10 there.

11 China is not a member of the INF Treaty, and therefore,
12 they have not been restricted over the last few decades in
13 terms of developing missile technology. So today, 95
14 percent of their missile inventory -- which, by the way, is
15 the biggest missile inventory in the history of the world.
16 It is bigger than Russia's. It is bigger than ours. But 95
17 percent of those missiles do not comply with the INF. They
18 have ranges that are dramatically longer and greater than
19 ours.

20 Right now, \$5 trillion of commerce flows through the
21 South China Sea, and yet they are building seven bases,
22 militarized bases, there, including tank farms and so forth,
23 plus regiments of fighter aircraft, bomber aircraft, and ISR
24 capabilities.

25 The concern I have is, right now with the President

1 just getting back from China and with President Xi having
2 made one of the first major visits here in United States in
3 quite some time, what is the U.S. role in terms of engaging
4 China as we have been doing for 30 years, but also avoiding
5 the next arms race, if you will, which I am not sure that
6 either one of us really want to face up to from a cost
7 standpoint or from an impact on the world perspective?

8 So you have been watching this a long time. I would be
9 very interested in your thoughts. And how will you impact
10 that in your role, if confirmed?

11 Mr. Schriver: I think we need to be very clear-eyed
12 about the Chinese vision and their aspirations. They are
13 building capabilities, obviously, but it is for a purpose.
14 And I think, in many ways, the Chinese are opaque and
15 difficult to understand. But in other ways, they are very
16 clear, and they have spoken very openly about a different
17 kind of Asia-Pacific --

18 Senator Perdue: They are long-range focused as well.
19 Is that correct?

20 Mr. Schriver: Yes, sir. Absolutely.

21 So I think, take them at their word, take them
22 seriously, and understand the nature of the challenge. For
23 some time, people were unwilling to even use the phrase
24 "strategic competitor," and now I understand the department
25 is acknowledging quite openly that we are on the leading

1 edge of long-term strategic competition.

2 Hopefully, that is not an arms race, because that is
3 expensive for everybody. But I think to maintain a free and
4 open Indo-Pacific to protect our allies, I am afraid there
5 is a defense piece to that will take resources.

6 I do think the combination of our investment and our
7 presence and involvement alongside our allies -- Japan,
8 Australia, South Korea, perhaps an increasing role for other
9 powers such as India -- I think there are enough countries
10 that share an interest in rules-based order, free and open
11 commerce, and the rest that I think we have a pretty good
12 starting point to deal with the Chinese on this. But it is
13 going to require vigilance.

14 Senator Perdue: Thank you.

15 Thank you, Mr. Chair.

16 Chairman McCain: Senator King?

17 Senator King: Mr. Rood, I do not want to pile on from
18 Senator Shaheen and Senator McCain, but I will.

19 The question is a cyber doctrine, and here is why I
20 think it is so important. Right now, we are engaged in a
21 new kind of warfare, and the problem is that our adversaries
22 are attacking us virtually daily, not only in 2016, but
23 today, and they certainly will in 2018 in our elections.
24 And they are paying no price.

25 And that is why I think, to put a finer point on it,

1 why we need a doctrine and a strategy so that our
2 adversaries understand that an attack will be treated as an
3 attack and there will be some response, because right now,
4 there is no deterrence whatsoever. It is a freebie for an
5 adversary that wants to attack our country in this very
6 powerful and destructive way.

7 Give me your thoughts on that. I think the important
8 message, I hope, you are taking from this hearing is, this
9 should be one of your highest priorities, as the policy guy,
10 is to develop and help the White House to develop a policy
11 so that our adversaries know that they cannot attack us with
12 impunity.

13 Mr. Rood: Senator, I certainly agree with you. I
14 think that we have not done as well as we should at defining
15 what we would regard as an attack, what we would regard as
16 an act of war, if a country like Russia or China were to do
17 that.

