

HEARING OF THE SENATE ARMED SERVICES COMMITTEE

■ **SUBJECT: THE SITUATION IN AFGHANISTAN**

■ **CHAired BY: SENATOR CARL LEVIN (D-MI)**

■ **WITNESSES: GENERAL DAVID PETRAEUS, COMMANDER, INTERNATIONAL SECURITY ASSISTANCE FORCE; COMMANDER, U.S. FORCES-AFGHANISTAN; MICHELE FLOURNOY, UNDERSECRETARY FOR DEFENSE POLICY**

DIRKSEN SENATE OFFICE BUILDING, WASHINGTON, D.C.
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SEN. LEVIN: Good morning, everybody.

Before we begin our hearing, we have a quorum, so I'm going to ask the committee to consider two civilian nominations in a list of 252 pending military nominations. First, I would ask the committee to consider the nominations of Michael Vickers to be undersecretary of defense for intelligence, and Jo Ann Rooney to be principal deputy undersecretary of defense for personnel and readiness. They've been before the committee, these nominations, the required length of time. Is there a motion to favorably report?

SEN. : So moved.

SEN. LEVIN: And is there a second?

SEN. : Second.

SEN. LEVIN: And all in favor, say aye. (Chorus of ayes.) Opposed, nays. (No response.) The motion carries.

Secondly, I would ask the committee to consider a list of 252 pending military nominations. Included in this list is the nomination of General Martin Dempsey to be chief of staff to the U.S. Army. All the nominations or the nominations have been before the committee again the

required length of time. Is there a motion to favorably report?

SEN. : So moved.

SEN. LEVIN: Is there a second?

SEN. : Second.

SEN. LEVIN: All in favor, say aye. (Chorus of ayes.) Opposed, nay. (No response.) The motion carries.

Today, the committee receives testimony from Undersecretary of Defense for Policy Michele Flournoy and General David Petraeus, commander, NATO International Security Assistance Force, and commander, U.S. Forces-Afghanistan. We thank you both for your years of service to the nation and the sacrifices made by both you and your families.

We also can't -- (coughs) -- excuse me -- we also cannot express enough our gratitude and admiration for the men and women in uniform deployed in Afghanistan and elsewhere. They are doing a phenomenal job. Their morale is high. Our troops are truly awe-inspiring. Please pass along our heartfelt thanks to them.

It has now been a little over a year since President Obama's speech at West Point announcing his strategy for Afghanistan. That strategy included two key elements: a surge of 30,000 U.S. troops to help reverse the Taliban's momentum and seize the initiative, and the setting of a date 18 months from then, or July 2011, for when U.S. troops would begin to come home. The setting of that July date also laid down a marker for when the government of Afghanistan would assume more and more responsibility for that country's security.

During his visit to Afghanistan last week, Secretary Gates determined that we -- quote, "We will be well positioned for transitioning increasing security responsibility to Afghanistan and beginning to draw down some U.S. forces in July of this year."

President Karzai is expected to announce next week the first phase of provinces and districts throughout

Afghanistan that will transition to an Afghan lead for providing security to the Afghan people.

We have heard two messages in recent months relative to the July 2011 date when U.S. troop numbers in Afghanistan will begin to be reduced. Message number one: Secretary Gates before this committee recently said that the July date was needed as a way of telling the Afghan leadership, quote, "to take ownership of the war" and as a way to, quote, "grab the attention of the Afghan leadership and bring a sense of urgency to them," close quote. Message number two: Secretary Gates, speaking at the NATO defense ministers' meeting last week, said, quote, "There is too much talk about leaving and not enough talk about getting the job done right," close quote.

Now some may dismiss those messages as inconsistent or that Secretary Gates is speaking to two different audiences, but I disagree. Secretary Gates well knows that with modern global instantaneous communications the world is the audience for every utterance. The unifying thread in the two messages is that both are needed for success of the mission. Success requires Afghan buy-in, Afghans taking the lead and Afghan ownership of the mission, all of which in turn depend upon their confidence in our continuing support.

Both messages and the thread that unifies them are part and parcel, I believe, of General Petraeus's counterinsurgency strategy, which is so instrumental in turning the tide in Afghanistan. The success of the mission depends on Afghan security forces holding the ground, which they are helping to clear of Taliban. And that, to use General Mattis's words before this committee recently, is what, quote, "undercuts the enemy's narrative when they say that we're there to occupy Afghanistan."

The growth in the size and capability of Afghan security forces and control of territory by those forces is robbing the Taliban of their propaganda target and bringing us closer to the success of the mission. That's why I have pushed so hard to grow the size of the Afghan security forces, and to keep metrics on how many Afghan units are partnered with us and being mentored by us and how often Afghan units are in the lead in joint operation. That's why a number of us are pushing so hard, including with the president himself, for approval of the pending proposal of up to 70,000 additional Afghan troops and police.

The NATO Training Command in Afghanistan has done an extraordinary job not only building the numbers of the Afghan security forces but improving their quality as well, focusing on marksmanship, training, leadership and literacy. This success in recruiting and training Afghan troops reflects the desire of the Afghan people to provide for their own security. That success is why Taliban suicide bombers attack recruiting centers. The young men signing up represent the Taliban's worst nightmare.

During our visit to Afghanistan in January, Senator Jack Reed, Senator Tester and I saw how the Afghan people have growing confidence in the ability of Afghan and coalition forces to provide security. In former Taliban strongholds in Helmand and Kandahar provinces, the Afghan people are returning to villages and communities and starting to rebuild their lives. Joint operations are increasingly Afghan-led in their planning and execution.

As the Afghan people see their own forces providing ongoing protection after the Taliban are cleared out, Afghan confidence in the army and police grows. In the Arghandab district, the number of tips from locals increased significantly, enabling Afghan and coalition forces to find and clear a much greater percentage of improvised explosive devices. The increasing support of the Afghan people across Helmand and Kandahar has also allowed partnered coalition special- operation forces and Afghan commandos to target large numbers of insurgent leaders in the last few months, with the vast majority of them being captured without a shot being fired.

The growing support of the Afghan people for their security forces will make the transition to an Afghan security lead more achievable in the short term and sustainable over time.

Certainly, challenges lie ahead. General Petraeus has said there will be a Taliban spring offensive. And Secretary Gates has warned that this spring's fighting season will be the acid test in his words as the Taliban tries to take back the terrain it has lost and engages in a campaign of assassination and intimidation.

Afghan leaders need to bring a sense of urgency to improving governance, delivering services and fighting corruption and other practices that prey upon the Afghan

people if they are to earn the support of the people for the Afghan government. And additional steps must be taken to end the safe havens that insurgents use in Pakistan, which impact on Afghanistan's security.

Finally, General Petraeus briefed NATO defense ministers at the meeting in Brussels last week. And I hope that he will address the outcomes from that meeting, including whether any further commitments by our NATO partners were forthcoming to address the continuing shortfall in trainers of Afghan troops.

Also of interest would be the status of any discussions on a longer-term relationship between the United States, NATO and Afghanistan beyond 2014. Again, our thanks to our witnesses for their work on behalf of our nation and for their devotion to the men and women who defend us.

Senator McCain.

SENATOR JOHN MCCAIN (R-AZ): Thank you, Mr. Chairman. And I'd like to welcome our distinguished witnesses and thank them for their service to our nation. I want to say a special note of thanks to General Petraeus. The truest test of a commander is whether he is worthy of the sacrifice made by those he leads, whether the young men and women who we call upon day in and day out to risk their lives for us feel that their commander offers the same degree of devotion as they do. We are fortunate that General Petraeus is such a commander.

It's Congress' highest priority to be just as worthy of the sacrifices made by the men and women of our armed forces and to provide them with everything they need to succeed in their mission of defending our nation. So let me take this opportunity to say again that we urgently need to pass a full-year appropriations bill on defense for the remainder of fiscal year 2011, as the secretary of defense has repeatedly called for. It is irresponsible to continue funding our fellow Americans fighting two wars through piecemeal continuing resolutions that do not meet their full needs.

Perhaps the greatest need of all right now is winning the war in Afghanistan, which is the subject of this hearing. The cost of our commitment to this conflict remains substantial, especially of precious lives with have lost.

And according to one new poll reported on in today's Washington Post, a majority of Americans no longer support the war. The next several months will therefore be decisive as winter turns to spring, the traditional fighting season in Afghanistan.

NATO forces will surely face a renewed Taliban offensive to this spring to retake the territory and momentum they have lost on the battlefield. And those losses have been considerable. U.S., NATO and Afghan special forces have dealt a crushing blow to the mid-level leadership of the Taliban and its al-Qaida allies. Afghan and coalition surge forces are recapturing the momentum in key terrain areas such as Kandahar and Helmand.

Afghan security forces are growing in quantity and improving in quality even faster than planned. And the Afghan Local Police initiative is empowering communities across the country to provide their own security from the bottom up while Kabul does so from the top down.

The cumulative effect of these security operations is that we are turning around the war in Afghanistan. But as General Petraeus says and will emphasize, this progress remains fragile and reversible. And the sustainability of our gains will be tested during the fighting season ahead. We should all be very clear about that fact the violence will go up in the months ahead. And we will surely encounter setbacks in some places.

As a result, we need to be exceedingly cautious about withdrawal of the U.S. forces this July, as the president has called for.

And we should be mindful that perhaps the wisest course of action in July may be to reinvest troops from more secured to less secured parts of Afghanistan where additional forces could have a decisive impact. In short, we should not rush to failure, and we should cultivate strategic patience. This patience will be all the more essential as we wrestle with two other key challenges which our military operations are necessary but not sufficient to meet.

The first is governance and corruption. American taxpayers want to know that the vast resources they are committing to this war effort are not being wasted, stolen,

or misused by Afghan officials. But we must not allow this legitimate and critical demand to feed a sense of fatalism about our objectives. Some are alarmed that the Afghan government is at times a weak partner, but that's the norm in any counterinsurgency. After all, if our local partners provided good governance already, there would not be an insurgency in the first place. The goal of any counterinsurgency is to create the conditions that enable our local partners to provide better, more effective and more just governance for their people. That does not mean that we are trying to make Afghanistan like us, but rather more like Afghanistan used to be prior to the past three decades of civil war, when the country enjoyed half a century of relative peace and rising standards of living.

A second key challenge stems from Pakistan: the growing instability of the country; the insurgent safe havens -- safe havens that remain there; the ties to terrorists that still exist among elements of Pakistan's military and intelligence services; and the seeming deterioration of our relationship amid the continued detention of U.S. embassy official Raymond Davis. But here, too, a measure of patience is needed. We have sought every means to compel Pakistan to reorient its strategic calculus short of cutting off U.S. assistance, which we did once before, to no positive effect.

To be sure, Pakistan deserves praise for some steps it has taken to fight al-Qaida and Taliban groups on the Pakistani side of the border. But what we must increasingly recognize is perhaps the most effective way to end Pakistan's support for terrorist groups that target our partners and our personnel in the region is to succeed in Afghanistan. Ultimately, it is only when an Afghan government security force is capable of neutralizing the terrorist groups backed by some in Pakistan that those Pakistani leaders could come to see that a strategy of hedging their bets in this conflict will only leave them less secure and more isolated.

We have made a great deal of progress in Afghanistan since the last hearing of this committee on the subject just over a half a year ago. Whereas the momentum was then still with the insurgency, our forces have now blunted it in many places, and reversed it in key areas of the fight. It is now possible to envision a process of transition to Afghan responsibility for security based on conditions on the ground, with 2014 being a reachable target date. But for

that transition to be truly irreversible and for it to lead to an enduring strategic partnership between the United States and Afghanistan, our country, and especially this Congress, must remain committed to this fight and those Americans waging it.

Thank you, Mr. Chairman.

SEN. LEVIN: Thank you very much, Senator McCain.

Secretary Flournoy.

MS. FLOURNOY: Thank you very much, Mr. Chairman, Senator McCain, distinguished members of the committee. Thank you very much for inviting us here today to update you on our efforts in Afghanistan.

Nearly 10 years ago, al-Qaida operatives carried out terrorist attacks that killed thousands of Americans and citizens from other countries. As we all know, these attacks emanated from a safe haven in Taliban-controlled Afghanistan. In response to the September 11th attacks, the United States, supported by vital international partners, entered Afghanistan by force in order to remove the Taliban regime and to prevent further attacks by al-Qaida and its associates. Our mission was just, it was fully supported by the international community, and initially, it was quite successful.

In the years that followed, however, we lost focus on Afghanistan. While our attention was turned away, al-Qaida, the Taliban and associated extremist groups reconstituted their safe havens along the borderlands between Afghanistan and Pakistan.

As a result of this inattention, we risked the return of a Taliban-led Afghanistan that would likely once again provide a safe haven for terrorists who could plan and execute attacks against the United States.

When President Obama took office, he immediately undertook a thorough review of our strategy in Afghanistan and Pakistan and reaffirmed our core goal: to disrupt, dismantle and eventually defeat al-Qaida, and to prevent its return to Afghanistan.

In the course of that review, we found that the situation in Afghanistan was even worse than we'd thought and that the Taliban had seized the momentum on the ground.

In response, over the course of 2009, 2010, the president committed tens of thousands of additional U.S. forces to reverse that momentum. Last December we conducted a follow-on review of the strategy's implementation. In the course of that review, we reaffirmed our core goal and the strategy's key elements: a military campaign to degrade the Taliban-led insurgency, a civilian campaign to build Afghan capacity to secure and govern the country, and an increased diplomatic effort designed to bring a favorable and durable outcome to the conflict.

Over the last year, we have made significant progress. With the troop surge, the U.S. and our ISAF partners now have over 150,000 troops in Afghanistan, putting relentless pressure on the insurgents and securing more and more of the Afghan population. That surge has been matched by a surge in the numbers, quality and capability of the Afghan national security forces, or ANSF. During the past year, the ANSF have increased by more than 70,000 personnel, and we have been able to improve their quality substantially by developing Afghan noncommissioned officers and trainers, expanding the training curriculum, adding literacy programs, increasing retention rates and partnering Afghan units with ISAF forces in the field.

As General Petraeus will describe in detail, U.S. and ISAF forces, fighting side by side with increasingly capable Afghan units throughout the country, have wrested the initiative from the insurgents, even in the strongholds of central Helmand and Kandahar provinces.

And we've turned up the pressure on al-Qaida and its affiliates in the border regions of Afghanistan and Pakistan, significantly degrading, though not yet defeating, their ability to plan and conduct operations.

One contributor to this positive momentum is the Afghan local police initiative, a village-focused security program that has already significantly disrupted insurgent activity, denied insurgent influence in key areas and generated serious concern among the Taliban leadership.

At the same time, we've ramped up our civilian efforts to improve Afghan governance and development. Today, thanks to the civilian surge, there are more than 1,100 civilian experts from nine different U.S. agencies helping to build Afghan governance and economic capacity, work that is absolutely vital to the ultimate success of our overall mission in Afghanistan.

Nevertheless, the significant gains we have made in the last year are still reversible. There is tough fighting ahead, and major challenges remain. Most notably, we must continue our efforts with Pakistan to eliminate terrorist and insurgent safe havens. We seek to build an effective partnership that advances both U.S. and Pakistani interests, including the denial of safe haven to all violent extremist organizations. To do so, we must demonstrate to our Pakistani partners that we will remain a strong supporter of their security and prosperity, both now and in the years to come, even as we ask them to do even more to defeat terrorism.

In addition, we must work with the Afghan government to tackle corruption, especially predatory corruption that erodes public trust and fuels the insurgency. And we must help create the conditions necessary to enable a political settlement among the Afghan people. This includes reconciling those insurgents who are willing to renounce al-Qaida, forsake violence and adhere to the Afghan constitution.

This July we will begin a responsible, conditions-based drawdown of our surge forces in Afghanistan. We will also begin the process of transitioning provinces to Afghan lead for security, and by the end of 2014 we expect that Afghans will be in the lead for security nationwide.

This transition is a process, not an event. The process will unfold village by village, district by district, province by province. The determination of when the transition will occur and where it will occur is going to be based on bottom-up assessments of local conditions. This process is beginning now, and, in fact, we do expect President Karzai to announce the first round of districts and provinces for transition on March 21st.

As this transition process gets under way and as Afghan national security force capabilities continue to develop, we

and our ISAF partners will send out our forces as conditions allow and gradually shift to more and more of a mentoring role with the ANSF. Some of the ISAF forces that are moved out of a given area will be reinvested in other geographic areas or in the training effort in order to further advance the transition process.

The objective here is to ensure that the transition is irreversible. We have no intention of declaring premature transitions only to have to come back and finish the job later. We would much rather stick to a gradual approach, making sure that an area is truly ready for transition, before sending out the ISAF forces there. This is the surest path to lasting success.

But let me be clear. The transition will take -- that it will take place between now and December 2014 in no way signals our abandonment of Afghanistan. President Obama and President Karzai have agreed that the United States and Afghanistan will have an enduring strategic partnership beyond 2014, and we are currently working with the Afghans on the details of that partnership.

Finally, I'd like to acknowledge the very real costs of this war. Many of you have expressed concern about these costs, and especially in light of our battlefield casualties and our fiscal pressures here at home. But the Afghan-Pakistan borderland has served as a crucible for the most catastrophic terrorist actions of the past decade. The outcome we seek is the defeat of al-Qaida and the denial of the region as a sanctuary for terrorists.

This objective is the reason why our brave men and women in service have sacrificed so very much. And we are determined to bring this war to a successful conclusion, for the sake of our own security but also for the sake of the security of the people of Afghanistan, Pakistan and the region, who have suffered so much, who have so much to gain from a secure and lasting peace.

Members of this committee, I want to thank you for providing us with this opportunity today. I also look forward to your continued and invaluable support for the policies and programs that are critical to our success in Afghanistan and in Pakistan.

Thank you very much.

SEN. LEVIN: Thank you very much, Secretary Flournoy.

General Petraeus.

GEN. PETRAEUS: Mr. Chairman, Senator McCain, it's a privilege to be here today with Undersecretary Flournoy to report on the situation in Afghanistan. Before I proceed, however, I'd like to offer my sincere condolences to the people of Japan as they work to recover from one of the worst natural disasters in their history.

For many years now, Japan has been a stalwart partner in Afghanistan and an important contributor to the mission there. Now our thoughts and our prayers are with our longtime allies and with all those in Japan affected by the earthquake and the tsunami.

SEN. LEVIN: If I could just interrupt you for a minute, I think in expressing those sentiments you're speaking for every member of this committee and, I believe, every American. Thank you for doing that.

GEN. PETRAEUS: Thank you, Mr. Chairman.

As a bottom-line up-front, it is ISAF's assessment that the momentum achieved by the Taliban in Afghanistan since 2005 has been arrested in much of the country and reversed in a number of important areas. However, while the security progress achieved over the past year is significant, it is also fragile and reversible. Moreover, it is clear that much difficult work lies ahead with our Afghan partners to solidify and expand our gains in the face of the expected Taliban spring offensive.

Nonetheless, the hard-fought achievements in 2010 and early 2011 have enabled the joint Afghan-NATO transition board to recommend initiation this spring of transition to Afghan lead in several provinces.

The achievements of the past year are also very important as I prepare to provide options and a recommendation to President Obama for commencement of the drawdown of the U.S. surge forces in July.

Of note as well, the progress achieved has put us on the right azimuth to accomplish the objective agreed upon at

last November's Lisbon summit, that of Afghan forces in the lead throughout the country by the end of 2014.

The achievements of 2010 and early 2011 have been enabled by a determined effort to get the inputs right in Afghanistan. With the strong support of the United States and the 47 other troop-contributing countries, ISAF has focused enormous attention and resources over the past two years on building the organizations needed to conduct a comprehensive civil-military counterinsurgency campaign; on staffing those organizations properly; on developing, in close coordination with our Afghan partners, the requisite concepts and plans; and above all, on deploying the additional forces, civilians and funding needed.

