

Transcript: Confirmation Hearing of Robert Gates to Be Secretary of Defense
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SPEAKERS:

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U.S. SENATOR LINDSEY O. GRAHAM (R-SC)
U.S. SENATOR ELIZABETH DOLE (R-NC)
U.S. SENATOR JOHN CORNYN (R-TX)
U.S. SENATOR JOHN THUNE (R-SD)
U.S. SENATOR CARL LEVIN (D-MI) RANKING MEMBER
U.S. SENATOR EDWARD M. KENNEDY (D-MA)
U.S. SENATOR ROBERT C. BYRD (D-WV)
U.S. SENATOR JOSEPH I. LIEBERMAN (D-CT)
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U.S. SENATOR BILL NELSON (D-FL)
U.S. SENATOR BEN NELSON (D-NE)
U.S. SENATOR MARK DAYTON (D-MN)
U.S. SENATOR EVAN BAYH (D-IN)
U.S. SENATOR HILLARY RODHAM CLINTON (D-NY)

WITNESSES:

ROBERT GATES, U.S. SECRETARY OF DEFENSE NOMINEE
FORMER SENATOR ROBERT DOLE
FORMER SENATOR DAVID BOREN

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WARNER: Good morning, everyone.

Dr. Gates I think I can safely say on behalf of the citizens of our country, we're very pleased that you have accepted another challenge, another chapter in public service, subject to the confirmation of the Senate.

So we're very pleased to have you before us this morning.

Dr. Gates has a long and distinguished record of service to the nation. After establishing a firm educational foundation at the College of William and Mary in the Commonwealth of Virginia, he served in the United States Air Force from 1966 through 1969.

Dr. Gates then joined the Central Intelligence Agency, where he spent over 26 years, a quarter of a century, as an intelligence professional; including a period of nearly nine years assigned to the National Security Council.

Dr. Gates has served as deputy director of the CIA from '86 to '89; subsequently as assistant to the president and deputy national security adviser from '89 until '91; then nominated by President George Herbert Walker Bush to be the 15th director of the CIA in June of 1991.

In September and October of '91, the Senate Select Committee on Intelligence under the leadership of Senator David Boren, who's joined us here this morning, and Senator Frank Murkowski conducted hearings on Dr. Gates' nomination.

The committee took the testimony of some 21 witnesses, compiled a record of over 2,500 pages of testimony, and favorably reported Dr. Gates' nomination to the full Senate.

November 15th, '91, Dr. Gates was confirmed by the Senate and served with distinction throughout the remainder of former President Bush's term.

During the Senate floor debate on Dr. Gates' nomination on November 4, '91, I complimented Senator Boren on the very thorough way in which you, as the chairman of that Intelligence Committee -- and I think I'm the only one remaining in the Senate who as on the committee at that time -- for what you did.

WARNER: And I stated on the floor, quote, "Bob Gates is a very thoughtful man, an honest man, an experienced official, a good analyst, a no-nonsense manager, and a man with a vision of the future direction of the role of U.S. intelligence," end quote.

I repeat those comments and stand by them this morning.

I would note that Dr. Gates' additional experience in government and the private sector since his departure from CIA in '93 and his continuing academic and scholarly pursuits have enhanced his qualifications to perform the duties of secretary of defense.

Dr. Gates, I'd like to address for a few moments the challenges that you will face if confirmed.

From 1969 to '74, I had the privilege of serving in the Department of Defense -- specifically, the Department of the Navy -- under three secretaries of defense. And, subsequently, I've had the opportunity to work as a member of this committee with each of the nine men who have followed that period.

Upon returning from my eighth visit to Iraq with my good friend and colleague -- the ranking member and the future chairman of this committee -- when we got back from Iraq in October of this year, I said the following at a press conference: Quote, "But I assure the country that in two or three months if this thing hasn't come to fruition and if this level of violence is not under control and if the government under Prime Minister Maliki is not able to function, then it's the responsibility of our government internally to determine: Is there a change of course that we should take? And I wouldn't take any option off the table," end quote.

WARNER: I further observed that the situation was drifting sideways. Regrettably, the levels of violence have continued to escalate in Iraq, and the ability of Prime Minister Maliki and his government to exercise fully the range of sovereignty remain an enormous challenge.

Yesterday, I was present at an open forum when General Peter Pace, chairman of the Joint Chiefs, was asked a question: "Are we winning the war?," end quote.

His response was as follows, and I quote him: "We're not winning, but we're not losing," end quote. There seems to me a parallel between what I said when I got back and that distinguished chairman's observation yesterday.

I commend the president who, for the past two months, has directed the appropriate Cabinet officers to perform a complete review of all issues relating to Iraq and Afghanistan and our future policies; and asked his able executive branch to apply their best judgment in determining the way ahead, specifically, in Iraq.

Further, he's met with and indicated that he looks forward to receiving the Baker-Hamilton report, which we here in Congress will receive tomorrow.

This committee has invited the members of the Iraq group to a hearing on -- 9:30 -- Thursday. As yet, I don't think, Senator Levin -- they haven't replied to our letter.

The Iraq Study Group of which you were a member will formally present its findings and recommendations.

WARNER: I commend the members of that group for their public service. I think it will be a very important contribution to this critical debate at this critical time in our history. Additionally, General Pace, chairman of the Joint Chiefs, has his ongoing review. He does that pursuant to his statutory authority, exploring all options. And that is a continuing advisory role that he provides for the president; yourself, assuming you're confirmed as secretary of defense; and to the Congress.

Most importantly, however, the American people expressed their judgment on November 7th that change is needed. The president has responded and stated that he desires to obtain, quote, "fresh eyes," end quote, on the situation in Iraq. Your nomination is confirmation of the president's desire for that approach.

Our committee will continue to look at every option, as I conclude my chairmanship and the distinguished senator from Michigan assumes his.

After the president has had the opportunity to review these very important reports, I respectfully -- and I repeat, respectfully -- suggest to the administration that he privately consult with the bipartisan leadership of the new Congress, members who've responded to the mandate of the people, before making his final decisions.

It is my hope that the executive and legislative branches will formulate a bipartisan consensus on the way forward.

To me, this fulfills a moral obligation that our government -- executive and legislative -- has to the brave men and women of the armed forces of the United States and their families, who've sacrificed very, very heavily in this fight to preserve our freedom.

WARNER: Dr. Gates, let me remind you of your own words from your book, "From the Shadows," about the study of those who serve in the executive branch to keep the Congress informed in a timely and candid manner.

And I quote from that book: "I sat in the Situation Room in secret meetings for nearly 20 years under five presidents. All I can say is that some awful crazy schemes might well have been approved had everyone present not known and expected hard questions, debate and criticism from the Hill," end quote.

Secondly, from the same book, and I quote: "And when on a few occasions Congress was kept in the dark and such schemes did proceed, it was nearly always to the lasting regret of the presidents involved. Working with the Congress was never easy for presidents, but then, under the Constitution, it was not supposed to be easy. I saw too many in the White House forget that."

I urge you, my friend -- and we have been friends and acquaintances for these many years -- to pursue your responsibilities in a manner consistent with these salient observations as you undertake the duties of secretary of defense if confirmed.

You've been nominated for one of the most important positions in government. You will be an important part of the new review process in determining the strategy and the direction of this country, together with our partners in the coalition must pursue.

I urge you not to restrict your advice, your personal opinions regarding the current and future evaluations in these strategy discussions.

In short, you simply have to be fearless -- I repeat: fearless -- in discharging your statutory obligations as, quote, "the principal assistant to the president in all matters relating to the Department of Defense."

WARNER: Good luck.

Senator Levin?

LEVIN: Mr. Chairman, I join you in welcoming Dr. Gates to the committee.

Dr. Gates, we appreciate your willingness to return to public life after more than a decade in what is supposed to be a quieter, academic area.

Sitting next to Senator Boren, who is also in that quiet academic area, I'm not sure I can accurately describe it as being that quiet, but we do welcome your willingness to return.

If confirmed as secretary of defense, Robert Gates will face the monumental challenge of picking up the pieces from broken policies and mistaken priorities in the past few years.

First and foremost, this means addressing the ongoing crisis in Iraq. The situation in Iraq has been getting steadily worse, not better. Before the invasion of Iraq, we failed to plan to provide an adequate force for the occupation of the country, or to plan for the aftermath of major combat operations.

After we toppled Saddam Hussein in 2003, we thoughtlessly disbanded the Iraqi army and also disqualified tens of thousands of low-level Baath Party members from future government employment.

These actions contributed to the chaos and violence that followed, and to alienating substantial portions of the Iraqi population.

We have failed, so far, to secure the country and defeat the insurgency. And we have failed to disarm the militias and create a viable Iraqi military or police force.

LEVIN: And we have failed to rebuild the economic infrastructure of the country and provide employment for the majority of Iraqis.

The next secretary of defense will have to deal with the consequences of those failures. And Iraq is not the only challenge that you will face.

We're going to be faced by a resurgent Taliban in Afghanistan; an unpredictable nuclear power in North Korea; an Iran that seems to be aggressively pursuing nuclear weapons and causing problems throughout the region; an Army and Marine Corps in need of tens of billions of dollars to replace and repair equipment that has been damaged and destroyed in the course of ongoing operations; the military's nondeployed ground forces that have a declining level of readiness to meet their wartime missions; weapons programs that, despite the expenditure of more than \$100 billion a year, are increasingly unaffordable; a military that faces constant challenge in recruiting and retaining the troops that it needs; military families suffering from the increased strains of repeated deployments; and a sustained high operational tempo; and a department whose image has

been tarnished by the mistreatment of detainees in Abu Ghraib and Guantanamo and elsewhere.

Despite these problems, the next secretary of defense will lead a military that is, by far, the most powerful in the world. Our Department of Defense not only has the most capable weapons systems ever deployed, we are blessed with an extraordinarily talented and committed military and civilian workforce.

LEVIN: Unfortunately, the department's effectiveness has been reduced by a civilian senior leadership that has too often not welcomed differing views, whether from our uniformed military leaders, the intelligence community, the State Department, American allies, or members of Congress of both political parties.

The next secretary will have to work hard to heal these wounds and address the many problems facing the department and the country. Success will require more than total commitment. It will require an individual who is creative, fair, and open-minded -- and, above all, an individual who can listen to, learn from and work with others.

It will also require an individual who is willing to speak truth to power and encourage others to do the same.

Among other things, that means ensuring that the chairman of the Joint Chiefs of Staff is able, on his own behalf and on behalf of the other members of the Joint Chiefs and the combatant commanders, to give unvarnished, direct military advice to the commander in chief.

The next secretary will not only need to respect the Goldwater- Nichols law, which assures that such advice will be given directly to the president and the National Security Council, he will also need to respect that advice himself.

It is no secret that I voted against Dr. Gates' nomination to be director of central intelligence in 1991. I did so because I thought that he had been less than candid about the role that he played in the Iran-Contra affair.

As I have said before, however, I, for one, intend to take a fresh and fair look at Dr. Gates' record.

LEVIN: In that regard, I find many of Dr. Gates' responses to the committee's pre-hearing policy questions to be reassuring.

For example, Dr. Gates stated that two lessons we should learn from the war in Iraq are that war-planning should be done with the understanding that the post-major-combat phase of operations is critical and that the intelligence community should not exaggerate its capabilities or minimize the uncertainty that plagues assessments.

In those pre-hearing responses, he also stated that there is no purely military solution in Iraq. He stated that we should not be afraid to engage in direct discussions with our adversaries, as we did, quote, "in the worst days of the Cold War, when the U.S. maintained a dialogue with the Soviet Union and China."

He has reassured the committee that the Department of Defense policies and actions relative to detainees must comply not only with the revised Army Field Manual on interrogations but also with Common Article 3 of the Geneva Conventions.

Last but not least, Dr. Gates has said that he will cooperate with committee requests for information or documents and that he will comply with legislation requiring that known costs of ongoing operations in Iraq and Afghanistan be funded through the normal budget process rather than through emergency supplementals.

These are all reassuring statements that you have made to the committee.

I look forward to the testimony of our nominee. Again, I thank him for his willingness to leave a job that he loves to undertake a heavy and a demanding responsibility.

LEVIN: I also want to thank Senators Dole and Boren, who were such deeply respected members of this body and are such good friends of all of us, and whose endorsement of you, Dr. Gates, has significance for all of us.

Finally, this hearing has a special meaning for members of this committee, because it may well be Senator Warner's last hearing as chairman of this committee.

Senator Warner has always chaired this committee with unfailing fairness, dignity and civility, reflecting his passion for the security of this nation. His devotion to the well-being of our men and women in uniform who have dedicated their lives to the service of our country has been a hallmark of his chairmanship, as has the bipartisan way in which he has worked with all of us and our staffs. He has truly been one of the great chairmen of the Senate Armed Services Committee.

I thank you.

WARNER: I thank you, Senator Levin, for those kind remarks.

And I thank each of my colleagues whom I've had the privilege to serve here these many years.

Twenty-eight years ago we came here together, and I pass the gavel to you in about a week or so. Good luck to you, my friend.

Senator Dole, you have been an absolute tower of strength in the institution of the United States Senate. And as you were the majority leader at one time, you have just a bare notch of seniority over our colleague Senator Boren...

(LAUGHTER)

... so we'll let you lead off.

(LAUGHTER)

R. DOLE: Now, Mr. Chairman, I'm almost -- I'm probably here accident, because the phone rang at home and I picked it up and the person on the other end said, "Senator Dole, would you mind introducing me at the hearing?" And I said, "Yes."

And I learned later they were calling for Elizabeth.

(LAUGHTER)

I appreciate the fact that she's on the committee, and I appreciate this opportunity. And it'll be very brief.

President John Adams once said, "If we do not lay out ourselves in the service of mankind, whom should we serve?"

Bob Gates truly understands this. Granted, I may be a little biased owing to his Kansas roots. It was Kansas where he first learned the meaning of service while growing up in Wichita. His appreciation for the interest of others grew as a student at William and Mary and throughout his years as a career intelligence official and through his subsequent leadership of our intelligence services -- and, most recently, in his stewardship of Texas A&M, one of our nation's outstanding universities.

Through it all, Bob Gates has given of himself in this great tradition to our nation and our people.

Mr. Chairman, as we convene, our nation's defense policy is dominated by a single issue: the war in Iraq. Even those critics of the war who want us to withdraw soon or cut our forces substantially acknowledge that the stakes are high.

I believe we can agree with our president, who has said this is a massive and difficult undertaking. It is worth our effort. It is worth our sacrifice, because we know the stakes. R. DOLE: The failure of an Iraq democracy would embolden terrorists around the world, increase dangers to the American people, and extinguish the hopes of millions in the region.

At this critical hour, Mr. Chairman, you and your committee have gathered for an exceedingly rare act, a confirmation of a new secretary of defense in wartime.

The last time this happened was in 1968, when President Johnson nominated Clark Clifford to replace Bob McNamara. Make no mistake about it: History is being made here today.

Today, Bob Gates is poised to take the helm at the Defense Department at a time of intense debate over the war.

Some contend that, with sufficient time and dedication, victory is assured. Yet there is no denying that, having overthrown Saddam Hussein, we have not secured the peace, that Iraq's borders remain porous, that the interests and destabilizing involvement of Iran and Syria have not been adequately addressed, and that the current power vacuum creates risk of an even larger-scale sectarian conflict.

At the same time, those who have been calling for withdrawal or massive date-certain drawdowns should acknowledge that these are tactical shifts, not a radical overhaul of our policies; that the removal of Saddam from power opened the door to democracy; and that to realize these are goals worthy of sacrifice and the defeat is not an option, for the quality of life in many parts of the country is better than it was four years ago.

In the American experience, wars that enjoy equivocal support from our people usually end with equivocal outcomes. This is why our country must unite behind a strategy for a successful military mission, a viable exit plan, and a recognizable vision for Iraq's future.

B. DOLE: I agree with the president that Bob Gates is the man to make this happen. He is a person of uncommon resolve, intellect, and strength of character. He has the force of will to exercise civilian control over the military, but be sensitive to respect the wisdom and counsel of our generals and admirals and the men and women who serve under them. A famous Kansan, Dwight Eisenhower, once said of General George C. Marshall that he typified all that we call on or that we look for in what we call an American patriot. The same may be said of Bob Gates. And it is my honor to introduce him formally to this committee and urge you not only to confirm him as our next secretary of defense, but also to give him your full support in the difficult days and months ahead.

Thank you and God bless America.

WARNER: Thank you, Senator Dole. You've had a long and distinguished career, beginning as a combat soldier and platoon leader in the closing months of World War II. We have the highest regard for your contributions here this morning.

Senator Boren, a former chairman of the Intelligence Committee at the time that this fine American came before us, we're delighted to have you and to have you return to the Senate.

BOREN: Thank you very much, Mr. Chairman and members of the committee. Thank you for allowing me the privilege to join with my colleague, Senator Bob Dole, to present Dr. Robert Gates, the president's nominee for secretary of defense.

Mr. Chairman, members, I also have a statement with me of former Senator Nunn, the former distinguished chairman of this committee, that he asked that I submit along with my own statement. It's a strong statement of endorsement of the nomination of Dr. Gates. WARNER: Without objection, so admitted.

BOREN: Mr. Chairman, and members, I sincerely believe that at this critical moment Dr. Gates is the best possible choice for this position. In my entire adult lifetime, our country has never been faced with more dangerous challenges.

With only 6 percent of the world's population, we face economic growth in other nations and regions which are likely to bring them into them economic parity with the United States in a relative short time -- and military parity, as well, if they decide to use their resources for that purpose.

BOREN: We are militarily spread thin in areas of the world where serious threats exist. And there are no easy options for extricating ourselves from our military involvement in Iraq.

At the end of World War II and the beginning of the Cold War, we also faced threats that could've overwhelmed us. How we responded then provides us with an excellent guide for the present.

First, we brought together people of exceptional talent, like Bob Gates, to serve us without regard to political party affiliation.

Second, leaders like President Truman, a Democrat, and Senator Vandenberg, a Republican, adopted a truly bipartisan blueprint that provided us with a consistent policy for over 40 years without regard to which party controlled the White House or the Congress.

Third, we did not bear all of the burdens of leadership by ourselves. We formed strong alliances and partnerships with other nations based upon mutual respect. We struck the right balance between diplomacy, dialogue and military strength. We made sure that we were always strong enough to act alone if we had to do so, but we were wise enough to avoid that situation.

We must do exactly the same thing now. Partisan polarization, if allowed to continue, will destroy our economic, military, social and moral influence in the world, and it will ultimately destroy the fabric of our own country itself.

During his 26 years of service at the Central Intelligence Agency and at the National Security Council, Bob Gates demonstrated his sincere commitment to bipartisanship.

BOREN: He served as deputy director and director of the CIA under Republican presidents with Democratic majorities in both houses of the Congress.

During the six years that I chaired the Senate Intelligence Committee, I watched him effectively work to build a consensus on sensitive issues. Democrats and Republicans had equal seats at the table.

During these six years, in no small part because of his bipartisan spirit and his respect for the oversight and policy-making role of Congress, our committee, as you will remember, Mr. Chairman, had only a tiny handful of roll-call votes. And not one of them was even close.

We simply worked with each other and with the executive branch, often represented by Dr. Gates, until a consensus was reached. I came to respect Bob Gates as a realist who faced up to the facts and adjusted to changing situations.

He rejected inflexible ideological positions and worked hard to fashion practical solutions. We badly need those qualities right now.

Most recently, as a fellow university president, I have watched with admiration his leadership in bringing faculty members, students and alumni together to increase the strength and diversity of Texas A&M, where he serves as president.

Bob Gates knows how to lead large and complex organizations. He will hit the ground running as secretary of defense, at a moment when we have no time to waste.

But I am here today not only because I believe that Bob Gates has exceptional ability, but also because I have confidence in his personal integrity and in his sincere desire to serve our country.

BOREN: It was my responsibility to chair the hearings which resulted in his confirmation to serve as director of the Central Intelligence Agency which have been referenced.

His nomination came to our committee on June 24th, 1991. Our scrutiny of this nominee was not completed until October 18th of that year. All the questions which were raised, even those of doubtful credibility, were vigorously pursued.

Part of the final committee reports reads as follows, and I quote it: "By any standard, the consideration of this nomination was the most thorough and comprehensive of any nomination ever received by the committee."

Thousands of documents were reviewed. Hundreds of witnesses were interviewed by the committee staff. The nominee testified for four long days in open and closed sessions responding to almost 900 questions. And written responses were submitted to an almost additional 100 questions.

In short, these thorough proceedings confirmed the commitment of Bob Gates to faithful and honorable public service.

Today we have an opportunity to embark upon a new bipartisan path to protect our national security. The Senate can do its part by quickly and overwhelmingly confirming this talented nominee as secretary of defense.

But confirmation alone is not sufficient. The president must also do his part by making sure that he gives great weight to the bipartisan spirit and realistic advice which I believe that he will receive from Dr. Robert Gates.

There are those who say it is an impractical and romantic idea that we can replace polarization with civility, cooperation and partnership. To the doubters, I answer that we achieved it in the Senate Intelligence Committee with the help of Bob Gates only 15 years ago. It is not only an option we can achieve with hard work and determination, it is imperative if the United States is to remain the world leader.

And it is for that reason that it is an honor for me to recommend to this committee the confirmation of Dr. Robert Gates.

WARNER: Thank you very much, Senator Boren.

We here on this committee are faced with the reality that we have but a few days in this session. And I think it's in the interest of our nation that we complete our work as a committee, as a Senate, on the advice and consent role trusted to this institution under the Constitution.

It is my intention -- and I have been in consultation with the distinguished ranking member -- that we will hold this hearing throughout this day. As the afternoon approaches, I would hope that the members of this committee would advise the two

leaders here of their own commitments and desires. But it is our expectation that, before day's end, we can complete this hearing.

If not, we'll resume tomorrow. But I would urge that we try and complete it today.

We will also have an executive session today, which is important to examine the nominee in the confines of classified material.

So with that in mind, we thank both of our distinguished colleagues for joining us this morning.

And, Dr. Gates, before we proceed to hear from you, I would ask the indulgence of the committee -- a quorum now be present -- we discharge our other constitutional function; i.e. confirming the 1,023 pending military nominations.

All of these nominations have been before the committee the required length of time. No objections have been raised to these nominations.

Do I hear a motion to favorably report the nominations?

LEVIN: So moved.

WARNER: Is there a second? All in favor say, "Aye." Opposed? Ayes have it.

WARNER: Second nominees -- I ask the committee to consider the nominations of Scott W. Stucky and Margaret A. Ryan to be judges on the United States court of appeals for the armed forces. Yesterday Senator Levin and I conducted a hearing on the nominations, and no objections have been raised to these nominations.

Do I hear a motion that these two nominations be voted on en bloc?

LEVIN: So moved.

WARNER: Second? All in favor, say, "Aye." Opposed? Ayes have it.

Thank you very much.

Now, Dr. Gates, we're pleased to have your opening comments.

GATES: Thank you, Mr. Chairman.

It is an honor to come before you today for this confirmation hearing. I'm also deeply honored by and grateful to the president for his confidence and trust in nominating for secretary of defense.

I want to express my sincere thanks to both Chairman Warner and incoming Chairman Levin for their speedy consideration of this nomination. Both of you have been exceedingly gracious to me during my courtesy calls.