18 And then, I think as I said before, a whole-of-
19 government approach will be required. And it gets very
20 complex, and I suspect that that is what has impeded us as a
21 government in getting to that state that we both desire.

22 Senator King: But that cannot be an excuse.

23 Mr. Rood: No, sir.

24 Senator King: I cannot go home to Maine and say we
25 couldn't pass XYZ bill because it had four committees of

1 jurisdiction, and we just couldn't get to it. That is not
2 going to wash when our electric system goes down.

3 And you are in the Department of Defense, and you have
4 a direct line into the National Security Council. This
5 takes presidential leadership, I think. And this is not a
6 criticism of the current President, because we did not get
7 any real action on this in the prior administration.

8 But you have to press for presidential leadership, so
9 that the division of responsibility throughout the
10 government is not an excuse for not having a doctrine that
11 our adversaries understand.

12 Mr. Rood: I certainly agree with your statements,
13 Senator. And I think it is important that this be a high
14 priority for us, as you say, not only at the Defense
15 Department. It is something that I would make a priority
16 for me, if confirmed, as the Under Secretary of Defense for
17 Policy.

18 And I think it is critical that we work together with
19 our colleagues, not only, as I say, in the State Department,
20 but those responsible in the Department of Homeland Security
21 for the protection of our critical infrastructure, for those
22 in the law enforcement community that also play a
23 substantial role. And, indeed, it would extend beyond that
24 to involve the Energy Department and others.

25 Senator King: I would say it is not whole-of-

1 government. It is all-of-society, because as you mentioned,
2 a lot of this activity is in the private sector, and that is
3 where the attacks are going to come.

4 Mr. Rood: Clearly. And the private sector owns and
5 operates the critical infrastructure in this country. They
6 will need to participate in an effective defense. It is one
7 of the things we are going to have to make a priority for
8 them to do that.

9 But also, against a determined nation-state actor like
10 Russia and China, it is not reasonable to expect that some
11 of the private sector owners will be able to stand up fully
12 do that without the government's involvement and help as
13 well.

14 Senator King: And again, if we try to fight this
15 battle purely defensively, patching software and putting new
16 systems in place, that is ultimately a losing proposition.
17 Deterrence, it seems to me, is one of the key elements.

18 If one of our adversaries fires a missile toward
19 Atlanta, they know what is going to happen. Right now,
20 though, they can try to hack into the electric grid in the
21 Southeast, nothing happens.

22 And I keep coming back to the fact that it has to be an
23 assertive and well-known deterrent policy.

24 Mr. Rood: Yes. And I think sometimes we get thrown by
25 the use of a new technology, but if those same attacks,

1 those same activities, were undertaken on land, at sea, we
2 would know, and we would have a series of protocols about
3 how to respond. And it would not typically be particularly
4 contentious.

5 But the use of technology somehow gives us a shift in
6 our thinking about it in a way that I do not think it
7 should, because in deterring an attack, the attacker has to
8 know that there will be an attribution, you will know who
9 they are, that you have the means to respond to hold at risk
10 those things that they hold dear.

11 And ideally, you have some means also to deter their
12 objectives by denial, so that the combination -- if someone
13 is unsuccessful in taking down our electric grid, but they
14 try, we should still regard that as a very hostile act by
15 that country. And we would in the physical domain, and we
16 should in the cyber domain.

17 Senator King: And there would be consequences. That
18 is the key, it seems to me.

19 Well, I appreciate your consideration.

20 Mr. Schriver, I have used all my time, but I would
21 like, for the record, if you could, to put some thought to,
22 to paraphrase Freud, what does China want? What does China
23 want? Put ourselves in their shoes, so that we can
24 understand how to respond to the challenge which they
25 present.

