

**IMPLEMENTATION OF THE NATIONAL DEFENSE  
STRATEGY IN THE UNITED STATES SOUTHERN  
COMMAND AREA OF RESPONSIBILITY**

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**HEARING**

BEFORE THE

SUBCOMMITTEE ON  
EMERGING THREATS AND CAPABILITIES

OF THE

COMMITTEE ON ARMED SERVICES  
UNITED STATES SENATE

ONE HUNDRED SIXTEENTH CONGRESS

FIRST SESSION

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**IMPLEMENTATION OF THE NATIONAL  
DEFENSE STRATEGY IN THE UNITED  
STATES SOUTHERN COMMAND AREA  
OF RESPONSIBILITY**

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**TUESDAY, JULY 9, 2019**

UNITED STATES SENATE,  
SUBCOMMITTEE ON EMERGING  
THREATS AND CAPABILITIES,  
COMMITTEE ON ARMED SERVICES,  
*Washington, DC.*

The subcommittee met, pursuant to notice, at 3:00 p.m. in Room SR-222, Russell Senate Office Building, Senator Joni Ernst (chairman of the subcommittee) presiding.

Subcommittee members present: Senators Ernst, Fischer, Hawley, Peters, Shaheen, and Hirono.

**OPENING STATEMENT OF SENATOR JONI ERNST**

Senator ERNST. Welcome, everybody.

The Emerging Threats and Capabilities Subcommittee meets today to receive testimony from Admiral Craig Faller, Commander of U.S. Southern Command or, as we call it, SOUTHCOM.

Our focus will be on the evolving security situation in this theater, as well as SOUTHCOM's efforts to implement the National Defense Strategy (NDS).

Welcome to the Admiral. Thank you very much for being here, sir. I certainly appreciate it.

Today's hearing is a continuation of the subcommittee's efforts to provide oversight over National Defense Strategy implementation. This is an important component of our efforts to ensure our military is appropriately resourced, equipped, and postured to defend the nation against a growing array of threats.

While much attention has been on countering China and Russia in their traditional spheres of influence in Europe and across the Indo-Pacific region, the subcommittee has been particularly focused on how those nations are increasingly challenging U.S. national security interests not just within their own geographic boundaries but elsewhere around the world.

Last year, the subcommittee held a hearing with leading experts to discuss China's expanding presence in Africa and the implications for our interests and those of our partners. It was made clear during the hearing that China is undertaking a comprehensive and long-term approach to bolstering its global access and influence, of-

tentimes with the goal of undermining the United States of America.

The situation in the western hemisphere is no different. Admiral Faller, you highlighted in testimony earlier this year that China has accelerated expansion of its Belt and Road Initiative (BRI) in the western hemisphere at a pace that may one day overshadow its expansion in Southeast Asia and Africa.

China's strategic engagement in the SOUTHCOM region bolsters China's geopolitical network at the expense of United States security interests and regional stability. China's efforts to back oppressive governments such as the Maduro regime in Venezuela and to pump loans into local economies at unpayable interest rates reveal China's interest in spreading influence and consolidating power.

As a result, Latin America has become a fixture for China's ambitions, utilizing economic coercion to grow support for Chinese foreign policy objectives including the isolation of Taiwan and the exclusion of the United States and Canada from regional discourse. Trade and economic ties between the United States and Latin America are changing with China recently surpassing the United States as the main destination for exports from several Latin American countries.

China is also deepening military and technological ties in the region. For example, we have seen deepened space-related cooperation in Brazil, Venezuela, and Argentina. China has increased arms sales in a manner that violates United States and EU [European Union] restrictions and hinders our ability to integrate with our strategic partners.

Meanwhile, Russia is also working to expand its influence in region. The Putin regime seeks to erode United States influence in the SOUTHCOM area of responsibility and has doubled down on its efforts to prop up corrupt authoritarian regimes in Venezuela, Cuba, and Nicaragua through economic and military assistance. For many years, Putin has viewed Latin America as the natural link in the chain making up a multi-polar world, and recent port visits by Russian navy vessels and the deployment of a long-range bomber to the region highlight Russia's efforts to strengthen its global reach in the new age of great power competition. In fact, just a couple weeks ago, the *Admiral Gorshkov*, one of Russia's most advanced warships, was docked in Havana Harbor.

Finally, drivers of migration, including violence, corruption, and poverty, place a significant strain on regional governments and can engender regional instability, impacting not only the southern border of the United States but providing additional flashpoints for China and Russia to exploit at the expense of American soft power.

All of this demonstrates clearly that the western hemisphere should be viewed as an important front in our efforts to compete with China and Russia and implement the NDS.

I look forward to your input and your candid assessment of the evolving security dynamics in this region, describing how the NDS information is important, and how you will allocate SOUTHCOM's limited resources, as well as identify any challenges that may impair your ability to accomplish your mission.

Thank you again, Admiral, for joining us today, and I look forward to discussion.

I will now turn it over to Senator Peters, our ranking member, for your opening statement.

**STATEMENT OF SENATOR GARY C. PETERS**

Senator PETERS. Well, thank you, Madam Chair, and thank you for holding this hearing at a very critical time.

Events in Latin America are often overshadowed by the crisis in the Middle East and Asia, but stability in the SOUTHCOM AOR [Area of Responsibility] is clearly critical to our national security.

I want to thank our witness, Admiral Faller, for his service and for appearing here today to testify on the implementation of the National Defense Strategy in the Southern Command area of responsibility.

It is clear that Russia and China have significantly increased their presence and their influence in the SOUTHCOM AOR. Chinese investment has reached unprecedented levels, and Beijing has invested billions of dollars in Latin America as part of its Belt and Road Initiative. China often engages in predatory lending practices that create debt traps for small countries and allow Beijing to yield outsized influence in these countries. The projects are often economically unsustainable, and many countries throughout the world have found themselves billions of dollars in debt with no way to repay Beijing.

Russia's economic influence in Latin America is much smaller than China's, but its intentions are much more pernicious. Russia's propaganda machine has been active in Latin America with efforts to raise doubts about the democratic process and to sow discord in the region. Russia's state-controlled Spanish language television station spreads misinformation throughout the region and seeks to undermine United States influence in the region.

Russia has also used cyber attacks to attack democratic institutions. The Center for Strategic and International Studies reported, for example, that there have been 50,000 cyber attacks against Colombia's national voter registry during the 2018 legislative elections.

We have also seen Russia covertly deploy Kremlin-linked paramilitary groups to Latin America, repeating the pattern of using these forces to advance their strategic interest abroad without having to admit that they have deployed any military personnel to a specific country.

Russia's intervention in Venezuela has propped up the disastrous Maduro regime and helped deny the transition to power of interim President Guaido. This fits a pattern of an increasingly aggressive Russia seeking to use all of the tools in its playbook to undermine the appeal of the democratic process and keep Russian aligned regimes in power.

While Russian and Chinese influence in Latin America is destabilizing to the region, I think it is also important to spend a few minutes on the most pressing threat to democracy in the western hemisphere, and that is corruption. Corruption is the root cause of mass migration, instability, and impunity in Central America and the trafficking of illicit narcotics into our country. Unless our strategy focuses on solving the root causes of corruption, then no

amount of security assistance dollars to Latin American partners will be effective.

That is why I am quite concerned that the Trump administration has recently decided to cut off all non-defense USAID [United States Agency for International Development] and State assistance to Guatemala, Honduras, and El Salvador, while allowing defense assistance to these countries to continue. President Trump's stated rationale to punish these countries for the migrant crisis is ill-considered and totally counterproductive to reducing forced migration numbers. Ultimately it undermines our national security in the region. Unless we support civil societies in these countries and help improve the economic conditions, we will never get a handle on the illicit drugs that flow through these Northern Triangle countries and into the United States.