I've long been impressed by the experience and collective wisdom of this committee. I'm also all too aware that secretaries come and go but the Senate Armed Services Committee remains. If confirmed, I will seek your counsel and take it seriously.

I want to thank my good friends and former senators, Bob Dole and David Boren, for introducing me this morning and for their kind remarks.

I'm also grateful to the former long-term chairman of this committee, Senator Nunn, for his introductory words of support.

I'd also like to note that I first came before the Senate for confirmation more than 20 years ago, in April 1986. And on that occasion and twice more, the chairman of this committee, Senator Warner, introduced me. I will always be grateful for his kindness and courtesy.

WARNER: I thank the nominee.

GATES: I would be remiss if I also did not thank my wife of 40 years, Becky, and our two children, Eleanor and Brad, for their infinite patience as I contemplate a return to Washington.

Becky asked to be excused today to accompany the Texas A&M women's basketball team to an away game in Seattle.

The Department of Defense, in peacetime and in wartime, always faces multiple challenges, many of which were identified in the questions the committee asked me to answer.

If I am confirmed by the Senate, I will do my best to bring progress in addressing as many of these challenges as possible.

At the same time, I am under no illusion why I am sitting before you today: the war in Iraq. Addressing the challenges we face in Iraq must and will be my highest priority, if confirmed.

I welcome the many alternative strategies and tactics proposed by members of Congress and others. More are coming, most notably from the Iraq Study Group, of which I was a member until November 8; led by former Congressman Lee Hamilton and former Secretary of State James Baker.

Other reviews are ongoing within the Department of Defense and elsewhere in government.

I am open to a wide range of ideas and proposals. If confirmed, I plan, urgently, to consult with our military leaders and our combat commanders in the field, as well as with others in the executive branch and in Congress.

I would then sit down with the president and members of the National Security Council to discuss the situation in Iraq and offer my thoughts and recommendations. I will give most serious consideration to the views of those who lead our men and women in uniform.

GATES: And, of course, it is the president who will decide what, if any, changes are made in our approach.

While I am open to alternative ideas about our future strategy and tactics in Iraq, I feel quite strongly about one point: Developments in Iraq over the next year or two will, I believe, shape the entire Middle East and greatly influence global geo-politics for many years to come.

Our course over the next year or two will determine whether the American and Iraqi people and the next president of the United States will face a slowly but steadily improving situation in Iraq and in the region or will face the very real risk and possible reality of a regional conflagration.

We need to work together to develop a strategy that does not leave Iraq in chaos and that protects our long-term interests in and hopes for the region.

I did not seek this position or a return to government. I'm here because I love my country and because the president of the United States believes I can help in a difficult time.

I hope you will reach a similar conclusion.

Lastly, Mr. Chairman, perhaps the most humbling part of the position for which this committee is considering me, is knowing that my decisions will have life-and-death consequences.

Our country is at war and, if confirmed, I will be charged with leading the men and women who are fighting it. The patriots who have volunteered to serve in our armed services today have no equal in the world and are in the long tradition of their forbearers who have fought our country's wars for the last 230 years.

I offer this committee my solemn commitment to keep the welfare of our forces uppermost in my mind.

Thank you, Mr. Chairman. That concludes my opening remarks.

WARNER: Thank you, Dr. Gates.

I'll now proceed to question you with regard to the standard procedures this committee has with regard to all nominations.

The committee asked Dr. Gates to answer a series of advance policy questions.

WARNER: He's responded to those questions. Without objection, I'll make the questions a part of the record.

Now, to the standard questions -- if you will respond to each question, we'll proceed.

Have you adhered to all applicable laws and regulations governing conflict of interest?

GATES: Yes, sir.

WARNER: Have you assumed any duties or undertaken any actions which would appear to presume the outcome of the confirmation process?

GATES: No, sir.

WARNER: Will you ensure that your staff, if confirmed, will have deadlines established for requested communications, including questions for the record in hearings?

GATES: Yes, sir.

WARNER: Meet those requests?

GATES: Yes, sir.

WARNER: Will you cooperate in providing witnesses and briefers in response to the committees of the Congress of the United States?

GATES: Yes, sir.

WARNER: Will those witnesses be protected from reprisal for their testimony or their briefings?

GATES: Yes, sir.

WARNER: Do you agree that, if confirmed, to appear and testify upon request before this committee?

GATES: Yes, sir.

WARNER: Do you agree to provide documents, including copies of electronic forms of communication, in a timely manner when requested by a duly constituted committee of the Congress or to consult with the committee regarding the basis for any good-faith delay or denial in providing such documents?

GATES: Yes, sir; to the limits of my authority.

BYRD: Mr. Chairman, I didn't hear that answer.

WARNER: Fine. I'll repeat the question and we'll have the answer. Do you agree to provide documents, including copies of electronic forms of communication, in a timely manner, when requested by a duly constituted committee of the Congress?

GATES: Yes, sir; to the extent of my authority.

WARNER: Fine. Or if you desire, consult with the committee regarding any basis for any good-faith delay or denial in providing such documents?

GATES: Yes, sir.

WARNER: Thank you.

We'll now have our six-minute round of questions.

I would start off with the following: The president, in the past two months, as the various studies are being undertaken about an analysis of our future course of action in Iraq --

studies by, internally, the administration, Baker group, chairman of the Joint Chiefs, and others.

But at a number of opportunities he's made it very clear -- and I will read his quote as follows. President Bush said, "I know there's a lot of speculation that these reports in Washington mean that there's going to be some kind of graceful exit out of Iraq. We're going to stay in Iraq to get the job done as long as the government wants us" -- that's the government of Iraq -- "wants us there." Added a statement to the effect of, "We're going to stay until the mission is completed."

Now, we have to assume that you've had a number of consultations with the president to determine exactly what his desires are, with regard to the mission being completed, and what your understanding of those desires and your own -- your own -- approach, as best you can make it at this time without the benefit of having all of the studies before you. But the question I have is: Did you understand fully what's in the mind of the president when he said, "We're going to stay in Iraq until the mission is completed"?

GATES: Mr. Chairman, I have the sense that the president's view of accomplishing the mission, at this point, is an Iraq that can defend itself, can sustain itself and can govern itself.

I also believe that he understands that there needs to be a change in our approach in Iraq; that what we are doing now is not working satisfactorily.

When he asked me to take this job, as he put it, he wanted someone with fresh eyes to look at the situation and make recommendations.

In my view, all options are on the table, in terms of how we address this problem in Iraq, in terms of how we can be more successful and how we can, at some point, begin to draw down our forces.

So, I guess, the bottom line is that I believe that he wants me to take a fresh look and that all options are on the table.

WARNER: And at this juncture, in your working with the president, you're comfortable that the two of you can perform this arduous task, not just this phase of such change of strategies it may take, but evolutions that could occur in the months to come?

GATES: Yes, sir, I am.

WARNER: On the question of the command and control of the U.S. forces in Iraq and command and control of the Iraqi forces, Iraq, as you well know, is now a sovereign nation.

WARNER: That sovereignty was given to Iraq by the sacrifices of the men and women of the armed forces of our nation and other nations that fought courageously to enable them to have their elections, establish their government and begin to exercise the reins of sovereignty.

But an incident in October involving orders from Prime Minister Maliki to abandon checkpoints around Baghdad concerned me and I think many others. The issue is command and control of the U.S. forces.

Now, our forces had taken risks, indeed perhaps in some instances loss of life and limb, in establishing the progress thus far that we've made in Baghdad.

Several months ago the military officers came before this committee and said Baghdad is the battle that we must win and we're going to put considerable emphasis on that battle. And to date I think they would acknowledge the goals that they had originally established in their minds, the timetable that they originally, has not been met.

But this was a very interesting chapter of command and control, when our forces took those checkpoints, presumably at the direction of our commanders, and that direction presumably was in consultation in some measure with the Iraqi government. And then the prime minister appeared to be -- unilaterally said, "Take those forces back down out of those checkpoints."

It related directly to Sadr and his forces and indeed that area referred to as Sadr City. What is your understanding of how this command and control is working today and how it will work in the future?

GATES: Mr. Chairman, I'm only aware of that incident by virtue of what I've read in the newspaper, and so I'm not familiar with the particulars.

GATES: I think that that would be a question that I would want to address with General Casey early on to see if he is content with the command and control arrangements and what changes he thinks need to be made, if any, in the arrangements that we have with the Iraqis.

Clearly, as we ask the Iraqis to stand up, they are going to want to stand up by themselves increasingly. We want Iraq to have a sovereign government.

But as long as American men and women are putting their lives at risk, clearly the command and control of those forces is very important. And I would take it as an early priority to get an understanding with General Casey about his concerns, if he has any, about those arrangements.

WARNER: And that requires a very clear and precise understanding, because the men and women of the United States armed forces -- and I think we can speak for the other coalition, they've got to be responsible to the respective heads of their government and, in our instance, the president of the United States.

To the director of national intelligence and your relation, assuming you're confirmed as secretary of defense, during the debate over the Intelligence Reform and Terrorism Prevention Act of 2004, you expressed concern about the proper balancing of authorities and responsibilities among the major elements of the intelligence community. You believed that the legislation enacted struck a correct balance.

In what areas will you consider to strengthen the working relationships between the DNI and the director of CIA and the secretary of defense?

GATES: Mr. Chairman, I think that the legislation addressed -- the final legislation addressed some of the concerns that I had had with the establishment of the director of national intelligence position.

GATES: I would have to tell you I remain concerned that the law charges the director of national intelligence with the execution of the national foreign intelligence program, and also with other things, such as ensuring that members of the intelligence community obey the law.

But the director of national intelligence cannot personally hire or fire the heads of a single intelligence agency in the United States government.

And as somebody who's led very large organizations, without having that authority, it makes it very difficult to exercise your will; especially if you're trying to change cultures. So I would anticipate, if confirmed, working with the director of national intelligence to see if there are ways in which we can work together to ensure that he has the authority that he needs to fulfill his responsibilities.

WARNER: And if there's a view that the legislation's required, will you promptly, in consultation with the president, bring that legislation to the Congress?

GATES: Yes, sir. I think that we can probably solve the problem without legislation. But should legislation be needed, I certainly would work with this committee and the Intelligence Committees.

WARNER: Thank you.

Senator Levin?

LEVIN: Thank you, Mr. Chairman.

Mr. Gates, do you believe that we are currently winning in Iraq?

GATES: No, sir.

LEVIN: Prime Minister Maliki said on November 27th that the, quote, "Crisis is political," and that, "We need to communicate a sense of urgency to the Iraqis." Excuse me. Excuse me. Let me start over again.

Prime Minister Maliki said on November 27th that, quote, "The crisis is political and the ones who can stop the cycle of aggravation and blood-letting of innocents are the Iraqi politicians."

LEVIN: Do you believe that the end to violence in Iraq requires a political settlement and that we need to communicate a sense of urgency to the Iraqis to pressure them to reach a settlement that only their politicians can reach?

GATES: Yes, sir, I do.

LEVIN: Now, the chairman has asked you about a comment of the president that we are going to stay in Iraq as long as the Iraqis ask us to be there. There was something else added to that which the chairman asked you about, but I'm going to ask you about that statement of the president, which he's made twice in recent weeks: "We are going to stay in Iraq as long as the Iraqis ask us to be there."

Doesn't such an open-ended commitment send a message to the Iraqis that somehow or other it is our responsibility as to whether or not they achieve a nation, rather than it is their responsibility to reach a political settlement?

GATES: Senator, I haven't spoken with the president about those remarks, so I'm going to have to interpret them myself.

It seems to me that the United States is going to have to have some presence in Iraq for a long time. The Iraqi forces clearly have no logistical capability of their own; they have no air power of their own.

GATES: So the United States clearly, even if our -- if whatever changed approached or strategy we come up with, the president implements, works, we are still going to have to have some level of American support therefore for the Iraqi military. And that could take quite some time. But it could be with a dramatically smaller number of U.S. forces than are there today.

And so I would interpret the president's remarks in this vein: that we are willing to continue to help the Iraqis as long as they want our help. I don't think that it implies that we will be there at the level of force we have or doing the things that we are doing in a major combat way for the indefinite future.

LEVIN: Secretary Rumsfeld in a memo that was recently published outlined options that the president should consider relative to Iraq. Some of the options were above the line, as he put it, and some were below the line. The ones above the line he basically felt were

worthy of consideration, the ones below the line he did not think were worthy of consideration.

Two of the options above the line were the following: begin modest withdrawals of U.S. and coalition forces so Iraqis know they have to pull up their socks, step up and take responsibility for their country.

Do you believe that option is worthy of consideration?

GATES: Yes, sir. As I indicated, I think that all options are on the table.

LEVIN: As you know, Dr. Gates, former secretary of state George Shultz wrote a book in which he was critical of you when you were the director -- the deputy director, more accurately, deputy director of central intelligence. And he said that he told you the following: that "I don't have any confidence in the intelligence community."

LEVIN: "I feel you all have very strong policy views. I wouldn't trust anything you guys said about Iran, no matter what. I feel you try to manipulate me. You deal out intelligence as you deem appropriate. I feel an effort is made to manipulate me by the selection of material that you send my way."

Would you comment, now, on those remarks, or those written comments of Secretary Schultz, addressed comments that he said he addressed to you when you were William Casey's deputy at the CIA?

GATES: Yes, sir. It's a significant question, and I think that it deserves a detailed response.

First, let me say that I believe George Schultz is one of the greatest secretaries of state in American history. I would also tell you that he was probably one of the best and most avid users of American intelligence of any senior official I worked with in my entire career. And I have a very high regard for him.

The reality is that I think Secretary Schultz's views of intelligence were influenced, in no small measure, by his personal relationship with Director Casey.

It was an open secret in Washington that the two didn't get along. Casey was perceived as having his own independent foreign policy that he pursued independent of the secretary of state.

He was perceived as not differentiating, in meetings, between his personal opinions and the views of the CIA's experts. He consistently tried to give advice to the secretary of state on how to do his job, which I'm sure was not appreciated.

And finally, in the fall of 1986, Director Casey wrote the president of the United States and recommended that the secretary of state be fired.

So I think it's fair to say that they did not have a warm personal relationship. And I think that bad blood, frankly, influenced Secretary Schultz's view of intelligence.

I would tell you that I had a dialogue with Secretary of State Schultz, over a six-year period, on the quality of intelligence and the support that we gave him. And frankly, the relationship was much more positive in real-time than he portrays it in his book.

He drew heavily on CIA for intelligence relating to arms control verification, developments in the Soviet Union, the Pakistani nuclear program, a variety of negotiations he was involved in.

He was -- as I said at the outset, he was a very avid user of intelligence information.

At the same time, in this dialogue -- and we would meet almost weekly -- he told me that he felt that CIA was too pessimistic about too many issues, El Salvador, Lebanon, Angola, and various others, from one time to another.

GATES: And we disagreed on developments in the Soviet Union. Sometimes he was right; sometimes we were right. Sometimes we were wrong also.

I think that there was a high correlation, frankly, between his criticism of the intelligence and when the intelligence was focused on issues in which he was engaged in negotiations; and particularly when that intelligence analysis provided ammunition to his critics inside the administration or here on the Hill or where he felt they complicated his negotiations.

From a personal standpoint, he was always friendly to me. As I said, we met frequently throughout that six-year period. And I would tell you that I do not recall him at any time during that six years ever questioning my personal integrity or saying that I personally was manipulating the intelligence.

We would have big meetings and we would have small meetings. And in the small meetings, for example, on Angola, he was convinced the CIA was trying to manipulate the intelligence on Angola. And I kept trying to persuade him that what he was getting was the unvarnished views of the intelligence analysts and CIA and that Casey hadn't seen anything that he was receiving in terms of the analysis on Angola. But I think he remained skeptical.

So we had this dialogue for a long time. I think, as I suggest, his views in his memoir, frankly, were much starker and much more negative than the working relationship that we and other intelligence analysts from CIA had with him at the time.

LEVIN: Thank you, Dr. Gates. Your acknowledgement that we're not winning in Iraq, frankly, is a necessary, refreshing breath of reality that is so needed if we're going to look at ways of changing course in Iraq to maximize the chances of success. I thank you for that and the other candid responses that you've given here.

My time is up.

WARNER: Senator McCain?

MCCAIN: Thank you, Mr. Chairman.

Dr. Gates, thank you for your willingness to serve this nation again. We're very grateful. We know you left a very comfortable life in Texas to serve this nation again, and we are grateful. And I would like to offer my congratulations and condolences for your appointment.

I'd like to follow on just what Senator Levin said. We are not winning the war in Iraq; is that correct?

GATES: That is my view -- yes, sir.

MCCAIN: And, therefore, status quo is not acceptable?

GATES: That is correct, sir.

MCCAIN: I know you did a great deal of work with the Iraq Study Group, and there is a general consensus of opinion now, in hindsight, that we didn't have sufficient number of troops at the time of the invasion to control Iraq -- either Anbar Province, the looting, most importantly the weapons and ammunition depots that were looted at the time.

When anarchy prevails, it's very difficult to gain control of a country.

Do you agree that, at the time of the invasion, we didn't have sufficient troops to control the country, in hindsight?

GATES: Well, I had to deal with hindsight in some of the decisions that I've made, Senator McCain, and sometimes it's not very comfortable.

I suspect, in hindsight, some of the folks in the administration probably would not make the same decisions that they made.

GATES: And I think one of those is that there clearly were insufficient troops in Iraq after the initial invasion to establish control over the country.

MCCAIN: And yet, at this particular point in time, when the suggestion is made, as the situation deteriorates and the status quo is not acceptable, that we reduce troops or, as General Abizaid said, that he had sufficient number of troops, in your study, when did we reach the point where we went from not having enough troops to having sufficient number of troops as the situation -- boots on the ground -- as the situation deteriorated? That's a non sequitur that I have yet found to -- I'm unable to intellectually embrace.

GATES: Senator, I was a part of the Iraq Study Group during their education phase, I would say, and I resigned before they began their deliberations.

I would tell you that when we were in Iraq that we inquired of the commanders whether they had enough troops and whether a significant increase might be necessary. And I would say that the answer we received was that they thought they had adequate troops. It seems to me that, as one considers all of the different options, in terms of a change of approach in Iraq and a change in tactics, that inquiring about this again is clearly something -- and it may be that a secretary of defense might get a more candid answer than an outside study group that was visiting them.

GATES: But we certainly -- the response that we received in Baghdad was that they had enough troops.

MCCAIN: Then the second and third questions should have been asked, and that is: Why is the conditions and situation continuing to deteriorate and not improve, if you have sufficient assets and people in order to get the job done -- which we now agree is not satisfactory?

One of the reasons given is it would be too great a strain on the military today; that we don't have sufficient active duty and Guard forces.

There were some of us, three and a half years ago, that said we needed to increase the size of the Army and the Marine Corps. And the answer was: Well, that would take a couple of years.

Well, years have passed, and we still haven't got -- and we're still putting an enormous strain on the active duty and Guard forces.

Do you believe that we need to increase the size of the Marine Corps and the Army?

GATES: Senator, if I'm confirmed, I'm very open to the possibility and the necessity of an increase in the end-strength of the Army.

However, first, because we have 150,000 troops in the field, and we have a regular Army of about a half a million, and a Guard and Reserve of about another half a million, I would like to, if I'm confirmed, to first of all ensure for myself that the other 350,000 troops in the regular Army are doing what we want them to be doing and that they are all needed in the roles that they are in as a way of making sure that before we increase the end strength that we're using the strength we have in the way we ought to be.

GATES: But if the answer to that question is that's about the way it ought to be, that those troops are deployed in the way we want them deployed, then I'm very open to the possibility of an increase in the end strength.

MCCAIN: Well, again, I think when you look at -- we are living in a very dangerous world, whether you look at Iran, North Korea, the crisis in Lebanon as we speak -- the list

goes on and on -- it'd be very difficult for us to envision us being capable of handling another contingency, given the fact that our military leaders are saying it would be too great a strain on the military and the Guard even to put additional troops into Iraq.

I hope you'll look at it very seriously.

Mr. Secretary, finally, General Zinni, who is highly respected by this committee, who was former head of the CENTCOM, who was speaking of Prime Minister Maliki, said, quote: "You can't put pressure on a wounded guy. There's a premise that the Iraqis are not doing enough now, that there's a capability that they've not employed or used. I'm not so sure they are capable of stopping sectarian violence."

Dr. Gates, I don't think they're capable either. And I think political solutions are bred by stability. And if you have military instability, it's very hard to come up with a political solution.

And just about everybody I know who looks at these plans for partition, for withdrawal to bases outside of Iraq or bases inside of Iraq believe that a chaotic situation would ensue. I think this is -- I agree with most expert that this is our last chance to save this situation. And unless we stabilize conditions on the ground, I think it's going to be very difficult to get the kind of political solution that all of us seek.

Recently, I saw this proposal to move the Marines out of Anbar Province into Baghdad.

MCCAIN: What do we say to the families of those young people who died in the first and second battle of Fallujah when we abandon it to terrorist organizations again?

I wish you every success. I know that all of us on this committee and in this country have nothing but the interests of our nation's security and the men and women who serve it as our highest priority.

And I hope you will help us gain consensus so that, as a nation, we can move forward and make sure that the American people are not subjected to more sacrifice as a result of the failures that we've experienced in the past in this conflict.

And again, I thank you for serving, Doctor.

WARNER: Senator Kennedy?

KENNEDY: Thank you very much.

And, Dr. Gates, I join those in thanking you for your public service, your willingness to come back in and deal with this challenge that we're facing now on national security, defense, and primarily the issue of Iraq. And I'm grateful for the time that we had talking in our office.

And you're going to, obviously, get a good deal of difference guidance and advice here this morning.

But just to really pick up on a sentiment that Senator McCain caught, we have lost 60 soldiers in my state of Massachusetts. I've talked with just about every one of them. And they're really interested in hearing from you about whether you're going to be an independent figure that's really going to fight for the best in terms of our security as we find our security today.

We know, since you have been nominated now -- 59 Americans have been killed just in the 27 days since you've been nominated.

KENNEDY: In the 27 days just prior to that, 92 Americans were killed. And in the 27 days prior to that, 81 Americans were killed.

We don't know in the 27 days prior to the first of the year, when we're going to have these, evidently, decisions and judgments and a new policy, how many more Americans are killed.

And the people, the families, in my state want to know whether you're going to be that figure that Senator Warner talked about, that fearless champion of the service men and women that is going to be consistent with our national security.

These families know they were undermanned when they went into Iraq and they were underarmored when they went into Iraq. And they know that the military has served in Iraq longer than they have in World War II -- longer than World War II. They've done everything that they've been asked to do, and they've done it brilliantly, with extraordinary courage and valor.

And what the families want is to make sure that we're going to have a policy that is worthy of their valor and their bravery. And they're looking at you. And that's what they want, for you to make that recommendation, and that you'll be fearless in your battle, you'll be a stand-up person and demonstrate the kind of courage which is going to be so necessary to do.

KENNEDY: Could you just let them know that you're that person ready to do it for our national security and for them?

GATES: Senator Kennedy, 12 graduates of Texas A&M have been killed in Iraq. I would run in the morning with some of those kids, I'd have lunch with them, they'd share with me their aspirations and their hopes. And I'd hand them their degrees, I'd attend their commissioning, and then I would get word of their death.