1 Thank you very much, Mr. Chairman.

2 Chairman McCain: Senator Cotton?

3 Senator Cotton: Thank you, gentlemen, for being
4 willing to serve the country again.

5 Mr. Rood, Senator Perdue spoke to you about China's
6 growing missile capabilities. The United States is one of
7 two countries that has voluntarily restrained itself from
8 developing intermediate-range ground-launched cruise
9 missiles, Russia being the other one. That is in the
10 Intermediate-Range Nuclear Forces Treaty.

11 Of course, Russia is violating that treaty. They are
12 developing and deploying ground-launched mobile cruise
13 missiles.

14 You state in your advance policy questions that you
15 would become part of the process in which the Department of
16 Defense is reviewing this issue. I wonder if you could give
17 us your thoughts now, though, on what the appropriate
18 response for the United States would be in a situation where
19 we are, literally, the only country in the world that has
20 chosen not to develop this class of weapons.

21 Mr. Rood: Senator, I would say, as a general matter,
22 that in these types of treaties and arms control agreements
23 that we have to take very seriously any form of violation,
24 whether it be by the Russians or another party.

25 In this case, since there are only two parties to the

1 treaty, and the other party is not living up to their
2 obligations, I think we have to look very seriously at the
3 continued efficacy of that.

4 I know that the Obama administration tried very hard to
5 persuade the Russians to return to compliance with the
6 treaty. I am not aware, but I assume that the current
7 administration has also made those efforts.

8 But at some point, if the Russians are unwilling to
9 live up to their obligations there, I think we have to look
10 again at whether that is in our interest to stay there and
11 taking reasonable steps to defend against the capabilities
12 that the Russians have illegally now deployed. Taking
13 steps, also, to work with our allies to deter any benefit or
14 any gain the Russians might get from that is important.

15 And I will say, it is not a new issue. When I served
16 in government in the Defense Department before, the Russians
17 approached us and asked the United States to jointly
18 withdraw from the INF Treaty. We declined at that time.
19 But unfortunately, it appears they have simply violated the
20 treaty in the intervening years.

21 Senator Cotton: From a strategic standpoint, is it
22 reasonable to say that, given their geopolitical situation,
23 Russia benefits more from the lack of intermediate-range
24 cruise missiles in Europe, since there is any number of
25 countries that can strike Russia, if they had those missiles

1 on their soil? Whereas the United States' benefit is much
2 smaller, given that there are very few countries around us
3 that have the capability and the intent to do that kind of
4 harm to us.

5 Mr. Rood: I think that there is a benefit. If Russia
6 did not possess intermediate-range nuclear weapons and
7 delivery systems in Europe, obviously, there would be a
8 benefit to the United States our NATO allies. But I think
9 the relevant question -- and certainly, the United States
10 forgoing that capability, and our allies, puts some
11 constraints on us.

12 But it is a bit of a hypothetical question if the
13 Russians, the other party, are unwilling to live under that
14 obligation.

15 We went through a similar exercise, as you know,
16 Senator, with the conventional forces in Europe treaty,
17 where the United States and our partners in Europe wanted
18 the Russians to adhere to it. They first violated it and
19 eventually withdrew from that treaty.

20 And so, as much as we would like them to adhere to
21 this, I am pessimistic that they will do that, despite the
22 approaches the United States in successive administrations
23 has taken with them.

24 Senator Cotton: Well, I share your pessimism about the
25 future of the INF Treaty, given the Russians' behavior. And

1 I hope it is something that will come to a head sooner
2 rather than later, instead of letting the status quo
3 persist, which is that Russia, which benefits more from the
4 treaty, also benefits from violating the treaty, while we
5 stand idly by.

6 I would say the same thing about the Open Skies Treaty
7 a less prominent treaty, but one in which Russia is also
8 violating in Kaliningrad and elsewhere while they take great
9 advantage of their capabilities over the United States.

10 Mr. Schriver, I want to turn now to Taiwan. It has
11 been U.S. policy to provide Taiwan defensive weapons for
12 some time. Do you believe that the current sales to Taiwan
13 provide a sufficient deterrence against Communist Chinese
14 aggression?