One final note I think is critical for us to discuss is that corruption in Central and South America not only destabilizes the region, but it also provides China and Russia with a foothold into these countries as well. Corrupt governments are more likely to take loans from China that allow them to skim millions off the top and leave their treasuries empty. Russia is able to sell arms to corrupt governments that oppress their civilian populations and violate their human rights. The more we focus on combating corruption, the more successful we will be in implementing the National Defense Strategy in the region.

I thank the chair again for holding this hearing, and I look forward to the discussion.

Senator ERNST. Thank you, Ranking Member Peters. Thank you for those opening comments.

Admiral Faller, we will go ahead and start with your opening statement, and then we will move into questioning. Thank you.

**STATEMENT OF ADMIRAL CRAIG S. FALLER, USN,  
COMMANDER, UNITED STATES SOUTHERN COMMAND**

Admiral FALLER. Chairman Ernst, Ranking Member Peters, Senators, thank you for the opportunity to testify before you today and for the steadfast support you provide the men and women of the United States Southern Command day in and day out.

I would like to introduce my command's senior enlisted, Sergeant Major Brian Zickefoose, my eyes and ears, who is here with me today. He is also unabashedly from the great State of Iowa.

As I mentioned in my written statement, I have been in command of SOUTHCOM for 7 months. In that time, I have traveled extensively throughout Central America, South America, and the Caribbean to get a firsthand view of the opportunities and challenges that you both illuminated. These opportunities and challenges directly impact the security of this hemisphere, our neighborhood. Criminal organizations, narcotrafficking, illegal immigration, violent extremists, corruption, all enabled by weak governance are principal among those challenges.

The most disturbing insight, the aha for me, however, has been the degree to which the external state actors China, Russia, and Iran have expanded their access and influence right here in our neighborhood or, as General Neller put it, inside our interior lines.

The National Defense Strategy makes clear great power competition has reemerged as the number one security challenge facing our nation. China, Russia, and others want to shape a world consistent with their authoritarian models. They are blurring the lines of what constitutes a military threat through economic coercion, the systematic stealing of technology, influence campaigns, and malicious cyber activity. They are contesting our military advantage in all the traditional domains we fight around the globe: land, air, sea, space, cyber, and information, plus one more very important domain, values like democracy, sovereignty, the rule of law and human rights. Competition is happening globally and right here in our neighborhood, the western hemisphere.

We see this most acutely in Venezuela where the security crisis created by Maduro has compounded every single security crisis we face in this hemisphere, where Russia in their own words is protecting their loyal friend, to quote, by propping up the corrupt, illegitimate Maduro regime with loans and technical and military support, where China, as Venezuela's largest single state creditor, saddled the Venezuelan people with more than \$60 billion in debt and is exporting surveillance technology used to monitor and repress the Venezuelan people. Iran has restarted direct flights from Tehran to Caracas and reinvigorated diplomatic ties. Along with Cuba, these actors engage in activities that are profoundly unhelpful for democracy and regional stability and counter to United States interests.

How do we counter the threats and seize the opportunities in this hemisphere? How do we counter the threats posed by external state actors in Venezuela and across the region?

The best way to out-compete is by focusing our strengths, the strong, enduring ties we have with our neighbors, and from a defense perspective, these strong mil-to-mil relations are grounded in shared professionalism. We work with each other from a foundation of mutual respect, human rights, and shared interests in regional cooperation and interoperability. We reinforce and build on this through training, education, intelligence, and information sharing and exercises. Security cooperation is our best tool to continue building these strong partnerships and turn the challenges of our hemisphere into opportunities. Working together, training, and exercising shoulder to shoulder with American military professionals is our competitive edge, and no one can match our system.

We also need the right, focused, and consistent military presence day in and day out to go along with this training and education. We cannot achieve positive results and influence outcomes without being on the playing field. I will point to two examples of the positive impact of our presence, happening as I speak.

Our strategic bomber force and F-16 fighter aircraft from the South Carolina Air National Guard are training with the very capable Colombian Air Force. This mission takes place in conjunction with the 100th anniversary of Colombia's Air Force and builds interoperability and readiness for the United States and for our very capable Colombian partners while also demonstrating our shared resolve in the face of regional and global challenges.

Nearby, the United States naval ship *Comfort* is in Lima, Peru to help our neighbors impacted by the manmade crisis in Ven-

ezuela. *Comfort* shows the very best of the United States of America and the strong partnerships we have in the world. It is part of our enduring promise to our neighbors in this hemisphere to be a steadfast, reliable, and trusted partner.

We appreciate the continued support of Congress and this committee in helping us fulfill that promise. The SOUTHCOM team, our military and civilian members and our families appreciate the support of Congress and we will continue to honor the trust you placed in us and the trust our fellow citizens have placed in us.

I look forward to your questions. Thank you very much.

[The prepared statement of Admiral Faller follows:]

PREPARED STATEMENT BY ADMIRAL CRAIG S. FALLER

Chairwoman Ernst, Ranking Member Peters: thank you for the opportunity to appear before you today. I have been in command of U.S. Southern Command (USSOUTHCOM) for nearly seven months. In that time I have traveled frequently throughout our area of responsibility, meeting with counterparts and learning about this vital, dynamic part of the world—our neighborhood, the Western Hemisphere.

I've been inspired by the many strengths and opportunities of our hemisphere: our cultural and economic ties are historic and enduring. Our relationships are firmly rooted in common interests and the shared values of democracy, sovereignty, human rights, and rule of law. The most disturbing insight, however, has been the degree to which External State Actors (ESAs)—China, Russia, and to a lesser extent, Iran, and North Korea—have expanded their access and influence in our neighborhood. Each actor engages in a wide array of concerning, potentially destabilizing activities, blurring the lines of what constitutes a traditional “military threat” through economic coercion, the systematic stealing of technology, pernicious disinformation campaigns, and malicious cyber activity. With every inroad they make, they gain additional opportunities to interfere with our security relationships, undermine our efforts to reinforce international norms, and potentially hold our interests at risk.

As the National Defense Strategy recognizes, the principal problem facing the Department of Defense is interstate strategic competition with China and Russia. I believe an important element of this involves competition for values, ideas, and ideals. In Latin America and the Caribbean, this competition is also taking place in parallel with another competition: one between legitimate governance and illegitimate power wielded by transnational criminal organizations and violent extremist organizations. These groups threaten citizen safety, regional security, and the national security of the United States and our allies and partners. This region is the largest source of illicit drugs and illegal migrants to the United States. Rule of law is under constant assault by illicit networks that engage in bribery, coercion, and violence that disrupt legitimate economic opportunities. Their illegal activities in turn provide fertile ground for ESAs—particularly China and Russia—who capitalize on the opportunities provided by weak institutions and corruption to expand their influence. We see this most acutely in Venezuela, where Russia contributes to propping up the corrupt Maduro regime in return for increased access and leverage, but this practice is widespread. Enormous sums of Chinese cash, coupled with murky conditions on loans and business deals, have the potential to exacerbate the region's corruption problem.

Where threats are transregional, multi-domain, and global—like ESAs—the United States must renew focus on our neighbors and our shared Western Hemisphere neighborhood. Our strong partnerships, rooted in shared values, provide us with an advantage that no competitor can match. Continuing to increase security and stability in this hemisphere will expand opportunities for legitimate trade and investment for the United States and our allies and partners. Working with our partners to address shared challenges and threats—including weak governance, corruption, transnational criminal organizations, and the flow of illicit drugs—not only increases the security of our homeland, it decreases the ability of malign actors to exploit this region at the expense of our shared interests.

I look forward to discussing the nature of ESA activity in detail, how we're working with partners to address them, and what we need to maintain our competitive edge.