So this all comes down to being very personal for all of us.

The statistics, 2,889 killed in Iraq as of yesterday morning: That's a big number, but every single one of them represents not only an individual tragedy for the soldier who has been killed, but for their entire family and their friends. And I see this.

Somebody asked me about the pressures of this hearing and I said the pressures of the hearing are nothing compared to the pressures I got from a woman who came over to me at the hotel while I was having dinner the other night, seated by myself, and she asked if I was Mr. Gates. And I said yes. She congratulated me on my nomination and she said, "I have two sons in Iraq. For God's sake, bring them home safe. And we'll be praying for you."

Now, that's real pressure.

Senator, I am not giving up the presidency of Texas A&M, the job that I've probably enjoyed more than any that I have ever had, making considerable personal financial sacrifice, and, frankly, going through this process, to come back to Washington to be a bump on a log and not to say exactly what I think, and to speak candidly and, frankly, boldly to people at both ends of Pennsylvania Avenue about what I believe and what I think needs to be done.

GATES: I intend to listen closely to people. I intend to draw my own conclusions. And I'll make my recommendations.

But I can assure you that I don't owe anybody anything. And I'm coming back here to do the best I can for the men and women in uniform and for the country, in terms of these difficult problems that we face.

KENNEDY: Let me just, in the short time remaining, thank you for your answer.

But you'll hear, perhaps, from others, but I want to give you just one more chance to respond to the statements about what good would your new eyes do when we have had the commander, who, as has been mentioned, has said this in the last one month: "We've got a strategy for victory that will work. I truly believe the only way we won't win is if we leave before the job is done"?

As the chairman and Senator Levin pointed out, the quotes, "There's one thing I'm not going to do. I'm not going to pull the troops off the battlefield before the mission is complete."

"We're going to stay in Iraq to get the job done so long as the government wants us there."

"This business about a graceful exit just simply has no realism to it all."

Now, in short, should we believe you or the president on the critical issue whether the administration is really willing to make a change in its policy?

GATES: Senator, I'm willing to commit that, if I'm confirmed, I will be independent, that I will consider all of the options.

GATES: But, as I indicated in my opening statement, there is still only one president of the United States, and he will make the final decision.

KENNEDY: Thank you, Mr. Chairman.

Thank you very much.

WARNER: Senator Inhofe?

INHOFE: Thank you, Mr. Chairman.

There's been a lot of talk about the failures and the bad things that are going on, but I had occasion, Dr. Gates, to be in the AOR over there 12 different times. And every time I go over I see some of the successes.

And I see that, while there were three terrorist training camps in Iraq, they're not there anymore. The mass graves -- and I looked down in those -- that's not taking place anymore. The Iraq security forces and their embedded training has worked.

And I appreciate Senator Dole, in his introduction of you, talking about the fact that it's an overthrow of Saddam Hussein. I mean, here's somebody who had to be overthrown. He said things are better now than they were four years ago.

You were asked the question: Are we winning in Iraq? General Pace was asked that question yesterday. He said, "No, we're not winning, but we're not losing."

Do you agree with General Pace?

GATES: Yes, sir, at this point.

INHOFE: Dr. Gates, this morning in The Washington Post was an article that was about the reset problem that we have.

And I've had occasion to go to all of these Army logistics centers, and I've seen the rows of the equipment that is not getting out; the money's not there.

Last year we had to put an additional, I think, \$23.8 billion into that program. And so that is a serious problem.

INHOFE: Now, when we're faced with these things and faced with choices that we have to make, one of the targets is often the Future Combat System of the United States Army. I don't know how familiar you are with that program, but, because that's something that is not bleeding today, that's where a lot of people want to take money out of.

And, yet, we are so far behind in different elements of our modernization program in the Army. For example, the NLOS Cannon Program, where the best thing we've got is the Paladin World War II technology; you have to swab the breach after every shot.

I would like to know what your commitment is to the Future Combat System and how you view that.

GATES: I think it's very important, Senator.

And I would say that I've not had the opportunity to get briefed in any detail on it or to evaluate any of the tradeoffs that are being made in the budget. I would anticipate that, if confirmed, I would have to take a look at those things and see what the budgetary situation is and also seek the views of members of the committee and other...

INHOFE: You would do that, seek our views on this, those of us who have been faced with this...

GATES: Yes, sir.

INHOFE: ... what I consider to be a crisis?

In 2000, we formed the U.S.-China Security and Economic Review Commission, and it's usually referred to as the U.S.-China Commission. They have come out with five reports. This is the fifth report that just came out. I've been disturbed that no one seems to care about these. They don't seem to read these and understand what's in them.

I have a couple questions about that I want to ask you.

INHOFE: But I am concerned about China, and I'd like to hear what your thoughts are. Just in the last month the Chinese hackers, as you, I'm sure, have read, have shut down the e-mail and official computer work at the Naval War College. This is referred to by this commission as the Titan Rain.

In September, the Department of Commerce experienced a massive shutdown of its computer system.

This goes on and on. In July, the State Department acknowledged that Chinese attacks had broken into systems overseas and in Washington. Recently, China has used lasers to blind our satellites.

On October 26th, a Song-class Chinese submarine surfaced near the USS Kitty Hawk. They'd be following them undetected for a long period of time.

I've had occasion to spend quite a bit of time in Africa, and I noticed that China's presence in Africa, particularly in those states around the Sea of Guinea and where they have great oil reserves, is there, and they are way ahead of us. It happens that China and the United States are the two countries that depend on foreign sources of oil more than any of the other countries.

As this continues, I'd like to ask you what your feeling is about this as a top priority, about how you view China, about whether or not you have read these reports, and if not, if you would or you plan to do that, and if you agree with some of that which you have heard coming out in these reports.

GATES: Yes, sir. I have not read the reports.

INHOFE: And I would also say that we watched this as we were drawing down in the 1990s. They increased their military procurement by over 1,000 percent.

INHOFE: So this is a great concern.

Go ahead.

GATES: Yes, sir. I have not read the reports. I would be more than willing to do so. I've been aware, just from reading in the newspapers, it's been a number of years since I received any classified intelligence on what the Chinese were up to.

But it's been my impression that they've had a very aggressive intelligence-gathering effort against the United States.

Some of these other things that you've mentioned, this is the first time I've heard about that. And clearly, if confirmed, this would be something that I would want to get well-informed on.

INHOFE: And that's all I'd ask of you at this time because, after each report's come out, I've actually given speeches on the Senate floor only to find that people are not aware of how serious this is.

So if you'd make that commitment, to become familiar with in, and particularly in the reports that this fine commission has done, I would appreciate that very much.

I have often said that, in spite of the successes and failures that have taken place in that most difficult area over there, that the people that we have in charge, General Abizaid, General Casey, General Chiarelli, General Pace, I can't think of a team -- militarily speaking -- that is any better that we could have drawn upon than this team.

Do you agree with that?

GATES: They seem to me to be very fine officers, sir.

INHOFE: I appreciate that.

And finally, my time is up, but Senator McCain brought up the question on troop levels. And you mentioned the Army. I noticed that yesterday -- I guess it was last week -- General Conway talked about the Marine Corps and problems that they have right now that is in terms of troop strength -- not troop availability for the combat situation, but troop strength.

His statement is: "We could not operate at the current OPTEMPO without troop increases."

You addressed the Army shortages. What about the Marines?

GATES: I would certainly be willing to look at that, Senator. Most of the materials that I've been given in preparation for these hearings have focused on the Army, but I'm certainly willing to look at the same issues with respect to the Marine Corps.

INHOFE: Thank you, Dr. Gates. And I do appreciate our early conversation on Wednesday.

INHOFE: Thank you.

WARNER: Thank you, Senator. I wish to advise the committee that Senator Levin and I have just received a communication from the Iraq Study Group. They welcome the opportunity to appear before this committee at 9:30, Thursday morning, to discuss in detail their report.

At this time, I recognize our distinguished colleague from West Virginia, Senator Byrd.

BYRD: Mr. Chairman, I thank you.

And, Dr. Gates, our relationship goes back over a number of years.

Do you support -- now, we hear all these rumors about the potential for an attack on Iran due to its nuclear weapons program, or on Syria due to its support of terrorism.

Do you support an attack on Iran?

GATES: Senator Byrd, I think that military action against Iran would be an absolute last resort, that any problems that we have with Iran, our first option should be diplomacy and working with our allies to try and deal with the problems that Iran is posing to us. I think that we have seen, in Iraq, that once war is unleashed, it becomes unpredictable. And I think that the consequences of a military conflict with Iran could be quite dramatic. And therefore, I would counsel against military action except as a last resort and if we felt our vital interests were threatened.

BYRD: Do you support an attack on Syria?

GATES: No, sir, I do not.

BYRD: Do you believe the president has the authority, under either the 9/11 war resolution or the Iraq war resolution, to attack Iran or to attack Syria?

BYRD: To the best of my knowledge of both of those authorizations, I don't believe so.

WARNER: Would you briefly describe your view of the likely consequences of a U.S. attack on Iran?

BYRD: It is awkward to talk about hypotheticals in this case, but I think that while Iran cannot attack us directly, militarily, I think that their capacity to potentially close off the Persian Gulf to all exports of oil, their potential to unleash a significant wave of terror, in the Middle East and in Europe and even here in this country, is very real.

They are certainly not being helpful in Iraq and are doing us -- I think, doing damage to our interests there.

But I think they could do a lot more to hurt our effort in Iraq.

I think that they could provide certain kinds of weapons of mass destruction, particularly chemical and biological weapons to terrorist groups.

Their ability to get Hezbollah to further destabilize Lebanon I think is very real.

GATES: So I think that while their ability to retaliate against us in a conventional military way is quite limited, they have the capacity to do all of the things, and perhaps more, that I just described.

BYRD: What about an attack on Syria? Would you briefly describe your view of the likely consequences of a U.S. attack on Syria?

GATES: I think the Syrian capacity to do harm to us is far more limited than that of Iran. But I believe that a military attack by the United States on Syria would have dramatic consequences for us throughout the Middle East in terms of our relationships with a wide range of countries in that area. I think that it would give rise to significantly greater anti-Americanism than we have seen to date. I think it would immensely complicate our relationships with virtually every country in the region.

BYRD: Would you say that an attack on either Iran or Syria would worsen the violence in Iraq and lead to greater American casualties?

GATES: Yes, sir, I think that's very likely.

BYRD: Your answer is yes on both questions?

GATES: Yes, sir, very likely.

BYRD: With respect to Osama bin Laden, within eight months of taking Baghdad, our troops captured Saddam Hussein. However, five years after 9/11 and the invasion of Afghanistan, Osama bin Laden is still on the loose.

BYRD: Who is responsible, Dr. Gates, in your judgment, for the 9/11 attacks, Saddam Hussein or Osama bin Laden?

GATES: Osama bin Laden, Senator.

BYRD: Over the past five years, who has represented the greater threat to the United States, Saddam Hussein or Osama bin Laden?

GATES: Osama bin Laden.

BYRD: How do you intend to catch Osama bin Laden?

GATES: Senator, I have no doubt that our forces have been trying their best to find Osama bin Laden. I'm not familiar with the effort that has been devoted to this over the past two or three years.

I will say I think Osama bin Laden has become more of a symbol for jihadist terrorists than an active planner and organizer of terrorist attacks. In fact, one of the consequences of our success in Afghanistan has been the denial of that country as a place to plan these sophisticated terrorist operations, such as the attacks that took place on 9/11.

GATES: So I think that while it's important to continue the search for Osama bin Laden, I think that his ability to directly organize and plan the kind of attacks against us that hurt us so bad in September of 2001 is very limited now.

And I think that it's important to keep him on the run.

I have always said that I thought it was much more difficult to find a single individual like him, and particularly in as rugged a place as Afghanistan, as a lot of people think. We had a great deal of difficulty finding Noriega in Panama in 1990, and we knew that country as well as practically we knew our own.

So finding these single individuals who are on the run -- we had the same problem trying to find the hostages in Beirut in the early 1980s.

The challenge is figuring out where they're going to be, not where they've been, and getting the information in a way that is timely enough to act on it. And, frankly, I just think we haven't had that kind of intelligence on bin Laden.

The way we'll catch bin Laden eventually, in my view, is that, just as in the case of Saddam Hussein, one of his own people will turn him in.

BYRD: Well, now, Dr. Gates, what is wrong -- my time is up, but what is wrong with our current tactics which have allowed Osama bin Laden to escape justice for five years and continuing?

GATES: Senator, I would make it a priority to find out what our tactics have been and the efforts that we have had under way if I'm confirmed for this position.

BYRD: Thank you, sir, for your responses.

And thank you, Mr. Chairman.

WARNER: Thank you, Senator Byrd.

Senator Roberts?

ROBERTS: Thank you, Mr. Chairman. And thank you, sir, for your very fine leadership on the committee. And I will not go into a detailed laudatory speech in your behalf, but I think everybody on the committee certainly has been inspired by your service.

Bob Dole and I are very proud of Dr. Gates, since he is a native Kansan, so I won't repeat that.

But I want to say that everybody in Kansas is very enthusiastic about your nomination, sir, and very happy.

ROBERTS: If you could let Texas A&M go a little easy on Kansas and Kansas State, but that's another whole matter.

And I want to thank you for your hour of good discussion in your courtesy call when we met in the Intelligence Committee. As chairman of the Intelligence Committee, I'd like to

inform my colleagues who are worried about telling truth to power, that we went over a considerable amount of ground; more especially the 2002 National Intelligence Estimate, which was wrong and symbolic of an egregious world intelligence failure.

And I told Dr. Gates that, on the Intelligence Committee, we don't take anything at face value. Now we say: What do you know? What don't you know? What do you think? And what's the difference?

And he agreed with that.

So I think, with you and General Hayden and John Negroponte, more especially with your understanding of intelligence, that you're going to make an excellent team.

And while I share the concern -- who are always concerned about truth to power -- I have no doubt that you will do that, sir.

I want to talk about two realities, if I can, whether it to be Levin plan or the Warner plan or the ISG plan or those who wish to leave yesterday or anybody's plan, all combined with the criticism and the election and the politics and serious growing problems in Iraq. It seems to me the Iraqis -- I share a little bit reversed view that my distinguished colleague, Senator Levin has -- I think the Iraqis know we're leaving. And I think we've seen that in the Al Anbar Province where you don't find imams and the people and the leaders that you used to find.

ROBERTS: They've left. And you have thugs, thieves and Al Qaida. And so, if in fact, the Iraqis know we're leaving, the key is how and when; hopefully, with stability.

And on one hand, the lessons of the British experience, for 10 years, way back in the 1930s, now replicated, in Iraq, with all the tribal warfare, some even believe that stability may not be possible.

I know Senator McCain spoke to that. So we've heard much about all the current problems in Iraq and the new policy options, and withdrawal. I think everybody in this room would like to see our people home as soon as possible. And we talked about this. And then you mentioned something in your opening speech and you mentioned something to me. And it said something about geo-political national security threats if the withdrawal -- i.e. just simply leave, extricate ourselves -- if it was very precipitous, that we would face very grave geopolitical national threats.

Now, with all due respect, I want you to get down to the level of the people of Wichita, College Station and everybody's hometown here and go over that a little bit in terms of their daily lives and pocketbooks.

We can talk about geopolitical national threats. It sounds pretty good, but what does that mean to them?

To me, it means if you leave Iraq in a precipitous fashion -- and we may want to do that down the road; I don't know -- what happens in Afghanistan?

What happens in Iran?

We've had a lot of questions about Iran. What happens to that Shia crescent with Iran and Syria and Lebanon, and then what happens to Israel?

And what happens in North Korea, with Kim Jong Il, when he sets off a new round of tests in regards to his missiles?

What happens in China and our relationship with Taiwan?

What happens in Russia, where we have a rather poisonous situation, now, with Mr. Putin?

(LAUGHTER)

What happens with Mr. Hugo Chavez, who's involved in five elections south of our border. He's won three. I say "won three." He has had influence in three.

And what Senator McCain said, some time ago, "The attacks can follow us home."

We had five attacks prior to our entry in Iraq: Beirut and Khobar Towers, USS Cole, embassy bombings, the '93 attack on the World Trade Center, and then, of course, 9/11.

ROBERTS: Will these attacks follow us home with the sleeper cells that are now in this country not so asleep and the second- generation terrorists?

I think we have to tell the American people, yes, we want everybody home as soon as possible, but if we do it the wrong way we're going to face a lot of credibility problems and a lot of dangers that they have to understand affects their daily lives and pocketbooks.

Would you comment, sir?

GATES: Senator, I suppose I should just say I agree.

(LAUGHTER)

ROBERTS: Well-stated.

GATES: My greatest worry, if we mishandle the next year or two and if we leave Iraq in chaos, is that a variety of regional powers will become involved in Iraq, and we will have a regional conflict on our hands.

Iran is already involved in Iraq and, as I suggested earlier to Senator Byrd, could become much more so.

The Syrians have not been helpful in Iraq, but could become much more harmful to our effort.

But I think that it would be very surprising if the other Sunni countries in the Middle East would allow the Sunni population in Iraq to be the victims of an ethnic cleansing. I think that the Turks would not sit by idly if they saw Iraq beginning to fall apart.

So I think that you could have Saudi Arabia, you could have Turkey, Syria, Iran, all would be involved. We're already seeing Hezbollah involved in training fighters for Iraq.

GATES: I think all of that could spread fairly dramatically. And as you suggest, I think the manner of our managing the next phase in Iraq has very strong lessons for other countries in the world. There's no question. In fact Osama bin Laden's been very straightforward about the impact on him of our withdrawal from Somalia after our soldiers were killed there.

And so I think that there is a risk that others looking around the world would see that we don't have the patience and we don't have the will. So I think those are some of the concerns that we would face if we end up leaving Iraq in chaos.

ROBERTS: I have a blue card, which everybody up here seems to ignore. But at any rate, I just want to add two cents worth in to my good friend and colleague Senator Inhofe in regards to the National Guard equipment that we need in Kansas, and we need in Kansas for our local missions there, but they're coming back, as you know, the equipment is coming back and we are in a world of hurt in regards to maintaining that equipment capability not only in Kansas, but in every state represented here and in the Congress.

And so I do hope that you'll visit with us about the Guard and the equipment that we have to have to have security and protection in regards to our states, but also is being used in the national security effort.

And I thank you for your testimony, sir.

GATES: Yes, sir.

WARNER: Thank you very much, Senator.
Senator Lieberman?

LIEBERMAN: Thanks, Mr. Chairman.

Dr. Gates, thank you for your agreement to serve your country again.

You said something in your opening comments that struck me personally, which is that you were here for two reasons: One, you love your country; and, two, your president asked you to serve it.

And I know you well enough over the years to know that those are not words that somebody else wrote for you, but they come from within you. They're an inspiration and a model, I think, for all of us. And I thank you for them.

I want to build on some of the questions that Senator Roberts asked.

LIEBERMAN: You've said this morning, quite appropriately, that the war in Iraq will be your highest priority and that you are open to the widest range of alternative strategies for Iraq. But as you just repeated -- but -- you said "but" -- you are very concerned that developments in Iraq in the next year or two will have a very significant influence on the Middle East generally and on the shape of global politics for years to come.

So is it fair for us to conclude that in accepting the president's nomination to be secretary of defense that in regard to Iraq, while all of us, of course, would like to bring our troops home as soon as possible, that your primary goal is to advise the president how to succeed in Iraq, not how to withdraw our troops at any and all costs?

GATES: Yes, sir. I think that my goal and the reason that I accepted the position was really twofold. The first is to try and find a path forward in Iraq that allows us to achieve the objectives of stabilizing the country so that it can govern itself, sustain itself and defend itself and be an ally in our war on terror.

LIEBERMAN: Right.

GATES: And that really is the purpose.

And the whole idea is, in my view, that the faster that you can make the that you can make the Iraqi forces more effective and able to protect themselves and begin to get a handle on their problems -- on their security problems and diminish the sectarian violence, then the sooner we can begin to draw down our forces as the president has said. But it also goes back to the point -- this isn't entirely a military problem.

LIEBERMAN: Right.

GATES: And the Iraqis are going to have to make some difficult decisions themselves, not only in terms of how they deal with sectarian violence, but how they approach national reconciliation: How are they going to distribute the oil revenues fairly so that everyone has a stake in the society; how are they going to relate it to the national reconciliation; how are they going to ensure that these different ethnic and religious groups can live together peacefully?

GATES: Those, I think, those are some of the political decisions that the Iraqis have to make, in addition to standing up their military.

So what I am interested in is figuring out if there is a better way in which we can achieve those objectives than has been the case in the past.

I would say also, Senator Lieberman, that there's a second reason why I agreed to become a nominee for this position. I believe very deeply that one of the fundamental factors in our success in the Cold War was our ability to have a broad, bipartisan agreement on the

fundamental strategy on how to deal with the Soviet Union through nine successive presidencies and many congresses -- both Republicans and Democrats in support.

Now, we argued and fought a lot about tactics and this and that, but there was, fundamentally, agreement on how to approach the Soviet Union.

I think that it is imperative, in this long war on terrorism that we face that could go on for a generation, that there be a bipartisan agreement.

It probably wouldn't include everybody; that's too difficult. But if could you get broad agreement on a path forward not only in Iraq, but then in terms of how we fight this long war, then there would be consistency on the part of whoever is elected president in 2008 and beyond, so that we can carry on this struggle in a way that they don't think we're going to cut and run; that they don't think we're going to walk away from this war on terrorism; and so that they don't think it's going to be easy to start attacking us here at home because we're not willing to take them on abroad.

GATES: And so, I see it as one of my priorities during the time that I have this position, if I'm confirmed, to do what I can in working with the members of Congress in both parties to see if we can forge that kind of a bipartisan approach going forward so that everybody around the world who wishes us ill knows that we're in this for the long haul.

LIEBERMAN: I could not agree with you more. I thank you for your answer. Our nation, this Capitol, this government desperately needs to reach out and grasp each other's hands so that we can go forward to meet the enemies that we have in common as Americans, not divided between Democrats and Republicans. And your history tells me that you can do that.

I want to come back to what we said before. One, of course, the Iraqis have to reach some kind of political agreement and show political leadership to get the country to where they and we want it to be. But it's not just politics that will bring Iraq to where we and they want them to be. It also requires security.

Am I right about that?

GATES: Yes, sir.

LIEBERMAN: And is it fair to say that, because of your concern about the potential for a regional conflagration and that we not leave Iraq in chaos, it is highly unlikely that you would recommend to the president the beginning of a withdrawal of American troops without regard to conditions on the ground in Iraq?

GATES: I think any decision, Senator, with respect to troops levels, first of all I would seek the views of the commanders themselves. But I think that any decision on troop levels has to be tied to the situation on the ground in some respect.

LIEBERMAN: And that an increase or surge in the number of American troops there -- for instance, to better embed American coalition forces with the Iraqi security forces, which is an idea that has been embraced by many -- and the potential for a surge or a temporary increase in American troops is one of the options that you would consider as part of your review now?

GATES: That certainly is an option. And related to that might be: Do we have a sufficient number of trainers? If our focus is on training and bringing up the Iraqi army, do we have enough trainers to do that job in Iraq? And should we be embedding more of our troops with the Iraqis?

