4.F 76/1:IR 1/24

BRIEFING ON IRAQ AND HEARING ON THE INTERNATIONAL RELATIONS BUDGET FOR FISCAL YEAR 2008

BRIEFING AND HEARING

BEFORE THE

COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES

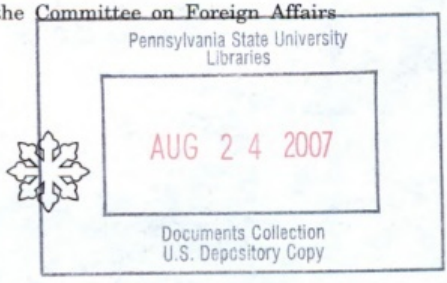
ONE HUNDRED TENTH CONGRESS

FIRST SESSION

JANUARY 11 AND FEBRUARY 7, 2007

Serial No. 110–59

Printed for the use of the Committee on Foreign Affairs



Available via the World Wide Web: http://www.foreignaffairs.house.gov/

U.S. GOVERNMENT PRINTING OFFICE

32–236PDF WASHINGTON : 2007

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512–1800; DC area (202) 512–1800
Fax: (202) 512–2250 Mail: Stop SSOP, Washington, DC 20402–0001

Digitized by Google

Original from
PENN STATE

COMMITTEE ON FOREIGN AFFAIRS

TOM LANTOS, California, *Chairman*

HOWARD L. BERMAN, California
GARY L. ACKERMAN, New York
ENI F.H. FALEOMAVAEGA, American Samoa
DONALD M. PAYNE, New Jersey
BRAD SHERMAN, California
ROBERT WEXLER, Florida
ELIOT L. ENGEL, New York
BILL DELAHUNT, Massachusetts
GREGORY W. MEEKS, New York
DIANE E. WATSON, California
ADAM SMITH, Washington
RUSS CARNAHAN, Missouri
JOHN S. TANNER, Tennessee
LYNN C. WOOLSEY, California
SHEILA JACKSON LEE, Texas
RUBÉN HINOJOSA, Texas
DAVID WU, Oregon
BRAD MILLER, North Carolina
LINDA T. SÁNCHEZ, California
DAVID SCOTT, Georgia
JIM COSTA, California
ALBIO SIRES, New Jersey
GABRIELLE GIFFORDS, Arizona
RON KLEIN, Florida
VACANT
VACANT

ILEANA ROS-LEHTINEN, Florida
CHRISTOPHER H. SMITH, New Jersey
DAN BURTON, Indiana
ELTON GALLEGLY, California
DANA ROHRABACHER, California
DONALD A. MANZULLO, Illinois
EDWARD R. ROYCE, California
STEVE CHABOT, Ohio
THOMAS G. TANCREDO, Colorado
RON PAUL, Texas
JEFF FLAKE, Arizona
JO ANN DAVIS, Virginia
MIKE PENCE, Indiana
THADDEUS G. McCOTTER, Michigan
JOE WILSON, South Carolina
JOHN BOOZMAN, Arkansas
J. GRESHAM BARRETT, South Carolina
CONNIE MACK, Florida
JEFF FORTENBERRY, Nebraska
MICHAEL T. McCAUL, Texas
TED POE, Texas
BOB INGLIS, South Carolina
LUIS G. FORTUÑO, Puerto Rico

ROBERT R. KING, *Staff Director*
YLEEM POBLETE, *Republican Staff Director*
ALAN MAKOVSKY, *Senior Professional Staff Member*
GENELL BROWN, *Staff Associate*

Digitized by Google
Original from PENN STATE

CONTENTS

Page

DATES

Briefing: January 11, 2007 1
Hearing: February 7, 2007 47

BRIEFER/WITNESS

The Honorable Condoleezza Rice, Secretary of State, U.S. Department of State:
January 11, 2007 2
Prepared statement 5
February 7, 2007 51
Prepared statement 54

LETTERS, STATEMENTS, ETC., SUBMITTED FOR THE RECORD

The Honorable Ileana Ros-Lehtinen, a Representative in Congress from the State of Florida: Prepared statement 49

APPENDIX

The Honorable Robert Wexler, a Representative in Congress from the State of Florida: Prepared statement, January 11, 2007 103
The Honorable Sheila Jackson Lee, a Representative in Congress from the State of Texas: Prepared statement, February 7, 2007 103
The Honorable Edward R. Royce, a Representative in Congress from the State of California: Prepared statement, February 7, 2007 105
Written responses from the Honorable Condoleezza Rice to questions submitted for the record by the members of the Committee on Foreign Affairs: February 7, 2007 106

Digitized by Google

Original from
PENN STATE

Digitized by Google

Original from
PENN STATE

IRAQ

THURSDAY, JANUARY 11, 2007

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The committee met, pursuant to notice, at 2:05 p.m. in room 2172, Rayburn House Office Building, Hon. Tom Lantos (chairman of the committee) presiding.

Chairman LANTOS. The Committee on Foreign Affairs will please come to order.

It is my great pleasure to welcome our most distinguished Secretary of State, Dr. Condoleezza Rice. In her 2 years at the helm of the Department of State, Dr. Rice brought her enormous foreign policy acumen to this hearing room on several occasions, and today marks the start of what we all hope will be her many appearances before the Foreign Affairs Committee under its new management. We are delighted to have you, Dr. Rice.