## CHINA

China poses a significant long-term threat. While the military problems it poses are most acute in the Indo-Pacific region, China has nonetheless turned its attention to the Western Hemisphere, quietly accumulating unprecedented levels of influence and leverage. China is now inside our own neighborhood seeking to displace the United States as the partner of choice and weaken the commitment of our partners to the rule of law and democracy.

*Economic engagement.* China's increasing access is enabled by economics. As in other parts of the world, China is adept at leveraging its economic instruments of power to achieve its strategic interests, often in ways that can undermine the autonomy of countries: corrupt practices, non-transparent and excessive loans, restrictions on market economies, and potential loss of control of natural resources. China's aim is to become the region's largest investor and creditor. China plans to increase trade with the region to \$500 billion by 2025. With 19 nations in the region now participating in the One Belt One Road Initiative and pledges of at least \$150 billion in loans, Beijing is translating this economic heft into political influence. It is the single largest creditor of the Maduro regime, saddling the Venezuelan people with more than \$60 billion in debt and providing financial lifelines that have helped keep Maduro in power.

*Access.* On the maritime front, China has significantly increased its naval deployments to the region, increasing its regional port calls by 70% over the last five years. Chinese companies currently have over 50 active port projects in the hemisphere, and planned investments will more than double the amount of ports where China has a presence. In the future, China could use its control of deep water ports in the Western Hemisphere to support global military deployments. Particularly concerning is China's effort to court Panama and exert control over key infrastructure associated with the Panama Canal. Hong Kong-based company Hutchison Whampoa operates ports on either end of the Panama Canal, and the Chinese government has aggressively invested in Panama's infrastructure, security, and telecommunications systems. China recently completed three infrastructure projects valued at \$1 billion, and is slated to complete five more projects this year worth over \$2.5 billion.

*Data protection.* China's telecommunications investments and access to space tracking facilities in the hemisphere place military operations, intellectual property, and private data at risk. Chinese firms like Huawei and ZTE have aggressively penetrated the region with telecommunication projects in 16 countries, providing the backbone of commercial and government communication systems for most of the region. As we've seen elsewhere, Huawei's 5G systems presents significant national security concerns. Because of the intimate relationship between Chinese businesses and China's National Intelligence Law,<sup>1</sup> we have significant concerns that any data transiting China or processed by Chinese companies is at risk to access by the Chinese government. If governments in Latin America and the Caribbean continue to gravitate toward using Chinese information systems, our ability and willingness to share information over compromised networks is likely to suffer.

*Surveillance technology and authoritarian systems.* China is also increasing sales of its surveillance technology through its "Smart and Safe Cities" initiative. What seems like a good idea—technology to help improve safety in crime-ridden areas, for example—may come with substantial hidden costs. Citizens living in democracies in the Western Hemisphere could potentially have their entire digital identity under the surveillance of an authoritarian government. Beijing has a long track record of controlling information and suppressing dissent within China, and is now exporting these tools to the region's authoritarian leaders, as we've seen in Venezuela with the new "fatherland" card—created by ZTE—that Maduro uses to monitor citizens and dole out scant resources to his loyalists.<sup>2</sup>

*Security cooperation.* China uses weapons sales and donations and security services' training (similar to our IMET program) to improve security cooperation and offer an alternative to U.S. military training. It has donated equipment to our partners in the region and provided anti-riot gear the Maduro regime uses to suppress protests in Venezuela. Additionally, China's "no strings attached" approach to security cooperation and economic relationships presents a challenge to Inter-American values of democracy, sovereignty, human rights, and the rule of law. Unlike the

<sup>1</sup> China's National Intelligence Law provides that "any organization or citizen shall support, assist, and cooperate with state intelligence work in accordance with the law, and maintain the secrecy of all knowledge of national intelligence work."

<sup>2</sup> Assistant Secretary of State Kimberly Brier, Remarks on *China's New Road in the Americas: Beyond Silk & Silver*, April 26, 2019.

United States and our allies, the Chinese government places no demands on their partners to implement governance reforms, protect human rights, strengthen institutional accountability, or play by the established rules. China has zero interest in advancing these values; instead, it often attempts to undermine them as part of its long-term strategic goals that include support in international fora and access to mineral wealth.

*Sovereignty threats.* China undercuts regional sovereignty and international norms through the widespread practice of illegal fishing in the exclusive economic zones (EEZs) of countries such as Argentina, Ecuador, and Chile. When our partners have attempted to enforce rule of law, Chinese flagged vessels have responded aggressively, endangering the lives of sailors and coast guardsmen in the region. Although it has pledged to designate all variants of fentanyl controlled substances, China's capacity and will to stop illicit shipments has been uneven. The vast majority of fentanyl flowing into the United States still originates in China, with many of the precursor chemicals needed to produce fentanyl illegally trafficked into Mexico, Central America, and the Caribbean via regional drug dealers and corrupt Chinese businessmen.

#### RUSSIA

In contrast to China's long-term strategic approach, Russia seeks to be more of a "spoiler" in the region by attempting to disrupt or undermine U.S. engagement. Russia seeks to sow disunity and distrust, propping up autocratic regimes in Cuba, Bolivia, Venezuela, and Nicaragua, which are counter to democracy and U.S. interests.

*Disinformation.* Moscow continues to use Latin America and the Caribbean to spread disinformation. As we've seen elsewhere in the world, Russia floods the internet, social media, and television outlets with original and reproduced propaganda, using RT-TV and Sputnik Mundo to employ a "fog of falsehood" designed to disorient audiences. These state-run media outlets allow Russia to discredit, slant, or outright fabricate stories about the United States, our partners and allies, and our role in the region. Russia also supports its authoritarian cronies through propaganda and other information-related tools, providing positive media coverage of its autocratic allies, papering over repression and socioeconomic inequity in Venezuela, Cuba, and Nicaragua.

*Shows-of-force.* Russia's deployment of two nuclear capable bombers to the Western Hemisphere last year, and its most recent deployment of its most advanced warship (an ADM GORSHKOV-class frigate) are intended as shows of force to the United States. While aimed at us and the region, this message is also aimed at Russia's domestic audience, as part of a broader effort to distract from internal issues and endemic corruption. In addition to its regular deployment of intelligence collection ships, Russia has also deployed underwater research ships to Latin America capable of mapping undersea cables—information it could use to cut critical lines of communication during a future crisis.

*Security cooperation.* Latin America and the Caribbean is a major market for Russian arms sales, and Moscow continues to make inroads into traditionally US-dominated training activities. Since 2009, Russia has sold nearly \$9 billion in military equipment to Venezuela, including combat aircraft, tanks and Surface-to-Air-Missile systems (SAMS). In March, Russia inaugurated a helicopter training center that can train up to 300 Venezuelans on Russian-made aircraft, allowing the Venezuelan military to increase its combat readiness. Since 2012, security officials from nearly all Central and South American countries have received Russian CN training. These engagements, combined with Russia's Counter Transnational Organized Crime Training Center (CTOC) in Nicaragua, potentially provide Moscow with a regional platform to recruit intelligence sources and collect information.

*Support to authoritarianism.* Russia uses the sanctuary of its robust relationships with traditional allies—Cuba, Nicaragua, and Venezuela—to gain a foothold close to our homeland, and enable destabilizing activities by like-minded, authoritarian governments. Russia has successfully pursued simplified port access agreements in Nicaragua, and is establishing joint space projects with partners in the region, such as Cuba, which it could eventually leverage for counter-space purposes in the event of a global conflict. The Cubans and the Russians remain the main foreign supporters of the Maduro regime, with both malign actors providing security advisers and Cuba embedding numerous personnel in Venezuela's armed forces and intelligence services. As tensions increase with Russia in Europe, Moscow may leverage these longstanding partnerships to maintain asymmetric options, including forward deploying military personnel or assets.