I think these are all questions that need to be examined.

LIEBERMAN: I thank you, Dr. Gates.

Mr. Chairman, if I may, I want to just read -- and I have no further questions. Appreciation what Dr. Gates has said about a bipartisan foreign and defense policy. Senator Arthur Vandenberg, who Senator Boren quoted in his eloquent opening introduction of you, defined bipartisan foreign policy in this way: "It does not involve the remotest surrender of free debate in determining our position. On the contrary, frank cooperation and free debate are indispensable to ultimate unity. In a word, bipartisan foreign policy simply seeks national security ahead of partisan advantage." That's the goal that I heard you express, and I think if you can help us reach that in the next two years, you will have done your country extraordinary service.

Thank you.

GATES: Thank you.

WARNER: Thank you, Senator.

Senator Sessions?

SESSIONS: Thank you very much, Mr. Chairman, for this opportunity and for your leadership of this committee -- you've done so well.

SESSIONS: You served at the end of World War II in Korea; secretary of the Navy; and have led this committee with fairness and patriotism and wise counsel. And it's been an honor to serve with you and to travel to some of these hot spots with you.

We have many challenges in the Defense Department, Dr. Gates: transformation to make sure our equipment and weaponry meet the needs that we'll be facing down the road, whether costs -- sometimes I think our costs are out of control for our systems. We need technology, the right technology. We need to reset equipment, as several have noted. I'm aware that we have great costs that are adding up there. And we've got to nurture and sustain and honor the men and women who serve us in harm's way in our military. They have to be affirmed in every single way that we can do so, because it is the greatest treasure we have; those people who are prepared to go into harm's way, without complaint, to serve our country.

And I've talked to their families; I've talked to those who've lost their lives. And they have that sense of duty and mission, and we in Congress must do nothing to undermine their selfless patriotism and we have to affirm them.

But our biggest challenge right now, I think all of us would agree, is how to handle the situation in Iraq. That's fallen in your lot. You've come back now after 26 years in the intelligence service. You've briefed presidents. You've been in tough situations before. Do you feel that that experience can help you think through with some new perspective on these issues? How would that experience of being in the White House and in the top counsels of the government discussing matters of war and peace help you today?

GATES: Well, Senator, I think that perhaps one of the areas that it helps the most -- perhaps some would think it ironic -- is that it has given me an appreciation of how all the different parts of the government need to work together to get anything done.

And there are always huge bureaucratic interests at stake in disputes among agencies; sort of the "Who's in charge?" question. And one of the things that I learned a long time ago is that -- and this is probably one of the reasons why the political science professors don't let me in their classrooms, because I tell them to throw away the organization charts; that it's personal relationships that matter. And when the secretary of state and secretary of defense aren't speaking to one another, it actually matters in the counsels of government.

And so one of the most important lessons that I've learned is to remember that we all work for the same boss and that boss, ultimately, is the people of the United States. And that it's important for the agencies and the organizations to work together.

Some of the things that the Iraq Study Group heard early on were problems among our agencies in collaborating, in cooperating with one another, coordinating their efforts.

So I think that one of the most significant lessons that I've learned is the importance of the entire government pulling together as a team.

And I would say that the other experience, frankly, has been at this end of Pennsylvania Avenue, because most of that time that I was in government I was also dealing with the Congress.

And the importance of the consultations, the importance of a lack of surprises, the importance of treating people's views with respect, I think are all important lessons learned.

I also think I learned a thing or two about bureaucratic in- fighting myself. I don't think I come to this as a particularly naive person in terms of how to get things done in this city. And I think the other lesson that I learned over time was a respect for the professionals.

GATES: And it's something, frankly, that I've carried on since then and at the university. And I think it works.

And that is that when you treat the professionals in an organization who deliver the mission -- who perform the mission of the organization with respect and you listen to them and you pay attention to them, I think that everybody is better served. They were there before you got there, they'll be there after you leave, and if you don't make them a part of the solution, they will become a part of the problem.

I learned part of those lessons the hard way. In my first senior position, I was probably too harsh on people.

And when I started working with -- as the deputy to Judge Bill Webster, when he came over after nine years of leading the FBI and came over to direct the CIA, Judge Webster taught me a lot about how to get things done in a big organization and to use the professionals -- even though you're setting the goals and you have the vision, how to use the professionals to get the job done.

So those are some of the lessons that I think I've learned and that I would bring to this position if I'm confirmed.

SESSIONS: Thank you.

I do believe that you do bring the kind of perspective, and having been away for a while at the university will allow you to come back with a fresh approach. And I'm excited about that potential.

I also would say that your exchange with Senator Lieberman about the need for a bipartisan, maybe a tripartisan, foreign policy is very important. And Senator Boren's comments were extraordinarily important and wise and valuable to this committee.

And, Mr. Chairman, I would just say to Senator Levin, our chairman-to-be, I think your request and Senator Boren's, really, challenge, that we develop a long-term foreign policy, defense policy for this nation that Republicans and Democrats can sign on to and be a foundation for all that we do in the years to come, really is critical to our success as a nation. And we just have to move more in that direction, I think.

That has been a tradition in the past. Perhaps, for a lot of reasons, we've gotten away from it. But I hope that you can help lead us in that direction. From your comments today, I think you might.

Thank you.

WARNER: Thank you, Senator.

WARNER: And I wish to associate myself with your remarks and that is of Senator Lieberman and the witness that that goal has to be achieved, because we're going to be in a generational war on this question of terrorism. And we owe that obligation to the men and women of the armed forces that we ask to go out and accept the risk of loss of life and limb to make that possible.

Senator Reed?

REED: Well, thank you very much, Mr. Chairman.

And first let me recognize Dr. Gates' congressman, Chet Edwards, my friend and colleague from Texas. And his presence speaks volumes for you, Dr. Gates.

You are about to embark, I think everyone assumes, on a mission in the most perilous moment we've had in decades.

You've got an immediate crisis in Iraq; you've got enhanced strategic threats from Iran and North Korea with nuclear aspirations, and nuclear demonstrations with the case of North Korea; problems in Lebanon, problems in Afghanistan; the worst readiness position for our land forces we've seen in decades, our Army and Marine Corps; the continuing need to fight a global war on terror, and as you point out, in a bipartisan fashion that'll be sustained over many years.

You've got a budget that's substantial, including almost \$500 billion in supplemental funding. Yet CBO suggests your procurement accounts are \$53 billion to \$121 billion short.

Welcome.

(LAUGHTER)

But I want to focus on Iraq. Much has been said today.

One of the problems, I think, with the strategy we've seen evolving over the last several years is the discussion in Washington seldom, I think, reflects the reality on the ground in Iraq. You've had the opportunity through Iraq Study Group to look at it.

My impression, and I want to see if it's your impression also, is that what started out as public disorder allowed a growing Sunni insurgency to begin to evolve.

REED: Certainly, there were Al Qaida elements trying to provoke this situation. But certainly, since the bombing of the mosque in Samarra, we've seen sectarian conflicts that many people characterize as civil war.

In fact, it's an existential conflict. Sunnis feel entitled to rule. Shia recall years -- centuries perhaps -- of oppression and they're fearful to their bones that they will be suppressed -- actually, destroyed -- if they surrender power.

In that context, do you feel that this is a civil war or a sectarian struggle? And the obvious question, then, is: What is the role of American military power in that struggle?

Senator Reed, I think that it's -- I guess my own view is that the situation today is more complex than a single title or a single source of causation accurately describes.

Not only has sectarian violence and Al Qaida in Iraq, you now have, as you suggested, significant disorder and -- an earlier senator indicated -- a lot of thuggery and criminal activity. We have the Iranians involved. The Syrians are clearly involved in the sense of

they're allowing their border to be used and their country to be used as a sanctuary. I read news reports that Hezbollah is involved in training.

So regardless of how we got here, we are in a situation where it sounds like most of the bad guys in the Middle East are active in Iraq right now. And I don't know how you describe that.

My worry is: Left unconstrained, it begins to approach the chaos that I worry about and spoke about earlier. But I think all of those different factors are involved. And clearly, I would have to say the presence of U.S. forces is used as a provocation by some of those involved in this.

REED: Dr. Gates, we've talked about troop strengths, troop levels surging or re-deploying. And, frankly, there are several factors that govern troop strength. One is the condition of the grounds. But another most important one, I think, is the mission of those troops.

REED: The mission to date, I think, has been to train and leave. And that mission has been such that we've been able to sustain 150,000 troops there.

What should the mission of American forces be to accomplish the goals that the president has laid out and how many troops do we need to accomplish that mission?

GATES: Senator Reed, it seems to me that the goal of our troops at this point or the mission of our troops is really twofold. One is to try and improve the security environment. And the other is to prepare the Iraqi army; in particular, to take on that burden itself and increasingly perform that burden as U.S. troop presence draws down. So I think it's a twofold mission in that respect.

REED: And troop levels are a function of how you weight that mission. They're almost two distinct missions...

GATES: Yes.

REED: ... training mission or a try-to-stabilize-the-country mission.

And I think where we get hung up in, frankly, is try-to-stabilize-the-country mission.

And do you have any views as to whether we should be more robustly engaged in stabilization efforts there or if we should shift to more emphasis on training?

GATES: Well, one of the questions -- the honest answer to your question, Senator, is that I don't know. It's one of the things that as I talked to the commanders on the grounds and the chiefs and others I want to find out their views -- in other words, would they recommend putting significantly more trainers into Iraq in order to accelerate the process with the Iraqi army.

As I say, I just don't know the answer to the question. That's where -- one of those places where I very much am interested in the views of those on the ground.

REED: Just a final point, Doctor. There's a distinct possibility that whether we change our force structure, we redeploy, we will remain there as a presence for the foreseeable future -- training capacity, logistic capacity. But we could be in a situation where this chaos does disintegrate into something like ethnic cleansing, rampant violence, and we would find ourselves, in the position with American forces on the ground, in a very unstable situation with very adverse consequences to the people of Iraq.

REED: Is that a possibility that you at least will -- you'd at least consider?

GATES: It certainly is a possibility, yes, sir.

REED: And you will try to think a way through that dilemma?

GATES: Yes, sir.

REED: Thank you.

WARNER: Thank you very much, Senator Reed.

Senator Collins?

COLLINS: Thank you.

Dr. Gates, I talked with an individual on Sunday night who knows you very well, and he described you to me as a person who always puts duty, honor and country first. And he said that that is why you had answered the president's call.

I think that's also true of our distinguished chairman who also always puts duty, honor and country first.

And I want to thank you, Mr. Chairman, as well for your distinguished leadership of this committee.

As I look at the issues facing us with Iraq, I think it comes down to a fundamental issue. Sectarian violence now jeopardizes the very existence of the nation of Iraq. It has cost us many lives, including the lives of thousands of innocent Iraqis.

And the question is, would withdrawing American troops, either a phased withdrawal starting in four to six months as the distinguished minority member of this committee has proposed, or the kind of modest withdrawals and reducing of the American footprint in Iraq, as Secretary Rumsfeld is apparently now proposing, the question is, what would be the impact on sectarian violence? Do you believe that the withdrawal of American troops would decrease the sectarian violence or would it leave Iraq in chaos and cause even more bloodshed?

GATES: Senator Collins, I would answer the question in two ways. First, I think it depends on the conditions on the ground under which the troops were withdrawn. But second, you know, I wouldn't pretend. A number of members of this committee have been to Iraq many more times than I have and have talked to the commanders on the grounds many more times than I have.

My evaluation of the impact of troop levels and so on on the situation on Iraq I think, frankly, is too uninformed to be helpful. And that's one of the reasons why I indicated that one of the first things that I would do if I were confirmed would be to go to Iraq and sit down and talk to those ground commanders -- the commanders on the ground to find out what their views are about these different alternatives that we've been talking about. I've been talking about that, sort of, everything is on the table. But the first thing that I want to find out is: What do the commanders think about this? What do they think about these different options? And what do the chiefs think?

I'm not smart enough and I'm not well enough informed at this point, I think, to make a useful judgment.

COLLINS: OK.

I want to switch to a different issue that we discussed briefly in my office.

As chairman of the Homeland Security Committee, I've worked very closely with the special inspector general for Iraq reconstruction. He has done a superb job in uncovering and exposing numerous cases of outright fraud in contracting in Iraq, and putting a spotlight on wasteful practices.

Regrettably, a provision was included in the defense authorization bill that would prematurely terminate the Office of the Special Inspector General next year.

I have joined with a number of my colleagues on the committee, including the chairman, the ranking member, Senator Lieberman, Senator Feingold and several other senators, in

pushing legislation to extend the term of the special inspector general. His work is vital, and I believe it must be continued as long as we're sending billions of taxpayer dollars in Iraq.

Have you reached a judgment on whether the term of the inspector general should be extended beyond next year?

GATES: Senator, is this Mr. Bowen?

COLLINS: Yes, it is.

GATES: I must say that I think that -- I won't speak for the others on the Iraq Study Group, but I think that I certainly was very impressed when Mr. Bowen came and spoke to us and talked to us about a number of things that he'd been involved in.

And it certainly seemed to me that he was actually making a really constructive contribution to the war effort in Iraq, in some of the problem he identified and pointed out a pathway to correct.

If I were confirmed, I would be supportive of continuing that effort.

COLLINS: Thank you.

Thank you, Mr. Chairman.

WARNER: Thank you very much, Senator Collins.

I thank you for your leadership on the question of that particular individual. I, too, have worked with him and very impressed with his forthright assessment of the area of experience to which he had responsibility in Iraq.

Senator Akaka?

AKAKA: Thank you very much, Mr. Chairman.

Mr. Chairman, I want to associate myself with some of the comments that were made about your leadership as chairman of this committee. And I want to tell you that, personally, you have been an outstanding chairman of this committee. And I wish you well in the future.

WARNER: I thank you, Senator, very much.

AKAKA: I also want to join my colleagues here in welcoming the distinguished Dr. Gates to this hearing.

AKAKA: And it was great to hear a person who loves this country as you do, to say the things as you have said about the dilemma that we now face in Iraq and the ways in which you intend to approach all of this.

I like your feeling of the importance of stability as one of the goals that we need to achieve in Iraq as soon as we can. I like your thoughts of being an ally with Iraq also and to work with them and also to help them, as we intend to do, to help them protect themselves.

And all of these are certainly a basis of bringing about a great county in Iraq.

And I know that you're looking at this through -- as what has been said, with fresh eyes and a fresh look, which is very, very appealing to me, I should tell you.

And I so glad to hear you talk about approach toward national reconciliation for Iraq as being very important.

AKAKA: And all of these we need to consider as we look at how we can make positive differences in Iraq.

And what's coming to me presently is that we cannot continue to depend on defense -- the Department of Defense as a department that can resolve many of these problems; that we

need to look at the State Department as well and to include the State Department in all of these deliberations.

And I like your position about working together and through our partners across the globe in order to counter the threat of violent extremism.

And these are huge goals. But I'm glad you're talking about that. And for me, I'm here to support you on these.

If confirmed, Dr. Gates, what steps will you take to effectively build the support of the international community for ongoing efforts to stabilize Iraq?

GATES: Senator Akaka, clearly the lead in terms of dealing with other countries belongs to the secretary of state. But I think that our defense relationships, our military relationships and our exchange programs with many countries do provide the secretary of defense and our military leaders with the opportunity to win friends for the United States around the world.

And there are countries that I, frankly, believe are underappreciated, even among our own allies.

I think that the United States too often is alone almost in our embrace of Turkey and working with the Turks. And I think that they've been a very important member of NATO for a long time and an underappreciated one.

And the Turks offer us a tremendous amount in terms of both Central Asia as well as the Middle East, as well as being a NATO ally.

GATES: So there are countries like that where I think our defense relationships and the personal relationships are very important. I've been, frankly, surprised by the number of letters I've received from foreign government officials welcoming my nomination to this position. And I was, I suppose, most surprised that the first communications I got were from both the Israeli government and from several Arab governments.

So my hope is that under the leadership and guidance of my friend, the secretary of state, that if I'm confirmed for this job, that in fact I can make some kind of a contribution in that respect. And I think our military -- senior military leadership can do the same thing.

AKAKA: Thank you for that, as I'm indicating, that we cannot continue to rely only on defense, but on the State as well and other departments, such as Commerce and Agricultural and others that can certainly help to bring these about.

I'd like to ask a question that has to do with DOD. As you know, DOD has been granted authority to establish a new personnel system, NSPS, which is National Security Personnel System, that must preserve -- and we know that NSPS needs to also preserve collective bargaining.

However, the U.S. District Court for the District of Columbia has ruled that the regulations implementing NSPS failed to ensure collective bargaining.

AKAKA: And my question to you: What is your opinion of NSPS regulations affecting collective bargaining?

GATES: Senator, I'm aware of this legislation but, quite honestly, have not had the opportunity to look at the regulations or become familiar with the details of the program. I'd be happy to do that if I am confirmed.

AKAKA: Thank you.

Thank you very much. My time is finished.

WARNER: Thank you, Senator Akaka.

Senator Graham?

GRAHAM: Thank you, Mr. Chairman. I would like to add my voice to many others who have praised you for your leadership. I've really enjoyed being on this committee and you've made it a real pleasure to serve here.

Dr. Gates, thank you for your willingness to serve. It looks like we're going to be working together for at least a couple more years. Things are going pretty well for you right now.

Iran: Do you believe the Iranians are trying to acquire lethal weapons capability?

GATES: Yes, sir, I do.

GRAHAM: Do you think the president of Iran is laying when he says he's not?

GATES: Yes, sir.

GRAHAM: Do you believe the Iranians would consider using that nuclear weapons capability against the nation of Israel?

GATES: I don't know that they would do that, Senator. I think that the risks for them, obviously, are enormously high. I think that they see value.

GRAHAM: If I may?

GATES: Yes, sir.

GRAHAM: The president of Iran has publicly disavowed the existence of the Holocaust, has publicly stated that he would like to wipe Israel off the map. Do you think he's kidding?

GATES: No, I don't think he's kidding, but I think there are, in fact, higher powers in Iran than he, than the president. And I think that, while they are certainly pressing, in my opinion, for nuclear capability, I think that they would see it in the first instance as a deterrent.

They are surrounded by powers with nuclear weapons: Pakistan to their east, the Russians to the north, the Israelis to the west and us in the Persian Gulf.

GRAHAM: Can you assure the Israelis that they will not attack Israel with a nuclear weapon if they acquire one?

GATES: No, sir, I don't think that anybody can provide that assurance.

GRAHAM: Is Iraq the central battlefront in the war on terror?

GATES: I think that it is one of the central fronts in the war on terror?

GRAHAM: What would be the others?

GATES: I think that what we have seen since the destruction of Afghanistan or since the destruction of the Taliban regime is a metastasized terror threat from the jihadists, where indigenous radicals in countries like Britain, like Spain and like the United States are in fact planning terrorists operations and activities.

So I think that while Iraq certainly is an important front in the war on terror and particularly now that all these other bad actors are there that I indicated -- described earlier -- I think we face a more dispersed threat that's really a very amorphous kind of second front.

GRAHAM: Would a loss in Iraq in terms of a failed state affect the war on terror?

GATES: I think it would create the conditions where you could have a replication of what happened in Afghanistan, and yes, it could be.

GRAHAM: Why is Al Qaida in Iraq? What do they fear? Why are they fighting in Iraq? What is their goal?

GATES: I'm no expert on it, Senator, but I believe that they would -- they are very eager to see us leave the region -- not just Iraq, but leave the region...

GRAHAM: Are they threatened by democracy?

GATES: Absolutely.

GRAHAM: Is it the terrorists' worst nightmare for a democratic state to be formed in Iraq where a woman can have her say about her children and people of religious differences can live together under the rule of law?

GATES: I certainly hope it's one of their worst nightmares.

GRAHAM: Well, according to them, it is.

Now, do you believe the terrorist Al Qaida goal and other terrorist organizations, to expand on what you said, includes not only driving us out of Iraq but the region?

GATES: Yes, sir.

GRAHAM: Do you believe it includes toppling of all moderate regimes in the region?

GATES: Yes, sir.

GRAHAM: All regimes that are unfaithful to their view of religion?

GATES: Yes, sir.

GRAHAM: Do you believe it is the ultimate destruction of the state of Israel?

GATES: Yes, sir.

GRAHAM: Do you believe in the Powell doctrine?

GATES: I am very familiar with it, and I would say...

GRAHAM: Do you believe in it or not?

GATES: Well, sir there are different -- there are eight elements to the Powell doctrine.

GRAHAM: Well, let me sum up the one: You go to war with overwhelming force.

GATES: Yes, sir.

GRAHAM: Do you believe we have the overwhelming force we need to do all the missions required of us to bring about a democracy in Iraq at this point in time?

GATES: I need to talk to the commanders to find that out.

GRAHAM: The jobs assigned to the military leadership commanders would include, do you agree, eventually trying to disarm the militia because you can't have a democracy with armed religious and political parties.

GATES: Yes, sir.

GRAHAM: Do you also believe it includes training the Iraqi army.

GATES: Yes, sir.

GRAHAM: Do you believe it includes rebuilding the police force, because I think it's a miserable failure and we need to start over, virtually.

GATES: It's not entirely clear to me, Senator, that that should be the responsibility of the Department of Defense.

But we have -- as best I can tell, the department has that responsibility now.

GRAHAM: To provide security for economic development -- 40 percent of all money spent on economic development projects now are security-related. That would be one mission of a military commander in Iraq, to give security to the economic development, to get this country up and running?

GATES: Yes, sir.

GRAHAM: Is there any doubt in your mind that the current level of troops are overwhelming when it comes to fulfilling all those missions, including defeating the insurgents?

Could you honestly tell this committee and this country that the number of troops we have to do all the jobs I've described, including defeating the insurgents, is overwhelming?

GATES: No, sir, I do not believe it is overwhelming.

GRAHAM: If we redeploy to a friendly country, under these circumstances, do you think it's likely that the terrorist organizations that we've just talked about would come after us in that country, trying to prove to the American people there is no safe place for you in this region?

GATES: Probably so.

GRAHAM: Do you believe, if we set timetables or a policy to withdraw at a date certain, it would be seen by the extremists as a sign of weakness; the moderates would be disheartened and it would create a tremendous impediment to the moderate forces coming forward in Iraq?

GATES: I think a specific timetable would give -- would essentially tell them how long they have to wait until we're gone.

GRAHAM: Thank you.

WARNER: Thank you very much, Senator.

Senator Ben Nelson?

BEN NELSON: Thank you, Mr. Chairman.

Dr. Gates, I thank you for the opportunity, yesterday, to visit with you on many of these subjects that you've been testifying on today.

I have one question. If the Baker report that comes out -- and we have a chance to review it tomorrow and Thursday -- says that we ought to have a draw-down of our troops and stop engaging, let's say, in the military activity of combat but being in a support role, what does that do, if anything, to our leverage in seeing a political resolution in Iraq?

GATES: Well, Senator Nelson, I think that, at least, in my view, that I certainly have the highest regard for my colleagues on the Iraq study group. It was a great pleasure to serve with them.

And in some respects, just based on the internal dialogue we had, it is, kind of, a model for the bipartisanship that we've been talking about here this morning.

That said, I don't think that the Hamilton-Baker report, or Baker-Hamilton report is the last word.

