

ASD Shear Statement for the Record
SASC Hearing on DoD Asia-Pacific Maritime Security Strategy

Introduction

Thank you very much Chairman McCain. Thank you also to Ranking Member Reed and other members of the committee for inviting me to be here to speak with you today.

I am pleased to be here to discuss maritime issues in the Asia-Pacific and the Department of Defense's new Asia-Pacific Maritime Security Strategy, which we released last month. This strategy reflects the enduring interests the United States has in the region and the premium we place on maritime peace and security in this critical part of the world. Throughout its history, the United States has relied upon and advocated for freedom of the seas, and this freedom is essential to our economic and security interests, nowhere more so than in the Asia-Pacific.

It is important to note that while this strategy reflects the Defense Department's maritime objectives and activities in the Asia-Pacific, DoD's efforts are simply one aspect of a much broader U.S. strategy to protect America's principled interests in upholding international law, freedom of navigation, unimpeded lawful commerce, and peaceful resolution of disputes. The United States has a comprehensive strategy to uphold maritime security in the region—one that leverages diplomacy, multilateral institutions, commitment to international law, maritime capacity building, trade, and continued engagement across the region.

The Department of Defense plays an important part in supporting these goals. For seventy years, our robust maritime capabilities, and the presence of U.S. sailors, soldiers, Marines, and airmen, have helped protect the freedom of navigation and commerce upon which the United States and all Asia-Pacific nations rely. As we note in the Asia-Pacific Maritime Security Strategy report, "freedom of the seas" reflects far more than simply freedom of navigation for commercial vessels. It also implies all of the rights, freedoms, and lawful uses of the sea and airspace, including for military ships and aircraft, recognized under international law.

Unfortunately, in recent years, we have seen a number of changes take place in the maritime security environment that have the potential to undermine the freedoms and the peace and security the region has enjoyed for decades. So before I discuss the details of our strategy, allow me to offer some thoughts on the strategic context for this report.

Strategic Context

Over the past several decades, the Asia-Pacific has experienced one of the most tremendous economic transformations in modern history, thanks in no small part to the growth of free and open trade across the region's sea lanes. As Secretary Carter noted, this growth has been the result of a peaceful security environment. While regional trade and prosperity continue to grow, recent developments in the maritime domain, if left unaddressed, could challenge the stable security environment that has enabled this historic progress. These include rapid military modernization, growing competition for resources, and intensifying territorial and maritime disputes.

In recent years, Asia-Pacific nations have significantly increased their surface, subsurface, and air capabilities, leading to a dramatic increase in the number of military planes and vessels operating in close proximity in the maritime domain. At the same time, this military modernization has been accompanied by a corresponding increase in regional law enforcement capabilities, which have become increasingly relevant as some countries, particularly China, are using their civilian assets to assert claims over disputed maritime areas.

While military modernization efforts are a natural and expected element of economic growth, they also increase the potential for dangerous miscalculations or conflict. This places a premium on the need for Asia-Pacific nations to adhere to shared maritime rules of the road, such as the Code for Unplanned Encounters at Sea (CUES), and to pursue increased transparency and risk reduction mechanisms to ensure safe behavior in the maritime domain.

The potential for instability is also exacerbated by the existence of long-standing territorial and maritime disputes across the region, most notably in the South China Sea. While we do not take a position on conflicting territorial claims in the South China Sea, we do emphasize that all maritime claims must be derived from land features in accordance with international law as reflected in the Law of the Sea Convention, and any disputes should be settled peacefully and in accordance with international law. We have called for all claimants to reciprocally and permanently halt land reclamation, the construction of new facilities, and the further militarization of outposts on disputed features. We have also encouraged all claimants to conclude a Code of Conduct by the time of the East Asia Summit in November, one that would create clear rules of the road in the South China Sea.

China's large-scale land reclamation on disputed features over the past two years has brought concerns about regional stability into sharper focus. While land reclamation is not a new development, and China is not the only claimant to have conducted reclamation, China's recent activities significantly exceed other efforts in size, pace, and effect. China has now reclaimed more than 2,900 acres, amounting to 17 times more land in 20 months than the other claimants combined over the past 40 years, and accounting for approximately 95 percent of all reclaimed land in the Spratly Islands. China has clearly stated that the outposts will have a military component to them, and by undertaking these actions, China is not only unilaterally altering the status quo in the region, they are also complicating the lowering of tensions and the resolution of South China Sea disputes. We continue to encourage all claimants to commit to reciprocally and permanently halt further land reclamation, construction, and militarization of outposts in the South China Sea, in order to create space for diplomatic solutions to emerge.

DoD's Maritime Strategy

The Department has devised a comprehensive and systematic maritime strategy to meet these challenges. Our strategy is focused on three fundamental goals: *safeguarding the freedom of the seas; deterring conflict and coercion; and promoting adherence to international law and standards.*

In pursuit of these goals, the Department is: strengthening U.S. military capacity; building the maritime capabilities of allies and partners in maritime Asia; reducing the risk of potential conflicts by leveraging military diplomacy; and strengthening regional security institutions.