## IRAN.

Iran remains the most significant state sponsor of terrorism around the world. Iran has looked to reenergize its outreach in Latin America and the Caribbean in recent years. The Iranian Threat Network, to include Lebanese Hezbollah, maintains an established logistical, facilitating, fundraising and operational presence in this region that can be quickly leveraged with little or no warning in a contingency. Many of these Hezbollah networks cache weapons and raise funds, often via charitable donations, remittances, and sometimes through illicit means, such as unsanctioned drug trafficking and money laundering. Last September, Brazil arrested a Hezbollah financier in the tri-border area near Paraguay and Argentina, and in recent years Paraguay, Peru, and Bolivia have arrested multiple Hezbollah-linked suspects. Having a footprint in the region also allows Iran to collect intelligence and conduct contingency planning for possible retaliatory attacks against U.S. or Western interests.

## NORTH KOREA

Although not as significant a threat as other ESAs, we remain concerned that Pyongyang could use its small presence in the region to collect intelligence or conduct contingency planning. Given its efforts to generate revenue and history of working with supporters like Cuba to circumvent sanctions, North Korea is likely engaged in some form of illicit activity in Latin America.

*Outcompeting ESAs.* Outcompeting China and countering other ESAs requires a whole-of-government approach, of which the military plays a small but important role. Strong partnerships—enabled by engagements and presence, intelligence and information exchanges, and education and training—are our primary bulwark against the influence of malign actors in the hemisphere and are bolstered by our work together on military professionalism.

*Engagements and presence.* We have to be on the playing field to compete. The same presence that strengthens our partnerships sends a powerful signal to Russia, China, and others that the United States is committed to the region and to the security of our neighborhood. Key leader engagements, high-profile visits, multinational exercises with visible U.S. presence, and our wide array of security cooperation, training, and capacity-building demonstrate meaningful U.S. commitment. We appreciate efforts by the Congress to recognize the need for consistent presence and focused attention on this hemisphere. In recent years, Congress has generously provided funding for additional air and maritime platforms, as well as intelligence capabilities that enable USSOUTHCOM to strengthen our partnerships throughout the region. During my recent posture hearings before the Senate and House Armed Services Committees, I witnessed bipartisan support for reinvigorating our relationships within our neighborhood and USSOUTHCOM is postured to work side-by-side with our partners to advance the security of this hemisphere against all competitors.

*Information & intelligence sharing.* For our part, we are increasing cooperation with partners to better understand, expose, and counter the malign activities of Russia, China, Iran, and their authoritarian allies. We are also working more closely with other U.S. combatant commands and the Joint Staff to ensure that globally integrated plans and operations are informed by threats and opportunities in this hemisphere, as well as continuously improving the quality, frequency, and depth of our intelligence exchanges.

*Education and training.* Additionally, our work with partners to reinforce the hemisphere's substantial, but incomplete, progress in human rights is even more critical in light of Russia and China's own disregard for human rights. USSOUTHCOM's Human Rights Initiative—which just celebrated its 20th anniversary—has conducted more than 200 human rights engagements that have enhanced the ability of partner nations to build professional forces that have legitimacy in the eyes of their populations.

As I have discussed in previous testimony, the Department of State's security assistance programs—like International Military Education and Training (IMET) and Foreign Military Financing (FMF)—are strategic game changers. Education and training for partner nation personnel facilitate mutual understanding of our values, doctrine, and cultures, while building life-long friendships that enable strong partnerships despite political shifts or changeovers. This understanding allows us to operate with our partners more effectively, while strengthening shared values. Since 2009, IMET has provided opportunities for over 55,000 students from the region to attend schools like the Western Hemisphere Institute for Security Cooperation (WHINSEC), the Inter-American Air Force Academy (IAAFA), and the Inter-American Defense College (IADC). While China and Russia have made inroads in equip-

ment sales, our partners still prefer United States equipment, which offers the “total package” approach that includes training, maintenance, and sustainment. Just like U.S. military-to-military partnerships, U.S. equipment is built to last. We also appreciate the support of Congress on our security cooperation programs that enable us to build these partnerships.

#### CONCLUSION.

Chairwoman Ernst, Members: I’ll end with a final observation. External State Actors offer the region many things (not all of them benign), but the United States takes on the hard challenges—helping our partners develop leaders, agencies, and institutions. Our partners in the region want to work with us, train with us, learn from us, and fight alongside us. They share our vision of a safe, prosperous, and secure neighborhood. The right, focused and modest investments in this hemisphere yield a solid rate of return for the United States, in the form of capable partners that contribute to our shared security, and reduced opportunities for inroads by External State Actors. Thank you.

Senator ERNST. Thank you very much, Admiral.

What we will do, I will go ahead and start with just a couple questions, and we will go back and forth in order of arrival. With that, we will go ahead and get started. Feel free to take as much time as necessary, Admiral, to discuss the challenges and opportunities that you have in SOUTHCOM.

Just to start, sir, the National Defense Strategy clearly identifies great power competition between the United States and, of course, China and Russia as the most pressing threat to national security. Given their expanding presence in your AO [area of operations], the NDS has particular relevance to your area of responsibility. If you could, explain what is the role of the United States military as we are competing with China and Russia in the western hemisphere. What more can we be doing?

Admiral FALLER. Our focus is to build strong partnerships. Twentyseven of 31 nations are democracies. We focus on partnerships. That is the best way to out-compete China. Our partners want to work with us. They want the advantage of United States education, training, and exercises and military equipment. It is the best in the world. It is up to us to deliver that in a way that is relevant and also provides a return on investment for American taxpayers. That is our focus.

Colombia and Brazil are two very good examples where we spend a lot of time. We have traveled to Colombia on multiple occasions. We have been to Brazil. Their chiefs of defense have been to see us. It begins with intelligence sharing and education, frankly, at a person-to-person level and a mil-to-mil level. We enhance each other’s situational awareness, strengthen our understanding of the opportunities and challenges, and work on education both in their schools and in ours. I have had the opportunity to go down and speak at their institutions. That is the foundation.

That counters Russia and China best because frankly they cannot compete with our system. They are trying. They are in the area. Everywhere I go, the chiefs of defense say the Chinese have come. They have offered us free education, unlimited travel, an opportunity to go to their schools. They have taken and replicated our model. They have stood up Spanish language training in Beijing. The message I get from our capable partners is we do not want to train with them. We want to continue.

The best way is to be consistent to offer the level of service and demand that the partners can meet. We operate at their speed and

then also ensure that there is something that we give back. When you meet a new chief of defense, for example, the new chief of defense in El Salvador and the new minister of defense in El Salvador, both graduates of United States service schools—in fact, the chief of defense I think has been to five United States schools, and the minister of defense graduated the Naval War College in Newport. They are committed to working with us, not with others, and that is the way we move forward in a real meaningful way, Senator.

Senator ERNST. Thank you very much.

Just to go a little bit further with that, I do firmly believe in those mil-to-mil opportunities, whether through training, exercises, or through educational opportunities.

Now, maybe you can expand a little bit on the lack of opportunity that we have been able to extend to other military members in attending our military schools. If you could talk a little bit about what some of those challenges are, whether it is funding or otherwise, it would be good to hear about that.

Admiral FALLER. The opportunity to expand our offerings of education in our military schools and training in our schools—and there is a difference, but both to get after technical schools and the some of the professional military—is the single best investment we can make long-term to our partnerships. Graduates of our school systems go back with an understanding of U.S. doctrine, U.S. tactics, techniques, and really become lifelong friends. The chief of defense in Argentina, for example, is an honor grad of the Army War College and very proud of it and was just admitted into the Army War College Hall of Fame. That fact is known by the political leadership in Argentina and it is valued. I find him to be one of my best generals. He has also been one of my best strategic partners.