GATES: I think there are a number of different sources of information and insight that need to be brought together and looked at in terms of any presidential decision on new tactics or a new approach in Iraq.

I think that the -- it's my impression that, frankly, there are no new ideas on Iraq. The list of tactics, the list of strategies, the list of approaches, is pretty much out there.

And the question is: Is there a way to put pieces of those different proposals together in a way that provides a path forward. One of those proposals to be looked at is whatever the Iraq Study Group comes up with. But they will be putting those pieces together in a certain way. The Chiefs will probably put those pieces together in a little different way in their review. The ground commanders might have a different view.

And so I guess what I'm trying to say is that I think that the report of the Iraq Study Group's very important and we all need to pay a great deal of attention to it and these are very serious people that are putting it together.

By the same token, I don't think it's the last word.

BEN NELSON: Well, it does resemble a timetable for withdrawal, doesn't it, at least to some limited degree?

GATES: In all honesty, Senator, I resigned before they began their deliberations. And so I actually don't know what the report's going to say other than the one report that I read in the newspapers.

BEN NELSON: Well, at the last Senate Armed Services hearing, Secretary Rumsfeld sat there and I asked a question about what have now become known as benchmarks or, as we discussed the other day, yesterday, conditions for staying; measurable goals to achieve; more training if we need to have more Iraqi troops trained so we can stand up their military; and we have a limited number of trainers there, then we need more trainers to do it more quickly.

But we need to measure and know how many Iraqi troops need to be trained, how fast we can do it, and what's the time frame, what does it take to get it done.

Secretary Rumsfeld said, yes, he agreed that that kind of an approach was necessary and that General Casey was working with Prime Minister Maliki in order to be able to do that.

Is that your understanding at this point in time?

GATES: I have not had discussion with anybody about benchmarks, but I think that's the right approach.

BEN NELSON: One question: If our goal is to ultimately nab or find Osama bin Laden, some sort of a net approach is necessary to do it.

BEN NELSON: And I agree with you finding out where he's going would be advisable if we had the intelligence to be able to do that -- with a capital "I."

The other approach that we seem to have started but we haven't really completed is that we put a \$25 million reward for his capture, a bounty if you will. That, obviously, hasn't been enough money to get somebody to turn him in -- as you say, one of his own forces to turn him in.

What would you think about increasing the amount of that reward or that bounty by \$1 million a week -- it certainly is a small number compared to the cost of our conflict -- until it reaches a breaking point where somebody says, "That's enough, and I'll give him up for \$35 million or \$40 million," just keep adding it? Because the cost of the war are so significant and yet the symbolism of this individual is still significant in that part of the world.

What are your thoughts about...

GATES: A sort of terrorist "Powerball."

BEN NELSON: Yes.

(LAUGHTER)

Somebody always wins the lottery, it's just a question of win and how much it is at the time.

GATES: I'm certainly open to that, Senator. I must say one of the things -- going back to Senator Byrd's question earlier, one of the things that clearly I'd like to become informed on quickly is what effort we have under way and the nature of our strategy in terms of trying to find him.

I think just as he is not organizing things any longer but remains a powerful symbol, I think being able to capture or kill him would have a powerful symbolic impact also.

BEN NELSON: Well, I agree with you. And I would hope that you would consider what it would take to increase the bounty or the reward. Because I do think that money talks.

And at some point somebody will say, "That's enough," and they'll take the risk of turning him in.

My time is up. Thank you, Mr. Chairman.

Thank you, Dr. Gates.

WARNER: Thank you, Senator.

And in that context, always be mindful of loss of life and limb of the members of the armed forces and, indeed, other agencies of the government, our government, in that quest to find Osama.

GATES: Absolutely.

WARNER: And a mighty, mighty tough...

GATES: In the worst possible conditions.

WARNER: ... the worst possible. And then you've got a very complicated situation with Pakistan -- its borders, its sovereignty. You know those things full well.

WARNER: Senator Dole?

E. DOLE: Thank you, Mr. Chairman. And I certainly want to associate myself with the comments of all of my colleagues in thanking you for your outstanding leadership of the Armed Services Committee, and especially the care with which you have responded to the individual concerns of each member. Thank you very much.

Dr. Gates, Philip Hughes, who you served with at the National Security Council in the late '80s, was quoted recently as saying, "Bob has answered his country's call." And, indeed, I want to start by also thanking you for accepting that call and for your service to the public.

Dr. Gates, the transformation efforts undertaken by Secretary Rumsfeld are critical to meeting the challenges of the 21st century. While Secretary Rumsfeld made transformation of the military a priority, obviously much remains to be done.

In your view, which transformation programs are the most important and effective in fighting this war on terror? And of all the transformation initiatives, which, if any, do you feel requires continued focus by the secretary of defense?

And I'd also just add a third part to this, with regard to a specific element of transformation. Do you support the change in the organization of the Army from a division-based structure to 70 modular brigade teams?

GATES: Senator Dole, one of the things that has impressed me the most in the briefings - - the very short briefings that I've received preparatory to this hearing is the extent of the transformation that actually has taken place in recent years compared to when I was in government.

GATES: I can't tell you how many crisis meetings I sat through in the Situation Room over a 20-year period, and we would look at military contingencies and we would be looking at 60 to 90 days to generate a brigade to get a military force on the move and in place.

So the expeditionary nature of the Army, the mobility, the change in mindset, sometimes perhaps those of you who've been really close to it may not fully appreciate just how dramatically the situation already has changed compared to when I was in government last.

I think that the transformation needs to continue. I would confess that I don't have a lot of familiarity with it. I have read the Quadrennial Defense Review. And it seems to me that it's on the mark in terms of the large programs and the directions.

The two things that I think make a lot of sense has been this shift of the Army from being basically a static force to a more mobile, expeditionary force. I think that's very important.

I think that, based on very superficial information at this point, the shift from divisions to the brigade structure does make a lot of sense. And I think it provides a lot more flexibility.

I would say that one of the things that I think is very important in the transformation is continuing to strengthen our capacity to fight irregular wars. I think that's where the action is most likely to be for the foreseeable future.

And so I think it's very important that it go forward. But, again, I say that's based on a pretty superficial reading of it at this point.

E. DOLE: Dr. Gates, a World Bank report was released just last week in Afghanistan's drug industry and indicates that total opium cultivation just in the year 2006 has increased by 59 percent. Afghanistan now accounts for 90 percent of the global opium supply.

And, of course, the drug trade in Afghanistan has profound implications for the safety of our service men and women and for the supply of heroin around the world, more and more of which is coming into the United States.

Do we need to more aggressively confront this issue in Afghanistan? Does this require a more direct effort by our military in terms of opium interdiction and targeting of opium production facilities?

GATES: Senator Dole, I think it's very important. And as a matter of fact, just by coincidence, a couple of months ago, I gave a speech at the World Food Prize ceremonies in Des Moines and addressed this issue.

And I think that this is an area where the Defense Department can make a contribution; certainly in interdiction kinds of things.

But this is one of those places where, I think, other parts of the American government need to go to war as well, including the Department of Agriculture.

I'll give you an example. A poppy grower really doesn't have a diffuse market for his product. He's got one person or one network buying.

So there's no market flexibility. He gets told what the price is. He can't sell it anywhere else. His animals can't eat it. And so the notion, sometimes, is that the farmer gets so much money from growing poppies and drugs that crop substitution won't work.

The truth of the matter is, the farmer often doesn't make very much money on it. And if we could get to work in terms of providing Afghan farmers with other alternative crops, and encouraging those, and even subsidizing them to some extent, for a limited period, while they made a transition, it seems to me that it would be a very productive kind of thing to do.

And America's land grant universities -- Texas A&M is already on the ground in Tikrit working on these kinds of issues. There's no reason why our universities can't contribute to this as well, frankly.

E. DOLE: Thank you. Let me ask you about financial management systems at the Department of Defense.

E. DOLE: Obviously, Secretary Rumsfeld, early in his tenure, made reform of these systems a priority -- a top priority. And significant progress has been made, but challenges certainly still remain.

OMB just last month announced that the Defense Department's Financial Management Systems are so severe -- the problems right now are so severe that independent auditors still cannot certify the accuracy of the financial statements.

I'm interested in what plans you may have to address what appears to be a severe problem.

GATES: I don't have great familiarity with this, Senator. But if I'm confirmed, I certainly look forward to working with Deputy Secretary England to address these issues.

E. DOLE: Thank you.

My time is up. Thank you very much.

WARNER: Thank you very much, Senator.

Senator Bill Nelson?

BILL NELSON: Thank you, Mr. Chairman.

Dr. Gates, I grew up in the old school that said that partisanship stopped at the water's edge, particularly on matters of national security. You and I have already had a discussion about this, privately. I'd like for you to share with the committee how do you think that you will facilitate these big decisions of war and peace to be done in a bipartisan way?

GATES: Senator, for openers, I think that there is a lot of continuity and a lot of wisdom here in the Congress and in this committee and the Appropriations Committees in particular on a lot of issues relating to -- certainly to the Defense Department and to national security issues.

And I think the place to start is by a more frequent dialogue, a more frequent exchange of views and creating opportunities to learn and to listen with people and to do that with individuals from both parties.

GATES: I think that -- you know, in a way, the one area where bipartisanship is already practiced -- certainly by this committee; I'm not as familiar with others -- is in the many visits that members of this committee have taken to Iraq, where members from both parties go.

And based on everything I've heard, the impact out there is they're seeing Republicans and Democrats who care about men and women in uniform and are trying to work together to do the best thing for the country.

So in a way, there may be better demonstrations of bipartisanship in Iraq than there are sometimes here in Washington. But I think we can replicate that in Washington.

And I think it goes back to what I said earlier about the executive branch working together, and that is it depends a lot on personal relationships and personal trust and the recognition -- you're going to have disagreements about issues, but you can do it and maintain your trust and your respect for people.

BILL NELSON: When I served in the military, every young person at that time -- at that time, it was every young man had an obligation to serve. We had a draft. You think we're getting close to the point in order to have the personnel needs for the United States military that we need a draft?

GATES: No, sir, I do not.

BILL NELSON: Now, you say, then, that we can meet our recruiting goals without a draft. Explain that to the committee.

GATES: Well, sir, I think that the first encouraging aspect statistically, based on the limited exposure I've had, is the great success we've had in retention in the services. So we don't have a hole in the bottom of the bucket of much consequence.

My impression is that the Army was authorized to add an additional 30,000 troops and that they have recruited, I think, 23,000, or thereabouts, of that 30,000.

I would tell you, my candid opinion is that I think once -- one of the military officers that I was talking to told me that one of the concerns that he had about recruitment was that first we'd lost the moms and now we were starting to lose the dads in terms of encouraging young people to join the services.

GATES: In all honesty, I think that when people perceive that joining the services is not a direct ticket to Iraq, our opportunities for increasing the numbers are going to be significant.

We have this problem, frankly, with the Corps of Cadets at Texas A&M, where we have a tough time recruiting people because they think if you put on a cadet uniform at A&M that mom and dad think you're going to go straight to Iraq.

So I think that we have what I would call a transitory problem. The military seem confident that they can overcome it.

BILL NELSON: Thank you, Mr. Chairman.

WARNER: Senator Thune?

THUNE: Thank you, Mr. Chairman.

Mr. Chairman, I would, as the newest member of this committee to the most senior member of this committee, add my great appreciation and tell you that it's been an honor to serve under your chairmanship. And, as everyone else has already stated, appreciate your long and very distinguished career in service to this country. So thank you for that.

WARNER: Thank the senator very much.

THUNE: Dr. Gates, I want to congratulate you on a very successful tenure as president of Texas A&M, culminating with a win over Texas in the football game this year. I'm sure your performance in that job is probably measured more by the battle for football supremacy in Texas than just about anything else, and something that my colleague from Texas no doubt will want to stay out of, I'm quite guessing.

But you're leaving a very rewarding job for what is, arguably, the toughest job on the planet.

THUNE: And we appreciate your willingness to re-enter the public arena. Like many members of this committee, I have a large contingent of people in my state of South Dakota. We're a small state population-wise but, when it comes to military service per capita, contribute mightily to the war on terror and to our military service.

And we've had 2,900 National Guard members and 750 Air Guard members who have been deployed to Iraq. Our casualties in our state continue to grow as well.

So it's obviously on the mind of all Americans.

And with respect to -- because the question's been asked, and it's been hotly debated -- and I guess I would just come back to this basic premise: The mission in Iraq has been to stand up a government and stand up a military. And critical to our success in order to expedite a speedier exit from Iraq is to be able to have the Iraqi military defend the Iraqi people.

The question of troop strength -- I guess what I'd like to come back to in regard to that -- is to ask the question as to whether or not you believe that additional U.S. troops dedicated to training Iraqis in the short term could lead to a speedier exit in the long term.

GATES: Instinctively, Senator, I think that that would be the case. But as I just want to be clear, I think before I were to draw any conclusions on that score, I would want to talk to the commanders in the field and get their judgment on it.

What I know about the number of trainers, I've just read somewhere in the newspaper, and so I consider myself to have very superficial knowledge about some of these things. And I'd like to sit down with General Casey and some of the others and find out what the facts are and find out if there is a need along the lines we've just been discussing.

THUNE: Let me ask you a question about -- one of the issues that the Pentagon has dealt with is the Pentagon has faced a considerable amount of criticism over tying intelligence to a preferred policy outcome and overzealously guarding its control over the defense intelligence agencies at the expense of the larger community.

THUNE: As nominee for the secretary of defense, you are the intelligence community's biggest customer.

What steps will you take to ensure that the intelligence will not be tainted by policy requirements, and that intelligence agencies like the CIA and the DIA will be encouraged to present their own objective and independent analysis free from any type of bureaucratic pressure?

GATES: Senator, I feel very strongly about that. Given my background, I have actually had great respect for the Defense Intelligence Agency, during my career.

In fact, during the Reagan administration, on a regular basis, we ran contributions from DIA and the president's morning brief because of my regard for them.

The one thing that I don't like is offline intelligence organizations, or analytical groups. I would far rather depend on the professional analysts at DIA and at CIA and at the other agencies, and work to ensure their independence than to try and create some alternative some place.

And so I think that relying on those professionals, and making it clear, from my position, if I'm confirmed, that I expect them to call the shots as they see them and not try and shape their answers to meet a policy need.

THUNE: Let me ask you -- and I appreciate that answer. I think your background will be very helpful and useful in that regard. One of -- and of course, you served on the Iraqi Study Group -- it's being reported that one of the recommendations will be to engage Iran and Syria with regard to Iraq.

Do you believe that Iran and/or Syria would, in any possible way, act to benefit a democratic Iraq?

And let me ask you that question and then follow up by asking: At what price or cost would you be willing, or what price would you be willing to pay, diplomatically or otherwise, for that kind of beneficial action on either of those countries' part?

GATES: Well, I'm not prepared to pay for anything that I don't get in advance.

I have said that I think that having a channel of communication with these government is worthwhile. That isn't necessarily a vehicle for negotiation. But because often the channel of communication between ourselves and the Soviet Union and China was merely for the passing of messages and providing reassurance that certain actions weren't threatening and so on, I'm not optimistic that a negotiation with Iran would provide a lot of benefit.

I know that, as you well know, I co-chaired this Council on Foreign Relations study on U.S. policy toward Iran in 2004 with Dr. Brzezinski, President Carter's national security adviser.

And we recommended a negotiation with Iran.

But I would say that the conditions have changed fairly dramatically since we wrote that report. Among other things, Iran has a new leader who is quite unambiguous about his views with the rest of the world.

Iran has gone from doing some things in 2004 that were harmful to our effort in Iraq, but also some things that could be perceived as being helpful to us as far as I can tell to being entirely negative now.

They are clearly helping Hezbollah train fighters.

GATES: So I think the circumstances that led to our recommendations in 2004 have changed in some important ways.

I think it's worth keeping an open mind. In the vein of having all the options on the table, I think it'll be interesting to see what the Baker-Hamilton recommendations are in this regard.

I know that Secretary Baker is -- one of his favorite lines is that it was only on his 15th trip to Damascus that he actually made headway with the Syrians. So they're clearly a tough nut to crack.

I do believe that long-term stability in Iraq will be influenced by Syria and Iran. And I think that we need to look at ways, either incentives or disincentives, to bring them to try and be constructive in terms of the state on their border.

How we do that? I don't have any specific ideas at this point. And whether that involves negotiations or sitting down with them now by ourselves or in an international conference or putting it off until some later date, I think along the lines of keeping our options open at least merits thinking about.

THUNE: Thank you.

And, Mr. Chairman, my time's expired. Thank you.

WARNER: Thank you, Senator.

Senator Levin and I observed a number of members remaining on the clock and we're going to try and accommodate each member who's been here this morning before we conclude. And I think -- for lunch -- conclude our morning session around 1 o'clock and we'll return at 2:15 to this room to resume the hearing for those senators who might have missed their first round and a question or two from the other senators who wish to join. Following that, we would hope to go to S-407 for our executive session.

Thank you.

Senator Dayton?

DAYTON: Thank you, Mr. Chairman.

And I'd like to join with others in saying what an honor it's been to serve under your leadership in this committee -- also that of the ranking member.

I thank you both.

Dr. Gates, I want to thank you for your willingness to serve your country again. I also say that I've been impressed this morning with our candor, your straightforwardness. You've asserted your own independence of judgment, which I think you've demonstrated so far today.

DAYTON: And I guess I want to know if you will grant that same independence to your military commanders who are asked to testify before this committee or other committees of Congress to express views that reflect their own honest judgments that may differ with your own.

GATES: Absolutely, Senator.

DAYTON: Thank you.

You said, and I agree with you, that hindsight is 20/20, and we've all made judgments at the time that with that hindsight can be legitimately questioned.

Given what we know today about the absence of weapons of mass destruction in Iraq, given the predicament that we're in today, with that benefit of hindsight would you say that invading Iraq was the right decision or the wrong decision?

GATES: Frankly, Senator, I think that's a judgment that the historians are going to have to make. I certainly supported the decision to go into Iraq in 2003, and not just because Saddam had weapons of mass destruction.

It was clear that the food for peace program -- the Oil-for-Food Program was failing, it was totally corrupted, and the money was being diverted. It was clear that the sanctions were weakening. And I had no doubt in my mind that once the sanctions were removed by the U.N. and it looked like the French and the Russians and others were moving in that direction, that Saddam, if he didn't have weapons of mass destruction, would move quickly to try and obtain them.

And, you know, I think we have to look at the reality in terms of why we all thought that. In terms of just -- this is a little bit of a diversion, but I think one of the reasons why Iran is determined to have nuclear weapons is that they see how complicated it is for us to try and deal with a North Korea that has nuclear weapons. And I think they believe that if Saddam had had a nuclear weapon we might not have attacked him in either 1990 or 2001 -- or 1991 or 2001.

So there was no doubt. And I believe Saddam had the same calculus. And so once the sanctions were lifted, there was no doubt in my mind that he would strive to get a nuclear weapon.

He clearly had changed his spots in the slightest, and so that's the reason that I supported the decision to go in, as well as the fact that I thought he had the weapons of mass destruction, as I like to put it, just like every intelligence service in the world, apparently, including the French.

GATES: So was the decision to go in right? I think it's too soon to tell. And I think much depends on the outcome in Iraq.

DAYTON: What do you think were the key strategic or tactical mistakes that have led to our current quagmire in Iraq? How can they be corrected or is it too late to do so?

GATES: Well, as I say, I think that hindsight, as you suggest, is 20/20. And I suspect that some of the members of the administration would make some different decisions in light of hindsight. And I've made my own mistakes and learned from them in hindsight.

I would say -- just to give you two or three examples, I don't think that we had a full appreciation of just how broken Iraq was as a country before we ever went in; that, after 35 years of Saddam, after eight years of war with Iran, after the first Gulf War, after 12 years of sanctions that the country was broken economically, socially, politically in ever respect.

And even if your soldiers had been greeted uniformly with flowers in their gun barrels, the cost of reconstructing Iraq would have been fairly staggering, and I don't think there was that realization or the expectation that we would have to reconstruct Iraq.

I think two other problems that I think were created -- the first was the demobilization of the Iraqi army.

GATES: I know the argument that they have largely dissipated, but I think if we had had widely advertised the fact that soldiers who returned to their barracks would continue to be paid, they would have a way to take care of their families, that we wouldn't have several hundred thousand -- wouldn't have had several hundred thousand people who knew how to use weapons, had weapons, and were unemployed out on the streets.

A third example, I think, was the extreme de-Baathification policy.

Frankly, looking at it from a distance, it seemed to me that perhaps we'd forgotten the lessons of our de-Nazification strategy in Germany in 1945 and 1946 and didn't really appreciate the fact that every school teacher and power plant operator for the most part in Iraq had to be member of the Baath Party to get the job, and that they, in terms of being a threat to our interest or a threat to a democratic Iraq, they weren't necessarily that, that it was the people at the top of the pyramid that were the problem.

And so a few more hundreds of thousands of people were thrown out of work, people who actually knew how to make some things work and who might have had a stake in keeping things together.

So this whole thing will be the attention of historians for many years to come, but based on very short-term perspective, those seem to me to be some of the concerns that I would have had.

DAYTON: I thank you.

And thank you, Mr. Chairman. My time's expired.

WARNER: Thank you, Senator, very much.

One of our colleagues, the distinguished senator from Georgia, Senator Chambliss, met with you extensively yesterday, is my understanding.

Regrettably, he had to attend a funeral and give the eulogy of one of his lifetime friends today, and he wished us to acknowledge his absence.

But thank you for the extensive meeting and opportunity you accorded him yesterday to ask of you questions.

Senator Talent?

TALENT: Thank you, Mr. Chairman.

Dr. Gates, I'm looking forward to a chance to visit with you personally also, and so I'm going to be as brief as I can.

I notice most senators have made a brief comment about the general state of the military and then have asked you mostly about Iraq, which is certainly appropriate. I think I'm going to do it in reverse and make a general comment about Iraq and then ask you about the state of the military.

With regard to what you said about weapons of mass destruction, I do think we have not fully concentrated on the benefits that we are receiving now just because Saddam is gone.

TALENT: I mean, we have an Iraq that is not attempting to compete with Iran to dominate the region, not threatening its neighbors, not trying to develop a nuclear weapons program. Those are benefits that we've received from removing him.

I was in the House in the '90s and it was clear that as that decade wore on that the situation with his regime was unacceptable and that something was going to have to be done.

And the other point I thought about with regard to this is -- you know, when you make decisions in government, you have to make them based on the information that you have in front of you and discounting against the possibility it may turn out to be wrong. I mean, you can't say, "Well, everybody believes and all the data suggests he's developing weapons of mass destruction, but I'm not going to take the obvious step because of the possibility it might all be wrong," and then you're just paralyzed.

So that's a general comment on Iraq. But what I want to ask you about, though, is the state of the military -- in particular, our ability to procure the new generation of systems and platforms that we are now going to go into an intensive phase of buying.

And the decision that you make and that the Congress makes in the next couple of years are going to dictate precisely the options a president has 10 years down the road in a similar circumstance. And I think we all have to understand this time frame.

We're talking about more troops in Iraq. Well, our options are limited because of decisions made in the early '90s about the size of the Army -- that Senator McCain asked you about. And I hope you will expedite your study of that.