15 Mr. Schriver: It is something I would definitely want
16 to take a look at. My judgment of the Chinese military
17 modernization and what is aimed at Taiwan suggests that we
18 have more work to do there.

19 Senator Cotton: China obviously has and will always
20 have a quantitative advantage over the Taiwanese military.
21 Do you believe they have a qualitative advantage at this
22 point?

23 Mr. Schriver: In certain niche areas, they do. But
24 overall, I think Taiwan, it maintains a qualitative edge to
25 the point where they could deter and, hopefully, defeat a

1 Chinese invasion. There are scenarios short of invasion,
2 coercion scenarios, which are very dangerous for Taiwan.

3 Senator Cotton: Thank you for that. I know the State
4 Department plays the primary role in these matters, but I
5 hope you will use your role in the interagency process to
6 try to move more quickly along with the sale of weapons to
7 Taiwan to defend themselves against the Communist Chinese
8 aggression, since we are obligated by United States law, the
9 Taiwan Relations Act, to provide an adequate defense to
10 Taiwan.

11 My time has expired. Thank you, gentlemen.

12 Chairman McCain: Senator Warren?

13 Senator Warren: Thank you, Mr. Chairman.

14 And thank you to the nominees for being here today.

15 Mr. Rood, like Chairman McCain, I am concerned about
16 the number of appointees from the big five defense
17 contractors. I have questions about Asia-Pacific, but
18 before we get there, I think this committee needs to
19 understand your potential conflicts of interest and how you
20 plan to deal with them.

21 You have signed the White House ethics pledge, which
22 requires you to recuse yourself from all matters involving
23 your former employer, Lockheed, for 2 years. But the ethics
24 laws currently in place permit you to apply for a waiver
25 from that recusal.

1 So will you commit not to seek such a waiver during
2 your time in office?

3 Mr. Rood: Senator Warren, the ethics agreement that I
4 have signed with the Office of Government Ethics requires me
5 to divest myself of all financial --

6 Senator Warren: Yes, I know what the waiver does. My
7 question is, will you agree not to apply or ask for a
8 waiver?

9 Mr. Rood: Well, Senator, the standard that has been
10 applied to me is the same one that has been applied to
11 nominees and those that have served in the past
12 administration, the previous one, the Obama administration,
13 this one. I plan to live very scrupulously by the ethics
14 agreement I have signed with the Office of Government
15 Ethics.

16 Senator Warren: Will you agree not to ask for a
17 waiver?

18 Mr. Rood: That agreement that I have signed at the
19 Office of Government Ethics --

20 Senator Warren: I am going to take that as a no.

21 Mr. Rood: -- allows for the --

22 Senator Warren: Mr. Rood, I would like to be very
23 specific about this. You served as senior vice president
24 for Lockheed Martin International. According to your
25 official bio submitted to the committee, your

1 responsibilities included "developing and executing
2 strategies to grow Lockheed Martin's international business"
3 and "managing marketing and government relations activities
4 overseas."

5 In other words, you were responsible for selling
6 Lockheed's products to other countries. In your new role,
7 you will be responsible for developing defense policy,
8 including overseeing policy on foreign military sales to
9 those very same countries.

10 Will you recuse yourself from policy discussions about
11 the sale of Lockheed products via the Foreign Military Sales
12 and Financing programs?

13 Mr. Rood: Senator, this is a matter I take very
14 seriously. I have consulted with the Defense Department's
15 chief ethics counsel, including as recently as yesterday,
16 about that specific matter.