The principal source of funding for education comes from the International Military Education Training, IMET, account. It is State Department-funded that has basically been flat-lined as long back as I can do the math. Then your dollars, in current year dollars, of flat accounts, get us less school seats over time because the schools cost more than what we are able to contribute within the rules.

I have advocated and former defense secretaries have as well that we would be well served to look at an increase in this. The overall account of the entire Department of Defense is somewhere just north of \$100 million, and for SOUTHCOM, it is about \$11 million. I think I could absorb \$18 million, a modest increase. When you look at the kinds of monies we are spending in other areas, this is a low amount of money for a high dividend, high payoff. I would advocate that is an area we could expand.

I am glad we are not like these others. I will not dignify by naming the names of the countries that come in and offer no-strings-attached training. I am glad we have vetting and emphasize human rights. It is the right thing to do. It should be a high bar to go to our schools. We should get a return on investment from it. I think we do the right things with the way we screen and invest and look at the long-term return on investment for both our forces. That is an area I think we would do well to expand, Senator.

Senator ERNST. Very good. Dollars well spent. Thank you very much, Admiral.

Ranking Member Peters?

Senator PETERS. Thank you, Madam Chair.

Again, Admiral Faller, thank you for being here. Admiral, we appreciate it.

I think it is clear from the discussion that we had earlier in my office, as well as in your testimony that you provided here at the opening, is that you agree that corruption, lack of economic opportunity, violence, and really the failure of democratic governance in the Northern Triangle is a significant cause for some of the mass migration that we are seeing out of these countries, as well as the drug trade through these countries. Is that an accurate statement?

Admiral FALLER. Senator, the connection between weak governance, corruption, transnational criminal organizations, and then even the opportunity for China and Russia, as you articulated, is significant, and I consider that the number one security threat that we face here in this hemisphere because that same corruption breeds criminal activity, could breed terror activity, and certainly breeds the kind of dirty deals that other external state actors come in and thrive on.

Senator PETERS. In order to deal with that breakdown of the governance, it would probably make sense to have a whole-of-government approach in dealing with it, and that means not just the military operations that you are engaged in but also NGO [non-governmental organization] activities that are working on civil society instructors. I know you have had experience working with some of the NGOs, particularly in the Northern Triangle. Are they helpful? Do you think that is part of the approach that we need to take in order to stabilize those countries?

Admiral FALLER. Strong institutions and strong defense institutions in these countries contribute to the whole-of-government solution, and that is where we focus. We have a program called defense institution building which gets after that through our Perry Center here in Washington, DC. As that plays into a whole-of-government strategy across what we call the DIME, diplomacy, information, military, and economics, that is the best solution long-term. When we play into that with the private sector and NGOs, that is the best way to get the most lasting, resilient, long-term results, Senator.

Senator PETERS. You are saying programs like USAID, State Department programs, in those countries are critically important for us in our work to stabilize those areas and hopefully prevent migration and some of the drug trafficking that comes out of those countries?

Admiral FALLER. The integration of all elements of our power is key. I have a civilian deputy who is a full ambassador from the State Department. She has former USAID experience, Ambassador Ayalde, and we have a senior executive from USAID that sits to my immediate left at every meeting as one of my most senior reps so we can figure out how to best integrate it.

Senator PETERS. The Trump administration recently cut off all non-defense aid to the countries in the Northern Triangle, as I know you are aware of, Guatemala, Honduras, and El Salvador.

Did the administration consult you as to whether or not that would make sense?

Admiral FALLER. The pressure that is being applied to these governments I would offer is good. The decision to cut off is a policy decision, and I am not normally part of policy decisions, Senator. But I advocated and articulated to the defense leadership the important contributions that professional militaries from Honduras, Guatemala, and El Salvador have made, particularly in the counternarcotics fight where their special forces are really getting after it in a way that is paying dividends for United States security. That is why we were able to continue our mil-to-mil engagement, Senator.

Senator PETERS. Admiral, the Leahy Law bars assistance to security forces who have committed gross human rights violations, as you are aware. Would it make sense to add corruption to the list that would cut off security assistance, particularly of corruption that enables drug and human trafficking?

Admiral FALLER. Senator, I do not know that I would have thought through enough how corruption might play in the Leahy Law. I think the Leahy Law is extremely effective. It is demanding, rightly so, and it produces units that we can trust and that we can look at and know are doing the right thing with respect to human rights.

Senator PETERS. Admiral Faller, in the “Financial Times” interview from June 26th, 2019, President Putin said that, quote, there are no Russian troops in Venezuela and characterized the personnel there as just specialists and instructors to train local forces. Yet, multiple press outlets have reported that paramilitary forces linked to the Wagner group deployed to Venezuela to provide security for President Maduro. These are the same forces, as I know you are very aware, that conducted missions on the Kremlin’s behalf in Ukraine, Syria, and other countries across Africa.

How would you characterize the actions of the Kremlin and Kremlin-linked forces in Venezuela? Is it just regular training, as Mr. Putin alleges, or is it something more nefarious?

Admiral FALLER. Senator, we have consistently seen the way Russia manipulates media around the world. At one point in February from my full Senate Armed Services Committee hearing, about a week before the hearing, I was here doing pre-hearing office calls, and I came out of Senator Rubio’s office to the news that Russian state TV was reporting my presence on the Colombia-Venezuela border, including a picture of someone who was not me and B roll footage of tanks and planes poised to conduct an invasion. I think that sort of states Russia’s approach overall to accuracy.

There are Russian troops. There are Russian defense contractors. Their presence is in the hundreds. In Venezuela, they are supporting the Maduro regime. They are keeping Russian gear operable. They are conducting a full range of activities you would expect a foreign power to do to prop up their puppet regime.

Senator PETERS. Thank you, Admiral.

Senator ERNST. Senator Hawley?

Senator HAWLEY. Admiral, thank you for being here and thank you for your leadership.

Is it fair to say that one key Russian and Chinese objective in the region is to reduce United States influence and access?

Admiral FALLER. Senator, I think it is. I would differentiate it slightly.

I think for Russia that I would characterize it as almost a wounded bear wanting power. Their principal objective is to make the U.S. look bad at whatever turn they can and do anything that would blunt a U.S. advantage, even if that advantage is for the international good and the people, as it is in Venezuela.

For China, they have legitimate economic interests around the world, and I know we are working hard as a nation to figure out how those legitimate international interests can actually be played using the rule of law. They have an economic interest primarily. But make no question that my research, my study, the 56 ports that they are working on, the extensive IT [information technology] infrastructure, the extensive work they are doing in cyber, the space access that they are working on, all these things that would be characterized I think by Chinese state officials as soft power—they have hard aims. As I said in earlier testimony this year, they are setting the stage for future access and influence that would have clearly military dimensions.

Senator HAWLEY. Just on this last point there about China with their ports, with their cyber, with their development, you see that as part of a larger strategic plan on China's part to ramp up their influence in the region and also to diminish ours. Is that fair to say?

Admiral FALLER. China has global aims that extend beyond economic, and I think we have got to continue to out-compete China globally, including in this neighborhood, this hemisphere.

Senator HAWLEY. Thank you for that answer.

Give us a sense of what you think in your judgment that looks like. What does it look for us to out-compete them, and what do we need to be doing to meet and turn back their strategic aims here?