Indeed more than 87,000 additional NATO-ISAF troopers and 1,000 additional civilians have been added to the effort in Afghanistan since the beginning of 2009. In Afghanistan, security forces have grown by over 122,000 in that time as well.

Getting the inputs right has enabled our forces, together with Afghan forces, to conduct the comprehensive campaign necessary to achieve our goals in Afghanistan. Our core objective is of course ensuring that Afghanistan does not once again become a sanctuary for al-Qaida. Achieving that objective requires that we help Afghanistan develop sufficient capabilities to secure and govern itself, and that effort requires the execution of the comprehensive civil-military effort on which we are now embarked.

Over the past year in particular, ISAF elements, together with our Afghan and international partners, have increased all the activities of our comprehensive campaign substantially. We have, for example, stepped up the tempo of precise, intelligence-driven operations to capture or kill insurgent leaders. In a typical 90-day period, in fact, precision operations by U.S. special mission units and their Afghan partners alone kill or capture some 360 targeted insurgent leaders. Moreover, intelligence-driven operations are now coordinated with senior officers of the relevant Afghan ministries, and virtually all include highly trained Afghan soldiers or police, with some Afghan elements now in the lead on these operations.

We have also expanded considerably joint ISAF-Afghan operations to clear the Taliban from important, long-held

safe havens, and then to hold and build in them. ISAF and Afghan troopers have, for example, cleared such critical areas as the districts west of Kandahar city that were the birthplace of the Taliban movement, as well as important districts of Helmand province, areas that expand the Kabul security bubble, and select locations in the north where the Taliban expanded its presence in recent years.

One result of such operations has been a fourfold increase in recent months in the number of weapons and explosive caches turned in and found. Another has been the gradual development of local governance and economic revival in the growing security bubbles. In fact, Marja, the onetime hub of the Taliban and the illegal narcotics industry in central Helmand province, held an election for a community council on March 1st, during which 75 percent of registered voters cast a ballot. And as a result of improvements in the security situation there, the markets, which once sold weapons, explosives and illegal narcotics, now feature over 1,500 shops selling food, clothes and household goods.

We have positioned more forces as well to interdict the flow of fighters and explosives from insurgent sanctuaries in Pakistan, and we will do further work with our Afghan partners to establish as much of a defense in-depth as is possible to disrupt infiltration of Taliban and Haqqani Network members.

Meanwhile, we are coordinating more closely than ever with the Pakistani army to conduct ISAF operations that will provide the anvil on which -- on the Afghan side of the Durand Line against which Pakistani Taliban elements can be driven by Pakistani operations in the border areas.

With your support, we have also devoted substantial additional resources to the development of Afghanistan's security forces.

This effort is, of course, another very important component of our comprehensive approach. Indeed, it is arguably the most critical element in our effort to help Afghanistan develop the capability to secure itself.

We have seen significant progress in this arena over the past year. But we have had to contend with innumerable challenges, and our Afghan partners are the first to note that the quality of some elements is still uneven.

The train and equip mission, is, in fact, a huge undertaking and there is nothing easy about it. However, the past year alone has seen Afghan forces grow by over one-third, adding some 70,000 soldiers and police. Notably, those forces have grown in quality, not just in quantity. Investments in leader development, literacy, marksmanship and institutions have yielded significant dividends. In fact, in the hard fighting west of Kandahar in late 2010, Afghan forces comprised some 60 percent of the overall force, and they fought with skill and courage.

President Karzai's Afghan Local Police Initiative has also been an important addition to the overall campaign. It is, in essence, a community watch with AK-47s under the local district chief of police with members nominated by a representative Shura council, vetted by the Afghan intel service and trained by and partnered with Afghan police and U.S. Special Forces elements.

The initiative does more than just allow the arming of local forces and the conduct of limited defensive missions. Through the way each unit is established, this program mobilizes communities in self-defense against those who would undermine security in their areas. For that reason, the growth of these elements is of particular concern to the Taliban, whose ability to intimidate the population is limited considerably by it.

There are currently 70 districts identified for ALP elements with each district's authorization averaging some 300 ALP members. Twenty-seven of the district ALP elements have been validated for full operations, while the other 43 are in various stages of being established.

This program has emerged as so important that I have put a conventional U.S. infantry battalion under the operational control of our Special Operations Command in Afghanistan to augment our Special Forces and increase our ability to support the program's expansion.

We have increased as well our efforts to enable the Afghan government's work and that of international community civilians to improve governance, economic development and the provision of basic services. These are essential elements of the effort to shift delivery of basic services from provincial reconstruction teams and international organizations to Afghan governmental elements, thereby

addressing President Karzai's understandable concerns about parallel institutions. And we have provided assistance for new Afghan government-led initiatives in reintegration, supporting the recently- established Afghan High Peace Council and Provincial Peace and Reintegration Councils.

Indeed, we recognize that we and our Afghan partners cannot just kill or capture our way out of the insurgency in Afghanistan. Afghan- led reintegration of reconcilable insertions must also be an important element of the strategy and it now is. In fact, some 700 former Taliban have now officially reintegrated with Afghan authorities just in recent months and some 2,000 more are in various stages of the reintegration process.

All of these efforts are part of our comprehensive approach, and we have worked hard to coordinate ISAF activities with the international organizations and diplomatic missions in Afghanistan, as well as with our Afghan partners.

We have also sought to ensure that we minimize loss of innocent civilian life in the course of our operations, even as we also ensure protection of our forces and our Afghan partners.

Of note, a recently-released U.N. study observed that civilian casualties due to ISAF and Afghan force operations decreased by just over 20 percent in 2010, even as our total forces increased by over 100,000 and significant offensive operations were launched.

Our progress in this area notwithstanding, however, in view of several tragic incidents in recent weeks, I ordered a review of our tactical directive on the use of force by all levels of our chain of command and with the air crews of our attack helicopters.

I also reemphasized instructions on reducing damage to infrastructure and property to an absolute minimum.

Counterinsurgents cannot succeed if they harm the people they are striving to protect.

As I noted at the outset, the joint NATO-Afghan Inteqal, or transition board, has recommended to President Karzai and NATO leaders commencement of transition in select provinces

in the next few months. President Karzai will announce these locations in a speech next week.

In keeping with the principles adopted by the North Atlantic Council to guide transition, the shifting of responsibility from ISAF to Afghan forces will be conducted at a pace determined by conditions on the ground with assessments provided from the bottom up so that those at operational-command level in Afghanistan can plan the resulting battlefield geometry adjustments with our Afghan partners.

According to the NATO principles, transition will see our forces thinning out, not just handing off, with reinvestment of some of the forces freed up by transition in contiguous areas or in training missions where more work is needed.

Similar processes are also taking place as we commence transition of certain training and institutional functions from ISAF trainers to their Afghan counterparts.

As we embark on the process of transition, we should keep in mind the imperative of ensuring that the transition actions we take will be irreversible. As the ambassadors of several ISAF countries emphasized at one recent NATO meeting, we'll get one shot at transition, and we need to get it right.

As the number of ISAF national leaders have noted in recent months, especially since Lisbon, we need to focus not just on the year ahead but increasingly on the goal agreed at Lisbon of having Afghan forces in the lead throughout Afghanistan by the end of 2014.

Indeed, we need to ensure that we take a sufficiently long view to ensure that our actions in the months ahead enable long-term achievement in the years ahead. We have refined our campaign plan to do just that, and we are also now beginning to look beyond 2014, as Undersecretary Flournoy noted, as the United States in Afghanistan and NATO in Afghanistan discuss possible strategic partnerships.

All of this is enormously reassuring to our Afghan partners and of considerable concern to the Taliban. With respect to the Taliban, appreciation that there will be an enduring commitment of some form by the international community to Afghanistan is important to the insurgents'

recognition that reconciliation rather than continued fighting should be their goal.

Before concluding, there are four additional issues I would like to highlight to the committee.

First, I am concerned that levels of funding for our State Department and USAID partners will not sufficiently enable them to build on the hard-fought security achievements of our men and women in uniform. Inadequate resourcing of our civilian partners could in fact jeopardize accomplishment of the overall mission. I offer that assessment noting that we have just completed a joint civil-military campaign plan between U.S. Forces-Afghanistan and the U.S. embassy in Kabul, which emphasizes the critical integration of civilian and military efforts in an endeavor such as that in Afghanistan.

Second, I want to express my deep appreciation for your support of vital additional capabilities for our troopers. The funding you have provided has, for example, enabled the rapid deployment of a substantial increase in the intelligence, surveillance, and reconnaissance assets supporting our forces.

To take one example, we have increased the number of various types of persistent surveillance systems, essentially blimps and towers with optics, from 114 this past August to 184 at the present, with plans for continued increases throughout this year.

Your support has also enabled the rapid procurement and deployment of the all-terrain vehicle version of the Mine Resistant Ambush Protected family of vehicles, with 6,700 fielded since I took command some 8 1/2 months ago. And your support has continued to provide our commanders with another critical element of our strategy: the Commander's Emergency Response Program funding that has once again proven absolutely invaluable as a way of capitalizing rapidly on hard-won gains on the ground.

Indeed, CERP funding, the establishment of the Afghan infrastructure fund and the specific authorization for the reintegration program have been instrumental in enabling key components of our overall effort.

Third, I should at this point also highlight the critical work of the World Bank and the Asian Development Bank. These institutions are the largest donors to Afghanistan after the United States, and they have been critical to the success of important projects such as the Ring Road and the Uzbek-Afghan railroad. We need these critical enabling institutions, and further U.S. support for them will ensure that they are able to continue to contribute as significantly as they have in the past.

Fourth, I also want to thank you for the substantial funding for the development of the Afghan national security forces. The continued growth of Afghan forces in quantity, quality and capability is, needless to say, essential to the process of transition of security tasks from ISAF forces to Afghan forces. And the resources you have provided for this component of our effort have been the critical enabler of it.

In closing, the past eight months have seen important but hard-fought progress in Afghanistan. Key insurgent safe havens have been taken away from the Taliban. Numerous insurgent leaders have been killed or captured. And hundreds of reconcilable mid-level leaders and fighters have been reintegrated into Afghan society.

Meanwhile, Afghan forces have grown in number and capability. Local security solutions have been instituted. And security improvements in key areas like Kabul, Kandahar and Helmand provinces have, in turn, enabled progress in the areas of governance and development.

None of this has been easy. The progress achieved has entailed hard fighting and considerable sacrifice. There have been tough losses along the way, and there have been setbacks as well as successes. Indeed, the experience has been akin to that of a roller coaster ride. The trajectory has generally been upward since last summer, but there certainly have been significant bumps and difficult reverses at various points.

Nonetheless, although the insurgents are already striving to regain lost momentum and lost safe havens as we enter the spring fighting season, we believe that we will be able to build on the momentum achieved in 2010, though that clearly will entail additional tough fighting.

As many of you have noted in the past, our objectives in Afghanistan and in the region are of vital importance, and we must do all that we can to achieve those objectives. Those of us on the ground believe that the strategy on which we are now embarked provides the best approach for doing just that -- noting as dialogue with President Karzai has reminded us at various junctures that we must constantly refine our activities in response to changes in the circumstances on the ground. Needless to say, we will continue to make such adjustments, in close consultation with our Afghan and international counterparts as the situation evolves.

Finally, I want to thank each of you for your continued support for our country's men and women in Afghanistan, and their families. As I have noted to you before, nothing means more to them than knowing that what they're doing is important and knowing that their sacrifices are appreciated by their leaders and their fellow citizens back home. Each of you has sought to convey that sense to them, and we are very grateful to you for doing so. Thank you very much.

SEN. LEVIN: Thank you very much, General. Thank you both for your testimony.

AUDIENCE MEMBER: (Off mic.)

SEN. LEVIN: (Sounds gavel.) Please -- please leave if you're going to make any comments to public like that. Just please leave.

General, let me start by asking you about the July 2011 date which you've made reference to in your statement as a date that -- about which you're going to recommend to President Obama the commencement of the drawdown of some of our forces.

Have you decided on the level of reductions that you're going to be recommending yet?

GEN. PETRAEUS: I have not, Mr. Chairman.

SEN. LEVIN: Do you continue to support the beginning of reductions of U.S. forces from Afghanistan in July?

GEN. PETRAEUS: I do, Mr. Chairman, and I will provide options to the chain of command and the president to do that.

SEN. LEVIN: And why do you support the beginning of reductions this July?

GEN. PETRAEUS: If I could come back perhaps to your opening statement, Mr. Chairman, I think it is logical to talk both about getting the job done, as Secretary Gates did with his NATO counterparts, and beginning transition and responsible, to use President Obama's term, reductions in forces at a pace determined by conditions on the ground. As my good friend and shipmate General Jim Mattis noted, it undercuts the narrative of the Taliban that we will be there forever, that we're determined to maintain a presence forever. And it does indeed, as I have told this committee before, send that message of urgency that President Obama sought to transmit on the 1st of December at West Point in 2009, when he also transmitted a message of enormous additional commitment in the form of 30,000 additional U.S. forces, more funding for Afghan forces and additional civilians.

SEN. LEVIN: Thank you. Now, relative to the pending request to increase the size of Afghan security forces by up to an additional 70,000 personnel, I believe that you have made that request, is that correct?

GEN. PETRAEUS: I have, Mr. Chairman. And my understanding is that the secretary has forwarded that. This was made in consultation, needless to say, with the ministers of Interior and Defense in Afghanistan, who also gained President Karzai's support for it; and keeping in mind that it recommends a floor of 352,000, and then if there are certain reforms carried through, which are already very much in train by our ministry counterparts in Afghanistan, in terms of additional commitment to leader development, recruiting, retention and attrition issues, that the growth would be to 378(,000) total.

SEN. LEVIN: And that floor of 352(,000) is approximately 45,000 more than the goal for October 2011, as I understand it.

GEN. PETRAEUS: That's correct, Mr. Chairman. And the Afghan forces are on track, it appears, to reach that goal probably even early, as was the case this past year.

SEN. LEVIN: Secretary Flournoy, are you recommending that increase?

MS. FLOURNOY: The secretary has forwarded the increase over to the White House for the president's consideration. We do expect a decision on that soon.

SEN. LEVIN: Are you able to say that you support it, or that the secretary supports it?

MS. FLOURNOY: Yes, I think the secretary does support the range that General Petraeus suggested, between 352(,000) and 378(,000).

SEN. LEVIN: You both have made -- thank you. You both have made reference to Pakistan and the safe havens which exist there, with the Pakistan government basically looking the other way in two key areas. That's North Waziristan and down in Quetta, where they know where those people are who are crossing the border and terrorizing Afghan citizens; attacking us; attacking Afghan forces, coalition forces.

Now, Pakistan may be looking the other way in that regard, but I don't think we can look the other way about what they are not doing in those areas. And so I would ask you both what, if anything, more can we do to persuade the Pakistanis to be the hammer, which I think you made indirect reference to, General Petraeus, so that when those forces cross the border, we can be the anvil?

GEN. PETRAEUS: Mr. Chairman, first, if I could, I think it's always important to note what Pakistan has done over the course of the last two years. And that is very impressive and very challenging: counterinsurgency operations to clear Swat Valley and a number of the agencies of the Federally Administered Tribal Areas, the rugged border regions. And then, to note the enormous sacrifices they have made, their military as well as their civilian populace, which has also suffered terrible losses at the hands of internal extremists.

There is indeed, as a result of a number of recent visits and coordination efforts in recent months, unprecedented

cooperation, coordination between Pakistani, Afghan and ISAF forces to coordinate on operations that will complement the others' activities on either side of the border; and indeed where, say, for example, the Pakistanis push the Tehreek-e-Taliban Pakistani and they go across the border, and we are poised indeed to be the anvil on which they are driven.

The fact is that the Pakistanis are the first to note that more needs to be done. There is, I think, a growing recognition that you cannot allow poisonous snakes to have a nest in your backyard even if the -- they just bite the neighbor's kids, because sooner or later they're going to turn around and cause problems in your backyard. And I think that, sadly, has proven to be the case.

Having said that, there is of course considerable pressure on al-Qaida and on the Haqqani Network in North Waziristan. The campaign there has disrupted significantly the activities of those groups. And then of course on the Afghan side of the border, there has, as I noted in my opening statement, been an enormous effort to establish a defense in-depth to make it very difficult for infiltration.

Again, we have conducted a great deal of coordination with our Afghan partners, and ultimately, I think, as Senator McCain noted, that the way to influence Pakistan is to show that there can be a certain outcome in Afghanistan that means that there should be every effort to help their Afghan neighbors and indeed to ensure that they do that on their side of the border as well.

MS. FLOURNOY: Mr. Chairman, if I could just add, from a - at the strategic level, I think what's needed is continued investment in the strategic partnership that we've been developing with Pakistan and very candid engagement with them on these issues to influence their will to go after the full range of groups that threaten both of us.

It means continued efforts to build their capacity, things like the Pakistani counterinsurgency fund, but not only efforts to build their military capacity but also their capacity for governance and development in areas like the FATA and other parts of northwest Pakistan to meet the basic needs of their people. We can't walk away from this problem, and we believe that a strategy of engagement and investing in the partnership is the best way forward.

SEN. LEVIN: Well, I think that's all well and good, but it's also factually true, I'm afraid, that just simply investing in their capacity is not what we need at the moment in North Waziristan and down in Quetta with the Taliban. Those folks using those areas are attacking our people, and the -- and the Pakistanis have basically resisted going after them in those areas. They've done that for their own internal reasons. And on the other hand, we've got to continue to find ways to impress upon them that their backyard is a backyard where snakes are permitted to continue to exist, and those snakes are crossing the border.

And so I -- you say just simply increase their capacity. I'm not willing to simply increase their capacity without some kind of an understanding that that capacity is going to be used to end these safe havens, which are deadly to our people. So I'll simply say that. If you want to comment, you can. I should have announced we'll have a seven-minute round. I probably have used mine already. But in any event, I will end my round there unless you want to add a comment.

MS. FLOURNOY: If I could just add, Senator, we are having extremely candid conversations about our expectations of what we would like to see our Pakistani partners do in areas like North Waziristan and elsewhere. We are also continuing to apply as much pressure as we can both from the Afghan side of the border and also in terms of pressure on al-Qaida's senior leadership in the border regions.

SEN. LEVIN: Do you want to add anything? Okay.

Senator McCain.

SENATOR JOHN MCCAIN (R-AZ): Thank you, Mr. Chairman, and I thank the witnesses again.

General Petraeus, I have been a member of this committee for a long time, and I've sat through hundreds of hearings. And one that stands out in my memory was in September of 2007 when you and Ambassador Crocker came and testified, when the majority of Americans and the majority members of this committee and the majority of the Senate wanted to have an immediate pullout from Iraq, which obviously was -- and that the surge could not succeed and would fail. Obviously, that turned out not to be true, that the surge did succeed.

And I have a bit of a feeling of deja vu here because this morning I'm sure you may have seen The Washington Post indicates -- the headline is on the front page, quote, "Most in U.S. say Afghan war isn't worth fighting." "Nearly two-thirds of Americans now say the war in Afghanistan is no longer worth fighting, the highest proportion yet opposed to the conflict, according to a new Washington Post-ABC News poll."

Could you respond to that poll and maybe have a few words for the American people about this conflict?

GEN. PETRAEUS: Well --

SEN. MCCAIN: And you might mention the consequences of failure.

GEN. PETRAEUS: Thanks, Senator.

Up front, I can understand the frustration. We have been at this for 10 years. We have spent an enormous amount of money. We have sustained very tough losses and difficult, life-changing wounds. I was at Walter Reed yesterday seeing some of our troopers whose lives have been changed forever by their service in our country's uniform in a tough fight.