Strengthening U.S. Military Capacity

As part of the rebalance to the Asia-Pacific, we are strengthening our military capacity to ensure the United States can successfully deter conflict and coercion and respond decisively when needed. To achieve this objective, the Department is investing in new cutting-edge capabilities, deploying our finest maritime capabilities forward, and distributing these capabilities more widely across the region.

We also are enhancing our regional force posture – particularly air and maritime assets – to ensure our ability to execute key missions. We are deploying some of our most advanced surface ships to the Asia-Pacific, including replacing the aircraft carrier *USS George Washington* in 2015 with the newer *USS Ronald Reagan*; sending our newest air operations-oriented amphibious assault ship, the *USS America*, to the region by 2020; deploying two additional Aegis-capable destroyers to Japan; and home-porting all three of our newest class of stealth destroyers, the DDG-1000, with the Pacific fleet. Through these and other efforts, the U.S. Navy will increase the size of Pacific Fleet’s overseas assigned forces by approximately 30 percent over the next five years.

This enhanced military capacity will allow the Department to maintain a higher tempo of routine and persistent maritime presence activities across the Asia-Pacific. In short, you will see more of the U.S. Navy in the region in the coming years. U.S. Pacific Command maintains a robust shaping presence in and around the South China Sea, with activities ranging from training and exercises with allies and partners to port calls to Freedom of Navigation Operations and other routine operations. These activities are central to our efforts to dissuade conflict, preserve our access to the region, encourage peaceful resolution of maritime disputes and adherence to the rule of law, and to strengthen our relationships with partners and allies.

A key component of DoD operations falls under the Freedom of Navigation (FON) program, conducted in conjunction with our interagency partners. The Department is placing new emphasis on these operations, which challenge excessive maritime claims around the world and directly support adherence to international maritime law. Between 2013 and 2014, we increased global FON operations by 84 percent, the majority of which were conducted in the Asia-Pacific. As Secretary Carter has stated, the United States will continue to fly, sail, and operate wherever international law allows, as U.S. forces do all around the world, and our FON Operations are a critical example of this.

The Department is also enhancing its forward presence by using existing assets in new ways, across the entire region, with an emphasis on operational flexibility and maximizing the value of U.S. assets despite the tyranny of distance. This is why the Department is working to develop a more distributed, resilient, and sustainable posture. As part of this effort, the United States will maintain its presence in Northeast Asia, while enhancing defense posture across the Western Pacific, Southeast Asia, and the Indian Ocean. The cornerstone of our forward presence will continue to be our presence in Japan, and in an effort to ensure that this presence is sustainable,

we have worked within the alliance to develop a new laydown for the U.S. Marine Corps in the Pacific. Through the bilateral Force Posture Agreement (FPA) with Australia and the Enhanced Defense Cooperation Agreement (EDCA) with the Philippines, the Department will be able to increase our routine and persistent rotational presence in Southeast Asia for expanded training with regional partners.

Through these efforts, there should be no doubt that the United States will maintain the necessary military presence and capabilities to protect our interests and those of our allies and partners against potential threats in the maritime domain.

Building Ally and Partner Capacity

However, our strategy involves far more than U.S. capacity and presence. The bedrock of our approach in the region is our strong network of allies and partners, and the combined capabilities these relationships can bring to bear. Through regular and close consultations with our allies and partners from Northeast Asia to the Indian Ocean, the Department of Defense is working to bolster the maritime capacity and capabilities of countries in the region.

First, we are building greater interoperability and developing more integrated operations with our allies and partners. For example, with our close ally Japan, we are working to improve the maritime-related capabilities of the Japan Self-Defense Forces. As Japan acquires advanced capabilities such as V-22 Ospreys, E-2D Hawkeyes, and Global Hawk Unmanned Aerial Vehicles, we are building a stronger and more interoperable alliance. Our expanded bilateral cooperation will now encompass a range of activities, from peacetime cooperation on shared maritime domain awareness, up to cooperation across a range of contingencies. In Southeast Asia, the Department is assisting the Philippines to more effectively establish a minimum credible defense, and we have established new bilateral working groups with Vietnam, Indonesia, and Singapore to support their maritime defense requirements. And in South Asia, we are working with the Indian Navy on aircraft carrier technology sharing and design; the U.S.-India Joint Aircraft Carrier Working Group (JACWG) had its first formal meeting in August, led by Vice ADM Cheema, the Commander in Chief of India's Western Fleet.

We also are increasing the size, frequency, and sophistication of our regional exercise program, with a particular focus on developing new exercises with Southeast Asian partners and expanding our multilateral exercise program. A large contingent of U.S., Philippine, and Australian military personnel participated in this year's exercise Balikatan in the Philippines, including observers from Japan. DoD is continuing to expand its maritime engagements elsewhere in Southeast Asia, with important partners like Indonesia, Malaysia, and Vietnam. In Indonesia, the April 2015 iteration of the Sea Surveillance Exercises included a flight portion over the South China Sea for the first time, and the U.S. Marine Corps participated in an amphibious exercise with the Malaysian Armed Forces. In Vietnam, we are rapidly growing our maritime training, and in just six years, our naval cooperation has grown from a simple port visit to multi-day engagements that allow our sailors to better understand each other's operations and procedures.