And I think you will find that the tooth-to-tail ratio is pretty much undefeatable. And you have got to have an Army bigger than we now have if you want to be able to maintain troops in combat, even in a low intensity combat situation. I think you will conclude that that's necessary and I hope you will then have the courage to advocate that within the department and within the Office of Management and Budget.

Now, I just jotted down -- over the next few years, we're going to have to procure -- the DDG 1,000 destroyers. We're going to ramp up production of Virginia Class Submarine, the littoral combat vessel. The Navy's going to have to get its new cruiser; that's essential to missile defense. And the Air Force is going to have to buy F-22s, Joint Strike Fighters. We need an interdiction bomber to replace the B-52.

The Army, with the future combat systems, is essentially going to replace its entire capital stock of vehicles, with the exception of some tanks, and there are other absolutely vital programs that our men and women are going to use for the next generation.

I think when you will find when you look at this that the procurement baseline that we have now through the FYDP is fundamentally inadequate to achieve that. And I want to know from you that this is going to be a priority of your investigations and your work if you're confirmed and that you will fight for the necessary procurement dollars with the Office of Management and Budget, if necessary.

TALENT: We have been kicking the can down the road year after year after year. And I think it's landed right at your doorstep.

And if you would comment on that -- I mean, do you have any sense of this situation? Do you realize what you're going to be confronting? And are you prepared for that kind of a struggle?

Because if we don't begin doing it under your stewardship, then the president a couple of terms from now is just not going to have the kind of options that he needs -- he or she will need -- in order to be able to protect America's security.

GATES: Senator, I'm very familiar with the long lead times on these programs. The weapons that we so proudly deployed in the early 1980s, in the Reagan administration,

often were developed in the Carter administration or the Ford administration or the Nixon administration. So there is a long continuity.

And the irony is that in all of that, this committee and the Appropriations Committee is probably the only place around that has the continuity of experience to have watched the whole cycle go through.

As I understand it, the FY '08 budget is basically put to bed. Clearly I'm going -- if I'm confirmed for this job, I'm going to have to take a close look at it.

And what I can tell you is that I'm prepared to consult with the Congress and with the president and others in the administration if I think changes need to be made, changes in allocations and so on.

But I would also say, just looking at it, as I understand it as a percentage of GDP defense spending, even with the cost of the war in Iraq are at a relatively low level, compared to most of post-World War II experience.

And so, I think there may be some flexibility. And in the very brief conversations that I've had about these matters with the president, he clearly is very interested and understands the nature of these problems as well.

So, certainly, this business of planning for the future is every bit as important as taking care of today and tomorrow. And I will make it a priority.

TALENT: If not more so. And let me just say that what we were able to achieve with the end of the Cold War, winning in Desert Storm, I think came directly or sprang directly from decisions made by the president and the Congress at the beginning of the Reagan administration on a bipartisan basis to sustain, I believe it was two double-digit increases in the top line.

If we have that kind of a commitment, it is possible to plan. You can do a transformation intelligently. You can do it efficiently.

If every year we're robbing Peter to pay Paul, every year putting the absolutely urgent ahead of the important, it ends up costing the taxpayers more and imperils American security.

I just hope you will have that attitude. I think a pretty cursory inspection of the budget will lead you to the same conclusions that I've reached. And we need a defense secretary that will stand up and fight for that. And I hope that you'll do it.

WARNER: Thank you, Senator, very much.

Senator Clinton?

CLINTON: Thank you, Mr. Chairman.

And Mr. Chairman, it has been a privilege to serve on this committee under your leadership. I'm very grateful to you.

And Dr. Gates, thank you for your candor. That's something that has been sorely lacking from the current occupant in the position that you seek to hold.

Your candor to this committee, to the American people, and especially to our men and women in uniform, is crucial to our success. We need a strong secretary of defense -- but that doesn't mean strong-headed.

And I appreciate your openness and willingness to engage with this committee today. Part of that candor was evident when you responded to Senator Levin's question about whether we are winning the war in Iraq, contrary to what your predecessor told us from that very chair and what the president has told the American people.

Can you tell us when and how you came to the conclusion that you expressed in your testimony, that we were not winning, a conclusion different from the president's?

GATES: I think that, frankly, if the president thought that the current tactics and strategy that we were employing were successful, he wouldn't be looking for fresh eyes and looking for new approaches and new tactics in our situation in Iraq.

GATES: I suppose that I came to that conclusion during my service on the Iraq Study Group, which was really the first time I'd had the opportunity to look at some of these circumstances in detail.

CLINTON: Well, you know, Dr. Gates, since the president made a statement as recently as October 25th that we were absolutely winning, many of us believe that the outcome of the election has triggered the willingness of the president to perhaps look at other options. As you said in your testimony today, you don't believe there are any new ideas on Iraq; that we know what the options are, and it is incumbent upon us, our government, hopefully in consultation with the Congress, on a bipartisan basis, to find a path forward. Now, with respect to the path forward, have you reviewed Secretary Rumsfeld's memo regarding possible policy options for changing course in Iraq?

GATES: I just read the version of it in the newspaper.

CLINTON: Do you agree with the analysis that appeared in the article that contained a copy of the memo that you've referred to?

GATES: It seemed to me that some of the options that Secretary Rumsfeld are exactly among those that need to be considered in considering the path forward.

CLINTON: You know, Dr. Gates, I've been honored to serve on this committee now for nearly four years. Many of the options that Secretary Rumsfeld put forward in that memo have been discussed in our committee deliberations.

CLINTON: They have been offered to administration witnesses as possible options. And yet there were no changes.

That strikes me as being very troubling, because now we're looking at the potential for a thorough review that will lead to changes that will be in America's interest, be in the interests of our men and women in uniform and, we hope, in the interests of the people of Iraq and the region.

Based on your experience, which goes back quite a ways in this town, do you believe the president, the vice president and the existing secretary of defense are intelligent men?

GATES: Yes, ma'am.

CLINTON: Are they patriotic?

GATES: Absolutely.

CLINTON: Do they care about our men and women in uniform?

GATES: Absolutely.

CLINTON: Do they believe the decisions they have made for the last five years have been in America's best interests?

GATES: I have not had that discussion with any of them, Senator.

CLINTON: Well if we...

GATES: I've heard that they believe that they were in the country's best interests.

CLINTON: So, therefore, we have this conundrum. We have a president and a vice president who will ultimately decide -- as the president is fond of saying, he is the decider -- about the direction to pursue going forward in Iraq. And it is quite frustrating to many

of us to see the mistakes that have been made -- some of which you have enumerated -- and to wonder whether there is any change that will be pursued by the president. Do you have an opinion as to how and when the process will occur that might lead to some changes in options and strategies?

GATES: My sense, Senator Clinton, is that this process is going to proceed with considerable urgency.

I would tell you that, if I'm confirmed, as soon as I'm sworn I intend to actually move very quickly in terms of the consultations with the commanders in the field and with the Chiefs and with others in terms of formulating my recommendations.

So I would say, certainly from my standpoint and, I think, also from the administration's, with considerable urgency.

CLINTON: Finally, let me ask you, Dr. Gates: In an oral history of the '91 Gulf War produced by the PBS program "Frontline," you made some very definite points about how the military often overstates, or even, in your words, exaggerates the level of forces required to accomplish a specific objective.

I'm concerned that's precisely the attitude that we've heard from Secretary Rumsfeld, former Deputy Secretary Wolfowitz and others, with regard to General Shinseki's recommendation and many in the uniform military, and civilian experts, who have consistently beat the drum that we don't have enough troops; we never had enough troops.

Therefore, how will you take that set of recommendations from your uniform military on board and figure out how you're going to assess it, given your previously stated position that it's often exaggerated when we look at missions to accomplish?

GATES: Senator, that statement was made in the context of the bureaucratic wars in Washington and the decision-making process, or the process of considering contingency planning in the Situation Room.

I would tell you that CIA also, in those same meetings, often would describe, very pessimistically, the prospects for covert actions that were being considered by an administration.

And, frankly, it's my experience that both the military and CIA take that kind of approach. Because sometimes they hear, as one of the earlier senators was -- I think it was perhaps Senator Warner, the chairman -- they hear some awfully strange ideas in the Situation Room, sometimes, from members of the National Security Council staff. It was always my experience that, contrary to the conventional wisdom, it was the State Department that most often wanted to use force and the Department of Defense that most often wanted to use diplomacy. And CIA never wanted to use covert action. Everybody wanted everybody else to take the actions.

I think that, when the actual decisions came, though, the recommendations of the military were taken very seriously.

And I remember when President Bush, the first President Bush, was asking about the offensive strategy, once we had 200,000 troops in Saudi Arabia. And we were at a meeting in the Situation Room in the fall of 1990. And the military came in and briefed on what they felt they needed to eject Saddam and the Republican Guard from Iraq, from Kuwait.

GATES: And they went through a long list of things: moving the 7th Corps to the Middle East, six carrier battle groups, activating the Guard and Reserve. And I'll never forget, the president stood up and said, "You've got it. Let me know if you need more."

And I think that that kind of deference, when you get past the debate about what the policy should be, the great deference should be extended to the professionals who are going to have to carry out the action. And I think the first President Bush did that in the Gulf War, and that certainly would be my instinctus (sic) if I'm confirmed as secretary of defense.

CLINTON: That would certainly be welcome.

WARNER: Thank you very much, Senator. And, Senator, that question elicited a very important answer for the record of this hearing.

I thank the witness.

Senator Cornyn?

CORNYN: Thank you, Mr. Chairman. And let me also express my gratitude at serving under your leadership and chairmanship. It's been an honor.

WARNER: Thank you.

CORNYN: And, Dr. Gates, thank you for agreeing to return to public service. As I said yesterday, Texas A&M's loss is America's gain. And your willingness to accept what I think has to be, if not the most difficult, the second most difficult job in Washington. I appreciate your willingness to step forward and answer that call.

As we discussed yesterday, the decisions that this country makes about the conflict in Iraq and the global war on terror will have a lasting impact in the Middle East and on the entire world. And I hope there remains a bipartisan consensus that we will not allow Iraq to become a failed state.

If there are some who questioned about whether it is possible to actually achieve victory, I hope we at least will do everything we can not to lose.

The consequences of a failed state in Iraq would have a devastating impact on our national security interests. This is not a matter of partisan differences.

No less a military expert than General Anthony C. Zinni, in today's New York Times, was quoted as saying -- and he, of course, was a forthright critic of the decision to go into Iraq. The article says, "These days, General Zinni is providing another provocative message, that leaving Iraq quickly would strengthen Iranian influence throughout the Middle East, create a sanctuary for terrorist groups, and encourage even more sectarian strife in Iraq, and risk turmoil in this oil-rich region of the world."

He actually has gone so far as to saying we ought to leave the door open to a temporary increase in American troops, so we can clear, hold and build in Iraq, and particularly in Baghdad.

And, as General Zinni noted, we all understand the chaos in Iraq could, if left to just spiral downward without any attempt to control it, would allow Al Qaida a base for operations against us and our allies.

CORNYN: And as many have noted before, we can't simply leave because the enemy is determined to follow us here.

But I'd like to focus on another potential consequence, and we touched on this a little yesterday, but I'd like to do this for the public record, and that is the expansion of Iranian influence in Iraq.

And I'd like for you to give us your assessment on how Iran would react if the United States precipitously withdrew. There are some who have said that they will use that opportunity to consolidate the Shia population in southern Iraq and perhaps annex Iraq as part of the Iranian state, which of course may lead countries like Saudi Arabia, largely a Sunni population, to intervene to protect the Sunnis against any ethnic cleansing efforts or conflicts, sectarian violence that might occur. And then of course with the partition, de facto partition of Iraq into Kurdistan, which causes of course a lot of concern in Turkey. I would like for you to please just give me your best estimate here in this public forum of what a precipitous withdrawal from Iraq, creation of a failed state would have, particularly with an emphasis on Iranian influence.

One of the assumptions that I think has proved questionable, Senator Cornyn, is that the Iraqi Shia were first and foremost Iraqi nationalists, and having fought against the Iranians would resist Iranian interference and Iranian efforts to become involved in Iraq. Based on just what I've read in the newspapers, that does not seem to be the case, but the Iranians are extremely active, as best I can tell, and particularly in southern Iraq, but perhaps elsewhere as well.

And one of the things that I've heard, for example, is that the Iranians are very likely involved in the development and production of these increasingly sophisticated IEDs that are hurting so many of our -- hurting and killing so many of our soldiers.

I think that the Iranians will seek to have as much influence in Iraq as they possibly can. These two states have been adversaries ever since Iraq was created after World War I. And, as I just mentioned, they went to war for eight years with each other with terrible costs.

They clearly never want to have an enemy like that on their western border again, and I think that their effort will be to try and exercise as much influence in Iraq as possible.

GATES: And if you end up with a Shia government in Iraq and no sense of nationhood with respect to the inclusion of the Sunnis and the Kurds, I think it will not be long before we will have a government in Baghdad that is as hostile as the one in Tehran.

CORNYN: We know the Iranians are state sponsors of terrorist organizations, principally Hezbollah. Would you foresee any change if they were to expand their sphere of influence and control to Baghdad, that they would somehow forswear their support of terrorist organizations like Hezbollah or perhaps others that serve their purpose?

GATES: No, I don't see any near-term prospect of the Iranians foregoing their use of Hezbollah and other terrorists.

CORNYN: One final point, as my time has expired -- as I mentioned to you yesterday, I would appreciate your commitment to work with this committee on acquisition reform.

We need to procure weapons systems more quickly and efficiently and affordably so that we can guarantee that we can meet military requirements.

And on another occasion perhaps we can talk about your recommendations and thoughts on the size of our special forces operation -- something that has grown a lot, but I think to meet a real need around the world.

Thank you very much for your willingness to serve and being here.

Thank you, Mr. Chairman.

WARNER: Thank you, Senator. I think it was very helpful to have his perspective on what the consequences of a failed state are.

Senator Bayh, you're the wrap-up.

BAYH: Thank you, Mr. Chairman.

Well, let me begin my wrapping up by echoing what every other member of the panel has said in thanking you for your leadership. You have proven yourself willing to rise above the interests of party to do what's right for the country. And I admire that in you, Mr. Chairman. So thank you for that.

I know our chairman to be exhibits the same qualities. So I'm looking forward to serving with you, Carl.

And thank you for your public service, Mr. Gates. I am deeply grateful to you for that. I did notice with some interest, however, that you recently gave a speech in Des Moines, Iowa. You keep a schedule like that, you're going to start tongues a wagging.

(LAUGHTER)

So just a word of friendly advice.

I'd like to follow up on something that Senator Clinton was asking you about, and that is this.

BAYH: I appreciate your candor. And I appreciate your openmindedness. And I appreciate your realism, as opposed to having an ideological view of things.

But you are not the ultimate decision-maker. That will be the president of the United States.

We've recently seen some examples where the national security adviser issued a memo about the prime minister of Iraq, raising questions about his capabilities. And the president, in a matter of days later, said that he was the right man for Iraq.

Your predecessor, Secretary Rumsfeld had a memo in the newspaper, laying out a series of options that the president seemed to, very shortly thereafter, dismiss, at least some of them, as being unrealistic, although the secretary thought they were worth considering.

Colin Powell, former secretary of state, offered advice that was not listened to.

Now, of course, the president's not going to take everyone's point of view. That's not possible.

But my question to you, very simply, is, you seem to be a very reasonable man. What leads you to believe that the president of the United States will accept your counsel?

GATES: Senator, because he asked me to take the job.

BAYH: He asked the others to take the jobs as well.

GATES: I think that, when they assumed their positions, the circumstances that the country and the president faced were different. And I think that the president was very direct in saying, both privately to me and then publicly, that he saw the need for fresh eyes on the problem.

And I think he, at the same time, has indicated a willingness to consider different options, in terms of seeing how we can do better in Iraq.

BAYH: Well, I hope you're right. And I would simply urge you to give him your opinion if you agree that changing course need not be seen as a sign of weakness.

As a matter of fact, it may be the intelligence thing to do to strengthen our country, to protect our national security interests. And I sometimes think, in the higher reaches of the administration, those things have been confused.

BAYH: So I wish you well. I hope he does heed your counsel.

GATES: Thank you, sir.

BAYH: Two other things. And one of the refreshing things that you said, and many others would agree, is that ultimately the Iraqis have to do this for themselves; we can't do this for them; that there are tough political decisions to make.

Senator McCain raised an interesting issue about what comes first, stability or political progress. You outlined some of the unfortunate mistakes that were made early on that undermined the stability. And you can't put Humpty Dumpty back together again. Those events tend to take on a momentum all of their own.

My own judgment is now that political decisions have to be made even in the absence of perfect stability, otherwise this is not going to end well.

So the nub of this seems to be that there are those who believe that setting a timeline or at least starting to bring closure in Iraq will cause the Iraqi leaders to be insecure and to retreat to their religious and their ethnic identity.

Others believe that they need a wakeup call and that the setting of at least a flexible timeline is essential to keeping pressure on them to make the decisions that only they can make.

We've tried the stay-the-course approach and reassuring them for three and a half years. They seem to still behave more like Shia and Sunni and Kurds, as opposed to Iraqis.

Why do you think that the setting of a flexible timeline will not succeed in getting them to make the political decisions that need to be made?

GATES: Well, I go back to my original statement at the outset of the statement. I think that all options have to stay on the table. I want to sit down and talk with the commanders in the field. I want to talk to the chiefs. I want to see what Secretary Baker and Congressman Hamilton and the Iraq Study Group have to say.

I have said before, I'm willing to consider all alternatives, all options, as we think about how to move forward in the most productive way, and to consult with people about those, consult with people here on the Hill about those.

GATES: And then I'll decide what recommendation that I want to make to the president in terms of what I think we ought to do. But I believe, at least going into this process, that all these options have to be on the table.

BAYH: One final question, Mr. Gates, with regard to Iran and their nuclear aspirations. I agree with your assessment of why they seek to have a nuclear capability. They impress me as the kind of individuals -- the leaders of their country -- that will only respond to the prospect of forceful steps -- rhetoric alone probably will not be enough.

I've been told that they see our continued presence in Iraq as a constraining factor on us; that it limits us from having as credible a deterrent with regard to Iran as we need to have to get them to give up their nuclear aspirations or at least give us the best chance of accomplishing that.

Do you agree with the statement that beginning the process of bringing closure eventually to our presence in Iraq is necessary to maximizing our chances to have the deterrent to deter the Iranians from their nuclear aspirations?

GATES: Senator, I'm not sure about that. I think that some of the public statements by the president of Iran and some of the actions the Iranians have taken are beginning in a significant way to frighten other neighbors and to create concerns among countries both in the region and in Europe and elsewhere who are potentially in a position to be helpful to us and bringing pressure to bear -- both economic and political pressure to bear on Iran.

So I'm not saying -- denying what you're suggesting, but I think -- I'm not sure it's right either. I think that there are some other factors at work that the Iranians are going to have to take into account.

BAYH: Just one final observation. My time has expired. And I thank you for your presence.

You know, I've been told by some that they view us as being bogged down in Iraq from a manpower standpoint, from a resources standpoint, and that, frankly, they like that. They don't want to see us extricate ourselves from that place because they know it constrains our ability to deal more forcefully with other threats, including the one that they present.

GATES: When we did our study for the Council on Foreign Relations on U.S. policy toward Iran in 2004, what we were hearing then -- and things were going considerably better for the United States in Iraq at that time -- was that one of the reasons the Iranians were ambiguous in their approach to what was going on in Iraq with some gestures of assistance to us, as well as doing some things that were not helpful -- but that they were quite frightened by having U.S. troops on both their west and east -- western and eastern borders.

GATES: And what I've heard -- and I haven't talked to any intelligence analysts -- but what I've heard is that because they think things aren't going as well for us, they're not as frightened right now.

By the same token, it seems to me that if things do start to go right in Iraq, and we do begin to get the situation stabilized, that may, in turn, bring considerable pressure on them because they'll see that they've got a different kind of state on their western border than they had anticipated; that may not be as militarily threatening as Saddam Hussein was, but is potentially politically threatening, and also that the U.S. will have shown that we were able to be successful.

Seems to me, it could go either way.

BAYH: Thank you again for your candor.

GATES: Thank you very much, Senator.

BAYH: We've had -- I would say -- been here 28 years. This has been as good a hearing as we've had -- right, Senator?

LEVIN: I agree with you. Better than most.

(RECESS)

WARNER: We'll now resume our hearing from this morning.

Senator Levin and I are in consultation with our colleagues with regard to further procedures concerning this nomination, and I just want to thank Senator Levin and all colleagues for the support that they've given me in chairing this hearing and preparing for the sequential steps that'll take place until we have our final vote on the floor of the Senate.

So at this time we'll resume questioning, and we'll each take our usual five or six minutes. And I'd have to say, Mr. Gates, that we're all very impressed with the candor and forthrightness that you expressed this morning.

I'd like to initiate this afternoon's session with a discussion about your perspectives regarding both Iran and Syria. You were quite clear this morning on the questions that were put to you, but I'd like to ask -- and I don't think we can get a definitive answer, but just you've written on this subject. And that is: Do we try at some point as we begin to assemble the perspectives of the nations surrounding Iraq, to have some consultation

directly with Iran and Syria, perhaps as a preliminary step to bringing the nations together, if that's the desire, hopefully, of the president to try and have a conference of the region?

There's a lot of suggestions on that. Tomorrow's report from the Baker-Hamilton commission, which, again, I expressed, and again to the press outside, a lot of confidence in the work that they've done. And I'm hopeful that we -- I know we here in the Congress will pay very close attention to those recommendations. I hope the executive branch will likewise.

But the subject -- it could well be as part of that report the initiation with some type of overture, some type of formal -- perhaps informal and formal overtures to both Iran and Syria.

GATES: Yes, Mr. Chairman.

Mr. Chairman, before I answer that question, with your indulgence, could I amplify on one of my answers this morning?

WARNER: Yes.

GATES: And only because I'm concerned that the troops in the field might have misunderstood something I said.

While I was having lunch and eating my sandwich, I was watching the news. And I certainly stand by my statement this morning that I agreed with General Pace that we are not winning but we are not losing. But I want to make clear that that pertains to the situation in Iraq as a whole. Our military forces win the battles that they fight. Our soldiers have done an incredible job in Iraq. And I'm not aware of a single battle that they have lost. And I didn't want my comments to be interpreted as suggesting that they weren't being successful in their endeavors.

GATES: And I think we all applaud and appreciate what they're doing.

The situation in Iraq is clearly much more complex than just the military actions. And the areas where we're having our challenges, frankly, are principally in the areas of stabilization and political developments and so on.

And I just wanted to make that clarification, sir.

WARNER: I appreciate that. Because when I, in my opening statement, recited what I heard General Pace say yesterday, he also, in the context of saying that, had nothing but the highest praise for the men and women of the armed forces and the fact that they have given their all.

And as you say, there's not a major engagement that we've had with this very diverse enemy in which they have not basically succeeded, given their courage and commitment. So I think that that's an extremely important adjunct to those crisp statements, that it doesn't reflect in any way on the professionalism, the commitment and the record of success of the men and women in uniform. Thank you for bringing that up.

GATES: Exactly, Mr. Chairman, thank you.

WARNER: So we return to the issue of how best we deal with Iran and Syria.