But I think it is important to remember why we are there at such a time. It's important to remember that that is where 9/11 began. That's where the plan was made. That's where the initial training of the attackers took place before they went on to Germany and then to U.S. flight schools. That is where al-Qaida had its most important sanctuary in the world, and it had it under the Taliban. At that time, of course, the Taliban controlled Kabul and the vast majority of the country.

And, indeed, we do see al-Qaida looking for sanctuaries all the time, frankly. They are, as I mentioned earlier, under considerable pressure in their North Waziristan sanctuary. And there is a search for other locations. And Afghanistan, I think, would be an attractive location where the Taliban to control large swaths of it once again. Indeed, we -- there is a small presence of al-Qaida in Afghanistan, some -- probably less than 100; in fact, we killed the number-three leader of al-Qaida in Afghanistan several months ago and have detained another very important

individual there as well. And we do see the exploration, if you will, of certain possible sanctuaries.

Now, the other point I think it's important to recall is the one that I made in my opening statement, and that is that it is only recently that we have gotten the inputs right in Afghanistan. As Undersecretary Flournoy explained, there were a number of years where our focus was elsewhere - where Afghanistan was an economy of force effort, to use the military terminology. And it is only since late 2008/early 2009, that we have focused back on Afghanistan and have deployed the military, civilian and financial resources necessary, adjusted our campaign plans and concepts, staffed the organizations properly, and so forth so that we could indeed say that we actually had the inputs right. We judge that that was roughly last fall. That is what has enabled us to make the progress that we have made.

I do believe that we can build on that progress, as difficult as that would be. And I believe it's imperative that we do so because, again, I think this is as President Obama has said, a vital national security interest that, again, al-Qaida not be allowed to reestablish sanctuaries in Afghanistan.

SEN. MCCAIN: Let me then ask you to respond to a Los Angeles Times story this morning, which says National Intelligence Director James R. Clapper told Congress last week, quote, "I think the issue, the concern that the intelligence community has, is, after that, in the ability of the Afghan government to pick up their responsibility for governance." At the same hearing, General Ronald Burgess, head of the Defense Intelligence Agency, offered a sobering view, one that is shared by the CIA, U.S. officials say, that contrasted sharply with the optimism expressed in recent days by Petraeus." Quote, from General Burgess: "The Taliban in the south has shown resilience and still influences much of the population, particularly outside urban areas," Burgess said. "The U.S.-led coalition has been killing Taliban militants by the hundreds," he said, "but there have been no apparent degradation in their capacity to fight."

Would you respond to General Clapper and General Burgess's statements?

GEN. PETRAEUS: Well, first of all, with respect, I have tried to avoid what might be labeled optimism or pessimism, and have tried to provide realism. And I think that the opening statement speaks for itself in terms of expressing what we believe is reality on the ground within very significant note of the challenges that lie ahead.

There is no question that governmental capacity is an area of, in a sense, strategic risk, as we identify it. In fact, I think in the slides that we provided along with the statement, you'll see the so-called cloud slides. And I think there's a double thunderbolt coming out of that particular cloud.

The reason is that indeed it is very difficult to transition tasks that are currently performed by international organizations or ISAF provincial reconstruction teams to Afghan institutions if that capacity is not present. In fact, I had a long conversation with Minister of Finance Zakhilwal in Kabul, and then President Karzai the day before leaving, and discussed the imperative of increased efforts to expand this governmental capacity, particularly in the arena of budget execution.

Now, that may sound like an odd item for a military commander to be engaged in, but with our civilian partners, we absolutely have to help our Afghan partners increase their ability to spend the money they're provided to speed the very bureaucratic processes that they have instituted to enable them to take money that's provided in through the top and gets down to the province and district to replace, again, service provision by international organizations and provincial reconstruction teams.

They are seized with that. They realize that the trend that is currently in Afghanistan has to be changed and that indeed budget execution has to increase substantially, again, to enable President Karzai's goal of doing away with parallel institutions to be achieved.

SEN. MCCAIN: Could I just finally ask very briefly, do you see increasing -- evidence of increasing Iranian involvement in Afghanistan?

GEN. PETRAEUS: We did interdict, as you saw, I think, press reports, Senator McCain, a shipment from the Quds Force -- without question the Revolutionary Guard's core

Quds Force through a known Taliban facilitator -- this was interdicted -- three of the individuals were killed -- 48 122 millimeter rockets were intercepted with their various components. This is a significant increase in more than double in range over the 107 millimeter rockets that we have typically seen; more than double in terms of the bursting radius and also the --

SEN. MCCAIN: But I -- do you see other evidence of Iranian involvement?

GEN. PETRAEUS: We do see certainly Iranian activity to use both soft power in the way that they shut off the fuel going into Afghanistan a couple of months ago, and also certainly to influence the political process there as well in ways similar to what we saw in Iraq.

SEN. MCCAIN: Thank you, Mr. Chairman.

SEN. LEVIN: Thank you, Senator McCain. Senator Lieberman.

SENATOR JOSEPH LIEBERMAN (I-CT): Thanks, Mr. Chairman. Thanks, Secretary Fourney and General Petraeus for your service, your testimony.

General Petraeus, I don't think we can ever thank you enough for the service and leadership you've given our country. Particularly in this case, you'd gone from really a remarkable leadership in Iraq, helping with a lot of help from the State Department and our troops, turning that situation around; then the Central Command; suddenly with General McChrystal's departure from Afghanistan, you're called to the Oval Office; the president asks you to go to Afghanistan. You could have found a lot of reasons not to. You just didn't hesitate. You said, yes, sir.

And you've been there with a lot of support from the administration and others, and we're turning it around now in Afghanistan without any illusions about the difficulties we face. I just think the country owes you a tremendous expression of gratitude. You set by your example the standard for everyone who serves under you in Afghanistan, and frankly for any of us who have the privilege of serving our country in whatever capacity. And I thank you for that.

The public-opinion polls are on our minds today. I think we all know from experience you can't make decisions about

war and peace based on public opinion. Once you commit to a cause, as we did after 9/11, to the cause of a different new Afghanistan and you commit troops to it, you can't be affected by waves of public opinion.

We know from recent history that when wars are succeeding -- when wars are failing -- seem to be failing, public opinion is negative. When wars seem to be succeeding, public opinion turns more positive.

In this case, this -- we are succeeding in Afghanistan today, and therefore I think the downward turn in the public opinion here in the United States has more to do with the understandable preoccupation of the American people with the economy, with jobs, with the deficit. In that sense, I think we have to come back and remind the American people of why we are in Afghanistan, why it is worth it and that we are now succeeding.

And I think, Secretary Flournoy and General Petraeus, you have done that most effectively in your testimony. Secretary Flournoy, I want to quote from you because you said, just direct to the point, "The threat to our national security and the security of our friends and allies that emanates from the borderland of Afghanistan and Pakistan is not hypothetical. There is simply no other place in the world that contains such a concentration of al-Qaida senior leaders and operational commanders. This remote region has served as a crucible for the most catastrophic terrorist actions of the past decade. As we learned at great cost after abandoning the region in 1989, staying engaged over the long term is critical to achieving lasting peace and stability in this region and securing our national interests," end of quote. I don't think we can say it better, and have to keep saying it about why we're there.

Second, General Petraeus, I think your presentation today tells us, again, nobody's under any illusions here that this is turning around. I can tell you that I've been going to Afghanistan since January, February of 2002, after our initial victory there, overthrowing the Taliban, going back at least once a year, usually twice a year. And for a period of years, just to validate what you've said about us turning our attention away, every time we went, if we looked at the map every year, the Taliban was in control of more of the territory of Afghanistan, until the last year, until 2010. And I don't think this is an accident, because, as you both said,

in some sense we've only fully engaged in Afghanistan for the last year.

President Obama made the decision to commit the surge troops. In fact, since the president has been our commander in chief, we have increased our troop presence not just 30,000 but 87,000, when one considers the previous commitment made.

So we're there for a reason. We're making progress. I can't thank you both enough for all of that.

I want to -- I want to just get to a couple of questions briefly. We've talked about the safe havens in Pakistan, but what strikes me as really significant and, I think, underappreciated is that as of two years ago there were large Taliban safe havens inside Pakistan, such as Marja, and that one of the things that's happened over the past two years is that our coalition has taken those safe havens away from the enemy and shut them down. I wonder, General, if you'd comment on that.

GEN. PETRAEUS: Well, indeed that has been one of our most important objectives and indeed one of our troopers' most important accomplishments. These were significant safe havens in the case of Kandahar City, with Zhari, Panjwayi and Arghandab, again, the very wellspring of the Taliban movement and right on the doorstep of the second-largest city in Afghanistan. Indeed, there was a period in early 2009 -- I remember the intelligence analysts came in and told me that they thought that Kabul was being encircled once again in the same way that it was during the civil war. So these are very important accomplishments.

And the increase of Afghan security forces and the advent of the Afghan local police program now also enable us to prevent other safe havens in much less populated areas from springing up as well. And that is certainly one of our objectives.

SEN. LIEBERMAN: I appreciate that answer. Let me go to another important matter, which we've both -- you've both talked about. We're on a path now to transition control of the security to the Afghan security forces by the end of 2014, but both of you have testified today about the importance of signaling an enduring commitment to the security of Afghanistan, and I couldn't agree more.

I wonder if both of you would describe -- I know there are some discussions going on now seriously between the U.S. and the Afghan government -- what kinds of long-term commitment you might contemplate. And I wondered if you'd comment on the possibility of some continuing base presence, perhaps a jointly operated system of bases in Afghanistan between us and the Afghans.

MS. FLOURNOY: Senator, thank you. The -- when the president first announced the strategy at West Point, he was very clear that we were making an enduring, long-term commitment to Afghanistan and the region, having made the mistake historically of walking away and then paid a very dear price for that. So that's been clear from the beginning.

It's an important message to emphasize as we begin this transition process. We just had a team in Kabul this week, starting to discuss the outlines of a strategic partnership with our Afghan partners, being clear about the kinds -- our expectations of that partnership and also the kinds of commitments we would be willing to make.

The president's been also very clear from the beginning that we do not seek any permanent bases in Afghanistan; that we don't seek to be -- to have a presence that any other country in the region would see as a threat. That said, we are committed to the success of the Afghans, to continuing to build their capacity. And so we do envision, if the Afghans invite us to stay, the use of joint facilities to continue training, advising, assisting the Afghan National Security Forces, conducting joint counterterrorism operations and so forth. And so we are in the process of discussing what kind of parameters should outline that partnership.

I should also add it goes far beyond the military domain to look at how we can support further development of government -- governance, economic development and so forth.

SEN. LIEBERMAN: General, do you want to add anything to that?

GEN. PETRAEUS: Well, again, I think it's very important to stay engaged in a region in which we have such vital interests. And I think the concept of joint basing, the concept of providing enablers for Afghan operations and so

forth -- frankly, similar to what we have done in Iraq since the mission changed there -- would also be appropriate in Afghanistan, again, depending on how the circumstances evolve, noting that we've got nearly four years to go until that time.

SEN. LIEBERMAN: Well, I thank you both. I think the important points you've made, obviously, we will only stay in Afghanistan after 2014 to the extent we're invited to do so by the Afghan government and we determine we're able and want to do so. But I think, General, you point out very correctly that we have -- that we would do this not just for the Afghans, but we also have security interests in the stability of Afghanistan and in the region more generally.

I thank you both very much.

SEN. LEVIN: Thank you, Senator Lieberman.

Senator Inhofe.

SENATOR JAMES INHOFE (R-OK): Thank you, Mr. Chairman.

First of all, let me identify with the remarks of Senator Lieberman about your service, General Petraeus. And I might also add that in the 17 years I've been on this committee, I don't recall a better opening statement, more comprehensive, and I appreciate that very much.

One thing that hasn't been talked about, and I thought you might have a comment to make briefly about, what's happening right now with the budget and about the CRs, how that is affecting the military.

GEN. PETRAEUS: Well, thanks, Senator. The fact is that the services will do everything in their power to make sure that those on the front lines are provided everything that is required, and they will do that even as they start to inflict pain on themselves. We've been through this before. I remember this, I think, when I -- one of the years that I was a commander in Iraq. The services did some very serious belt-tightening, but they continued to provide the support to us out there.

Now, there does come a point, however, at which some of that pain has to be passed on where you just can't continue. And our assessment is -- again, this is strictly from an

Afghan perspective, not from the perspective of those here in the Pentagon -- but we sense that somewhere in the June time frame, probably, with the Afghan National Security Force funding, that there would start to be a limiting factor. And that, obviously, would cause us enormous concern, because the last thing that we want to have to do is to halt our progress in an area that is so important to the ultimate transition of tasks.

If I could add a comment on that while we're on this topic, though, Senator, and that does have to do with the growth of the Afghan national security forces -- again making very clear, my job, of course, is to state requirements. I'm a battlefield commander. Every level above me has a broader purview and broader considerations.

And of course, the challenge with the growth of the Afghan national security forces, the concern is the issue of sustainability. So while it's clearly desirable from the perspective of the Ministry of Interior, defense, ISAF and Afghan leaders, there is an understandable concern about the sustainability of that over time, and you all had quite a bit of dialogue with Secretary Gates on that. And I think that's the discussion that is taking place here in Washington with respect to that growth decision.

SEN. INHOFE: All right. I appreciate that very much.

And General, I do want to -- I noticed you made a request for an additional \$150 million in the CERP program, and that's been one of my favorite programs. You've spoken very favorably about it. I noticed, though, that when the special inspector general for Iraq reconstruction -- they had a report where they're somewhat critical of it, and I'd like to have your response to that.

GEN. PETRAEUS: Well, again, there was -- there were in some areas right grounds to be critical about it, and we've taken quite considerable steps to improve our oversight of this and a number of other programs frankly. We have increased significantly personnel who are in the business of tracking our contracting, overseeing the implementation of the various construction efforts and so on, and also monitoring CERP. I reissued the CERP letter, for example, and clarified it and established new procedures. We've done more training of the CERP individuals.

We have, indeed, structured the program so that now the average of these is entirely what I think the committee's intent was all along, and that is that there are roughly \$17 million on average this particular year. We have already done more projects this year than we did in last fiscal year because, of course, of the increase of our troopers that are now on the ground, deployed, and they have gains that they want to solidify and build on with the help of this program. So that additional 150 million (dollars) that we requested over the 400 million (dollars) in regular CERP is very important to us, and that would be something that would cause a significant halt in some of the programs that we seek to capitalize in the very hard-fought and costly gains of our troopers on the ground.

SEN. INHOFE: Yeah, we had made -- we had talked about this back during the Iraqi thing. We went through the same thing. And, you know, I look at this. The drafts -- there aren't the same safeguards in there, but there's -- so much more can come by those immediate decisions --

GEN. PETRAEUS: Yes.

SEN. INHOFE: -- you (can ?) carry them through, and then those figures still stand.

Let me just mention on a much larger scale, when you're talking about train and equip, our figures have gone up from fiscal '10 to '12 9 (billion dollars), 11.8 (billion dollars) and \$12.8 billion. I would say that I had -- both of you had been very complimentary about the training and the changes that had been taking place with the -- with the -- with the Afghans. I was over there, spent New Year's Eve with the -- with the kids there, and took a long time out at the Kabul military training center. And I was just really in shock at the attitude -- well, first of all, being on New Year's Eve, the attitude of our kids over there, just the spirits are high. They are -- they know what their mission is; they're excited about it and they're dedicated.

But in terms of watching the military train, it isn't all that different from the training that takes place here. It's just -- we have done a great job over there, and I think that we should make some comments about the successes that we've had in the training of the -- of the Afghans.

GEN. PETRAEUS: Well, this is another area, Senator, in which again it is only recently that we got the inputs right. Key input in this regard was Lieutenant General Bill Caldwell, former commander of the 82nd Airborne Division, commander out at Fort Leavenworth before taking this command, and he has guided this effort very impressively. The fact is that we have increased very substantially in every single area of the so-called train-and-equip mission. The funding has, indeed, gone up, because we're in the stages of building the infrastructure to allow the additional forces, buying the equipment for them. And we still do have fairly substantial numbers of contract trainers, although we're starting to bring those down as we replace them both with NATO ISAF trainers and with increasingly Afghan trainers, because we have an Afghan train-the-trainer program among all the other efforts.

One of the most significant steps forward in this regard is in the literacy arena. And we've -- we have actually already had some 50(,000) to 60,000 Afghans go through literacy training, and we have even more than that number in literacy training now. Now, you may say that's a strange pursuit for a train-and-equip mission, but the fact is that one of the major challenges in Afghanistan is human capacity, because of the more than 80 percent illiteracy rate. And if a soldier can't read a serial number off a weapon, a policeman can't read the license plate on a car, needless to say, that is mission limiting. And so we bit the bullet and decided that as part of basic training for the Army and for the police that we would introduce basic literacy training along with it -- without having to extend the course; it's a night program.

Interestingly, the Afghans have really taken to this. Not surprisingly, many of them were quietly ashamed of not being able to read and write. They now get themselves to a first-grade level. It's a functional level. And then we build on that in the subsequent noncommissioned officer training courses for the soldiers and police, as well.

This is a huge investment in Afghanistan writ large, and a major investment in the Afghan national security forces, but the same is true of a number of different areas. There are now 11 branch schools, so the institutional side of this is building. The leader development side is beginning to take off. And we're starting now to build the so-called enabler forces. For a long time, we were basically training

and equipping infantry battalions. But of course a force -- an infantry battalion is only as good as the military intelligence, the logistics support, the transportation, the maintenance and all these other, again, enablers. And so that has been a key area of focus in the past year as well.

SEN. INHOFE: Well, that's -- and that's going great. My time's expired, but I would only say that we were able to randomly talk -- select some people out, Afghans, and get their take on this thing, and I understand that literacy issue. The training is going very well there.

Thank you very much, Mr. Chairman.

SEN. LEVIN: Thank you, Senator Inhofe.

Senator Reed is next. And after his round, we will then have a break of perhaps five minutes after Senator Reed is finished.

SENATOR JACK REED (D-RI): Thank you very much, Mr. Chairman.

Madame Secretary, General Petraeus, thank you very much, not only for your appearance today, but your extraordinary service to the nation. Thank you very much.

General Petraeus, we are contemplating a serious issue in terms of the budget, the Department of Defense budget. Many have suggested that we have to move forward regardless of other aspects. But integrated within your plans is a strong State Department presence in Afghanistan. And the State Department request for OCO funding is \$2.2 billion -- civilian personnel, economic activities, aid work, et cetera. How central and critical is this funding to your overall strategy and your assessment of ultimate success in Afghanistan?

GEN. PETRAEUS: Well, thanks, Senator, because it is critical. It is absolutely central to what we do. This is a comprehensive civil-military counterinsurgency campaign; it is not a military-only campaign. And as I noted in my opening statement, we've recently revamped the U.S. civil-military campaign plan. And essential to that is the ability of State, AID and other implementing partners to capitalize on the hard-fought gains of our troopers on the ground and those of our Afghan partners in joint operations.

Again, it's not enough just to clear and hold; you do have to build. And the build includes local governance; local economic revival, if you will; improvements in basic services and so forth, so that the Afghan people see that there's a better future by supporting the Afghan government, the legitimate government -- and it has to be seen as legitimate -- rather than a return to the repressive days of the Taliban. And there are various areas in which the Taliban can actually compete. Conflict resolution is one of them, by the way.

So again, if the Afghan government can't or doesn't provide those basic services, then there will be a reversion to the Taliban, however little the people have regard for them. And they remember what it was like under the brutal rule of the Taliban. So this is very, very central to what it is that we're trying to do.

SEN. REED: Thank you very much. And I'll ask both of you to comment on -- we hear various comments emanating from Kabul, the civilian leadership of the Afghani government, from our NATO allies, about the strategy, the long-term commitments, et cetera.