Admiral FALLER. There are a lot of security challenges around the world, as have been outlined: North Korea, Iran, Russia and their near abroad, China, South China Sea. We have to make sure that we look at those globally, and we are as a department. We have to make sure that they are resourced globally and resourced to a sufficient level so that China does not come in and fill that vacuum when we are not there. At a point, you cannot do that and just be a schoolhouse in Carlisle, Pennsylvania and Newport, Rhode Island or Montgomery, Alabama, at any one of our excellent war colleges, or at Western Hemisphere Institute for Security at Fort Benning or here in the Perry Center in Washington. At a point, we have got to be in the region, be present. That means U.S. Navy ships, Coast Guard cutters, Marine special purpose MAGTF [Marine Air Ground Task Force] forces, special operations forces, small numbers. We have in some cases adequate numbers now, but if we took reductions—we might have to for the global fight—that would have a disproportionate impact I think in the long-term ability to work with our partners.

Senator HAWLEY. Are there capability gaps that you have currently that you are concerned about that we should be doing something about?

Admiral FALLER. I am concerned. The littoral combat ship is an excellent platform the Navy is bringing online. It has had some growing pains. I am confident we are going to come out of those. The sergeant major and I spent several hours on a littoral combat ship in Mayport, Florida recently. It is a capability we need. We do not have it. The Navy is committed to deploying one in October. I will not give the name but a ship in October. We look forward to that. We do not have a Navy combatant now, and so that is a capability gap.

Intelligence, surveillance, reconnaissance assets are challenged worldwide. We need those for monitoring the situation in Venezuela, also for the global counternarcotic fight, the crisis in this nation. That is our number one asset to detect that flow. We are short assets, yes, Senator.

Senator HAWLEY. Thank you for that. That is very helpful.

Let me ask you about our mil-to-mil contacts there, which you have already discussed some. They seem to be in your region relatively narrow focused and at the small unit level. I am just wondering. Do you feel that our training events with our partner nations are focused at the right level, and are they having the effect that you think they should be?

Admiral FALLER. We do focus at the unit level, and the basic blocking and tackling rightly starts there. But we also have some high end exercises with our very capable partners.

So we just completed UNITAS, which is the longest serving maritime exercise that the United States has of 60 years. This was the 60th year. Our very capable Chilean partners led that and hosted it and were in command of that exercise. Twelve nations in that exercise from around the globe, observers from the UK [United Kingdom] and others and ships from Ecuador in a very capable high end exercise.

At the same time, we had our Forces Commando, so 19 special operations forces, squads working together as a team in a competition also in Chile simultaneously operating.

We do have high end exercises. I think there is more we could do to increase the level and complexity of those and bring more partners in, and that is one of the things we are focused on if there are additional resources for exercises.

Senator HAWLEY. Can I ask just one more question, Madam Chair?

The last question just on UNITAS, since you mentioned it, Admiral. I understand over 1,700 personnel participated, 12 nations. Can you describe the degree of trust among the member nations, the participating nations, alignment of priorities, things you feel came out of this that you would report on to us?

Admiral FALLER. I attended the opening ceremony and had a chance to sit into the pre-sail brief in the hangar of a Chilean frigate and went down the line and met the lieutenant who was leading the diving salvage and the aggressor force of a 03 lieutenant who was leading the opposition force, the commander of the Chilean sub who was going to go out and sink the high end American destroyer, the Michael Murphy, named after one of our Medal of Honor winners. You saw a band of brothers standing there on the flight deck. It would make any one of us proud. That is exercise

money, train dollars that is well spent. That exercise covered everything from HADR [high availability disaster recovery] to response to a terrorist activity, and it was intense.

Senator HAWLEY. Thank you.

Thank you, Madam Chair.

Senator ERNST. Thank you.

Senator Shaheen?

Senator SHAHEEN. Thank you, Madam Chair.

Thank you, Admiral Faller, for being here today.

You mentioned the shortfall in the global counternarcotics effort, and as I am sure you are aware, the opioid crisis in the U.S. was responsible for more than 47,000 deaths in 2017. Much of those substances come in through Mexico. Heroin grown in South American countries, particularly Colombia, is trafficked to the United States by air and sea. It has a real impact on the entire country, as you know. In New Hampshire, we have the second highest opioid-related overdose deaths in the nation.

Can you talk a little bit about what you are doing to coordinate with State governments and the U.S. on this effort?

Admiral FALLER. The drug crisis is a national security crisis, Senator. It is that easy to get drugs in and the other illicit commodities that can come along those same networks. It is a significant focus of ours.

As I mentioned in a previous question, there are insufficient resources dedicated. We are working as hard as we can with the Coast Guard. It is a premier agency, and they are working hard. They have dedicated twice the number of cutters to the effort than what they commit in their annual global plan, which shows the level of commitment. Our Navy has stepped up to commit more.

Joint Interagency Task Force South in Key West, as you know, is the premier center and, with about 1.5 percent of the budget, gets about 90 percent of the drugs headed into the country, cocaine which is principally coming from Colombia.

We are working as hard as we can with our partners across the U.S. interagency, principally in the Joint Interagency Task Force South, and in the committees here in Washington, D.C. to look at ways to be more effective and to put more resources and intelligence and thought into the interdiction problem.

It is also a supply problem and a demand problem. In that regard, I would have to say that Colombia has stepped up in a significant way, and while the statistics that you cite do not reflect that because of the time lag, what has been published and made public for 2018 since President Duque has taken over is a significant increase in eradication, manual eradication, a significant increase in Colombian partner interdiction, a significant increase in the Colombian forces' contact with the narcotraffickers and the terrorist groups that deal in this.

Working with our partners, both in the United States interagency and our other host nation partners, 40 percent of our interdictions right now are by these partner nations that we train and work with in Colombia. I mentioned already the very capable forces of El Salvador, Honduras, and Guatemala. I would have to add in there Panama and Costa Rica have stepped up.

But more can be done, and we are dedicated to that because there are still way too many drugs that are getting through and getting to this country, Senator.

Senator SHAHEEN. Well, thank you very much.

I want to switch subjects now. I am looking at a contract award document from the Defense Logistics Agency for February of 2018. One of the projects described here is for a contingency mass migration complex at Naval Station Guantanamo Bay, and it is a \$23,164,000 fixed price contract for construction of that mass migration complex. It includes site shaping for tents, concrete pads for camp headquarters. It goes on to talk about mass notification system, various infrastructure requirements.

Are you aware of this contract, and have you been part of any discussions about what that mass migration complex is going to be used for? Is it going to be used for movement of migrants from our southern border to Guantanamo Bay?

Admiral FALLER. Senator, one of our missions is to be able to handle any kind of mass migration event that is a SOUTHCOM mission. We have experienced that in the past with some migrants from Cuba and Haiti.

Part of the naval station at Guantanamo Bay is an unimproved field that could be subject to any kind of weather conditions, mud. To get that field to a standard so if we had a mass migration, as I mentioned from Cuba or Haiti, we could keep the migrants on cement pads instead of in the mud and have power and water for sanitation ready to go. We did not currently have adequate facilities for the numbers that we would estimate in those worst kind of migrations.

I have been down to look at the progress. I was there at the start of the work. Work is ongoing. We are supervising it.

We also run an annual training drill. We actually send our Army South soldiers there to walk through the command and control and the interagency coordination that may be required. I am very much involved in the details. That is for a projected future mass migration event. There has been no discussion or no order given to me to prepare that site for any kind of southwest border flow.

Senator SHAHEEN. Are you aware of any discussions that have been held that you may not have been given a direct order, but have you been part of—or do you know of any discussions that have been held to move southern border migrants there?

Admiral FALLER. No, Senator. Nobody has had a discussion with me to that effect.

Senator SHAHEEN. Thank you.

Senator ERNST. Senator Hirono?

Senator HIRONO. Thank you, Madam Chair.

I would like to follow up on the questions that Senator Shaheen just asked.

She referred to a \$23 million—

Senator SHAHEEN. It is over \$23 million. It is almost \$24 million.

Senator HIRONO. Twenty-four million dollar contract to house people as a result of mass migration. What is that money for? Is it just what? I do not understand. Is it not going to go to put some buildings up in this field that you are talking about at Guantanamo Bay?