But our maritime capacity building efforts in Southeast Asia do not stop there. As Secretary Carter announced at the Shangri-La Dialogue, the Department is implementing a new Southeast

Asia Maritime Security Initiative (MSI) that will increase training and exercises, personnel support, and maritime domain awareness capabilities for our partners in Southeast Asia. As part of MSI, DoD, in coordination with the Department of State, will consult with our allies and partners to define the requirements needed to accomplish the goals of MSI and explore other enduring opportunities for maritime collaboration. In the near term, we are focused on several lines of effort: working with partners to expand regional maritime domain awareness capabilities and develop a regional common operating picture; providing the necessary infrastructure, logistics support, and operational procedures to enable more effective maritime response operations; strengthening partner nation operational capabilities through expanded maritime exercises and engagements; helping partners strengthen their maritime institutions, governance, and personnel training; and identifying modernization and new system requirements for critical maritime security capabilities. I not only thank you for remaining focused on this important effort, but also urge your continued support as we move forward to implement this strategy.

Reducing Risk

In addition to our efforts to improve regional capabilities, the Department is also leveraging defense diplomacy to build greater transparency, reduce the risk of miscalculation or conflict, and promote shared maritime rules of the road. The Department is pursuing a two-pronged approach to achieve this objective, one focusing on our bilateral relationship with China, and the other focused on region-wide risk reduction measures.

In recent years, we have reinvigorated efforts to expand bilateral risk reduction mechanisms with China, including the Military Maritime Consultative Agreement (MMCA) and the establishment of an historic Memorandum of Understanding (MOU) on Rules of Behavior for Safety of Air and Maritime Encounters in 2014. This MOU established a common understanding of operational procedures for air and maritime encounters to reduce the possibility of misunderstanding between the U.S. and Chinese militaries. The MOU currently includes an annex on ship-to-ship encounters and we are working to expand it further by the end of 2015. Already, U.S.-China defense diplomacy has yielded positive results; there have been no unsafe intercepts since August 2014. In further efforts to reduce risk, U.S. Navy and PLA Navy vessels have successfully employed CUES during recent interactions, lowering the likelihood of miscalculations that could lead to dangerous escalation.

Of course, reaching agreement on bilateral risk reduction measures with China is necessary, but not sufficient. The Department is also working to help the Association of Southeast Asian Nations (ASEAN) and other regional partners establish regional risk reduction mechanisms, such as operational-level hotlines to establish more reliable and routine crisis communication mechanisms. As I mentioned, MSI will help develop a regional common operating picture to reduce risk, but we also encourage the efforts of countries that seek to reduce tensions through their own initiatives – such as Indonesia and Malaysia – who recently announced their intention to exchange maritime envoys in an effort to increase mutual transparency. We also have supported the efforts between China and Japan to do the same in the East China Sea.

Building Regional Architecture

Finally, we are working to strengthen regional security institutions and encourage the development of a transparent, integrated, and diversified effective regional security architecture.

ASEAN is an increasingly important DoD partner, and the Department is continuing to enhance its engagement in ASEAN-based institutions such as the ASEAN Defense Ministers Meeting Plus (ADMM-Plus). To this end, Secretary Carter will travel to Kuala Lumpur in November for the next ADMM-Plus meeting. This will follow a host of new initiatives and engagements with various ASEAN-related institutions. For example, at the May 2015 Shangri-La Dialogue in Singapore, the Secretary of Defense announced DoD's commitment to deploy a technical advisor to augment the U.S. Mission to ASEAN in support of ASEAN's maritime security efforts, and we are making progress toward that goal. We are also leveraging informal opportunities to strengthen regional cooperation, such as the first U.S.-ASEAN Defense Forum then-Secretary of Defense Chuck Hagel hosted in Hawaii in April 2014. Through these venues, we aim to promote candid conversations about ongoing challenges in the maritime domain, and encourage greater information sharing and cooperative solutions.

At its core, any discussion about the future of the Asia-Pacific naturally involves a discussion about maritime security, given the defining characteristic of the maritime domain in the region. Our strategy enables countries in the region to have confidence in our conviction to uphold our principled maritime interests. Our strategy also is designed to strengthen the rules-based order, where laws and standards, not size and strength, determine outcomes to disputes. We are not alone in seeking to advance this vision for the region, which aligns our interests with our values; indeed, it is widely shared by countries across the region that eagerly support our efforts. Even as we address immediate challenges to our interests and those of our allies and partners, we remain committed to this longer term goal.

Conclusion

The Asia-Pacific and its maritime waterways remain critical to U.S. security. The Department is actively working to stay ahead of the evolving maritime security environment in the Asia-Pacific by implementing a comprehensive strategy that will protect peace and stability in the maritime domain. Together with our interagency colleagues and regional allies and partners, the Department will help ensure that maritime Asia remains open, free, and secure in the decades ahead.