But what struck me along with Senator Levin -- and I'll speak for myself now, was at the local level, there seems to be much more traction with respect to local Afghani leadership. And also, there seems to be continuous improvement in the Afghan security forces that gives a different perspective than listening to the pronouncements of the president or of some of our allies. And I wonder if both of you might comment on that.

And I'll just -- to what extent is one overwhelmed by the other, to what extent one is a better sign of the reality on the ground than the other? And, you know, General Petraeus and Secretary Flournoy.

GEN. PETRAEUS: Well, first of all, Senator, local governance has indeed been growing and developing, as has, again, the development in other areas of basic service delivery. But as I noted earlier, there's no question -- and President Karzai and his minister of finance are the first to recognize that at the national level, budget execution does have to be improved. And they are determined to do that. And they have plans to do that so that more money can be put on budget rather than being injected through what

President Karzai understandably is concerned with, this term of parallel institutions.

Certainly, some things are said in Kabul at times for domestic political reasons. I know that that never takes place in Washington --

SEN. REED: Never.

GEN. PETRAEUS: But occasionally in Kabul, that does take place. And beyond that, though, I think Secretary Gates made a good point the other day, I think, before this committee that sometimes we don't listen well enough to President Karzai.

We have -- you know, he was understandably concerned for years about private-security contractors, which he sees as the ultimate parallel institution under the control, in some cases, of former warlords or members of what he -- and we, by the way -- have agreed to call criminal patronage networks, which he is very concerned about.

And we had a long conversation just again the day before I left with General H.R. McMaster, who is the one who is spearheading the effort with Afghan partners, to focus the right attention on this very, very challenging element that can erode the very institutions to which we need to transition if -- again, these are criminals. They're breaking the law. They have political protection in some respects. And they're not just acting as individuals; they are part of networks.

And President Karzai sees these, and he wants to deal with them. When he heard the evidence on his surgeon general, for example, he fired him on the spot in a subsequent -- you know, in a previous briefing between an Afghan partner and General McMaster. He did the same with the Afghan National Army military hospital when he heard what they were doing and how derelict in their duty and frankly in moral -- failing their moral obligation to their soldiers.

So, again, I think at times we have to listen better. There -- he -- what he says is understandable about civilian casualties. We cannot harm the people that we are there to help protect. And we have to protect them from all civilian

casualties, not just those at our hands or those of our Afghan partners, but those of the insurgents as well.

So I think that's how you do have to look at this. And I do think that periodically, we've got to think about walking a kilometer in his shoes and understanding the dynamics with which he has to deal, the political foundation that he has to maintain, because it is not -- although the executive has enormous power in that system, there are also significant checks and balances on it that may not be as apparent to individuals who haven't lived this the way some of us have there in Kabul.

SEN. REED: Madame Secretary.

MS. FLOURNOY: Senator, I would just add, you know, Secretary Gates has also said this is a case where the closer you are to what's happening on the ground in Afghanistan, the more positive you are about the ultimate outcome, because when you go to -- at the district level, very small changes can have huge impact. If you combine some basic security with a decent district police chief, a decent district governor, a shura that is representative of the local population, you start to see the basis of transformation at the local level. And that is what we are seeing in many, many villages and districts across particularly the south.

And, you know, I think -- I would totally agree with General Petraeus' comments about President Karzai, but I'd also expand to say: Look, we work with many, many Afghan partners and many extremely competent ministers who are committed to fighting corruption, who are committed to Afghanistan's success.

I'll just cite for you the new minister of interior, Bismillah Khan -- or Minister Mohammadi. He has personally gone district by district -- he's removed 66 corrupt police leaders, 2,000 officers, personally rooting out corruption where he finds it, holding leadership accountable. Those -- each of those changes can have a profound effect on the population in that locality. And so as we see our Afghan partners stepping up to take on that accountability, the anti-corruption, the transparency, we are starting to get real traction at the local level.

SEN. REED: Thank you very much.

Thank you, Mr. Chairman.

SEN. LEVIN: Thank you, Senator Reed. We'll take a five-minute break.

(Recess.)

SEN. LEVIN: (Off mic) -- come back to order.

Senator Ayotte.

SENATOR KELLY AYOTTE (R-NH): Thank you, Mr. Chairman.

Secretary Flournoy and General Petraeus, I want to welcome both of you and thank you for your distinguished service to our country. I also want to associate myself with the remarks of Senator Lieberman. You truly are a role model about what it means to be a public servant, and we are deeply grateful and honored to have you serving us in Afghanistan and what you have done for our country.

I also want to thank you for the sacrifices that the troops that serve underneath you are making on our behalf. I had the privilege of meeting you in January when we went to Afghanistan.

I was very encouraged to see the progress that has been made there. And I think sometimes the press focuses often on the bad things that happen and the progress that is being made there is not reported about enough.

In particular, I was very impressed with the military training center, as Senator Inhofe mentioned, particularly the work done by General Caldwell in standing up the effort Afghan troops to allow them to carry forward with this conflict and work with you -- and then, of course, when we transition to allow them to protect their own country.

I also had the opportunity to meet with so many of our brave soldiers who are working along with their Afghan counterparts, and very impressed with, for example, walking through the village in Nawa, where a month before I would never have been able to do that.

Now more than ever, I think it's important for us to follow through on our commitment in Afghanistan, to make sure that Afghanistan does not become a haven for terrorists

again, and that we disrupt the terrorist networks there and in Pakistan to make sure that our country and our allies are protected.

I would like to ask you today about the amount of money that we're spending on contracting in Afghanistan. In 2009, the U.S. and NATO common funding expenditures for contracting in Afghanistan amounted to roughly \$14 billion. This is, obviously, a very significant amount of money. And one of the issues that I know that you are concerned about, both of you, is the issue of contracting funds ending up in the hands of power brokers and those that are working with our enemies and working to undermine us.

I want to commend you, General Petraeus, as well as Secretary Flournoy, for the efforts that are being undertaken right now to make sure that U.S. dollars are not getting in the hands of the wrong people. For example, I know, General Petraeus, that you have put together contracting guidance that was issued in September 2010 that is very important to make sure that we are getting the hands -- the money where it is supposed to go. I believe that more work must be done, however, to fully implement the guidance that you have brought forward. I believe that the law must be reformed to allow you to more quickly terminate contracts that directly or indirectly benefit our enemies, and to ensure that no additional funds go to those who undermine our interests or attack our troops.

For this reason, Senator Brown and I recently introduced legislation to quickly allow us to terminate the flow of money that goes to the wrong people. General Petraeus, I thank you for the feedback that you gave us, Senator Brown and I, on that legislation. We will be incorporating your comments. I just wanted to ask you, General, what your view is on this type of legislation and the need for it.

GEN. PETRAEUS: Well, my view is very simple, Senator: the sooner, the better. As my comments back to you indicated, that would be very helpful to us. Indeed, the fact is that we were not spending anywhere near enough time, energy or sheer man-hours in focusing on where our money was going. Now, don't misinterpret that, please. We knew with whom we were contracting. We knew who the subcontractors were. But literally down there in the subs to the subs, occasionally we found out that money is actually going to the insurgents

or there is bribery, corruption or some other activity that's going on.

The counterinsurgency contracting guidance -- you know, in the past, I've always issued counterinsurgency guidance, and in that guidance, we have this phrase, "money is ammunition at a certain point in the fight." In this case, I said, if money is ammunition, we need to make sure it gets into the right hands -- and that was part of the counterinsurgency contracting guidance. We subsequently developed Task Force Shafafiyat, transparency -- Brigadier General H.R. McMaster is in charge of that -- to come to grips with our Afghan partners, with the whole issue of, again, criminal patronage networks and how they undermine the very institutions to which we need to transition tasks in the months and years ahead.

We also formed two subordinate task forces, 2010 and Spotlight; one to look at all contracts, review every single contract to the best of our ability with much greater intelligence focus on them, and the other to focus specifically on the issue of private security contracts -- again, a subset which we believe we have reached an agreement with the Afghan government -- again, one that was of understandable concern, an issue of understandable concern to President Karzai -- that you cannot have armed groups being funded through our contracts running around the country.

We called them road warriors in some cases, and they actually were becoming part of the security problem rather than necessarily a solution to it.

These groups have enabled us now in the past, oh, year or so alone to debar some nine contractors, to suspend several dozen others that are pending debarment and to terminate a number of contracts as well, although, again, it's a difficult and laborious process without the legislation that you have proposed, which is why we strongly support it.

SEN. AYOTTE: Thank you very much, General. I also wanted to follow up to, I believe, a request that has been made from CENTCOM Contracting Command, and perhaps the secretary could comment on this as well. As I understand it, we haven't had enough contracting officers to be able to police the contracts, and I know that CENTCOM has asked for, I believe, an additional 60 officers to make sure that as we

go forward with the legislation and your guidance, that we have the people scrutinizing these to make sure that money goes in the right place -- if you could comment on what the status is of getting those additional officers in place to be able to move forward with this initiative.

MS. FLOURNOY: Secretary Gates has already signed deployment orders to increase the number of military personnel and, in some cases, civilian personnel to provide additional contracting oversight and to support General Petraeus's efforts, and there may be more of that coming.

The other thing we've done is started a dialogue with our interagency partners, the USAID, State Department, who also have substantial contracts on the ground, to share -- to make sure that we're all doing this together, that they share some of the best practices and lessons learned from the efforts that General Petraeus started and that we as a government are better monitoring and overseeing our contracts.

SEN. AYOTTE: My time is up. I want to thank you both for your efforts you're making in this regard and for everything that you're doing on behalf of our country. And I look forward to working with you both to make sure that you have the tools that you need to be able to make sure that this money goes to our efforts in advancing the cause in Afghanistan.

GEN. PETRAEUS: Thank you, Senator.

SEN. AYOTTE: Thank you.

SEN. LEVIN: Thank you, Senator Ayotte.

Senator Nelson.

SENATOR BEN NELSON (D-NE): Thank you, Mr. Chairman.

And let me add my appreciation for your service as well, and the men and women who serve under you so ably.

And General Petraeus, as you know, I've been an advocate for benchmarks, metrical -- metrics of evaluating progress and giving something that is more objective than a subjective explanation of whether we're winning, losing or whether we're doing better. I noticed that in your

evaluation of the benchmarks from the report -- November report to Congress regarding the progress in Afghanistan that there -- that the focus on the assessment of governance from March of '010 to November of '010 was flat at 38 percent. In other words, there was 38 percent in March and roughly 38 percent in November, no appreciable change. In your opinion, since that November report, has anything changed? Are we moving forward, or could we be losing some ground?

GEN. PETRAEUS: First of all, Senator, of course one reason I provided the packet of slides for you, indeed, is to provide some of the measurements that we do focus on in terms of terrain gained, in terms of Afghan security force progress, not just growth in numbers but also in capability and in quantity, the damage done to the midlevel and below Taliban fighters and so forth.

And in -- with respect to governance, I think since the fall there's no question that there has been, as actually one of your colleagues noted already, improvement in local governance, especially in these districts that were cleared during the course of the fall.

And so you see the establishment of district subgovernors and now line ministry representatives, the revival of schools and a variety of other areas of improvement in some of these very important districts, Marja among them, Zhari, Panjwayi, Arghandab and so forth. And you see the gradual reestablishment of Afghan security force presence in those locations as well.

With respect to national governance, there has been progress in these areas as well. But there clearly, as I mentioned earlier, is recognition by the key individuals -- President Karzai and the minister of finance foremost among them -- that there has to be more done in the -- in the sense of governmental capacity building, and particularly with respect to budget execution.

Again, we all want that day to arrive where we can achieve the Kabul conference of last year's goal of putting 50 percent of the donor money on budget rather than injecting it directly through a variety of implementing partners or international organizations. It's very important to the development of Afghan capacity. But they have to then execute that budget. And although there has been good

performance with respect to the operations in -- side of the budget, which is salaries predominately, they have done well. With respect to the so-called development budget or capital investment, there clearly is substantial work that needs to be done. Again, President Karzai is personally seized with this, as is his lead for this, the minister of finance. And that's an area that the embassy and, indeed, ISAF and other international partners will be working together to support the growth in this particular area.

SEN. NELSON: In terms of evaluating a percentage, is it fair to ask how this compares to the 38 percent in November overall for governance, local as well as national?

GEN. PETRAEUS: That -- Senator, that's probably one that we should take for the record and consult with our civilian partners on --

SEN. NELSON: OK.

GEN. PETRAEUS: -- as I think that's the embassy and AID that put that together, certainly with U.S. Forces-Afghanistan input.

SEN. NELSON: OK. Yeah, that would be great, to get it for the record.

The effectiveness and capability of the ANA and ANP, you've indicated that it's challenging; it's some improvement in certain areas and not necessarily in other areas. Is it possible to begin to look at that in terms of metrics as well?

GEN. PETRAEUS: Senator, in fact, if you look at slide 16, Afghan national security force capability in the field, you'll see the development in these forces not just in terms of the growth of additional army battalions and so forth and then police districts and precincts but -- in absolute terms, but also the growth in terms of capability. And this is an assessment not just based on math, if you will. It's not just numbers of vehicles and do they work and some other functions. It's an assessment by their partners who are actually in the fight alongside them.

SEN. NELSON: So the -- I guess it would be the orange and the yellow that would measure what kind of effectiveness they have on the right --

GEN. PETRAEUS: That's correct, Senator. That shows the growth in their capability, again, as assessed by those actually in the field with them.

SEN. NELSON: And you're comfortable that this is a fair appraisal of that capacity and capability?

GEN. PETRAEUS: I am. In fact, we've worked a number of months on these metrics, candidly. This is a process that you'll recall we went through in Iraq. I think it took me six months as the commander in Iraq before we finally unveiled it to all the press and everybody else. We spent two full days explaining how the metrics were evaluated and assessed, and so this is the maiden voyage for some of these with your committee.

SEN. NELSON: Well, we appreciate your efforts toward that, because obviously it's better to be able to establish it in terms that are more objective than those that are usually subjective. So I appreciate your continuing to do that.

Now, in terms of ISR, I know the department's put forth a spending proposal, about \$4.8 billion in procuring additional ISR assets. They did three Global Hawks, 84 Predators and over 1,300 various smaller remotely piloted aircraft systems. That also sets a goal of achieving 65 Predator orbits by the end of 2013.

Do you -- do you have all the ISR assets or -- that you can use at the present time, recognizing that there will -- their increased use will require, most likely, additional assets? But are you somewhat close to what you need now?

GEN. PETRAEUS: Sir, we are much better off, as I stated in my opening statement --

SEN. NELSON: Yes.

GEN. PETRAEUS: -- certainly than we've ever been in Afghanistan. But as you know, I did request additional ISR assets. And I think that this is becoming an area, frankly, where there's probably not a commander, not a U.S. commander in the world who has really worked closely with what these assets do for us, who would say that he is satisfied with the number that he has. But we are vastly better off, again, than we were when I took command eight and a half months

ago, and it makes a huge difference for our troopers. It is becoming increasingly difficult for a Taliban member to plant an IED on a road that's covered by a tower or a blimp with an optic, and to do that successfully, just to give one example.

These are also a reason for the very high success rate of operations by our special mission unit elements. The fact is that the reason that they are so good is not just because they're the best assaulters in the world and extraordinarily fit and great shots and everything else; it's all of the enablers behind them. It's the linguists, the interrogators; it's the documentation exploiters; it's the ISR platforms that get them to the right place, then other systems that get them the final, you know, 5 or 10 meters. It's all of this together that inserts these individuals and provides them real-time information on their targets. And ISR platforms of a variety of different types -- manned as well as unmanned, I might add -- are critical ingredients in this.

SEN. NELSON: My time has expired, but I'm getting -- gathering from what you're saying that it's a joint effort between our forces and the other ANA -- or the other forces that are there, using this intelligence gathering all together.

GEN. PETRAEUS: That is correct, Senator. And indeed, other troop-contributing nations are providing a variety of systems as well. But clearly, the United States provides the vast majority of them and has the most effective command and control -- and pipes as well, because remember that all of this requires massive communication pipes and, again, that is unique to the United States.

SEN. NELSON: Thank you.

Thank you, Mr. Chairman.

SEN. LEVIN: Thank you, Senator Nelson. But just your comment about the maiden voyage for these metrics, double-check with your staff on that, because these metrics have been reviewed by us, presented to us for many, many months in a different form. But it's been a long battle, and Senator Nelson's kind of been in the lead in terms of metrics. But we in this committee have seen these numbers,

and indeed have battled over some of these numbers for the last year or so.

GEN. PETRAEUS: Well, and we have the Chairman Levin metrics, as well, you know, Chairman. (Laughter.)

SEN. LEVIN: Well, these are -- yeah.

GEN. PETRAEUS: These are a little bit different.

SEN. LEVIN: They're in a much better, more readable form. I will say that. (Laughs.)

GEN. PETRAEUS: Point well taken, sir. (Laughs.)

SEN. LEVIN: Thank you, Senator.

Senator Collins.

SENATOR SUSAN COLLINS (R-ME): Thank you, Mr. Chairman.

Let me echo my colleagues in thanking you both for your service. General Petraeus, you've answered the call to duty over and over again, and we are extraordinarily grateful for that. Nevertheless, I do have some difficult questions that I want to ask you today.

Madame Secretary, in your testimony you spoke of our goal as achieving a, quote, "durable outcome." Admiral Mullen has testified that one of the necessary conditions to succeed in achieving sustainable security in Afghanistan requires neutralizing the insurgent sanctuaries in Pakistan. And indeed, in the strategic risk chart that the general's given, it talks about the external sanctuaries as well as actions by our neighbors. How can we have a durable outcome, when insurgent sanctuaries exist in neighboring Pakistan and when the Iranians are continuing to supply the insurgents with weapons, money and, by some reports, even training at camps on the Iranian side of the border?

MS. FLOURNOY: Senator, I think that we have to continue to halt the flow of arms into Afghanistan wherever it comes from, whether it's coming across the Iranian border or the Pakistani border. And I think we are -- have a number of forces focused on that.

On the particular question of the sanctuaries in Pakistan, I think there's a multi-pronged strategy of applying, with the Pakistanis, additional military pressure on those areas and having very candid conversations with the Pakistanis, very clearly stating our expectations of where we would like them, where we need them to do more. I think - - but in addition, I think it also involves a long-term strategy that tries to shift their calculus to get them to buy into our success in Afghanistan. A friendly, stable Afghanistan is in Pakistan's interest as well.

And as we pursue some of the political dimensions of our strategy, enabling the reintegration of foot soldiers to give up the fight and renounce al-Qaida and agree to come back into their communities in Afghanistan and abide by the constitution; as we begin to create the conditions where we might see some reconciliation, reconcilable elements more senior, those are the kinds of things that will begin to fracture the insurgency and degrade it to a level that can be managed and ultimately defeated, even as we build up Afghan capacity.

So there are many parts of this problem that have to be worked together. But make no mistake: We continue to apply as much pressure as possible on those sanctuaries and in working with our partners and allies to try to deny them.

SEN. COLLINS: Pakistan may well have an interest in a stable Afghanistan, as you and the general have said. I would suggest to you that I do not think that the Iranians have an interest in a stable Afghanistan.

I recognize the difference between the Shiites and the Sunni groups here, but the Iranians certainly view as making life more difficult for us if Afghanistan is unstable. And we don't have that kind of relationship with the Iranians. That's why I am particularly troubled by the interception of weapons coming from Iran. But we know that it's more than weapons; it's money; it's also according to some reports, training at Iranian camps as well.