GATES: Well, obviously, the decision on what to do in this respect is the president's. And he probably will look principally to the secretary of state for advice on this question of Syria and Iran.

But I guess I would have to say that I think in the long run, we are going to have to acknowledge the influence of Iraq's neighbors and the potential to make the situation either better or worse in Iraq.

And the forum in which we try to engage that and how we do it and when we do it clearly are issues to be determined. But I think we just have to acknowledge the reality that they have the opportunity to make things either much worse or much better for us, should they choose to do so. And figuring out the right way to try and take advantage of that really is, I think, principally probably Dr. Rice's responsibility. But philosophically, that's where I'm coming from on this issue.

WARNER: But as a part of your advice to the president, you will share your own views, because it's based on many years of experience.

GATES: Yes, sir.

WARNER: This morning, in response to several questions, and I think Senator Cornyn had one of the final questions that prompted your assessment on the problems that face not only the United States, but the whole world, should our goals -- and when I say "our," it's really not just the United States, but the coalition forces, particularly Great Britain and others who have stood by our side throughout this conflict -- to sustain this government and enable it to have the security environment, the economic support and otherwise, to exercise the full reins of sovereignty.

WARNER: But I call to your attention something that had not been noted by many. And that is, on November the 28th, the Security Council, in a very carefully drawn resolution, extended the authority of the coalition forces to continue until December 31st, '07, with the juncture point where -- I believe it's in June; and I'm going to produce that document here shortly -- that if the Iraqis so desire, the government, they can review whether or not the resolution should continue.

But a key phrase in that is that the resolution states that the problems in Iraq face the whole international community. I mean, whether it's the potential loss of the energy so critical to support the economies of the world, or whether a failure would incite greater terrorism throughout the world.

But I thought the United Nations Security Council was very perceptive in saying it's just not contained to Iraq or the region, but how that situation is concluded -- hopefully successfully -- it affects the entire world. Because the problems in Lebanon, the problems in Palestine, all are linked in some respects to the situation in Iraq and, indeed, to some extent, Afghanistan.

WARNER: Have you had a chance to look over that resolution...

GATES: No, sir, I have not.

WARNER: I would urge that you do so -- and how they're very perceptive in saying it affects, indeed, the whole world.

And I think in pieces this morning your testimony did, in fact, affect your own judgment that the importance of this situation does affect the whole world.

Do you share that view?

GATES: Yes, sir, I do.

WARNER: We talked this morning -- and I was very reassured that you feel a broad bipartisan agreement on the future course of action that will greatly strengthen the resolve and the commitment in this country, indeed, be a recognition of the mandate -- in many respects, this past election -- where the people of this country spoke, and also to the men and women of the armed forces.

Clearly, a unified, bipartisan approach, once the president finally decides on such changes in strategy as he approaches the goal that he has established is in our interests.

And I want to commend you in your testimony for giving support to that concept. Lastly, and this is something that particularly I find troublesome -- and I'm not sure there's a clear answer at this time -- but I was very active in drawing up the resolution that authorized the use of force for this conflict, both in Gulf I and Gulf II. Senator McCain is associated with me -- Senator Bayh, Senator Lieberman -- the four of us drew it up.

And I've gone back and looked at it many times in the legislative history. And what troubles me today is that our forces are faced with situations in which there's this sectarian violence which is similarly rooted so deeply in centuries of difference of approach to the very important doctrines of the Muslim world -- the reverence they have for the Koran, the reverence that they have for the long-standing tenets -- we tend to think that the Muslim world is in revolt. It is not. It is a very small fraction of the extreme radicals that are fomenting the problems that we see today.

It is my hope that the moderate elements of the Muslim world will finally come together and help us reconcile such differences we have.

WARNER: But let's talk about that patrol or platoon company of U.S. forces who were suddenly caught in a situation where clearly the fight in front of them is purely sectarian. I feel very strongly that they should simply step back, that that's a matter that the Iraqi security forces would have to deal with, not the men and women of the U.S. forces.

How do you feel about those conflicts, whether there's just a small firefight or these mass killings, which are clearly identified as sectarian? What should be the involvement, or lack of involvement, of our forces?

We want to support the Iraqi military, but we support them in dealing with the sectarian, rather than putting our folks right in that crossfire.

GATES: Yes, sir. That tends to be my instinct.

But I think one of the early conversations that I would want to have, if I were confirmed for this position, with the commanders on the ground is to address that very question. I mean, clearly they must have done some contingency planning in consideration of what would happen in the event that this kind of thing begins to happen. And I'd just like to get their professional opinion about how they think they're going to respond if and when that kind of thing happens.

WARNER: Well, I think, if I may say, it is happening. It has happened, is happening, and seems to be ever-increasing, the sectarian element.

Right in that seat, General Abizaid has said on two occasions that the initial insurgency, the initial infiltration from other countries of people who come in to thwart the efforts of the coalition forces has given away to the preponderance of the conflict today has its roots in sectarian violence and differences.

So it is taking place, and I'm pleased to have on this record your assurance that you'll take that up with the commanders.

GATES: Yes, sir.

WARNER: Speaking for myself and I think some other colleagues around here, our young men and women should not be caught in that crossfire. That's the responsibility of the 300,000-plus Iraqi forces we've trained and equipped.

WARNER: Senator Levin?

LEVIN: Mr. Chairman, I think you speak for many, many members of this committee when you say that, and you surely do for me.

If they're going to have a civil war in Iraq, it's going to be one that we should not be caught in the middle of. Hopefully, they're going to opt for a nation rather than a civil war -- at least an all-out civil war, because they've got a low-grade civil war going on now. But they've got to make a choice, and it's a political choice. And they've said that themselves. And I think your answers this morning are very helpful in pointing out that it's mainly a political decision that has to be made in Iraq rather than anything else. The security situation in Iraq is directly connected to the lack of a political consensus in Iraq. That's what their prime minister has said. He puts the responsibility for achieving that consensus right where it belongs -- on the political leaders in Iraq. And we ought to hold them to it.

It's in all of our interests -- all of our interests -- that we maximize the chances of success in Iraq. I don't think there's any disagreement among anybody in that regard.

Where there's been a sharp difference is to whether or not the current course, with its open-ended commitment of our forces, will lead us to maximize the chances of success or whether it basically is sending a message to the Iraqis that, somehow or other, the responsibility here is other than their own.

But in terms of the goal of trying to leave Iraq stable, in a better shape than we found it, I think everybody shares that goal. And I know you do.

Dr. Gates, General Abizaid testified before this committee in response to Senator McCain's question about adding additional troops, as to why he -- General Abizaid -- thought it would be a mistake.

LEVIN: And here's what he said.

He said, "I met with every divisional commander, General Casey, the corps commander, General Dempsey. We all talk together. And I said to them, 'In your professional opinion, if we were to bring in more American troops now, does it add considerably to our ability to achieve success in Iraq?' And they all said no.

"And the reason is" -- and this is General Abizaid now -- "because we want the Iraqis to do more. It's easy for the Iraqis to rely upon us to do this work.

"I believe," General Abizaid said, "that more American forces prevent the Iraqis from doing more, from taking more responsibility for their own future."

Do you agree with General Abizaid's comment?

GATES: I would, as I indicated in my answers this morning, I would give great weight to the views of our commanders out there. I would want to sit down and talk to General Casey and General Dempsey myself. But if that is their view, I would give great weight to that.

LEVIN: And does his reasoning resonate with you?

GATES: It makes sense to me.

LEVIN: It does to me too, I may say.

On prewar intelligence, Dr. Gates, when we met in my office, you told me that you did not see evidence of a link between Iraq under Saddam Hussein and Al Qaida. Is that your view?

GATES: As I indicated in answering a question earlier today, I've really gotten very little in the way of intelligence. On the basis of what I've read in the newspapers, that certainly would be my conclusion.

LEVIN: You did indicate in one speech, in February of 2002, that, quote, "We know that at least one of the leaders of the September 11th hijackers met twice in Prague with Iraqi intelligence officers in the months before the attack."

LEVIN: What did you base that conclusion on, since the intelligence community had not reached that conclusion?

GATES: Strictly a newspaper story, sir.

LEVIN: In response, Dr. Gates, to prehearing questions from this committee, you said that you would cooperate with committee requests for information or documents relating to Defense Department detention and interrogation policies and allegations of detainee mistreatment.

And when we met in my office last week or the week before last, I told you that I would be renewing requests for Department of Defense documents that were denied in the past, particularly with regard to the pre-war intelligence activities of the Office of the Undersecretary of Defense for Policy, under the leadership of Douglas Feith.

Will you make relevant documents available for a congressional oversight of issues such as those which I talked to you about, the pre-war intelligence activities of the Office of Undersecretary of Defense for Policy?

GATES: To the extent I have the authority, yes, sir.

LEVIN: When we met in my office, we also discussed the role of the Feith operation in providing an alternative intelligence channel to the White House, separate from the intelligence community.

I wrote a lengthy report on that subject, in which I indicated I thought that was a highly inappropriate role for the Office of the Undersecretary.

You, this morning, said something which resonates with me, which is that the one thing you don't like is offline intelligence organizations or analytical groups, that you would far rather depend on the professional analysts at DIA and CIA and at other agencies, and work to ensure their independence, than to try and create some alternative, some place.

LEVIN: From what you know, what is your view of the appropriateness of the intelligence activities of the Office of Undersecretary of Defense for policy when it was under Mr. Feith's leadership?

GATES: I really haven't read very much about it, even in the newspaper, Senator. I just have the impression that they were, as I say -- as I understand from the newspapers -- gathering and analyzing -- not gathering but analyzing intelligence reports and providing an independent evaluation of that reporting and an analysis based on that reporting to defense officials.

LEVIN: And what is your...

GATES: That's pretty much the extent of my knowledge of it.

LEVIN: If that is what happened, what's your view of that?

GATES: I have a problem with that.

LEVIN: Thank you. My time is up.

WARNER: Thank you.

Senator Thune?

THUNE: Thank you, Mr. Chairman.

Dr. Gates, I want to come back, if I might, to, kind of, a line of questioning that was asked by my colleague from Missouri earlier today, Senator Talent.

I have, as he indicated, also supported raising the top line of the DOD's budget. And in a time of conflict, I don't believe that we're putting enough resources toward effectively fighting the war on terror. In fact, I think that in some cases Congress has been guilty of increasing the burden on the department by slowing down modernization.

And I give you example of that. Legacy aircraft requirements such as the B-52 (inaudible) routinely delayed and aging airframes like the C-130 (inaudible) exposed to dangerously high levels of stress and flying hours, or are required to be put into a bed-down status even, though they have been grounded for exceeding safe flying hours.

THUNE: And I guess the question I would have is, with respect to that issue and the fact that we need to reset and we're running a lot of our equipment into the ground and we need to start thinking about the next generation of a lot of these platforms, if you are confirmed, what recommendations would you make to Congress regarding the adverse effect that sustaining the lifespan of aging platforms is having on the department?

GATES: Senator, if I'm confirmed, it's clear that the kinds of issues that you and Senator Talent have referred to are going to be high priorities.

The resource demands, in terms of ensuring readiness, in terms of paying for the cost of the war, and in terms of future investments, are really the three major buckets. And weighing the balance between those and seeing if additions to the top line are required to be able to do the necessary tasks in all three I think is a very real possibility.

And, as I say, I haven't had the chance to get into the 2008 budget really at all or to gather the facts on a lot of these specific systems. But it's clear that that will have to be a top priority if I am confirmed.

THUNE: I appreciate that. And I just would, I guess, let you know that there are those of us up here who would like to work with you on that, who, I think, share the view that we just don't have enough to go around for everything that we're doing, when we're fighting a war and we've got lots of obligations around the world, talking about being spread too thin and then the equipment needs that we have, and to focus on the future and that window for what the next generation's needs are going to be in terms of our warfighting capability.

THUNE: And I know it's difficult fighting the forces at OMB and other places, but I hope that we can count on you to do the right thing, I think, in terms of what our national security needs are down the road as opposed to looking just on short term and this year's budget, I think as Senator Talent mentioned, the urgent versus the important.

Because I've got a real concern about that as well. And I know that the various branches of the military are often in here and competing for dollars and everything else, but we've got a lot of responsibility and a lot of needs out there that are not being met. And I'm fearful that it's going to make us less prepared going forward.

So I appreciate your response to that.

One other question I would ask is that there are some recent resignations that have left open positions at the Pentagon. And one of those is the undersecretary of defense for intelligence. That position, I believe, was created in 2003 and did not exist when you were the DCI.

Have you developed any opinions yet on the utility of that position now that you've been nominated, and whether to maintain, downgrade or eliminate the position? And is there a potential conflict or danger inherent in this position of influencing the analytical process.

GATES: Senator, I think that I really haven't given it a lot of thought, to tell you the truth. And I haven't thought about people, partly because I figured I wouldn't spend the time on it until I knew whether or not I was going to have the job.

But I would say, I think that there is -- I need to look into all of the responsibilities of that position. There has been a position like that in the Department of Defense at different levels for a long time to coordinate the various aspects of the various defense intelligence organizations.

GATES: So at first blush, my instinct is there probably is value in the position. But I think it's more in the form of coordinating the different elements of the defense intelligence organizations and making sure -- working with the director of DIA and others to make sure that the needs of the warfighter are being met by the Defense intelligence organizations and cooperating, also, and collaborating with the director of national intelligence and the director of CIA.

So my inclination is to think that there probably is value in the position, but I have not thought about anybody for that position.

THUNE: I appreciate that, and I would just say in closing, Dr. Gates, that I really welcome your experience, I think, is very relevant to the challenges that we face. And I think the role that intelligence plays, increasingly, in this war on terror is so critical. And I appreciate the answers that you've given and the responsiveness that you've demonstrated to the questions that have been posed to you today. And I suspect that we'll get a good strong, hopefully bipartisan vote for your confirmation, and look forward to working with you.

But I think you've been very forthcoming, and I just appreciate the response that you demonstrated today.

Mr. Chairman, I yield back. Thank you.

WARNER: Thank you very much, Senator.

Senator Kennedy?

KENNEDY: Thank you, Mr. Chairman.

And thank you, Dr. Gates.

Just to underscore what both the chairman and the ranking member have mentioned about the battles that are taking place, primarily in Baghdad, that have led a number of people, such as Kofi Annan, to believe that there is a civil war that's taking place.

KENNEDY: It's less than 2 percent, as I understand it, from General Abizaid and General Maples. Less than 2 percent of the people that are actually killed in Iraq are foreign fighters. That even includes the suicide bombers.

So this level of intensity between the Shia and the Sunni has escalated. And I think it's enormously troublesome, about how we're going to be able to influence it and what the role of the military's going to be.

And you responded both to Chairman Warner and Senator Levin on this. But obviously, the issue is the safety and security of our troops, if they become identified on a particular side in what I think, personally, is a civil war.

And what you're going to have to find out is what the rules of engagement are, what you're going to talk to the local commanders about what is their rules of engagement and making the judgment to ensure that what we are interested in is the safety and the security of the American troops. This is a matter, obviously, of great importance.

Just a second issue -- I just want to move through some.

GATES: Yes, sir.

KENNEDY: Darfur: 400,000 people killed; 2.5 million displaced. It continues to be human tragedy of such extraordinary proportions. The reluctance of the Sudanese government to take steps to try and bring about peaceful resolutions and negotiations; how long are we going to be able to tolerate that; what the role of the NATO countries might be; what the possibilities might be in terms of no-fly zone; what options are going to be available to the president should this situation continue to deteriorate is going to be -- you're going to be the one on the watch for those issues.

KENNEDY: I don't know whether you want to -- it's a very specialized area.

If you want to make brief comment, I wanted to just raise it.

And I don't expect detailed kind of response, but I would certainly that hope that you'd give focus and attention when the confirmation process concludes, to that issue because it's of enormous importance. Incredible humanitarian issue.

An issue that was raised earlier today in the newspapers -- I don't know -- you haven't had probably the chance to see it -- but the census counts 100,000 contractors in Iraq -- 100,000 contractors in Iraq.

And inside the article, it quotes: With few industry standards, the military contracts have sometimes lacked coordination, resulting in friendly-fire incidents, according to Government Accounting Office last year.

It takes a great deal of vigilance on the part of the military commander to ensure contractor compliances.

William Nash, retired army general, and fellow with the Council on Foreign Relations:

Trying to win the hearts and minds, and the contractors driving 90 miles an hour through the streets and running over kids, that's not helping the image of the American Army.

Iraqis aren't going to distinguish between a contractor and a soldier.

You're going to have an opportunity to review this whole issue in terms of the contractors.

We've had, of course -- won't have the chance to get into it today -- but there's the whole question of accountability of these to the law; the whole question in terms of the torture issue, with Abu Ghraib, about the roles of contractors and others.

And it is a very major issue in question. And it's one that I know you'll want to have a good opportunity to review, so there's some real accountability and consistency in terms of policy.

GATES: Yes, sir. In fact, my impression, or recollection from the briefings that we received in Baghdad on the Iraq Study Group was that some of them were useful work that had been done by Mr. Bowen in the special inspector general's office -- included some of these areas dealing with contractors.

KENNEDY: Just a final issue. The members of this committee spent a great deal of time on the issues of military tribunals. We've spent a good deal of time on the issues of torture, interrogation, on rendition and issues of that nature.

The Congress has taken action now, at the end of this last session that we were on, on these issues of tribunals. It's enormously important, as you will understand, to get it right. Because really a bitter irony would be if we get it wrong, the Congress has it wrong, and these individuals, these high suspects that are being tried are found that the procedures which they -- are considered to be unconstitutional and suddenly they're in a different situation.

They're in a different situation, having gone through the law, if they're found to be -- don't necessarily have to be released, but if they're found to have -- the procedures which are there are violating the Supreme Court, it certainly will be an incredible irony that some of them are outside then from the judicial system.

The trial procedures used by the commissions, we're hopeful that those trial procedures will be consistent with the basic fairness.

KENNEDY: The law does not require public comment to the rules that help ensure that they'll meet the judicial scrutiny. The law does not require that.

But there have been many that thought that with the possibility with DOD gives a chance to just get public comments, that it may be enormously useful and valuable.

I raise that issue that with you. I'll drop you a note on it, because it's a technical but very important one, and follow up with you to see if you get a look and review it and make a judgment.

GATES: All right, sir.

KENNEDY: My time is up. I thank you very much.

WARNER: Thank you, Senator Kennedy.

Senator Sessions?

SESSIONS: On the question of interrogation of unlawful combatants, which these terrorists are, I would just say we've had 30 hearings or more on that. The net effect is to suggest to the world that we think our military is out of control, with regard to these issues. And that's just not so. And those who violated the rules of war, those who violated our own standards in laws and Uniform Code of Military Justice have been punished. But I'll tell you what is really, really critical, Dr. Gates, is something I've seen and become more convinced about in recent months.

SESSIONS: And that is, we have totally inadequate prisons in Iraq for those who are trying to destroy that country. And justice also requires, in addition to freeing innocents, justice requires that those who are guilty be able to be punished, and punished severely if they commit severe crimes, such as attempting to blow up innocent men, women and children.

So my meeting on our last trip with Senator Warner, Senator Levin, indicated from the Marines they felt that dangerous prisoners were being released. Atlantic Monthly magazine had an article in which the mayors of Mosul complained in their first round of discussions most vehemently about prisoners being released from Abu Ghraib prison to come back, and it caused disturbances in their communities.

And one Marine Times article indicated that one guy known as the Beheader had been released. Another serious bomber had been released. And already his signature bombing technique had reappeared in the community.

I have run the numbers, and the best we can calculate, that on a per capita basis Iraq has one-ninth as many prison beds as the state of Alabama. To me, that indicates that we really are not there yet. And if we're going to provide security for the people in Iraq, we've got to be able to assure them that bad people who are apprehended will be able to be detained and held for long periods of time, else they will turn to militias and other unauthorized groups to protect their own safety.

I'm sure you haven't had time to look at this, but I'd like a personal commitment from you that you will look at it, and look at it hard and quickly, because I think something must be

done to assure the Iraqi citizens that those out to destroy them can be arrested, punished and sent to jail.

GATES: Absolutely, Senator Sessions. And if I'm confirmed, maybe you will send me some of those articles that you've referred to. That will help jog my memory so I can do that.

SESSIONS: I will definitely do that. And I think it's important.

I just got back from the Riga NATO conference, the summit that President Bush attended, and we met with representatives from NATO countries and the German Marshall Fund Foundation and in many conferences. And there's a growing unease about Russia's I'll just say bad behavior.

We know they're selling sophisticated anti-aircraft weaponry to the Iranians, they're using oil as a weapon against the new democracies, they're taking steps to complicate the ability of new democracies like the Ukraine and Georgia to obtain that independence, as if they seem to feel that they still are part of the Soviet empire.

You're a student of history, you're a student of Russian history. Do you see a dangerous trend, a downward spiral in Russia's behavior? And do you have any thoughts about what we can do to change that?

GATES: I think, Senator, there are a number of areas of concern in terms of Russian behavior, particularly over the last two or three years. I was particularly intrigued when I read that, when they attempted to punish the Ukrainians by turning off the gas pipelines, the gas supply, they sort of forgot that the gas pipelines to Western Europe go through the Ukraine.

GATES: They, sort of, forgot that the gas pipelines to Western Europe go through the Ukraine. And the Europeans began to have some shortages.

Just as a historical footnote, the members of the committee will probably remember that, during the Reagan administration, we tried very hard to persuade the Europeans it was not in their interest to become dependent on Russian gas -- Soviet gas, in those days -- and that the potential for the political manipulation of the supply was very real.

That was 20 years ago. And we're now seeing it, as the Russians try to use it on some of their neighbors in the near abroad. And clearly, it has begun to raise some concerns on the part of the Europeans.

So I think that what Putin is trying to do, frankly, is re-establish Russia as a great power. I think we in the West really, probably, don't fully appreciate the magnitude of the humiliation, not only of the loss of the Cold War and the loss of Eastern Europe but, in effect, the destruction of the Russian empire itself, three or four centuries in the making. And I think Putin is trying to restore the pride of Russia. I think he has a lot of popular support at home for the things he's trying to do. He's got the money to do it now, thanks to the price of oil.

And I think he's basically trying to make Russia a force in the near abroad, the countries that used to belong to the Soviet Union.

I don't think he wants to take them over. He doesn't want their problems. But he wants to make them dependent on Russia and susceptible to Russian influence and to Russian bidding.

So I think there are a number of things that are going on there. I think he is trying to take back control of state-owned resources and, in particular, strategic resources, whether it's oil and gas or other minerals or major industries.

How far it will go, I think, is an open question.

GATES: There are still freedoms in Russia that did not exist under the Soviet Union -- especially if you don't want to challenge Mr. Putin for power.

But I think that the developments in recent years are really of concern in Russia.

SESSIONS: My time is about up, but I would just ask you this, with regard to your view of a bipartisan long-term defense policy for America. If we could reach an agreement on a series of weapons systems and other initiatives for the Defense Department of America, both sides of the aisle, these are things we know we need to do in the next 10 years or 20 years.

If we did that, could we achieve that at less cost and more effectively than if we proceed on a year-to-year basis?

GATES: I think any time you have a long-term commitment and people can plan for it, you're likely to save money.

SESSIONS: Thank you, Mr. Chairman.