Admiral FALLER. Senator, we currently have a migration operation principally for Cuban migrants, and there are a small flow of migrants that come from Cuba—

Senator HIRONO. This money is for mass migration. I do not think we are talking about Cuba or Haiti.

Admiral FALLER. The current facilities are inadequate to hold any more than a few hundred. The worst case plans based on historical analysis or some kind of future event—it could be a weather-related event—would call for a larger infrastructure footprint that could hold into the tens of thousands. That is what that is based on. It is based on electrical infrastructure, sewage, water, power, concrete pads, some sanitation buildings. It is a very spartan camp, though, Senator.

Senator HIRONO. Admiral, are you saying that this money is not for the purposes of moving some of the migrants from the Northern Triangle countries to Guantanamo Bay?

Admiral FALLER. That is correct, Senator, not for.

Senator HIRONO. Any news reports that say that there is a potential for housing these people at Guantanamo Bay would be mistaken?

Admiral FALLER. I have seen the same news reports, Senator, but the program money and the project we are overseeing and the mission we have is for mass migration, not the southwest border.

Senator HIRONO. You have not gotten any order or there is no direct order, no discussion about sending people from the Northern Triangle to Guantanamo Bay. But if such an event occurs or such discussions occur, would you let this committee know?

Admiral FALLER. Senator, I assure you I would if there was a discussion or an order that I had in that respect.

Senator HIRONO. Okay, because of course with thousands and thousands of people coming from the Northern Triangle, our facilities are bursting at the seams and there is no question that there is an acknowledgement that some of our defense assets might be put to use to house these people. I think it is a matter of great concern for us.

On page 1 of your testimony you talk about the impact of interstate competition with China and Russia, who are capitalizing on the instability within your AOR. China, as you know, is a primary threat in the Indo-Pacific AOR, but they are, of course, increasingly turning to other countries; they spread a wide net.

What impact have China's activities on Southern Command had with your relationships with partner nations? Because, you know, China is very busy trying to insert themselves into having influence with our partner countries in that area. Is it making it harder for you to retain these important relationships with our partner countries?

Admiral FALLER. Our partners still want and view us as a partner of choice, and our schools, education, and everything is preferred.

I think the challenge comes in if we do not have the speed, the quantity, or for some reason we are not there to be able to provide the partnership. From that respect, I will give you one example, Senator. I am having my third cup of tea with one of the leaders from a capable Caribbean partner nation. I do not start out asking

about China. I start asking about the things that are mutual threats, how they perceive them. I have a lot to learn in my tour. But we get to China, whether they bring it up, I will bring it up. Then I will be blunt and ask what is China providing for you, and this particular chief of defense said they gifted me \$23 million last year. I said, well, what did you do with it? Just \$23 million. Here is cash. I looked at my security cooperation card, and I think my total sum of assistance was \$1.5 million, which I thought was pretty adequate.

We are not going to compete in volume. We have to compete in quality and speed of relevance. Sometimes that may be fast, sometimes slow based on what the partner needs.

That does make it challenging, though. Twenty three million dollars. The chief of defense said, well, I did not buy any IT with that, Admiral. I am like, well, okay. But I mean, there are only so many uniforms you can buy for \$23 million. You did something with it. I get it. It is hard to turn down cash. That is the challenge that we are competing with.

Some of the partners are turning it down.

Senator HIRONO. One wonders for how long can they turn down what might be basically free money.

Are China and Russia also involved in the Northern Triangle countries?

Admiral FALLER. It is different per country, and I try to always break them apart and go country by country. The previous leadership in El Salvador had a little different view about China and changed directions. I think the new leadership is much more pro-U.S. and really wanting to partner. I mentioned their chief of defense and minister of defense, and that is including both Russia and China. I see the same in Honduras and Guatemala. From a policy perspective, they stuck by Taiwan and the United States. Guatemala and Honduras have. I think it is different, but Russia and China are in there. They are trying to make inroads, and they will take every opportunity to move in if we are not.

Senator HIRONO. It sounds as though, with that kind of competition, your presence, whatever we can do to shore up our relationships is a constant thing for you. Keep doing it.

Thank you, Madam Chair.

Senator ERNST. Admiral, we will go ahead and do a second round of questioning. I think our members have additional questions they would love to hear your thoughts on.

We talked a little bit about Argentina during your office call and some of the deep space tracking facilities that are there. If you could in an unclassified setting in this room, can you elaborate on the assessed purpose of that facility and the threat that it is posing to our military and to other assets that we have here?

Admiral FALLER. China is working in space around the globe and across all elements of space. I think our focus on space is exactly right because we have to stay ahead in this area. They are looking for access points. They have found them in South America, and Argentina is principally one. The extent to what China is doing and the degree of military activity at that site is extremely concerning to the security of the United States.

Senator ERNST. Can you expound on what is the impact to the United States?

Admiral FALLER. China has the ability to have a more global view of all space activities, and that could run the gamut of offense and defense. Beyond that, we would have to go to a different setting, Senator.

Senator ERNST. Absolutely. Thank you. I appreciate that.

Outside of China and Russia—we spent a lot of time visiting about them. But Iran and Iranian proxies do have a long history in South America and in the western hemisphere. There was the 1994 bombing of a Jewish center in Argentina and the presence of Hezbollah-affiliated fund raising activities across the region.

How would you characterize their presence in this hemisphere, and what are their primary objectives?

Admiral FALLER. Iran continues to be the number one state sponsor of terror around the world, and their long arm of malfeasance is everywhere. We have seen that recently in their attacks on tankers. They have at least two attributable terror attacks here in this hemisphere

right here in Washington, D.C. where they attempted to kill the Saudi ambassador to the United States really within blocks of where we are sitting and their state-sponsored terror attack in Argentina. There are active connections between the Iranian regime and Lebanese Hezbollah fund raising activities throughout the region. We watch these closely. There is also Iranian sponsorship of Islamic centers with very dubious and questionable purposes throughout the hemisphere that has considerable ties to known terror activities in Iran. We keep our eye on this, and we work closely with our capable partners such as Brazil and Argentina to share information about these threats.

Senator ERNST. In your estimation then, these elements that exist in this hemisphere—are they capable of hindering U.S. objectives?

Admiral FALLER. We have seen what Iran is doing day in and day out, Senator, in the Arabian Gulf, in Yemen, in Saudi Arabia, in the UAE [United Arab Emirates], what they have done here in the past. I do not put much stock in their good intentions going forward. I think we have got our eye on this one as best we can with the resources we have.

Senator ERNST. Thank you, Admiral.

I will yield back my time.

Senator Peters?

Senator PETERS. Thank you, Madam Chair.

I am going to pick up on a question that the chair asked you about the domains. You have talked about the space domain, but the other domain that we need to be focused on is cyber, in particular Chinese activities around the world in that area.

Could you explain what the Chinese may or may not be doing in Latin America to expand their cyber capabilities?

Admiral FALLER. Start with the crisis in Venezuela. The Maduro-made crisis there, which now pushed out over 4 million migrants—unfortunately, it is affecting their region—is being aided, abetted by Russia, Cuba, and to a lesser extent but a significant one,

China. As I mentioned in my opening statement, China is also involved in enabling cyber for the Maduro regime.

We look broadly beyond that. The attractiveness of IT infrastructure and the safe city/smart city concept where IT infrastructure can provide surveillance opportunities for security forces is being actively pursued by a number of important partners in the region. We have been very actively involved with our interagency partners to explain the risks, and on a mil-to-mil and security force level, the partners get it. They have been able, in some cases, to articulate to their leadership to slow or stop some projects.

But they turn to us and say what is our alternative. Just like was mentioned about the money, Senator Hirono mentioned at some point you do need resources. They all say, hey, we need IT infrastructure. What is the alternative that will come forward that we can provide?