General, would you like to --

GEN. PETRAEUS: Well, I would, Senator, because it's interesting in this sense that the Iranians seem almost conflicted, frankly. On the one hand, they don't want the Taliban to come back. This is obviously an ultra, ultra

conservative, some elements extreme -- extremist Sunni movement. They are, of course, a Shia state with a Sunni minority. So they're really not happy to see that happen.

Beyond that, though, they also don't want us to succeed too easily. And they certainly want to have influence in whatever state does evolve in their neighbor to the east.

And that's why you see different activities ongoing. There is a significant amount of trade and economic activity between the two countries. Afghanistan does import a great deal of various goods and services from Iran, and it's an important economic outlet for them.

And Iran knows that if Afghanistan is over time able to develop the infrastructure, human capital, value chains and so forth to extract and to export the trillions of dollars of minerals in its soil, that it wants to have a good relationship with Afghanistan for that time, and indeed to have some of those exported through Afghanistan's neighbor to the west and not be shut out of what President Karzai terms the "Asian roundabout" as his vision for the Afghanistan of the future, the new silk road running through Afghanistan from the energy-rich Central Asian states to the north to the very populated subcontinent to the southeast.

So again, it -- we see these different impulses, and of course we see, in fact, in truth, different elements of the Iranian government. There is the part of the Iranian government that responds to President Ahmadinejad, and then there is the part that is the security services, which have achieved much greater power and influence as a result of the supreme leader having to turn to them to put down the unrest in the wake of the hijacked election some year and a half ago, I guess it is now.

And so there's some very, very interesting currents that run within Iran, and you see them playing out in these different fashions inside Afghanistan -- in a number of cases, of course, in a very unhelpful manner, as you noted.

SEN. COLLINS: Thank you.

I know my time has expired. Let me just very quickly say that I'm also concerned about whether we're sending mixed messages to both the American people and to the Afghans. On the one hand, we hear the president -- and General Petraeus

has repeated it today -- that we're going to start withdrawing our troops this summer in order to underscore the urgency and undermine the Taliban narrative that we're going to be there forever.

On the other hand, both of you have said how important it is that we not repeat the mistakes of the past where we turned our back on Afghanistan, and that we do need a long-term relationship. I would just suggest that I think that part of the confusion that we see reflected in the polls is about exactly what is our long-term strategy.

GEN. PETRAEUS: And again, Senator, I -- as I mentioned earlier, I don't really see those as mutually exclusive strands of logic, if you will. I think, again, as Secretary Gates has laid out, I think it's appropriate to talk about getting the job done, as he emphasized with his NATO counterparts in Brussels. I think it's also appropriate, as he did when he spoke before this committee, to talk about the commencement of transition and the commencement of, again, the responsible drawdown at a conditions-based pace of the surge forces, while, even beyond that, discussing the initiation of discussions on a strategic partnership with our Afghan partner.

So I think all of that actually can be seen as a coherent whole, but I certainly understand the challenges that you have described about that.

SEN. COLLINS: Thank you.

Thank you, Mr. Chairman.

SEN. LEVIN: Thank you, Senator Collins.

Senator Hagan.

SEN. KAY HAGAN (R-NC): Thank you, Mr. Chairman.

And my compliments to both of you two for your outstanding service to our country. Thank you.

I am one -- the new chairman of the Emerging Threats and Capabilities Subcommittee, which has under its purview IEDs, the continued threat of IEDs. And as you know, roadside bombs are by far the leading cause of death and injury to our U.S. troops in Afghanistan. And one of my highest

priorities is to improve our capacity to counter the IED threat.

Just this past week, I had the honor to talk to a wounded warrior from Fort Bragg who is currently recuperating at Walter Reed. He was involved in February with an IED, has lost both of his legs below his knees. And, you know, he's getting great treatment at Walter Reed. And I was truly inspired by this incredible young man, (sort of ?) his honor and his attitude.

But last year, the Obama administration started a worldwide effort to stop the flow of ammonium nitrate into Afghanistan. And the campaign, as I understand it, is running up against stubborn hurdles in neighboring Pakistan, where police routinely wave tons of ammonium nitrate shipments across the border into Afghanistan despite Afghanistan's ban on the import of chemicals.

It's unclear whether the border guards are being fooled by clever attempts to disguise the shipments or whether they're being paid to turn a blind eye or both. And I think the problem's also exacerbated by the lax enforcement in Afghanistan. The Afghanistan government has passed a law banning the chemical, but Pakistan has not yet done so.

And we know that ammonium nitrate is commonly used in agriculture as a fertilizer, but currently in Pakistan, most of the farmers use urea, which is an organic chemical, to fertilize their crops. And right now, there's only one factory in Pakistan that actually manufactures ammonium nitrate.

Can you give me your assessment of the IED threat? And can you provide us with the detection rate? And is there, do you think, progress in working with the Pakistani government to stop this flow of ammonium nitrate into Pakistan -- into Afghanistan, which is, I think, the basis of so many of these IEDs?

GEN. PETRAEUS: Well, thanks very much, Senator. By the way, I spoke to that great 7th Group non-commissioned -- 7th Special Forces Group non-commissioned officer myself yesterday, and he is, indeed, a very inspirational American. And I actually think it is very realistic that he will be back in the fight, deploys.

With respect to the detection of IEDs, obviously, the number goes up and down, but we are somewhere in the neighborhood of 60 percent, I think, in recent weeks and months in terms of detection of the IEDs. I think that that is probably a bit higher than it was in the past because we are getting more tips from local citizens in the same way that we're -- we've been able to detect or to find four times the numbers of weapons caches and explosives caches in the last probably four months over previous time. In fact, I think there's a slide on that in your packet as well.

Clearly, there is an enormous effort that has gone into the protection of our troopers from IED blasts: as I mentioned, the all-terrain vehicle version of the MRAP, nearly 7,000 of those deployed since I took command; the increase in ISR platforms of various types; and also various sensors and optics and so forth that are helping us to detect this -- some, of course, that help us detect ammonium nitrate, which, of course, is used in the production of homemade explosives that do, indeed, form the base for a number of the improvised explosive devices.

You are correct that there are no ammonium nitrate factories in Afghanistan. I think there are actually two, actually, functioning in Pakistan. I have spoken about this. I have written formally as well about it to General Kayani, with whom I meet at least once a month and have done so since -- I saw him twice in the last three weeks alone. He has pledged support for this. He has gone to the Ministry of Interior, which has purview for it.

Having said that, we have not yet detected any appreciable reduction in the production or importation -- infiltration into Afghanistan of ammonium nitrate. There have been enormous seizures, colossal. I think there was one the other day of 10,000 pounds found of ammonium nitrate. But again, there's still a substantial amount getting through. This then comes to the whole issue of, obviously, improving detection at the borders, and then also this so-called defense in-depth concept, because a fair amount of it is infiltrated through some of the borders as well.

We very much appreciate your focus on this and the whole gamut of this, every piece of the chain from someone even training an individual, then constructing it, financing it, doing the reconnaissance, planting it and so forth, the whole. There's no silver bullet, as we say, that can take

out IEDs. There is a silver pathway, though, and you have to attack the pathway on it. And your support for a whole variety of initiatives for attacking that pathway has been very important.

SEN. HAGAN: Thank you, because I want to do everything possible to be sure we can detect as many and, obviously, prevent this ammonium nitrate as the base. I think it would go a long way.

GEN. PETRAEUS: And again, Senator, that's -- that was a major reason for the request for the additional funding for the ISR that Secretary Gates conveyed to the committee when he testified.

SEN. HAGAN: Thank you.

The demand for a sizable Afghan National Security Force continues to increase, and at some point down the road, this demand may drop when the Afghan security and governance capacity becomes more mature and security gains are not easily reversed and there would not be a significant breeding ground for the Afghans to join extremists.

And as you know, in the president's fiscal 2012 request, it includes \$12.8 billion to grow, train and equip the ANSF. And on February 17th, when Secretary Gates -- he indicated that it's unsustainable to fund the ANSF at these levels for the long term, he suggested that perhaps the U.S. could temporarily fund the ANSF as a sort of surge in security assistance and then reduce that as conditions in Afghanistan improve and as the Afghan national security force becomes more capable.

This -- would you, both of you if you so desire, describe your thoughts on this issue, and should any increase beyond the ANSF's current manning levels be temporary? And how can we ensure that our NATO partners significantly contribute in this regard?

GEN. PETRAEUS: Well, first of all, to answer to the last one first, Secretary Gates was quite clear in his request to our NATO and other troop-contributing nation partners for ISAF when he addressed them in Brussels and asked that not only they maintain forces at appropriate levels and so forth but also provide funding for the Afghan national security force trust fund. And there are other mechanisms as well.

Japan, as an example, funds the salaries of the Afghan National Police, a very significant contribution. So continuing that and increasing that is hugely important.

The very high levels of Afghan national security force funding right now are of course necessary because we're building them. And it requires the infrastructure, equipment and in some cases still various contract trainers and other contract assistants. These are the big cost drivers, actually, not salaries per se. So once the infrastructure is built and then it is in the sustainment mode rather than the construction mode, costs will come down. Obviously as equipment is procured, that element of the cost will come down. As Afghan trainers taken over increasingly from ISAF and contract trainers, that cost will come down. It will still be considerable, and Secretary Gates talked about that.

And certainly over time Afghanistan itself, as it is able again to exploit its extraordinary mineral blessings -- the trillions, with an S on the end of it, of dollars of minerals -- as they are able to extract and get those to markets, that will help them sustain it as well.

But certainly there could be a point at which this would be an Afghan surge that come could down as well, and would need to come down as well because of the cost and because of the sustainment.

And again, that is the issue with respect to the decision on the growth of the Afghan national security forces in the future, what is ultimately determined. And as I said earlier, I fully recognize that situation. Again, I'm someone who's supposed to forthrightly state requirements. Other people are supposed to determine how to resource those. And those of us who state requirements understand that you can't always get full resourcing for everything it is that you've requested.

MS. FLOURNOY: Senator, if I could just add, I do believe that as the insurgency is degraded, there may be possibilities to, you know, sort of resize, right-size the force over time.

I also think this is a very important area for potential reinvestment by our NATO and ISAF partners. As we go through the transition process, as some forces are pulled out or

some countries change the nature of their mission, reinvesting by contributing more to support the ANSF as an important -- could be an important part of that.

We're also hearing from our counterparts in the Ministry of Defense and Interior that they want to take on this issue of how to make the costs more sustainable for them by finding efficiencies, different ways of doing things that are sustainable in an Afghan context, and finally, revenue generation. General Petraeus mentioned the strategic minerals extraction, but also Afghanistan's in the process of putting in place a whole system for customs collection, taxation, et cetera. So as their economy begins to grow, we expect them to be able to pay for more of these costs as well.

SEN. HAGAN: Thank you.

SEN. LEVIN: Thank you, Senator Hagan.

Senator Graham.

SENATOR LINDSEY GRAHAM (R-SC): Thank you both for coming.

General Petraeus, how long have you been deployed since 9/11? Do you even know?

GEN. PETRAEUS: Well, it's more than six years, because there was a year in Bosnia, a -- nearly four years in Iraq and then, you know, eight and a half months here, and then it depends on your accounting rules for CENTCOM, I guess --

SEN. GRAHAM: (Chuckles.)

GEN. PETRAEUS: -- where we spent, I think, 300 days of the first 365 on the road.

SEN. GRAHAM: What keeps you going?

GEN. PETRAEUS: Obviously it is the greatest of privileges to serve with our young men and women in uniform. When the president turns to you in the Oval Office and asks you to do something that's important to our country, there can only be one answer, frankly.

I'd strongly believe that our young men and women in uniform in places like Afghanistan and Iraq and elsewhere

around the world have more than earned the title "new greatest generation."

SEN. GRAHAM: I totally agree with you.

What percentage of the people in Afghanistan have probably served at least one tour in Iraq?

GEN. PETRAEUS: Well, there's a substantial number, although, Senator, as you know -- in fact, as Colonel Graham, having served -- (chuckles) --

SEN. GRAHAM: (Chuckles.)

GEN. PETRAEUS: -- I have been privileged to serve as your commander in two different --

SEN. GRAHAM: We're doing well -- (inaudible). (Chuckles.)

GEN. PETRAEUS: -- two different combat theaters. It was quite a burden, but --

SEN. GRAHAM: I know it must have been.

GEN. PETRAEUS: -- the -- each cohort, each brigade combat team probably deploys with about as much as 40 percent who are going to combat for their first time. So certainly the commissioned, warrant and noncommissioned officers almost all have served at least one tour downrange in Afghanistan or Iraq. And now of course there are increasingly individuals with several one-year tours and in some cases even more than that.

SEN. GRAHAM: You know, one of the things I hear a lot, General, when I'm over there, is that what makes you do this -- well, the most common answer is, I want to do it so my children will not have to.

GEN. PETRAEUS: Well, you know, I think I talked to you one time, Senator, about the reenlistment ceremony we had on the 4th of July in 2008 in Baghdad, which started out -- was going to be a -- you know, was going to be a big ceremony, a couple hundred people, but we never envisioned that it would be 1,215. And to see that many great young Americans raising their right hands in the air, reciting the oath of enlistment after you is a pretty inspirational thing.

And we all sort of asked ourselves out loud, you know, why are they doing this? The economy at that time was still booming. It wasn't for the stock options. We think it was because they believed that they were engaged in something that was hugely important to our country, that our -- that they felt that their fellow citizens recognized it, and that they felt very privileged to have those individuals on their right and left who had also raised their right hands and were willing to serve in such circumstances.

What's particularly remarkable about that ceremony, of course, is that by raising their right hands at that time in Iraq, they knew that they were volunteering for another tour in combat. And again, our country can never thank them or their families enough.

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SEN. GRAHAM: Madame Secretary, I would like to acknowledge the civilian component of this war. Some of the best people I've met in Iraq and Afghanistan have come from the Department of State and other agencies, civilian contractors.

General Petraeus, you wrote me a letter about the essential need for a civilian surge and that the holding, building and transition cannot possibly succeed unless we have enough investment on the civilian side.

Mr. Chairman, I'd like to interdo this -- introduce this letter into the record.

SEN. LEVIN: It will be made part of the record.

SEN. GRAHAM: Could you very briefly elaborate? Can we succeed if we do not get the civilian piece right?

GEN. PETRAEUS: We cannot, Senator. Again, this is not just a military campaign. This is not a campaign where we take the hill, plant the flag and come home to a victory parade. This is a civil- military comprehensive endeavor that requires building on what our troopers in uniform have fought to achieve --

SEN. GRAHAM: I hate to interrupt my commander, but we only have seven minutes. (Chuckles.) At the end of the day,

should the foreign operations accounts for Afghanistan be considered overseas contingency operations, same category?

GEN. PETRAEUS: Well, it's certainly as important. Again, I don't know how to classify categories. As I wrote in that letter, this is a national security issue. It's not just a foreign aid issue.

SEN. GRAHAM: From your point of view, it would be a national security --

GEN. PETRAEUS: Correct.

SEN. GRAHAM: -- expenditure.

Private contractors. We have thousands of contractors throughout Afghanistan, doing good work. Sometimes they make mistakes.

I received a letter from Mr. Zoellick, the head of the World Bank, who is about ready to withdraw his force -- his presence from Afghanistan because of some changes the Karzai government were contemplating regarding private contractors. Do we have some good news on that front? If you could, share it with us.

GEN. PETRAEUS: I think we do, Senator. My deputy commander e- mailed me this morning right before this, said there had been an agreement on the ability to continue the use of private security contractors for a specified period as a bridge to achieving -- (audio break) -- the oversight of the Afghan public protection force, an element of the Ministry of Interior, so that they are not, in a sense, armed elements that may be working for a former warlord or another.

SEN. GRAHAM: I totally understand that, but the position that Mr. Zoellick was about to take is, I think, shared by many. They're very reluctant to keep their people in Afghanistan unless they can make them -- make sure they're secure.

You believe this bridge is going to accommodate their needs?

GEN. PETRAEUS: I do. And again, President Karzai was instrumental in getting this done. Dr. Ashraf Ghani was the

point man, but clearly it was, again, President Karzai and the minister of interior who enabled this to be achieved.

SEN. GRAHAM: Well, let's talk a little about leaving and staying. Senator Collins and I had a pretty interesting conversation. We were talking about leaving and staying all at the same time, and that can be confusing.

I understand the poll. I know this is a war-weary nation. And the only reason I ask you about the commitment of our troops and yourself is that the people who are doing the fighting really do believe they can win. I certainly believe you can win. And winning is probably a hard concept to define, but not for me; I think I know it when I see it. I certainly will know losing when I see it.

Can you tell us why it is important to announce this summer that America will have an enduring relationship with the Afghan people, if they request it? And part of that enduring relationship would have a military component. It is my belief, General and Madame Secretary, if the Taliban believed that the American military forces, at the request of the Afghan people, would be around for awhile providing American air power and support, it would be a demoralizing event and it would encourage the people we're trying to help.

What is your view of how this would play out in the region, starting with the Taliban and go around the region?

GEN. PETRAEUS: Well, again, that was also in my statement, perhaps not quite as eloquently put as that.

SEN. GRAHAM: (Chuckles.)

GEN. PETRAEUS: But it was in there -- indeed, that if the Taliban recognizes that there is an enduring international commitment, that they perhaps should consider some other alternatives than fighting for a longer period of time and, indeed, should consider the conditions for reconciliation that have been established by President Karzai.

The fact is that again, already just in the few months since the peace and reintegration process has formally begun, there is some 700 members of the Taliban, mid and lower level, who have decided to reconcile. There are 2,000 more that are in various stages of it. And we think there

are perhaps a couple thousand more who have informally reconciled, if you will; they're just going home to their village and lay down their weapons; a lot of this, again, because of the progress that our troopers have achieved on the ground because of a sense that Afghan forces are growing evermore rapidly and that even if there is again a staying in smaller numbers, if you will, there is going to be an enduring commitment, a sustained substantial commitment that should give them confidence that this Afghan government can over time develop the capabilities to secure and to govern itself.

That's a critical message for the neighbors as well. Again, as I think -- again, one of the lead members of the committee mentioned earlier, the best way perhaps to influence Pakistan is through Afghanistan. By seeing that there can be an enduring solution in Afghanistan, Pakistan can then recognize how to achieve its understandable national security aims over time as well, and that would not include allowing elements on its soil who create problems for their neighbors. Central Asian states very much want to see a stable and secure Afghanistan. They are very concerned about the illegal extremism problem and also about the illegal narcotics industry.

SEN. GRAHAM: One last thought. I know my time's up, Mr. Chairman.

There's some discussion in this country about detainee operations. What would we do if we caught someone tomorrow in Yemen or Somalia, a high-value target? Where would we jail that person? Would you recommend that we take future captures to Afghanistan -- (inaudible) -- outside the country?

GEN. PETRAEUS: I would not, Senator. Again, that's from the perspective of the commander (on the ground ?).

SEN. GRAHAM: It would do enormous damage to the Afghan government potentially; is that correct?

GEN. PETRAEUS: It potentially would. Again, it's something I think -- (inaudible).

SEN. GRAHAM: Do you have people in American military custody in Afghanistan, third-country nationals that we need a home for outside of Afghanistan?

GEN. PETRAEUS: We do.

And again, as -- in fact, I might let the undersecretary answer, because what we have is a process where we identify these individuals to the department, which then has to determine in an interagency process with consultation with Capitol Hill, I believe, again, can they be returned to their country of origin, or are they going to be retained there as we sort out literally what to do with them?

MS. FLOURNOY: I would also add, we are -- detainee operations is one of the functional areas that we do plan -- we are in the process of transitioning to Afghan lead. And so that will obviously also affect the nature of what can and can't be done.

SEN. GRAHAM: Thank you both for extraordinary service to our country.

SEN. LEVIN: Thank you, Senator Graham.

Senator Manchin.