WARNER: One of the remarkable chapters of current military history -- and in sharp contrast to previous engagements of our armed forces overseas in battle -- has been the concept of embedding journalists.

I personally, from my perspective, have witnessed it on our trips that Senator Levin and I have taken. I think it's been a very effective tool. I think it has brought America into the war in a very visible way, a real-time way.

I mean, World War II, we depended on going to the local movie house to see a 10-minute clip on Movietone News if we wanted to see any of the actual, live fighting.

But today, it's instantaneous.

Now, this has brought on its problems, because those journalists in most, if not all, instances, are taking personal risks and making personal commitments about their own security that are equivalent in many respects to the men and women who are fighting.

WARNER: There have been several instances which I'm going to bring to your attention in a letter which I will send you. But there's a committee to protect journalists, which is very active in trying to resolve what I regard as very few disputes but nevertheless serious disputes between the profession of journalism and the manner in which the embedding is taking place.

So I will be bringing to your attention, I think, the need for you to focus on that. I hope that you can continue it. I hope that we can reconcile differences and that the journalists who are willing to take on these tough assignments can be given every protection that's possible.

So I'll spell that out in a letter.

I mean, in sharp contrast is the difficulty of getting persons from other departments and agencies of our federal government to go over to Iraq and then, frankly, he exists in the Green Zone, much less what the journalists are doing, right out on the front with the troops.

This committee, with the strong support of my colleague over here, Senator Levin, actually put in our bill certain technical things to provide the secretaries of the various departments and administrators of our agencies of government to give incentives to their employees to come over there and participate.

And that's a subject that I hope that you will address also. Because, you know, you stop to think: We're in a war.

WARNER: And it's a dangerous war. And it's a war that's to preserve our freedom. Yet, we don't have the commitment like we did in World War II to where the whole nation, be they at home or abroad, was unified in the common purpose of succeeding there.

And I have to say, and I witnessed firsthand the Korean situation myself and then Vietnam and now this very tragic but important conflict in Iraq.

And the nation is kind of distanced from it. And it's the families who are bearing the brunt of the uniformed people -- their families and those people that are bearing the brunt of this conflict. And the rest of us are going about our regular lives.

Of course, it's a very expensive operation. But I urge that you take a look at that and urge you to take a look at what we can do to further incentivize a lot of the civil service structure and professionals in our other departments and agencies to pitch in over there and help these fledgling bureaucracies grow and do the best we can to help this sovereign nation lift itself up and function.

GATES: Mr. Chairman, I think it's a very important issue. And when our Iraq Study Group was in Baghdad, we heard a good bit from the commanders in the field of the number of jobs being done by soldiers that actually were filling position that belonged to other agencies.

GATES: And if I'm confirmed, you can rest assured that I will be aggressive in looking in that one.

WARNER: Your first Cabinet meeting -- pound that table.

(LAUGHTER)

We are looking for, as the Marines say, a few good men and women.

Earlier, I talked about the Security Council resolution. I'll ask unanimous consent that this very important document be put into today's record because it recites the basis on which the coalition forces -- namely, the United States -- are conducting their military activities in Iraq in the cause of freedom.

And I paraphrased a sentence and I'd ask the reporter to go back and replace my paraphrased sentence with the following.

And that is, it's an extensive preamble clause and the last part of that preamble clause is that the Security Council determined that the situation in Iraq continues to constitute a threat to international peace and security.

And that's got to be brought home to the world.

Now, my two remaining questions relate to -- you touched on Afghanistan this morning and we should not, in any way, shortsight the importance of that conflict and the current fighting led by what we call the remnants of the former Taliban regime.

WARNER: I presume it's a polyglot of all kinds of people who are disaffected with the government, but nevertheless who's principally the Taliban. Their fighters have conducted several increasingly larger scale attacks on coalition and Afghan security forces in several southern provinces. Namely, when I say coalition forces, I mean NATO, which has taken over there.

And by the way, I hope you have an opportunity to talk with General Jones someday.

He's a magnificent gentleman. Actually today, I think it is, that he's stepping down as our NATO commander. We had planned to be over there until this session was scheduled.

What actions do you believe that we should take to try and give additional support to NATO to reduce the effectiveness that the enemy is now showing in Afghanistan? Do we

need additional forces there? You mentioned the drug, and I'm delighted to have gotten into this record the concept that you put forth, I mean, as a way to take those farmers and give them some very minuscule amount of money compared to what they receive and what the distributors way beyond, principally in Europe, receive for that terrible product, drugs.

But let's talk about the troops. What do you think about the level of forces over there, and what can we do to -- we've got about, I think, 18,000 to 20,000 of our folks over there.

GATES: Mr. Chairman, I think, first of all, that the first priority is seeing what further progress we can make in getting some of our allies who have troops there to reduce some of the restrictions that they have on the use of their troops.

GATES: It throws the burden onto a handful of other countries.

WARNER: That's the national caveat problem...

GATES: Yes, sir.

WARNER: ... which is really -- I think we should expand a little bit here in the record. It simply says, where a NATO member country says we're going to send and allow a certain segment of our uniformed troops to be a part of the overall NATO force, but once you reach Afghanistan our troops can only perform such missions. And very often those missions do not include the higher-risk combat operations.

Am I correct, as to your understanding of national...

GATES: As I understand it, that's exactly right, Mr. Chairman...

WARNER: Jones has tried hard to eliminate that. And he felt he was making some progress. But it's not fair, for example, to an American or a Canadian or a Brit and I think to certain other forces that are right there, sharing the full burdens and risk, to have other elements in a rear echelon or supporting capacity, such that they're not subjected to the same level of risk.

GATES: And I may be mistaken, but I think that one of the subjects at the Riga summit was to deal with some of these national caveat issues. And I think that some are embedded in law and some are embedded culturally and so on, and may be very difficult to change. But I think those that can be changed we ought to try and do that.

It's very important, it seems to me -- we've had a tremendous success, an astonishing success, militarily in overthrowing the Taliban regime in Afghanistan.

GATES: And I think it would be a tragedy for us to let that victory slip through our grasp by later neglect.

And so, frankly, I'm very sympathetic to the notion that if more troops are needed in Afghanistan, that we ought to look very hard at that.

Whether they should come from our NATO allies or from us, I think, is a matter to get recommendations from people who are much more knowledgeable about capabilities and so on and what the needs are than I am.

And if I'm confirmed, that would certainly be an important issue to discuss with our commanders in Kabul. And it would be my hope to get there relatively soon, if I am confirmed.

WARNER: Well, I really believe that, if the current mix of NATO forces from a number of nations, if those nations would bring up to the full complements of the commitment that they made back at headquarters (inaudible) that will go a long way to bring up that force to its...

GATES: If I remember some of the materials that I saw correctly, the numbers that are being requested are not that significant. I think it's about 2,500 troops.

WARNER: You're correct.

Senator Levin, you want to...

LEVIN: Thank you, Mr. Chair.

WARNER: I'll be right back.

LEVIN: I want to talk to you for a few minutes about the Iran- Contra events. We had asked you a question for the record about your testimony at the confirmation hearing, that you did not recall a series of meetings, memoranda, conversations that were very significant conversations that would have linked you to the events of the Iran-Contra affair.

LEVIN: And we went through just a list of those memos and meetings that you indicated at your 1991 hearing that you did not recall.

And I was troubled enough about that at the time that I did not vote to confirm you for the CIA position.

We asked you if you remembered anything new about that. You understandably -- and I'm not challenging this part of your answer -- said that you did not.

However, you gave a number of further explanations about these events and your lack of memory. You said that the matter had been investigated exhaustively by the Intelligence Committee. The key figures in the affair were interviewed or testified and affirmed that they had not shared important information with you.

You indicated that after you became acting director of central intelligence in 1986, that following more than a decade of controversy and conflict between the CIA and the Congress, that there would not be a significant further conflict or major controversy between CIA and the Congress for the remainder of your career, nor would there be another scandal tainting CIA during that time.

And I think that not only is true, but it's significant, that those were the events. And we were grateful for those events occurring, or the problems being alleviated.

However, there was one thing that you said in support of your answer which troubled me, and I wanted to give you an opportunity to comment on it. And that's when you said that the Iran-Contra independent counsel, after seven years of investigation, could not find a single witness to testify that my role in the matter was other than I described it.

LEVIN: You seemed to invoke the independence counsel at that point in support of what you were telling us. And that is what troubled me, because to invoke on that issue of memory what Mr. Walsh had said as a validator when he was intensely critical at that time of your lack of memory troubled me.

And what he said at the time was set forth in a book that he wrote, and I'm sure you're familiar with this, and I've shared this with you briefly, that what the independent counsel said in his book was that prior to the Intelligence Committee's hearings, that he sat down with the chairman, David Boren, and the ranking minority member, Senator Murkowski. This is prior to the hearings.

And he told them that there were two questions that had not been answered satisfactorily to the independent counsel. One, had Mr. Gates falsely denied knowledge of North's Contra support activities; and had Gates falsely postdated his first knowledge of North's diversion of the arm sales?

Now, Judge Walsh went on in his book to say that he told those two senators that, "We did not think that we had enough corroborating evidence to indict Mr. Gates, but that his answers to the questions had been unconvincing. We did not believe he could have forgotten a warning of North's diversion of the arms sales proceeds to the Contras. The mingling of two covert activities that were of intense personal interest to the president was not something the second- highest officer in the CIA would forget."

LEVIN: He also wrote in his book that there were 33 times that Mr. Gates denied recollection of the facts, and that he then watched the hearings in front of the Intelligence Committee and that he felt certain that you would not have brushed off the alarming reports if you had not already known about the diversion. He had simply not wanted to be told by a new witness.

And then he said that he also disbelieved your testimony about President Reagan's December retroactive finding, purporting to authorize the CIA's facilitation of the November 1985 HAWK shipment to recover the hostages.

The bottom line is that I think it's fair to say -- and I'm wondering if you don't agree -- that, at least at the time that Judge Walsh wrote his book, that he had great trouble accepting that you did not remember the events that you said that you did not remember. And I had great trouble too.

My question is this, basically.

And, by the way, I understand now that Judge Walsh, according to the newspapers, has endorsed your nomination. I think that's significant too, by the way.

But I'm troubled -- I want to just ask you not so much about the lack-of-memory issue, but by your invoking Judge Walsh as kind of a validator of your position relative to whether there were witnesses who disagreed with your memory when that was not the issue.

LEVIN: The issue was the fact that you didn't remember events that seemed to be so fundamental and so central to the administration.

So my question -- I wanted to just tell you I was troubled by that answer. And I want to give you an opportunity, if you'd like, to comment on your answer for the record in citing Judge Walsh to validate your answer.

GATES: Sure. I think the short answer, Senator, is: In the very short time that I had to prepare the answers to the questions that came from the committee, that it seemed, without having access to any of the documents or the records that I had seen before, that the best way to answer this current committee's question was simply to refer to the note to the response that I was invited to place in the record of the Iran-Contra report.

And the sentence that you quoted in terms of not finding any other witnesses was the central part of a three- or four-, I think, sentence response that I wrote to the report of the Iran-Contra independent council.

That's fundamentally the reason why that sentence was in there.

LEVIN: Fine. Thank you. So that basically is taking from a past document a statement which you..

GATES: Yes, sir, from...

LEVIN: ... which is accurate...

GATES: ... from 1994.

LEVIN: It was from 1994 and not necessarily responsive to the point that was being made.

My time is up.

You're chairman, so I think you, I guess, would be recognized.

I think Senator Nelson on our side...

SESSIONS: Well, I guess. They gave me a note that said I was next, but I think you may be correct.

I will just say that, if you didn't find a witness, it wasn't for lack of trying. Mr. Walsh was a tenacious special prosecutor that many believe went beyond what was required in dealing with some fine American citizens who found themselves in a very difficult position.

SESSIONS: But, I don't know. I thought of the phrase recently of somebody said, "I don't know much, but I suspect a lot."

(LAUGHTER)

But I think your statement about not being contradicted is an important one. And he said that. And he supports your nomination. I think that's good.

Senator Nelson, I've enjoyed serving with Senator Nelson on the strategic committee.

And, as my ranking member, now I'll be bowing to you. I look forward to serving you, Mr. Chairman.

BILL NELSON: I'll enjoy that bowing.

(LAUGHTER)

As we discussed yesterday in a private conversation I shared with you what I think has been an excessively partisan operation out of the Defense Department and the lack of shared and accurate information having to do with the global war on terror. And I shared with you specific examples of information that I had received that was not correct.

I believe as we go forward -- and I think you're going to be a good secretary. You come to the table for all the right reasons, because you don't have to do this and I think you're doing it out of a sense of loyalty to our country and a sense of patriotism. And I think you want to get it right.

BILL NELSON: And that's how I size you up, Dr. Gates. And I just want to re-emphasize to you that I don't think that it can be solved unless it's done in a bipartisan way and that there is the mutual sharing of responsibilities, as envisioned by the Constitution, between the executive and the legislative branches.

And so the example that you set in this position, I think, is going to be very important.

And I think it's going to send some extremely important signals.

What strategies have you thought about, that you might implement in the department, to break down the distrust between the executive branch and the legislative branches?

And what have you thought about in ensuring timely and accurate information is promptly shared with the Congress and, when necessary, with the American people?

GATES: Senator Nelson, I haven't really had much breathing room to give thought to specific measures along these lines. I think, coming off the corporate boards that I've served on, if I've learned one thing, it's the importance of tone at the top.

And I think that, first, by the example that I set if I'm confirmed and then by my making clear to the people who work for me that I expect the same level of candor and forthrightness with the Congress, is an important message.

GATES: And further, I would tell you -- and this was an arrangement that I had with Senator Boren and Senator Cohen when they were chair and co-chair of the Intelligence Committee -- that if a member of this committee believes that someone representing the

Defense Department has not given forthright testimony, or you have questions about the accuracy of the testimony, I would hope that you would promptly bring it to my attention. My experience in running large organizations is that when the boss is unhappy, lots of people get unhappy.

But I think that it's -- I think the first step is the tone at the top. And it's one of the reasons why I wanted to take advantage of today's hearing, frankly, to put my views before the committee and the public in terms of the importance of a bipartisan approach, in the hope that that message will get through, if I'm confirmed, even before I show up.

BILL NELSON: Well, I can tell you, coming out of this election -- and I've just been through one, and my state is pretty well reflective of the country at large -- I can tell you that not only was there the message about Iraq, but there was also the message about people are tired of this excessive partisanship and this partisan bickering.

And particularly, as I said this morning, I was raised to believe that partisanship stopped at the water's edge. So your comments are refreshing.

I want to ask you about the Guard and the Reserves. If the Army has a new plan to mobilize the Guard and the Reserve every five years, what do you think this kind of mobilization is going to have on people re-upping in the Guard and the Reserves?

GATES: Senator, I know that the Guard and the Reserve is very important to members of Congress. And I simply haven't had the opportunity to familiarize myself with the Army's new policies, in terms of mobilizing the Guard and Reserve. It's clearly important.

I do have concerns -- and it ties back to the discussion we had this morning about the size of the regular army, whether we are asking the Guard and Reserve to do things that many of those who joined didn't expect to be part of the program.

And so, clearly, one of the number of things that we've talked about here today that I need to get up to speed on very quickly is what the Army's plans are for the Reserve and the Guard, and then to have a conversation with some of you up here on the Hill and talk about the direction that we're headed.

BILL NELSON: And I would just remind you, as you're considering all of that, you take someone like the Florida Guard, they were first in Iraq, their expertise is well-known. And then, turned around that very next year, we had four major hurricanes hit the state of Florida within six weeks. And, of course, the Guard was needed there too. So this is something you're going to have to consider.

BILL NELSON: Mr. Chairman, I have one more question. Even though I've exceeded my five-minute time, may I ask this additional question?

Officers in al-Anbar province have stated that they don't have enough troops to defeat the insurgency and that the Shiite-dominated central government is not providing the ISF with the resources it needs in the Sunni-dominated al-Anbar province.

Last month we learned from General Abizaid and General Hayden that that province is not under control, but that now Baghdad is the focus of an effort, and for al-Anbar, that there are no changes planned, except General Abizaid told us that he was going to add one Marine Expeditionary unit of about 2,200 Marines.

Then, yesterday, John Negroponte said that Iraq cities are less secure and the enemy harder to identify, and he compared it to Vietnam. In fact, he said Baghdad is highly insecure, and he said perhaps one of the most insecure places in the country.

NELSON: Two-thirds of our recent casualties have occurred in al- Anbar province. So, do you want to opine on any changes in the strategy and the troop levels? Or is that something you want to wait until you get in?

GATES: Senator, I think I'd better wait and see, first of all, if I'm confirmed.

But then, as I've indicated, my hope is to, if confirmed, to go to the area quite soon. And clearly, what's happening in al-Anbar and elsewhere has got to be very high on the list, in terms of conversations, both with General Abizaid and General Casey.

WARNER: Thank you, Senator.

BILL NELSON: Mr. Chairman, I have one more question. I'll just wait.

WARNER: No, we've really got a whole -- you've had a good deal of time here, so forgive me for trying to get my colleague here to finish up, and then we should conclude this part.

LEVIN: I just have a few questions.

Thank you, Mr. Chairman.

One is on Army readiness levels. The ranking member of the House Armed Services Committee, Ike Skelton, asked the chief of staff for the Army the following question on June 27th: "Are you comfortable with the readiness level of the nondeployed units that are in the continental United States?" And General Schoomaker replied, "No."

Based on the information that you have at this time, are you satisfied with the current readiness of our ground forces, including those forces that are not currently deployed overseas?

GATES: Senator, I'm not familiar with the readiness state.

GATES: Clearly, if General Schoomaker thinks that, that's probably what I'll think if I'm confirmed.

LEVIN: OK. There are reports that are required to be submitted quarterly, to Congress, relative to readiness. The last quarterly readiness report was provided to this committee seven months ago today.

It covered the last half of 2005. None of the reports covering calendar year 2005 were actually delivered during the year, as they were supposed to be.

The department, now, is nine months behind in providing these readiness reports that are supposed to be provided quarterly to Congress. We don't have any of the three quarters of calendar year 2006 yet.

And if you're confirmed, will you ensure that the department provides the committee with these readiness reports, as required by law?

GATES: Yes, sir.

LEVIN: I know the department is represented here today. And I'd just like the department to know that these readiness reports -- at least one of them, but hopefully two of them -- will be provided to this committee.

And it's up to the chairman. But I would hope they would be provided by tomorrow night.

Dr. Gates, relative to North Korea -- I don't think you've been asked about that, and I want to ask you about North Korea.

You wrote an article back in -- a long time ago, 1994, about dangers posed by North Korea's nuclear weapons. You argued, at that time, that steps like phased sanctions and voluntary arms trade embargoes would have little or no impact.

You wrote that, quote, "The only option now available is to stop its arsenal from growing larger," close quote. And the way to do this was to destroy the reprocessing facility. Should we attack North Korea's nuclear facilities?

LEVIN: Might there be value in high-level bilateral talks directly with the North Koreans if our allies, the South Koreans and other countries, want us to engage in those high-level bilateral talks?

GATES: Well, first of all, Senator, I've changed my view on how to deal with North Korea. I believe that clearly at this point the best course is the diplomatic one.

And I'm impressed that in recent weeks we seem to have seen the Chinese and certainly the Japanese, but even the Chinese begin to take a stronger stand with the North Koreans and people working a little closer with us.

So perhaps the one positive piece of news as a result of North Korea's nuclear test is that it antagonized the Chinese and got them off the dime on the issue.

I would defer to the secretary of state on whether bilateral direct negotiations with the North Koreans would be productive. I think we've talked about that, if I remember correctly from the newspapers, in terms of if certain conditions were met. But I think without studying it further and without fully understanding or knowing about the various aspects of the administration's policy, I'd prefer to take that question and come back to you later.

WARNER: Thank you very much, Senator.

Senator Sessions, you have but one question?

SESSIONS: Yes, I'd like to follow up on one question that I think is important, and that's national missile defense. The North Koreans launched their missile on July 4th. The Iranians have also publicly demonstrated their capabilities to launch missiles. And I think the American people have come to realize how vulnerable we can be if we do not have a national missile defense system.

Dr. Gates, having been involved in this discussion for some time, I think it's fair to say at this point we've reached an acquiescence or consensus in the idea that we would field the national ground-based missile defense system that would protect us from the North Korean launches, for example.

SESSIONS: And we are continuing research on other capabilities that could even be more effective in the future. We believe that this hit-to-kill technology has been proven and will work. And we continue to refine that.

But I noticed in one of your answers to the written questions, you indicated that you'd like to pursue a full spectrum of capabilities. I think the reality is, financially, that we're probably going to have to make some choices.

While we can do research, we're only going to be able to deploy one system, and that's the one -- well, several. The GMD, the Aegis BMD, the THAAD and Patriot systems. All proven, they all need to be deployed.

And I'm afraid we may have attempts to reduce funding of our GMD or perhaps some of these others.

With regard to the basic national missile defense system, the assembly line production has been reduced to the point that any more reduction would really break the assembly line and lose all the efficiencies of scale as we seek to complete 50 launch vehicles.

So I guess what I would say to you is I ask you to be alert to that, and I think you're going to need to defend that budget, because it may sound like it's not too significant to take so

many million dollars out of that budget item but I'm afraid, if we do, it's going to cost us much, much more in the long run by reducing our capability to maintain a production line.

So will you look at that? And how do you feel in general about national missile defense?

GATES: Well, sir, I first of all would comply with the national defense, National Missile Defense Act of 1999. That's the law. But I felt...

SESSIONS: We said that we would deploy a system as soon as technically feasible.

GATES: Correct.

And I have felt for a long time that I know we've spent a lot of money on developing missile defense. But I have believed since the Reagan administration that if we can develop that kind of a capability, it would be a mistake for us not to; especially when we now have several dozen countries that either have or are developing ballistic missiles and you have at least two or three that are developing longer range missiles.

I think we also have an obligation to our allies in this respect.

So, in principle, I'm very strongly in favor.

SESSIONS: Thank you.

WARNER: Thank you, Senator.

Thank all senators.

Just a minute; I'm getting a signal.

What?

LEVIN: Senator Nelson is...

WARNER: He can do it in the closed session. We're going to go to closed session now.

LEVIN: Let me just add one quick comment then, if he has left. And that is, Senator Nelson reminds me and I hope you that the Missile Act of 1999 talks about an effective missile defense system. And I assume that you would support a system if it can be an effective system, number one. Is that accurate?

GATES: Yes, sir, although I would say that I think that we have deployed systems that were less than perfect in the past, the Predators, JSTARS and some others, and improved them after the initial deployment had begun.

And I guess my instinct -- and I'd certainly be willing to hear a different point of view, but my instinct would be that if we have something that has some capability, it's better than having no capability.

LEVIN: And finally, on that point -- we will give you the other point of view on that, to make sure that it is effective as a matter of fact -- and there's differences between JSTARS and Predator -- there are significant differences.

But do you support realistic operational tests and evaluation of those systems as we go along, before we deploy systems which might not be effective?

GATES: Yes, sir.

LEVIN: Thank you.

WARNER: This committee will now resume its hearing in executive sessions, S-407.

I presume it'll take us about 15 minutes to get over there, so the meeting will start, hopefully, at 4:00.

Thank you. END

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