On a mil-to-mil level, we are working on some important security cooperation packages with CYBERCOM [U.S. Cyber Command], some of our first-ever security cooperation packages with partners that want to do more in this area. We have made some visits to do some assessments, and with the support of Congress, we are going to come forward with some 333 packages that will do training, education, and cyber infrastructure in a mil-to-mil realm. They are the first ones ever we are pushing with a couple of our very capable partners.

That has got to be our response, and that is another reason why we need to—when I talk more broadly about being there and being consistent, that is one of the areas we are going to look moving forward and that will help both of us on cyber defense. But China is there in a big way, Senator.

Senator PETERS. China uses cyber not just to deal with security issues, surveillance issues to prevent crime, but also to keep track of their population and, some would argue, to manipulate the population and get them more compliant with the regime.

Do you believe Latin American governments are also moving in that direction with the assistance of the Chinese?

Admiral FALLER. Senator, when I talk to our partners about the United States versus China, I said, look, I am not here to bash China. I am not here to even ask you to make a choice. I am here to talk about what is important to you and what is important to us, and I think I know where you come from where you honor and respect democracy, rule of law, human rights, and sovereignty. I look at those sort of four representative variables. I said I look at the competition that you might do business with, these other external state actors, and I know where we stand. We are not the perfect people, but we work really hard at being good in this country and particularly in our military. We make mistakes, but they are usually honest mistakes. I know where we stand on those four variables. I also know where the competition stands on those four variables. When you buy into a product, are you prepared to buy what might come with it, what kind of rule of law, what kind of respect for human rights?

I do not see currently an indication that people are buying into that in a way that is corrupting them or causing them to stray from their commitment to us and their commitment to profes-

sionalism. On a mil-to-mil level, I do not. But it concerns me when you look long-term, when you leverage yourself, and you look down the list, democracy, human rights, rule of law.

Senator PETERS. Thank you, Admiral.

Senator ERNST. Senator Shaheen?

Senator SHAHEEN. Thank you.

Admiral, as I am sure you are aware, in 2017 President Trump signed into law the Women, Peace, and Security Act, which mandates that we prioritize the inclusion of women in conflict negotiations and security structures and in peace negotiations.

Can you talk about how SOUTHCOM is implementing that law and how you see it helping you to accomplish your mission?

Admiral FALLER. Master Chief Stacey Arin is my gender advisor, sort of the alter ego to the command sergeant major here. She was at our full Senate hearing. She is out actually on a field trip working on this.

When we look at professionalism, what it takes to be a professional force, I think that is principally why people want to partner is we are professional. Professional forces are legitimate. Professional forces respect human rights, rule of law. They also respect talent and allowing equal opportunity to come in and compete irrespective of who you are, what you do, and whether you are a female or a male. That is what our approach is and how we talk about it.

My commanders conferences that I have—we have a big one coming up in August in Brazil for all the South American countries. That will be a focus point of the discussion with our counterparts and how they work that and how we work with them. We have actually had requests from some of our partners to say how did you, the United States, work through the integration of putting women on the team on combat ships at sea. That is one of the projects we are taking on with one of our partner nations right now. They are receptive to it.

We appreciate the act because it came with resources that help us to sponsor training courses. We hosted the first course where we are training the trainers. We had all the combatant commands at SOUTHCOM, and I kicked the course off. It was the afternoon of my first day in command actually. We are looking to kind of move this forward in practical ways that deliver combat capability. I actually think it does—I know it does—deliver combat capability.

Senator SHAHEEN. Well, I think it is also important to point out that there is a growing body of evidence that shows what a difference it makes to have women at the table in conflict resolution and peace negotiations where we know if women are part of those negotiations, they are more than 30 percent likely to last for longer than 15 years. I think for all kinds of reasons, including the ones that you cite, it is very important for us to see this law implemented. Thank you very much.

Thank you, Madam Chair.

Senator ERNST. Senator Hirono?

Senator HIRONO. Thank you.

Admiral, the Joint Interagency Task Force South helps detect, monitor, and stop drug trafficking. Last year, only 6 percent of known drug movements were interdicted.

Can you clarify for me? You mentioned it in your response to one of the questions that 40 percent of interdictions are by our partner countries. That is 40 percent of the 6 percent of the drugs that are interdicted?

When President Trump declared a national emergency to fund his border wall, he announced he would pull \$2.5 million from the Department of Defense's drug interdiction program. That is the program that we are talking about.

How are the funds in this drug interdiction program used to address drug trafficking? If these funds are diverted to build a border wall, how would this impact your ability to complete your drug interdiction efforts?

Admiral FALLER. Senator, the Joint Interagency Task Force South, as you mentioned, currently led by a Coast Guard two-star, is key to this effort, and they are doing a great job with about 1.5 percent of the overall counternarcotics funds for the entire United States Government to get about 90 percent of all the cocaine. Still, it is not enough. As you cite, 6 percent.

The policy decision on how the border security is done is not something that I am involved in. We have not had any cut in our funding for the counternarcotic fight. However that money is flowed, we have received the money that we have needed and do need to fight the fight that we are in. We do need more assets. That does cost money. But the principal problem that we face has not been a shortage of the counternarcotics money. We appreciate Congress' support in that. Thank you.

Senator HIRONO. Clarify for me that this \$2.5 million—you are not going to miss it if it goes away?

Admiral FALLER. If it went away, if we lost the money from our counternarcotics fund, we would miss it. I guess it was a long answer to we have not had a cut in our counternarcotics funding.

Senator HIRONO. Well, it may happen the way things are going.

Considering that, since the President is talking about diverting this money for a wall which, by the way, is not going to help in terms of your drug interdiction efforts because most of your drugs come through the regular ports of entry, not where a wall will be.

You noted in your testimony on page 2 that this area, your AOR, is the largest source of illicit drugs and illegal migrants to the United States. You note further on that you are working with your partners to address shared challenges and threats in this area, including weak governance, corruption, transnational criminal organizations, and the flow of illicit drugs. You say that you are looking forward to discussing the nature of this activity in detail and how you are working with the partners to address these issues.

Can you give me an example of how you are working with your partners to go after all of these, the weak governance, corruption, and, you know, all the litany of bad things?

Admiral FALLER. It is a team effort, and it is a big list, Senator, as you point out. Our principal partner within the Department of Defense is our NORTHCOM [U.S. Northern Command]. General O'Shaughnessy and I are in constant communication about how we ensure there is no seam between the Guatemalan-Mexican border and how we view and track these challenges.

At its heart, these are intelligence-driven challenges. What are the drivers of the migration? What are the key criminal organizations that are involved in the illicit trafficking, whether it is people, arms, drugs that prey on the weak governance? Sharing intelligence with our partners, building their capacity to understand their own environment, and then taking that intelligence and building into packages that we pass to partner nations' law enforcement and our own law enforcement is key because most of these challenges involve action by other government entities working very closely with Homeland Security to pass information that we know when we know it about migrant caravans or illicit drugs.

Senator HIRONO. Really, Admiral, to make an impact, you have to have a long-term commitment to addressing these issues, corruption, as I said, the entire litany. It does not help when you have \$450 million that is taken away from particularly the Northern Triangle countries. It does not help. I think you have to kind of acknowledge that.

Thank you, Madam Chair.

Senator ERNST. Thank you.

I appreciate the subcommittee's participation in today's activities.

Admiral Faller, thank you very much for being here and representing our men and women of SOUTHCOM so aptly. We truly do appreciate your service to our nation.

Thank you, Sergeant Major Zickefoose, for being here as well.

To you and your team, we appreciate the great input that you have provided for all of us.

With that, this hearing is closed.

[Whereupon, at 4:03 p.m., the committee adjourned.]