SEN. JOE MANCHIN (D-WV): Thank you both to General Petraeus and Secretary Flournoy for your service. And I just returned a couple weeks ago from Afghanistan and Pakistan and had a great discussion with you gentlemen. I appreciate it very much.

And I, like Senator Graham and everyone who's ever visited, have never been more impressed with the quality of soldiers, men and women, that we have serving, and the quality of people that we have over there.

With that being said, I know that everything relies a lot on the training of security forces and also of the -- of their police force. And I know we're spending about a billion dollars a month in that effort.

With that, sir, I would simply ask that -- and to General Petraeus, is, what skill sets will they have, knowing that we have about 80-percent-plus illiteracy when they enter into it, and when they finish the program they're at a -- maybe no more than a third- grade level as far as reading or writing? And what do we expect them to do, and what can they do? And does that give you concern?

GEN. PETRAEUS: Well, again, the reason that we're investing in them and their basic training with basic literacy, as well as basic combat skills or what have you, is because it's vitally important that they be able to read a serial number or basic instructions, orders and so forth. And the idea is to get them to a first-grade reading level by the end of their basic training, and then with each additional rung of their professional development, that there is additional investment in them. And we're well over a hundred thousand that have now completed that or who have -- or are in training right now. We think it's a very important investment in the security forces of Afghanistan.

SEN. MANCHIN: The thing that I'm having a problem -- I've -- being the governor of the state of West Virginia, we train our -- through a paramilitary, our state police, 26-week paramilitary training, to go in all aspects of the police force. For \$1 billion, we could do a hundred thousand state policemen in my state, for 1 billion (dollars). And I -- the cost is so enormous. By the end of 2011, we will have spent close, they tell me, to \$40 billion. And to me, we're trying to -- I mean, this has to be the largest undertaking of a literacy program ever in the history that we've ever, as a country or a military, taken on. And I can't --

GEN. PETRAEUS: Well, we're doing a lot more than literacy, I can assure you, Senator. We are building infrastructure for them. We are buying equipment for them. We are conducting, needless to say, all kinds of combat training, and not just basic infantryman training, but everything all the way up to and including pilot training for them.

This is, again, the development of institutions, not just infantry battalions, not just, with all due respect, paramilitaries, and of course is being conducted in the midst of an insurgency, which creates all kind of special challenges not to be found in West Virginia, the last I checked. (Laughs.)

SEN. MANCHIN: If I may add --

GEN. PETRAEUS: With respect. (Laughs.)

SEN. MANCHIN: Thank you. I take it as respectful.

If I may ask you this, I know everything depends in 2014 if we're asked to stay. If we're not asked to stay, and they are not at the level -- and the investments that we have made at that point in time, what do we do?

MS. FLOURNOY: Senator, I would hate to speculate, because first of all, I think that's an unlikely set of conditions. But I --

SEN. MANCHIN: So you assume that they're going to ask us to stay?

MS. FLOURNOY: I think everything that we have heard, they have asked us to stay, it's -- they are -- you know, this is a region, after decades of war, where people and states have survived by hedging their bets. They don't want to hedge their bets. They want to be able to have a reliable strategic partner in the United States. NATO has already signed a strategic partnership agreement with Afghanistan. They want -- they want our continued engagement and support over time.

But obviously we -- you know, closer to the time, we will be able to evaluate that.

SEN. MANCHIN: And --

MS. FLOURNOY: But sir, what I would -- on the ANSF, if I could just make the point, this -- our investment in this force is our part of the pathway to diminish the burden on the United States and our armed forces.

It is by standing them up that we will eventually be able to withdraw providing continued support to enable their success. It is much less expensive --

SEN. MANCHIN: But it would --

MS. FLOURNOY: -- to build the ANSF than it is to support our own continued involvement as these levels.

SEN. MANCHIN: If I may, it'll depend an awful lot on the determination and commitment by their own government and their own leaders to continue this --

MS. FLOURNOY: Yes.

SEN. MANCHIN: -- or it'll be a catastrophic failure at the greatest proportions, and money committed to the -- by the United States citizen.

And if I could go into a question real quick to you, Secretary Flournoy, can you explain to me that, basically, with the U.S. and ISAF forces, we've secured the areas of the Logar province and we have also determined there's quite valuable resources in Afghanistan, coal being one of them, which I have a little familiarity with, and copper being the other. Why is it that China is the only country that's able to go in there and extract these resources? And they're making an investment of \$3.5 billion, it looks like there will be a return of \$88 billion -- and we're paying for the security.

MS. FLOURNOY: This is an area where we would like to expand the opportunity for foreign investment and assistance to develop the strategic mineral resources of Afghanistan. The United States, through something called the Task Force Business Stability Operations, a very important function that we have, that -- they actually were the ones that brought in the U.S. Geological Survey to survey everything that's there and now sort of give the government of Afghanistan a map, if you will, for this long-term development of their resources.

SEN. MANCHIN: But how is it that China --

MS. FLOURNOY: We are trying to bring in other Western companies now to see if they were willing to invest and develop.

SEN. MANCHIN: How is that China is the only country that is willing to go in there? And how can China do it successfully?

MS. FLOURNOY: Right.

GEN. PETRAEUS: First of all, they're not the only country. In fact, there is now open for bid some other mineral resources, and there are, indeed, other countries than China that are contemplating serious bids for it. With respect, the security for that particular location is paid for by China, I might add, as well.

SEN. MANCHIN: That will be a later -- my time is up, too, but there will be a time. I'd like to go into that further because --

GEN. PETRAEUS: Sure.

SEN. MANCHIN: -- I have talked to an awful lot of the companies that aren't willing to go there right now, but China was willing to make a \$3.5 billion investment. And it's because of the security, what we have given there for them to be able to do that. And I don't know why they believe they can and no one else has ventured in; a tremendous, rich deposit.

GEN. PETRAEUS: There are actually other contracts that have been let recently. There is a contract for small oil, actual extraction. Again, it is minuscule by, say, Iraq standards, but it is providing feed money. It's not certainly China that has that. There is a gold mine that has actually been bid on just in recent months, again, facilitated to some degree by Task Force Business Support Operations. And it is, I believe, a joint venture between a U.S. and an Afghan company.

So, I mean, the fact is as you know, Senator, China has bid on mineral extraction around the world because it's trying to build its growing basic industries and that's why its been so aggressive in that area. But India has been equally aggressive in various locations as well.

MS. FLOURNOY: Senator, if I could just could? I'm so sorry. This -- the authority for this task force to operate and do this economic development work that's so crucial to Afghanistan's long-term sustainability, that authority is basically going away. And so we -- this is a place where you could help enormously by providing the authority for that work to continue in Afghanistan.

GEN. PETRAEUS: If I could second that, because in Iraq, which was vastly more violent -- I mean, we're talking about 220-plus attacks per day in Iraq and, you know, we will have somewhere in the neighborhood anywhere from 20 on up to 60 depending on the season in Afghanistan -- and there were vastly more easily extractable elements in Iraq, of course, with the oil, with natural gas, with sulfur and with some other, not to mention fresh water. And it was very difficult

to attract industry back to Iraq. Some had literally given up completely and gone home.

And Deputy Undersecretary Paul Brinkley and the Task Force Business Support Operation came in. They would guide investors back in. They would help them. We would help secure them. This is part of a comprehensive approach. And ultimately, for example, I think Boeing, by the way, got a \$5.5 billion deal.

GE came back, after a personal call to Jeff Immelt. Many large energy companies came back in and did indeed bid.

It wasn't just for the United States; this was for the success of a mission. And that's what he sought to do, and had quite considerable success in it. And I think that Prime Minister Maliki in Iraq, and indeed certainly President Karzai in Afghanistan would personally attest to the important role that Paul Brinkley and his team have played in each of those missions.

SEN. MANCHIN: Again, thank you for your distinguished service.

GEN. PETRAEUS: Thank you, Senator.

SEN. MANCHIN: Thank you.

SEN. LEVIN: Thank you, Senator Manchin.

Senator Brown.

SENATOR SCOTT BROWN (R-MA): Thank you, Mr. Chairman.

Good to see both of you. General, good to see you. You know, I actually share the concerns of Senator Manchin. I've also spoken to many companies. They say it's very difficult to, you know, get in there and establish a base. And you know, it seems like we've done all the work, and now everyone's coming in, reaping the benefits. You have a potential couple of trillion dollars of natural elements under the ground that need to be, obviously, retrieved and then secured, and make sure that that money from those sales actually stays in Afghanistan and it's obviously distributed to the people the right way so we don't have to keep supplementing what's going on over there, I mean, because there is obviously a point where we have to draw a line.

And I'm wondering a couple of things. When I was there, there was a -- I have to admit, I wasn't too impressed with some of the training that was going on. And I know there was a big concern about the trainers that other countries were supposed to provide, and to get the police up and running. Has that gotten any better at all?

GEN. PETRAEUS: There has been an absolute increase in the number of trainers provided by the ISAF troop-contributing nations; quite substantial. But the requirement has grown as well because of the course -- of course, of the need to train greater and greater numbers for the increased end strength.

SEN. BROWN: Right.

GEN. PETRAEUS: And so we see right now a shortage of about 750 or so trainers, after one takes out the pledges; noting that there are a couple of countries -- Canada and The Netherlands -- who have not yet worked out their final contribution. Those could be significant in helping us reduce that number; but again, premature to announce that. But even after that, there will still be a shortage of trainers, and we're looking at how to compensate for that.

SEN. BROWN: And Secretary Flournoy, has there been any effort? What can you tell us about those efforts with Canada and Netherlands with regard to kind of adhering to the terms of their agreements?

GEN. PETRAEUS: I think I probably -- because I've just talked -- I talked to the defense ministers of both countries recently.

SEN. BROWN: Oh, OK. Right.

GEN. PETRAEUS: They're both intent on it. We're in very substantial negotiations. But again, it's premature for us to announce what they're going to do.

SEN. BROWN: OK. That's fine. The -- is there a concern that we may be doing it alone? Are countries pulling out, to the point like they did ultimately in other conflicts? Are we ultimately going to be the last country standing?

MS. FLOURNOY: Secretary Gates just came back from the NATO Defense Ministerial and, you know, he had a very clear

message that, you know, we need to stay focused on the fight, we need to stay in this together. But honestly, what's impressed us since Lisbon is the level of resolve and the level of unity within ISAF. Countries are committed. They've signed up to the 2014 goal. They are staying in the fight, by and large, and they understand the concept of reinvestment; that even as they may start to change the composition of their force, the expectation is reinvestment to continue to support, whether it's through training or through funding in other ways. So at this point, we feel that the resolve is there going forward.

SEN. BROWN: The -- I know when Senator Graham was speaking, he says you know -- he knows what losing is, but he was a little -- you know, he didn't really say what winning is in Afghanistan. Sir, do you -- do you -- what is your opinion as to -- what's a win? When do we say, hey, we're there, we won, it's time to really go on?

GEN. PETRAEUS: A win would be an Afghanistan that, again, can secure itself against the level of insurgency at that time, and that can govern itself, see to the needs of its people, presumably still with some level of international assistance, but with vastly reduced levels of assistance and a very different character to whatever security assistance is provided. And ultimately, of course, winning is really ensuring that there is not an al-Qaida sanctuary again in Afghanistan. And of course, it's -- what's necessary for that is, again, an ability to secure and govern itself.

SEN. BROWN: And that being said, would it also have to include Pakistan and Iran basically saying, you know, we're going to stay out and let Afghanistan self-govern and do their own thing?

GEN. PETRAEUS: Well, needless to say, the more that all the neighbors of Afghanistan -- not just Pakistan and Iran, but the more that all the neighbors help Afghanistan, obviously, the higher the prospects are for an enduring win, as you put it.

SEN. BROWN: Well, are you seeing that type of help? Because I know when I was there, it wasn't -- it didn't seem like there's a whole heck of a lot of help.

GEN. PETRAEUS: We are seeing considerable help by Afghanistan's neighbors to the north who provide

electricity, who are allowing the northern distribution network, as we call it now, to transit their soil, and who are providing a variety of different forms of assistance, everything from humanitarian assistance, again, to goods and services.

As I mentioned earlier, Iran has indeed without question provided weapons, training, funding and so forth for the Taliban but still in measured amounts. It's certainly not an all-out escalation or something like that. And we think, again, that's because they are conflicted. They don't really want to see -- it's a very cynical approach if you think about it. They want to provide enough assistance to the Taliban so that they make life difficult for us and others, but not so much that they might actually succeed.

And then of course with respect to Pakistan, as I mentioned, they have taken very considerable actions against the Tehreek-e-Taliban Pakistani, TNSM and some of the others that have threatened the very existence of their country as they know it. We are coordinating more closely with them in that particular fight than we ever have before. There is significant pressure on al-Qaida and on the Haqqani Network in North Waziristan, without question. But clearly, again, I think the Pakistanis are the first to recognize that there are big challenges there that have to be dealt with if they are to help their neighbors to the west.

SEN. BROWN: And I was thankful that Senator Ayotte signed on to my bill regarding the corruption and accountability aspects of, you know, where's the money. I mean, I was shocked, as many of us were, that some of our taxpayer money is going to be going to the Taliban, potentially, through really not legal or appropriate means. And I was listening obviously as I was doing another matter, and I appreciate your endorsement on that.

And I would encourage, Mr. Chairman, anyone who -- you would really throw a lot of weight behind this if you could join in -- not figuratively, but --

SEN. LEVIN: It sounds very, very good to me, and we've been very actively involved in that contracting issue. And it fits very, very well with the kind of effort that we've made to look at the way in which contractors have actually assisted our enemy at times. So we are grateful for your initiative.

SEN. BROWN: Thank you.

Finally, with everything that's happening over in Egypt, in that area, have you noticed any similar types of activities in the region that you're really focusing on?

GEN. PETRAEUS: We have not, Senator. There have been and always have been small demonstrations on this issue or that issue. I think it's actually a strength of Afghanistan that there are peaceful demonstrations periodically in the capital or in some of the provinces for the citizens to voice pleasure or displeasure at some action that has taken place, but there has certainly been nothing on the scale or the order of what we've seen in Egypt or some other countries in the Mideast.

SEN. BROWN: Well, sir, thank you. I'm looking forward to coming over in that capacity we spoke about. We're working on that. So thank you.

GEN. PETRAEUS: That would be great.

SEN. BROWN: Thank you.

SEN. LEVIN: Thank you, Senator Brown.

Senator Blumenthal.

SENATOR RICHARD BLUMENTHAL (D-CT): Thank you, Mr. Chairman.

And I want to join the chairman and others on the committee who have expressed their appreciation for your extraordinarily distinguished and courageous service. Both of you are certainly owed a debt by this country and to your spouses as well. In particular, I want to express my appreciation to Holly Petraeus for the work that she's doing on behalf of our veterans when they are threatened with scams and frauds and other kinds of abuses, which sort of leads me to my first question.

Both of you have spoken very powerfully and eloquently about this "greatest generation." And at the same time, we know that many of them are threatened by wounds that may not have been visible or diagnosed, traumatic brain injury or post-traumatic stress. And I wonder if you could describe the hopefully enhanced efforts that are being made on the

battlefield and at home given that the suicide rate, I think I saw in the CNAS report, is estimated to be at an annual rate of one every 36 hours. And 35 percent of all troops are estimated to be afflicted by post-traumatic stress or traumatic brain injury. And sadly and unacceptably, 7,000 veterans of Iraq or Afghanistan are homeless every night in this country.

So if you could respond. Thank you.

GEN. PETRAEUS: Well, thanks very much, Senator.

And first of all, there has been an extraordinary effort, I think, to improve every aspect of battlefield medicine, all the way from the training of those and the equipping of those at the point of injury, the medical evacuation.

And we have devoted, especially with Secretary Gates' leadership, frankly, when I was at CENTCOM, considerable additional resources that are very much keeping us within the golden hours, it's called, of medevac from, again, point of injury to the field hospital. The average for last month, I think, was 44 minutes as an example. And that's despite, of course, a vastly increased number of troopers on the battlefield and much more spread out across Afghanistan.

The advances at the field hospitals are extraordinary as well. They really now approach those of the major medical systems in the United States. Of course, through Landstuhl in Germany and then to the various hospitals appropriate for the injury and then even into the VA system. And as one who during the command at Central Command in particular had an opportunity to visit our wounded warriors, not just in places like Walter Reed in Bethesda but also in various VA-system hospitals, my impression was that our country has devoted significant additional resources to those that we used to provide to this in years past.

Having said that, as you noted, there are first of all, in a sense, signature wounds of this conflict. And they are, of course, the very visible losses of limbs, and then the unseen wounds; again, the posttraumatic stress syndrome and so forth. These, I think, clearly deserve the resources that have been devoted to them. And my sense is that we continue to be on the very cutting edge of medicine in our medical system and our military medical system when it comes to addressing these. And I have been personally very heartened

by it as one who was privileged to command these individuals when indeed they sustained these injuries.

MS. FLOURNOY: If I could just add, Senator, this is an area where, I think, Secretary Gates has made it a real priority. He sees this as part of his stewardship, to focus on caring for our wounded warriors but for our people more broadly. One of the things that several people have remarked on is that we actually talked about people and preserving the force as an element of our strategy for the first time ever in this last Quadrennial Defense Review.

But it's not only investing in these programs. It is, as General Petraeus says, really pushing the boundaries of the science to get towards more innovative approaches. And as the wife of the deputy secretary at VA, I can also attest there's a whole-of-government approach here. There's unprecedented cooperation between DOD and VA to give a sort of cradle-to-grave type of care for not only active-duty members but veterans, but also to ensure that once people leave active duty, we don't lose sight of them; we continue to invest in the care they're going to need to deal with some of these injuries that may last a lifetime.

GEN. PETRAEUS: You know, if I could also add, Senator, this goes way beyond, of course, just appropriated funds as well. And I think it would be appropriate to thank the -- you know, the millions of American citizens who have supported a variety of different foundations and nonprofits and others that have also devoted enormous effort, again, to taking care of our wounded warriors, to looking after the children of the fallen and indeed to ensure that those who have served and have been injured in that service or families left behind are indeed looked after by more than just government but by fellow citizens as well.

SEN. BLUMENTHAL: And I would agree with you, having worked with and supported some of those groups. And they do wonderful work. But we heard in response to similar kinds of questions from General Mattis at a recent hearing about the effort that he is making to really implement the kind of preventive measures on the battlefield to reach out to the gunny who says to the corporal, you're not going out tomorrow; you were just in a concussive incident.

And I think it is because you have such great young men and women who are so eager to return to the battlefield, I

think it may be more than just medical science or the golden hour. It's part of a culture that --

GEN. PETRAEUS: It is, with traumatic brain injury in particular. I mean, this is, again, essentially an accumulation of concussions in some cases and, again, can be unseen. Trooper wants to suit up; no one wants to leave his or her fellow members of the brotherhood of the close fight behind when they're going outside the wire. And yet we have had to institute procedures to allow them a break, a recuperative period -- just as, frankly, we are finding, I guess, in football and other violent -- or very -- contact sports, is needed as well to allow, again, recovery before exposing an individual to the chance of further such injury.

SEN. BLUMENTHAL: I want to thank you for your testimony. My time has expired. And I know others will follow on this issue and others. But I am particularly interested in the detainee question, and I believe others on the panel may follow with questions on that issue, as Lindsey -- Senator Graham has mentioned. But maybe we can follow up on those questions.

GEN. PETRAEUS: Thank you, Senator.

SEN. BLUMENTHAL: Thank you.

SEN. LEVIN: Thank you, Senator Blumenthal.

Senator Cornyn.

SEN. JOHN CORNYN (R-TX): Thank you, Mr. Chairman.

Madame Secretary, General Petraeus, it's good to see both of you. Thank you for your service.