17 The department has well-established processes in place.
18 I am recused from any particular matter involving Lockheed
19 Martin for a period of 2 years. I will have financially
20 divested myself of all financial holdings --

21 Senator Warren: So I am asking you the question: Will
22 you recuse yourself from policy discussions --

23 Chairman McCain: Mr. Rood, I suggest you answer the
24 question to the Senator.

25 Mr. Rood: Yes. Yes, Mr. Chairman.

1 The answer to your question is that I -- in those
2 things that involve a particular matter, I will work with
3 the general counsel's office to avoid involvement in any
4 particular matter involving --

5 Chairman McCain: So the answer is no. Is that right?

6 Mr. Rood: The Senator's question, I believe, Mr.
7 Chairman, was whether I would involve myself in any
8 particular matter, and the answer is I would not involve
9 myself in a particular matter related to Lockheed Martin.

10 Senator Warren: So you will recuse yourself from
11 policy discussions about the sale of Lockheed products via
12 the Foreign Military Sales and Financing programs?

13 Mr. Rood: If those discussions were to involve some
14 particular matter of a bearing to Lockheed Martin, the --

15 Senator Warren: I do not understand why the answer is
16 not just yes or no.

17 Chairman McCain: Mr. Rood, I suggest you answer the
18 question or you are going to have trouble getting through
19 this committee.

20 Mr. Rood: Senator, I am trying to provide a clear
21 answer. But I am -- those matters that involve particular
22 matters; that is, something that affects the financial
23 health of the company I am recused from. If you are
24 describing a policy matter, such as how the United States
25 should have a relationship with another country in an arms

1 area or cooperation between our air forces, the answer is I
2 would be involved in that, and that would not pose a
3 conflict of interest.

4 Senator Warren: So you are saying you will not recuse
5 yourself from policy discussions about the sale of Lockheed
6 products via the Foreign Military Sales and Financing
7 programs?

8 Mr. Rood: I do not intend to participate in
9 conversations about the sale of Lockheed Martin products.

10 Chairman McCain: It is not a matter of participating
11 in conversations, Mr. Rood.

12 Mr. Rood, we are going to give you the question in
13 writing, because, obviously, you are ducking the answer
14 here, and it will have a bearing on the vote in this
15 committee.

16 Senator Warren: Thank you, Mr. Chairman. I think this
17 is a critical issue. How can the American people have any
18 confidence that the work that is being done by this nominee
19 is being done on behalf of the American people rather than
20 on behalf of one of the big five defense contractors if we
21 cannot get a straight answer here?

22 Chairman McCain: Could I just say, Senator Warren --

23 Senator Warren: Yes. Please.

24 Chairman McCain: -- I am glad you raised it, because
25 one of my major concerns has been the big five and the

1 rotating back and forth between government and business.

2 And this is kind of a classic example of what we deserve --
3 straightforward answers. And I thank you.

4 Senator Warren: Well, thank you, Mr. Chairman, for
5 your leadership on this.

6 I have questions about Asia-Pacific, but since my time
7 is up, I will submit them for the record.

8 Chairman McCain: Without objection.

9 Mr. Rood, I hope we can clear that up. It is just not
10 something that should be difficult. You should not be
11 making decisions that are related to your previous
12 employment or would affect the fortunes of one of them.

13 So I do not like your answers. Most of us do not like
14 your answers. We will be giving you written questions, and
15 I suggest that you answer them thoroughly and completely.
16 Okay?

17 Mr. Rood: Yes, sir.

18 Chairman McCain: Jack?

19 Senator Reed: Mr. Chairman, I have no further
20 questions. Thank you.

21 Chairman McCain: I thank the witnesses. I thank you
22 for your willingness to serve. I would like to congratulate
23 you on beautiful families.

24 And may I ask who that is there?

25 Mr. Schriver: It is our daughter, Mae, who we adopted

1 from the Marshall Islands.

2 Chairman McCain: Well, she is beautiful. Hi, Mae.

3 [Laughter.]

4 Chairman McCain: Congratulations on both of your
5 beautiful families. Thank you very much.

6 This hearing is adjourned.

7 [Whereupon, at 11:19 a.m., the hearing was adjourned.]

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