My questions really relate to concerns reflected in polling in America. Washington Post said this week in a poll that two-thirds of Americans now say that the war in Afghanistan is not worth fighting. And I think part of the problem is not that it isn't worth fighting, because I do believe that it is, but I'd like to give you an opportunity, General, in particular to state the reasons why you believe it's worth fighting, but also because, frankly, above your pay grade, there have been mixed messages about timetables or drawing down troops and about what our objectives in Afghanistan should be.

So General, we all know that public opinion is very important. The American people have to remain behind our military. And we've seen the consequences, unfortunately, in our nation's history when that doesn't happen. But would you please articulate the reasons why it is -- the fighting in Afghanistan and the service of our men and women in uniform is worth fighting?

GEN. PETRAEUS: Well, again, I think you come back to two words, and those are "nine eleven." Those attacks on 9/11 were planned in Afghanistan by al-Qaida when it enjoyed a major sanctuary there, when it had training camps there. That's where the initial training of the attackers took place before they moved on to Hamburg and the U.S. flight schools.

Beyond that, of course, there are other attacks that emanated from that region. And again, we, I think, have a -- as the president has said, a vital national security interest in ensuring that al-Qaida and other transnational extremist elements that might attack our country or our allies cannot establish robust sanctuaries there from which they can plan and then launch attacks.

The fact is that we have gotten frustrated with this region before. As the undersecretary mentioned earlier, we did leave the region in the past. In the wake of Charlie Wilson's war, we headed home and we cut off funding and we cut off professional military education for our Pakistani partners and so forth. And the fact is that we have paid for that in the long run. And I think it would be a mistake, a big mistake, to go down that road again.

SEN. CORNYN: Mr. -- General, would you explain in your opinion what would be the perception of the -- al-Qaida and their like-minded people in the region if the United States were to simply draw down its troops and leave before finishing the job in Afghanistan?

GEN. PETRAEUS: Well, I think there would be a propaganda as well as a physical victory, in a sense. This would be a sign of having prevailed. Indeed, you know, it's very hard to calculate what would happen in Afghanistan itself, but there is a prospect of a renewed civil war, as we saw in the wake of the Soviet departure and again in the wake of, as I said, Charlie Wilson's war, and again, leaving that, as this situation unfolded in the wake of the Soviet removal.

And I think this, again, would be very, very damaging to the world, not just to Afghanistan, the Afghan people, and, indeed, the immediate region. I think it would pose a grave danger for the entire world. We have seen again on numerous different dates beyond 9/11 attacks, again, that emanated from this region.

MS. FLOURNOY: Senator, if I may, since you and Senator Collins both mentioned mixed messages, if I could just clarify. I think, you know, as General Petraeus has said, we have vital interests at stake --

SEN. CORNYN: Well, Madame Secretary, I wasn't saying that you were delivering mixed messages.

MS. FLOURNOY: No, no, I understand. Well, if --

SEN. CORNYN: I was saying those above your pay grade at different times talking about drawing down troops in 2011. And then I was pleased to see some modification of those views expressed through 2014, and then a reference to status of forces agreements beyond that. So that's just to be clear. I was not talking about you delivering mixed messages.

MS. FLOURNOY: Okay, I understand. But what I was -- what I wanted to say is that I don't think there's any inconsistency between the beginning of a transition process that allows Afghans to step up and take the lead in areas like security and so forth -- I don't see a tension between that transition process that begins a drawdown and the commitment of -- the statement of an enduring commitment to Afghanistan and to partnership with Afghanistan.

SEN. CORNYN: As long as it's conditions-based, I agree with you.

MS. FLOURNOY: Yes, it is conditions-based, as the president has noted. Yes.

SEN. CORNYN: General, let me ask you about Pakistan. I know that subject has come up numerous times. No matter what we do in Afghanistan, it seems to me that unless we're able to build -- to help Pakistan become a more reliable partner and deal with that porous border that terrorists exploit on a regular basis that we're not going to be successful in our ultimate goal.

But I want to ask specifically, as our attempts to degrade al- Qaida in Afghanistan are successful, as long as the Taliban remain a powerful force, what is their aspirations in terms of getting their hands on Pakistan's nuclear weapons and a regime change in Pakistan? And is that a concern that we ought to -- ought to have?

GEN. PETRAEUS: With respect to the Afghan Taliban, Senator, I think that their aspirations truly are within Afghanistan. And in particular it would be to reestablish the kind of state that they had established there, again, in the wake of the Afghan civil war that came in the wake of the Soviet departure from Afghanistan.

There is quite considerable security for the Pakistani nuclear weapons. There are certainly other elements in Pakistan, again, different -- the Pakistani Taliban and several other varieties of elements who generally have symbiotic relationships, and the most extreme of which might indeed value access to nuclear weapons or other weapons that could cause enormous loss of life. Again, I mean, they killed several thousand in one destructive act, and some have shown a willingness to carry out similar destructive acts if they had the means of their survival.

SEN. CORNYN: Well my time is up, but let me just say in conclusion that I think, again, in terms of garnering public support for what I believe it's important that we do in the region, I think the extent to which someone -- and I think that someone may end up being you, General -- be able to articulate our objectives in a way that the American people can see the importance to our national security here at home, because I worry that if there are mixed messages in terms of when we're leaving and how long we're staying or what our objective actually is, and people are a little confused about that, that I think you're going to continue to see some erosion of public support of our -- of our mission.

Thank you very much.

Thank you, Mr. Chairman.

SEN. LEVIN: Thank you, Senator Cornyn.

Senator McCaskill.

SENATOR CLAIRE MCCASKILL (D-MO): Thank you, Mr. Chairman. Thank you both for being here.

As you know, General, I've had a number of conversations with you over the years about CERP. And I want to make sure I'm clear about something. It appears to me that we have taken some of the CERP funds and put them in a category called Afghan Infrastructure Fund, and the other category, Task Force for Business. So we've taken the around -- around about amount of a billion a year, and we've now broken it up into three parts. And I was worried enough when it was one part, in terms of the oversight and whether or not there was clear communication from the State Department.

And this is what -- you know, where we have kind of morphed this into -- and it's a little bit like who's in charge of security at -- security contracting, how this has gone back and forth from State to DOD, State, DOD. And now we've got an acknowledgement for the first time that DOD -- that the Army -- that our military is going to be, you know, doing major infrastructure projects, as opposed to the traditional place that we have done that kind of work, which has always been at State.

So I'm really worried about the oversight of this. And what I'm also worried about, if you would address, the GAO noting that it doesn't appear even that we're sharing Excel spreadsheets maybe about the various projects that are ongoing. We do not have a database that is real-time that AID and Defense can look at on a real-time basis. I'm worried about the duplication. And then you layer over that all the corruption, then I really get worried. We know what kind of money walked away from infrastructure projects in Iraq, and I'm -- once again, my concern has really been heightened about money walking away from infrastructure projects in Afghanistan.

GEN. PETRAEUS: Well, let me just state up front, as we have discussed it in the past, I absolutely share every one of those concerns. And that's why we requested, as an example, between 60 and 80 quite well trained and specifically experienced individuals to help us with oversight of our contracts. And that -- as I mentioned earlier, this is a big reason why we established the two different task forces led by general officers -- one to look at all contracts, the other to look at the specific issue of private security contractors -- in addition to the task

force led by Brigadier General H.R. McMaster, which is looking with our Afghan partners at the issue of corruption.

With respect to -- first of all, the Task Force Business Support (sic) Operations is not funded through CERP.

SEN. MCCASKILL: OK.

GEN. PETRAEUS: That was not approved, and that is not being done. The traditional category of CERP, if you will, I think is very much meeting what the intent of it was in the beginning. As I mentioned earlier, projects are averaging somewhere around 17,000 (dollars) to 17.4 thousand (dollars), and very much solidifying and building on the gains that our troopers have fought so hard and sacrificed so much to achieve.

The Afghan Infrastructure Fund component of CERP, if you will, was created -- and in fact, this was an initiative when I was a Central Command commander -- so that we could support with our State and AID partners in a very carefully coordinated way -- it's so carefully coordinated that the projects nominated for this -- these are larger projects that, again, are central to the conduct of a counterinsurgency campaign. So these are not economic development and they're not economic assistance or something. These are projects that directly enable the success of our troopers on the ground. For -- the first tranche of these, for example, is almost all energy related, infrastructure related and so forth, to enable the revival of the areas in Kandahar and the greater south, and then tying in a power grid to that as well.

The ambassador and I both approve the projects that are sent forward. And ultimately, they have to be approved by the secretaries of Defense and the secretaries of State. Obviously, AID is instrumental in all of this, and so there is, again, absolutely full coordination on this particular program.

MS. FLOURNOY: If I could just add, it's also jointly funded. So State Department and AID contribute funding via reprogramming from their resources, and DOD uses the 400 million (dollars) from -- that was formerly in CERP to contribute. So there's joint funding, joint decision-making and validation of the projects, and joint oversight. So

you're actually probably getting double the oversight, rather than less.

GEN. PETRAEUS: If I could also, Senator, you also authorized us to spend a portion of CERP, \$50 million, to support Afghan-led reintegration of reconcilable elements of the insurgency.

And we think this is a very, very wise investment as well. As I mentioned earlier, you don't kill or capture your way out of an insurgency the size of the one in Afghanistan. You've got to try to get as many as possible to reintegrate back into society. And this is -- support of that is a bridge fund, if you will, until the larger funding that's been provided by the international community to the High Peace Council can make its way through their bureaucracy and out into the provinces. And that now is in the process of happening.

SEN. MCCASKILL: So your sense is the GAO criticism about a data system is, you know, just because of their penchant for data systems, not because there really isn't a real-time sharing of information and coordination of projects?

GEN. PETRAEUS: We are very carefully sharing it. In fact, we actually want to go to a joint visibility -- I forget the exact term. I'd like to provide the term to you, because General McMaster, again, has been pioneering this, but where we have a -- literally a joint procurement oversight effort between all of the U.S. elements --

SEN. MCCASKILL: That's great.

GEN. PETRAEUS: -- not just the military, but State Department elements as well, so that, again, everybody knows where the money is going from all U.S. programs.

SEN. MCCASKILL: There is a concern on this money that we're using to fight the insurgency through the small projects and even the big project. There's the issue of, are we doing these projects where we can, or are we doing these projects where should, in terms of the security issues. Do you have available to you, General, the information that allows your folks to make decisions based on where in fact we should be making these investments based on the insurgency? Or are -- is it just natural that these things are happening where there's the least security danger?

Because obviously when you're doing these kind of things, if you're out there and exposed, especially when you've got the civilian component, it worries me that we may be doing it where we can instead of where we should.

GEN. PETRAEUS: Well, I mean, there is this -- you know, the joke about the drunk who looks for the keys underneath the light post because that's where the light is, not necessarily where he dropped them. And so we certainly try to build the projects where they are needed and not just, again, where we can. But there are cases in which there are projects that are needed that we know are needed, but where the security conditions do not allow that. And in some cases, we are literally fighting to create the security environment to enable very important economic projects, such as hydropower plants in particular, that are crucial to the sustainable energy sources for Afghanistan, but where we cannot at this point in time yet carry out those projects.

SEN. MCCASKILL: If you have an overlay available of where attacks are occurring and where the CERP monies are being spent, I would love that information. I would assume that you would probably have that somewhere, and I would love to look at the overlay between population, attacks and CERP expenditures.

GEN. PETRAEUS: We'd be happy to provide that.

SEN. MCCASKILL: I know my time is up, and I didn't have a chance to get to LeT, but I'm very concerned about LeT. I'm very concerned --

GEN. PETRAEUS: So are we.

SEN. MCCASKILL: -- I'm very concerned about this organization's designs on a global presence.

GEN. PETRAEUS: Yes.

SEN. MCCASKILL: I'm very worried that we've gone beyond a proxy for ISI and beyond a proxy in terms of just an issue as it relates to India and Kashmir. And I am anxious to get some kind of briefing from you for the record on LeT, especially in light of the instability of the Pakistani government right now, and some of the issues we're having with incidents that have occurred in Pakistan and how the Pakistan government is responding to those. But I worry that

we're honing in and doing what we need to do with al-Qaida, and we're honing in and doing what we need to do with the Taliban, and, as Senator Cornyn mentioned, Pakistan has nuclear weapons, and LeT obviously has got a great deal of power, it appears, with certain people in the Pakistani government.

Thank you.

SEN. LEVIN: That will have to be for the record, if that would be OK.

SEN. MCCASKILL: Right.

SEN. LEVIN: Thank you very much.

Senator Sessions.

SENATOR JEFF SESSIONS (R-AL): Thank you, Mr. Chairman.

And thank you, Secretary Flournoy, for your leadership and commitment to our country.

And General Petraeus, thank you again for what you've done. And we just value so much your commitment and effort.

To follow up on -- a very important point that Senator McCaskill raised is something that's concerned me a bit.

We know that the provisional reconstruction teams in Iraq, for example, were really to be under the leadership of the State Department a year or two ago. And in essence, most of the personnel that dominated those areas were DOD, mostly military.

Now we have a plan to remove our soldiers from there. And I understand the State Department is planning to go to 17,000 personnel from maybe 7(000) now in Iraq.

They do not have the kind of force-protection capability that we have with the military. And I guess I'm just concerned that this rapid withdrawal -- and there seems to be an expectation that State Department personnel who didn't sign up to go into harm's way, as the military have, and for the most part are unarmed -- do you see a danger there? Is there something that we need to be thinking about that we do

not place our State Department people in a position that they can't accomplish what we expect them to accomplish?

GEN. PETRAEUS: Well, I'll hand off to the undersecretary in a second, but I'm obviously not the commander in Iraq anymore, but I obviously keep an eye on an area in which we invested an enormous amount. And my concern with Iraq is actually similar to the concern that I voiced about Afghanistan. And that is funding for our State and AID partners. The idea was -- and it was back when I was the Central Command commander -- even indeed when we were developing concepts when I was still the commander in Iraq in late 2008, that as military forces came down, the State and AID presence would actually take on more tasks than they did in the past, as they were handed off, again, from some of our military elements to them.

And then subsequent to that, the funding for those particular endeavors has not been forthcoming. And so you have a situation in which military forces are drawing down or transitioning tasks to elements that are not sufficiently resourced to carry them out.

SEN. SESSIONS: But is --

MS. FLOURNOY: Thank you for --

SEN. SESSIONS: Just make the make the point though that State Department personnel have the right to reject deployment in areas where security cannot be guaranteed. And isn't that a complicating factor, Secretary Flournoy?

MS. FLOURNOY: Well, Senator, we have developed the Iraq transition plan with very realistic expectations about what the security environment is going to be and looking at the DOD and State Department pieces of that as an integrated whole in terms of the footprint of the presence, what the activities are, continued security cooperation for the Iraqis, continued training for the police, continued engagement on the intelligence side and so forth.

The challenge is keeping the coherence of that plan as it comes up to be considered by multiple different committees, who will take a look at the different funding streams that are stovepiped by agency.

So we would appeal to you all to help us as you look at that plan to look across agencies, to look at how we maintain an integrated, coherent plan to support really finishing out the job in Iraq and ensuring that we protect our interests there.

SEN. SESSIONS: Okay. Well, I would just say count me as someone who's concerned about the viability of the plan if it's funded.

Secondly, we do have a problem here -- you're exactly right -- how we move funds to make sure State Department has the sufficient numbers. I'm on the Budget Committee. That's where I was earlier this morning. The Education Department is calling for 11 percent -- the president's budget projects an 11 percent increase in their spending; Energy, 9.5 percent increase next year; Transportation, 62 percent increase; and State Department, 10.5 (percent), most of which I think is overseas contingency.

When we have a -- so these are -- getting the moneys in the right way is going to be critical, but we're not going to have these increases. We don't have the money. Congress is not going to give these kind of increases. It just -- we don't have the money. So it presents us all with a real challenge.

And I'm concerned about it.

General Petraeus, you spent virtually a year in Iraq leading the whole -- the training of the Iraqi forces. Now our training of forces in Afghanistan is such a critical part of it. We're thankful that you're there and you've had the experience that you've had. We're thankful that you've written a book on how to conduct a counterinsurgency operation, the defense manual.

Tell them -- tell us, are we obtaining sufficient support from our NATO allies? And I think the answer is really no.

But secondly, that which they have taken over often has not been as effectively managed as the U.S. military's training programs. And we're moving the numbers in Afghanistan up, both military and police.

How -- can you summarize it for us, how well that's going? Are we going to be in a position to rely on them in

the near future to provide the security that's necessary for an (independent ?) Afghanistan.

GEN. PETRAEUS: Well, thanks, Senator. In fact, we often get the question, you know, when, General, are the Afghans going to step forward and start leading security?

And I say, well, you know, you're in Kabul right now, Interviewer, and in Kabul which is one quarter to one fifth the population of the entire country. It is Afghan security forces who are very much in the lead. It is Afghan police who are the face of security on the streets. It is the Afghan army a bit further out that has security responsibilities. And every given night in that city, there are a couple of operations that are conducted by Afghan special operations forces either from the police, their intelligence services or from the army. So, indeed, they are already very much stepping up to the plate. They are taking losses at a higher level than our losses -- a considerably higher level. So they are very much fighting and dying for their country.

Our NATO and non-NATO ISAF contributing nations are very much providing superb individuals in the train-and-equip mission. Yes, there is a need for more of them. As I mentioned earlier, there's a shortage of some 750 or so; although, again, two nations that have announced an intention are still working out what it is that they will provide. But while there is that shortage, the troop-contributing nations have very much stepped up to the plate and provided substantial numbers of additional trainers. And that does continue. There were a few more pledges, in fact, in recent months that will be significant as well.

In fact, the challenge now is what we call specialized training. It's training individuals on -- and we don't have these. We don't have Mi-17 pilots, or at least not large numbers, in our inventory. We don't have pilots of some of the other aircraft, again, that are being used for the Afghan air force, some of the speciality skills. Again, it's very helpful to have some former Warsaw Pact nations that are actually familiar with the artillery, for example, that is going to be used, is being used by the Afghan forces and some of the mortars and some of their other weapons systems that -- as well.

So I think actually that they have done a superb job, and that the creation of the NATO Training Mission-Afghanistan from the formerly U.S.-led multinational -- the CSTC-A, Combined Security Transition Command-Afghanistan, has been a very important step forward. The fact is that during my time in Iraq, where I led, again, the U.S.-led Multinational Security Transition Command-Iraq, it was also dual-headed as NATO Training Mission-Iraq. But those were not merged. Those were two separate organizations, and the NATO one was quite modest in its size, certainly in comparison to MNSTC-I. In this case, CSTC-A and NTM-A have been merged, and it's been done in a very effective way -- again, in large measure attribute (sic; attributable) to Lieutenant General Caldwell's leadership, because he's the one who's been in command of both organizations and he's the one that actually oversaw the concept for and then the actual establishment of NTM-A.

SEN. SESSIONS: Well, thank you, Mr. Chairman.

And sort of clarify my concern: State Department has fabulous people. They're willing to take risks; they are taking risks. But they're not -- they're not trained and committed, as military people are, to be in dangerous spots. And you've done such a good job, I believe, in Iraq and Afghanistan that the transition so rapidly from the military, who's out there, who's now learning to manage money, CERP funds and so forth, to the State Department is -- it would be a dicey handoff, I think, and I wish you every success in that.

Thank you, Mr. Chairman.

SEN. LEVIN: Thank you --

GEN. PETRAEUS: Senator, if I could -- just a moment about our foreign service officer comrades and the members of AIG --

SEN. LEVIN: If you would, make it very brief, General --

GEN. PETRAEUS: -- OK -- they're awesome. And they are putting it on the line every day as well. They're going outside the wire.

I'm not aware of any member of the foreign service who's declined one of these assignments. In fact I think they have serviced all of them by volunteers.

And again, certainly this presents some challenges as we try to transition, but I think the challenge is more one of funding than of any other.

For what it's worth, we also have established as what we'll do in Afghanistan, where we have military-led PRTs, is we will not try to transition them wholesale to State Department over time. Rather, what we'll do is just reduce the size of them as we do the transition.

SEN. SESSIONS: Thank you.

SEN. LEVIN: Thank you. Thank you very much, Senator Sessions.

Senator Udall.

SENATOR MARK UDALL (D-CO): Thank you, Mr. Chairman.

Good -- I was going to say good morning, but good afternoon. I know, General, you're a marathon runner, and we're about to break the magic three-hour mark, although I know you aimed your goal at breaking three -- reducing the time that you would run till under three hours. But thank you for your persistence and your endurance.

If I might, I'd like to turn to the counterinsurgency doctrine, which you authored. And it's been successfully implemented in a number of places. And I think that the core of that set of concepts is defeating an insurgency is about 30 percent military and 70 percent political. It -- yet it seems that our exit strategy is focused primarily on the transition of security responsibilities in selected districts from the ISAF to Afghan forces. And if I could, I'd like to just direct a few questions at you and you can pick and choose in your responses.

Are you concerned about the Taliban's ability to exploit this plan by attacking specific targets of choice during the transition? In other words, does this handoff strategy telegraph our next play and put a bull's-eye on the districts while they're in vulnerable transition process?

And then, more broadly, how closely is this military transition strategy being coordinated with the political endgame in terms of ensuring the delivery of the basic government services in these districts and then reintegrating Taliban fighters who've had enough?

GEN. PETRAEUS: Well, first of all, up front, transition really has three big components to it, Senator, and security is just one of them. The other two actually are governance and development.

And so there is, I think, an understandable focus on security. That's the foundation, if you will, for all progress, after all. But at the end of the day, security is not enough. Military action is necessary but not sufficient. You must build on that foundation, again with the establishment of local governance that can earn legitimacy in the eyes of the people. It does that by serving the people, by being transparent, representing integrity, and indeed providing a better future from the -- for the people than they would have by going with the insurgents.

And then, of course, the development is obvious as well. This also encompasses basic rule of law, basic development. Again, there's measured aspirations. There's no objective to try to turn Afghanistan into Switzerland in 10 years or less, or something like that.

Now with respect to a concern that transition might put a bull's-eye on a province or municipality, absolutely. There is concern about that. And indeed we will try to take mitigating measures so that as locations are identified for transition, that as they become targeted, that we do all that is humanly possible to prevent the enemy from causing major disruption, while recognizing that there will be attacks.

Again, Kabul has enjoyed a period of -- touch wood -- the best security we think it has -- I think it's for a nine-month period now, but even during that period, there have been periodic sensational attacks. And again, it is inevitable that there will be some continuation of that. The objective is, needless to say, to ensure that all security challenges have been reduced below the threshold that is necessary for continued growth, again, in the governance and development arenas.

And because of that recognition that there are three components, not just security, there has been very close coordination, especially with the JANIB, the Joint Afghan-NATO Inteqal -- or Transition -- Board, which is chaired by Dr. Ashraf Ghani, working directly for President Karzai, and co-chaired by the NATO senior civilian representative, the ambassador from the U.K., and then by myself with a committee that includes heads of the relevant ministries and the major troop-contributing nation ambassadors as well.

So there is, again, a keen awareness that transition requires much more than just the security foundation, although that is, indeed, the most important element without which you can't transition. But you cannot succeed with transition if you haven't built on that foundation adequately in the governance and development arenas.

SEN. UDALL: Thank you, General, for that.

And I'd like to turn to the -- Secretary Flournoy. But before I do that, I want to acknowledge as you both have the Task Force for Business and Stability Operations. I don't like who crafts the acronym, but I know the important work they've done. And I believe that's -- Paul Brinkley has been the --

GEN. PETRAEUS: It is.

SEN. UDALL: -- leader in that effort, and I look forward to working with you all as we do make that important transition.

If I could, I'd like to turn to Pakistan and India. And we've been hearing for quite a while that the Pakistani leadership is unwilling to abandon support for the Taliban because they view it as a hedge against possible future Indian influence in Kabul. And India, of course, denies any such ambitions. In the context of our new strategic partnership with India, do you think that there are new openings to engage New Delhi in a more positive political solution that might reassure Pakistan?

MS. FLOURNOY: Well, I think we have actually been very heartened by the fact that India and Pakistan are resuming their own dialogue on a number of disputed issues, from Kashmir to counterterrorism, humanitarian issues, trade and so forth. And so we think that dialogue is extremely

important. I think Pakistan in particular views so much of -
- so many issues in the region through the prism of its
relationship with India. And so getting at some of those
root problems between the two of them is one of the most
important initiatives that can happen in the region, and so
we are being as supportive of that as possible.

But I want to come back to something that was said
before, and that is I do think that our success in
Afghanistan will be a calculus- changing event for many
actors in the region who've spent many years hedging. The
fact of that stability and that success will force a
recalculation by a whole number of parties that will have to
reckon with that and may choose to approach that reality
differently than what -- you know, and change some behavior
that we've seen in the past.

SEN. UDALL: Not to get ahead of ourselves, but that
sounds like one of the prizes when we are successful in the
-- in the long run.

I know that I spoke recently to a keen observer of the
India- Pakistan relationship, and the case that this
gentleman made to me was if India and Pakistan could
liberalize their economic relationship, it would result in
enormous gains and positive developments. General, would you
care to comment to comment on that, or --

GEN. PETRAEUS: Well, this ties in again to what I think
is a very reasonable ambition of President Karzai, an
aspiration, and that is the idea, again, of Afghanistan as
the Central Asian roundabout; again, the transit location
for the new Silk Road. And if you can tie in the
extraordinary energy resources of the Central Asian states
with the very rapidly growing economy of the subcontinent,
you have to go through Afghanistan to do that and then tie
in to Pakistan and India. And that's obviously beneficial
for all of the countries in the region. But it obviously
requires a degree of economic cooperation to take place
between India and Pakistan in particular that has been
elusive so far because of the context in which they have
been seeking to do this.

MS. FLOURNOY: One step in that direction has been the
conclusion of the Afghanistan-Pakistan Transit Trade
Agreement, which we very much helped to encourage. Now we

need to actually see them implement it as a step in that direction.

SEN. UDALL: Well, thank you for that image of the roundabout. I'm going to freely borrow it, having spent time in roundabouts, particularly in that part of the world in my -- in another life. And thank you both for your extraordinary service.

GEN. PETRAEUS: Thank you, Senator.

SEN. LEVIN: Thank you, Senator Udall.

Senator Chambliss.

SEN. SAXBY CHAMBLISS (R-GA): Thank you, Mr. Chairman. And welcome back to both of you. General Petraeus, I feel like I've welcomed you back so many times that when you finally do retire 15 or 20 years from now we're going to have to get you back just to report on something. But it's just an indication of the great leadership that you've provided. And thanks to you.

And as you get back, express to all the troops serving under you how much we appreciate their great service.

GEN. PETRAEUS: I'll do it, Senator.

SEN. CHAMBLISS: You've already talked extensively about the training situation, and I'm not going to ask you to repeat anything there. And I heard your comments earlier about the progress you're making on the literacy program within those training programs, both the police and the military, and that's such a great step in the right direction. When we ultimately do turn the total security force over to the Afghans to take care of themselves, without being somewhat more literate than what they are today, we all know that it's simply not going to be possible on their end.

So I'm encouraged about what I hear, and I'm glad to hear my friend General Caldwell continues to do the great job that I know he has been doing under your leadership.

You know, this war is not very popular among the American people. It's no different from any other war. No war is popular. But it has been absolutely necessary from the

standpoint of ridding the world of terrorists and bringing Afghanistan to a point where it cannot be used as a safe haven for terrorists. But as we look back today, after spending almost a decade in that part of the world, we see a government that is rampant with corruption. The stability of the leadership is questionable. There's arguing back and forth among the parliaments there now. And they're not even able to elect a speaker of their parliament.

There -- the economy in Afghanistan does not have the luxury of the economy in Iraq, because there basically was no economy, whereas Iraq did -- does have an oil-based system. The education system in Iraq -- excuse me, in Afghanistan is -- continues to be very weak, even though we are seeing improvements.

And I say that to ask both of you just to comment on the fact that -- what kind of shining light or hope can we give the American people about the future of Afghanistan when we are gone completely in some period of time which is likely to be not far down the road from a military standpoint?

And Secretary Flournoy, we're particularly going to have a lot of civilians -- DOD civilians as well as State Department civilians -- in Afghanistan for a long time to come. The safety and security of those individuals is of great concern to us. So having given that glowing outlook on what I see happening in Afghanistan right now, I'd ask for both of you to come in as to where we go in the future.

GEN. PETRAEUS: First of all, Senator, if I could, I'd like to go back to September 2005, when I was coming home from -- second tour in Iraq. It was 15-1/2 months as -- standing up the train-and-equip program. And Secretary Rumsfeld asked me to detour and come home through Afghanistan to look at the train-and-equip mission there and really at the situation more broadly.

At that time, levels of violence in Afghanistan were very, very low. It was the -- described as the, quote, "war that we were winning" and so forth. The truth is that I came back after looking at it because of the various challenges. You could just feel how difficult various aspects of this were, and you could also sense that the Taliban was beginning its comeback. I went back and reported, in addition to various observations on the train-and-equip

program, that I thought that this would be the longest campaign in the long war.

Now, that didn't elicit wild applause in the third floor of the Pentagon, as you might imagine. It's a pretty sobering assessment. But it is something that I stand by. And the reason is because of these various challenges that accrued over 30 years of war in a country that was, when those wars began, among the three poorest in the world.

So this is -- there's no question about the difficulty of this endeavor. And I think it is understandable, again, that the American people could be frustrated that we've been at this for 10 years and, you know, we haven't won yet.

On the other hand, as both the undersecretary and I mentioned, we hadn't gotten the inputs right until, really, just in the last six months or so. Last fall is when we assessed that we finally had the organizations necessary for the conduct of a comprehensive civil-military counterinsurgency campaign: all the concepts, plans, directives, ideas; the staffing of those organizations; and then, above all, the levels of troops, civilians and funding.

Together with the gradual growth of the Afghan national security forces, that turned into much more rapid growth.

There's no question about the challenges, again, whether it is in illiteracy, lack of human capital, human capacity, governance capacity and the rest. But I would submit that there's no question about the progress in these areas.

Let me give you just one really important metric. Under the Taliban, there were less than 1 million Afghan children in school. This coming academic year, the minister of education projects that there will be 8.2 million in school. And the growth from last year to this year will be the largest of any year since liberation from Taliban rule in late 2001.

The fact is that there's been progress in every component of the comprehensive campaign. But the fact is also, every component has been very, very challenging and very difficult.

And by the way, they have elected a speaker, I'm happy to report. And they're actually now selecting committee members, and they're reasonably along in that process with their parliament.

Certainly, democracy in Afghanistan at times can be noisy, if you will, but I think that's probably true of some other countries on occasion as well.

MS. FLOURNOY: I would just add to that that as we start to think about the future and how this partnership will go forward, I think there's tremendous strength derived from the fact that we really do share the same goals fundamentally. The core goals are very strongly held by both the United States and Afghanistan.

I think there's -- I take heart from the tremendous resiliency and patriotism and dedication of many of our interlocutors, many of the ministers, many of their deputies, people who have suffered 30 years of war and who are just absolutely committed to reclaiming their country, to rebuilding capacity and reasserting their sovereignty.

And then really if you really want to get a boost, go talk to the next generation. Meet with the students who are now back at school, coming out of Kabul University, coming out of other universities, who are not leaving -- even though they could -- but who want to make a future in Afghanistan and change Afghanistan and create the kind of country that they think is possible with our help and the help of the international community.

So I think we tend to focus on the challenges. And they are significant. But the more you get out and talk to the people who have chosen to stay and why they're staying and what they're committed to doing in their country, it gives you great hope.

SEN. CHAMBLISS: General, just quickly, those numbers on the children in school is pretty impressive. That 1 million that were there when -- in school under the Taliban rule, how many of those were female versus how many -- what percent are female of the 8.2?

GEN. PETRAEUS: I -- and thanks for pointing that out. It was a very, very small percentage that was female under the Taliban, needless to say. And now it is a very considerable

number. We'll get you the exact number, but I think it's in the neighborhood of 30 (percent) to 40 percent. So it's that significant.

I might add as well, by the way, that the percentage of females in the Afghan parliament is something like 10 percent higher than the percentage of females in the U.S. Congress as well.

SEN. CHAMBLISS: Thanks again for your leadership.

SEN. LEVIN: Except for that last note, thank you so much. I wish that everybody had heard all of your testimony this morning, but particularly these last comments in response to Senator Chambliss' question is really quite uplifting.

Senator Shaheen.

SENATOR JEANNE SHAHEEN (D-NH): Well, thank you, Mr. Chairman. Thank you both for being here and for your stamina to still be here. I think some of us think that if we could design our democracy again, we could probably put in a required percentage for women's participation. That would make some of us happier.

GEN. PETRAEUS: As we did in Afghanistan.

SEN. SHAHEEN: Yeah.

GEN. PETRAEUS: Of course, that's one reason that they have that percentage --

SEN. SHAHEEN: Absolutely.

GEN. PETRAEUS: -- but it's an interesting innovation.

SEN. SHAHEEN: You've both talked about the need for a comprehensive approach in Afghanistan, so both the military commitment and the civilian commitment. And I applauded the creation of the senior civilian coordinator back in January of 2010. And I know NATO has recently appointed a new civilian coordinator, Ambassador Simon Gass.

But I'm concerned that that coordinator has the sufficient authority to do what the position was envisioned doing on the ground in Afghanistan. So I wonder if you could speak to that, and to also the coordination that's involved

between, General Petraeus, your command as the NATO head on the ground there and the coordination with the civilian coordinator.

GEN. PETRAEUS: Well, it's a very, very close relationship actually. In fact, he and I are located in the same headquarters. He starts each morning the same way I do after the initial intel updates and so forth. But at our morning what's called stand-up briefing, we sit together during that, often as long as an hour or so. And then we meet many times a day and periodically -- on quite a frequent basis will brief the members of the diplomatic community of the NATO-ISAF troop-contributing nations, meet with the U.N. Assistance Mission- Afghanistan SRSG together at least once a week -- that also includes the U.S. ambassador -- in a variety of other fora in which together we take actions. But he also has an independent series of actions that he oversees that he pursues through the regional SCRs, the regional command SCRs, who are seeking to coordinate the various civilian activities that take place within those regional commands.

This is -- this is a different situation than the one in Iraq, as an example, where, you know, Iraq was a very U.S.-centric -- Multi- National Force-Iraq, it had a single chain of command. I reported only to the Central Command commander operationally, as well as chain of command. In this case, my operational chain of command runs through a NATO chain of command, Joint Forces Command in Brunssum to Supreme Allied Commander-Europe to NATO Headquarters, with the U.S. chain running through Central Command and of course on to the Pentagon. A very close relationship with our U.S. ambassador, Karl Eikenberry, a friend of over 30 years. But, again, a different relationship because, again, of the operational command being NATO and the U.S. command being more of an administrative, if you will, troop provision and so forth and resource provision command.

And really it's the -- I would have said the three of us. It's the NATO SCR -- you know, Ambassador Sedwell soon to be Simon Gass -- Ambassador Eikenberry; but also very much the UNAMA SRSG; the EU special representative, Vygaudas Usackas; and actually a number of other senior members of the diplomatic community of the major troop- contributing nations, the U.K. ambassador probably foremost among them, with others. And so this is a lot more complicated, frankly, than it was in Iraq in that particular regard.

SEN. SHAHEEN: Well, let me -- let me try and refine this a little bit, and perhaps you could speak to that, Secretary Flournoy. My understanding is that one of the roles or responsibilities that we hope for the civilian coordinator was that they can -- that person could help address waste and corruption and abuse in civilian assistance. And I know several people have raised concern about how the assistance is actually being used on the ground in Afghanistan, so perhaps you could speak to that, Secretary --

GEN. PETRAEUS: Well, I probably actually --

SEN. SHAHEEN: Okay.

GEN. PETRAEUS: -- live it in this -- that sense. And the truth is that because funding is provided nationally, not through NATO writ large, there is a limited ability of the NATO SCR to -- in a sense to oversee the contracting aspects of this. And that's where this all ends up for procurement aspects.

On the U.S. side -- and of course the U.S. is far and away the largest donor nation -- what we have done is that's why we've brought in Brigadier General McMaster and a very talented civil and military team. And he has an FBI official as his co-director, so this is a civil-military element, again, with the U.S. embassy. There is a board of directors that is, again, civil-military. And then ultimately Ambassador Eikenberry and I oversee the efforts of this new task force.

But this is what was necessary. And this is why, as I mentioned earlier, we also want to go to a -- oversight of all U.S. procurement in coordination of that with this organization, as well, as we have now focused increasing intelligence assets on determining, you know, what is this corporation?

Who runs it? Are there any silent partners in it? Where is the money, again, ending up through subs to subs and that kind of thing. And this is a very complex endeavor. And as I mentioned it was only with the establishment of this task force and then the other subordinate ones that we've been able to focus the kind of attention and resources on the contracting aspect of this to the point that we have then de-barred, as I said, I think it's nine total right now. And I think it's 30-something that are actually suspended and in

the process of either being de-barred or proving that they didn't do what we believe they did.

SEN. SHAHEEN: Thank you.

Did you want to speak to that also, Secretary Flournoy?

MS. FLOURNOY: It was really to the broader point of the importance of properly resourcing and gaining greater coherence on the civilian side, not just in general, because that's what COIN involves, but at this particular point in the campaign. You know, at the point at which you finally gain military traction and you're creating momentum on the ground and you're creating the security and the space for other things to happen, that's the point at which it becomes that much more important that the diplomatic and political and economic development and other elements of the civilian elements of the strategy are fully resourced and properly led and in place. And I think they're we still -- you know, we're struggling to get those resources and to fully achieve the coherence that we think is necessary to make -- to consolidate the gains.

SEN. SHAHEEN: Thank you very much. My time has expired. But, General Petraeus, I hope that at some point when you do retire that you will plan to come and spend some of your time in New Hampshire, where I have been told you own a home, so we --

GEN. PETRAEUS: "Live free or die." (Chuckles.)

SEN. SHAHEEN: Good. Thank you.

SEN. LEVIN: We thank you both for your great work for this country. Just two two-second comments.

First, in terms of the size of the military in Afghanistan, I would just point out that even if the size of the security forces were increased to 378,000, which is what the top limit is, I believe, that that would still be about 300,000 fewer than are in the Iraqi security forces, even though Afghanistan's got a larger population than Iraq.

Secondly, that the cost of even a 400,000 Iraq security force is a tiny, tiny fraction of what the cost is of having our forces in Afghanistan. I think the total payroll of a 400,000 Iraqi security force would be about a billion and a

quarter (dollars), something like that. Our expenditures -- expenditures in Afghanistan this year, I believe, are something like \$80 billion, if I'm not mistaken. So it's a tiny fraction of what our costs are.

And finally, General, I noticed in your charts -- which are really very helpful, and I want to thank you for them -- you didn't make too many references to them, but I hope all of us will have a chance to take a look at them because there's a lot in here -- there is a slight omission on page three when they talk about the inputs and the people. Your name is left off. And I know that's one of two things, either undue modesty on your part or someone's trying to give you a message on your staff. I'm not sure what -- which it would be. But I do point out that it belongs there right with Ambassador Eikenberry at the top.

We thank you both. You got great staying power. And we'll stand adjourned.

GEN. PETRAEUS: Thank you, Chairman.

END.