Let me also say, to set the stage both for you and for our colleagues, we all look forward to your next engagement with us on February 7th to discuss the budget requests from the Department of State; and, as is our practice, on that occasion we will have an opportunity to engage in a kind of comprehensive tour on the horizon that only you can provide.

Today, our focus is basically on Iraq, but I would like to give you an opportunity, Madam Secretary, to tell us at whatever length you choose your plans and your goals in terms of your upcoming visits to the Middle East. We certainly wish you the very best on this journey. You are confronting many difficult problems and we know you will discharge your responsibilities always with enormous skill.

Unfortunately, we will be having votes called shortly, so I will forgo my opening remarks and call on my good friend and distinguished colleague, the ranking member, to say whatever she chooses; and then we will turn it over to the Secretary.

Ms. ROS-LEHTINEN. Thank you very much, Chairman Lantos. It is a joy to be serving with you as ranking member, and I also will forgo my opening statement until later so that we can hear from the Secretary.

Chairman LANTOS. Madam Secretary, on behalf of all members of the committee, welcome. We are delighted to have you, and we would be grateful if you could tell us as in as much length as you choose what your upcoming visit to the Middle East is designed to achieve.

Digitized by Google
Original from PENN STATE

STATEMENT OF THE HONORABLE CONDOLEEZZA RICE, SECRETARY OF STATE, U.S. DEPARTMENT OF STATE

Secretary RICE. Thank you very much, Mr. Chairman; and thank you very much, Congresswoman Ros-Lehtinen. I look forward to continuing our long consultations. The fact is that we have worked very well together, Mr. Chairman, when you were ranking, and I look forward to your chairmanship of this committee.

Let me just say a few words about Iraq. I have a longer statement, Mr. Chairman, that I would like to have entered into the record.

Chairman LANTOS. Without objection.

Secretary RICE. In the opportunity of time, I will not read that. I just want to underscore a couple of things, and I will speak to the Middle East more broadly because I think it flows from the comments I will make on Iraq.

I think as I come before you today we all know this is a crucial moment for the United States. We all understand the enormous stakes in Iraq, the enormous stakes for our country, for the region, a region in which we have extremely important interests and have had long-standing interests and indeed, because of the centrality of that region, the importance for the world of a favorable outcome in Iraq. And just as we recognize the stakes are enormous, we also, as the President said last night, recognize that the current situation in Iraq is unacceptable. So if we put those two together, it means that we need a new strategy for dealing with Iraq.

Last night, the President laid out his views of how we might proceed. We understand that the current situation, the current strategy is not really working.

I would just underscore a couple of things about the new strategy. The first is that it is extremely important to recognize that the Iraqis face—after the Samara Golden Mosque bombing, after February 2006, an event that was carried out by al-Qaeda precisely to stoke sectarian violence between Shi'a and Sunnis, it was planned by the al-Qaeda to do that—the Iraqis face a different set of circumstances where the important political process that they are engaged in is threatened to be overrun by the inability to control Baghdad, the inability to provide population security for the people of Baghdad. What the President said last night and what we are talking about today is the urgent need to do something about the problem in Baghdad.

But I want to be very clear. It is an Iraqi responsibility to do something about this sectarian violence. No one believes that America can determine what kind of Iraq there is going to be. Is it going to be an Iraq for all people or is it going to be sectarian and divisive? That is something the Iraqis have to decide.

But if you believe, as we do, that they are now demonstrating, have now told us of their will to deal with that problem, the question is: Do they have the capability? It is the assessment of our political and military people in the field that they don't actually have the capability to deal with the urgent problem in Baghdad, they will bring their best forces from all around the country, but that we need to augment that effort, and that is the surge of American forces to which the President spoke last night.

Digitized by Google

Original from PENN STATE

But, very clearly, it can only work if the Iraqis are prepared to make the tough choices, if they are prepared to behave in an even-handed fashion toward their population.

Secondly, we recognize that no military force can resolve these difficulties and indeed this needs to be a comprehensive strategy; and so the President has ordered and we, in State, are responding to the need for a civilian surge. That is to deal with the political and economic side as well. We have had very good effect with our provincial reconstruction teams which get us down to the local and provincial level. These are civil affairs, civil military teams that go into a province, work with the local people, work with the local leadership, help to get projects and job growth in a specific area.

We all in America are Federalists, and we know that we could not possibly have developed as a country if everything was dependent upon success in Washington. So this is an effort to support the Iraqis bottom up and to, frankly, have multiple points of success, rather than just being dependent on success in Baghdad. So we are increasing significantly the commitment to these provincial reconstruction teams to carry out these important tasks.

I might just mention that we are having some effect in a place like Anbar, which is the epicenter of al-Qaeda. We are seeing local leaders respond to this al-Qaeda threat. The local sheiks there got together. They brought 1,100 young men together. They sent them to Jordan for training, as they call them, Sons of Anbar, to come in and get in the fight against al-Qaeda; and the reason the President talked about a surge of forces into Anbar last night was to support those positive developments.

Now all of this has to be put in the context of the region; and here, Mr. Chairman, I will talk about your request to talk a little bit about what I plan to do in the Middle East.

Obviously, Iraq is now the epicenter of how the Middle East turns out. And our diplomacy has to recognize the importance of Iraq to the region and the region to Iraq, but it also has to recognize that it is a different Middle East, a Middle East in which there is a new alignment, and our diplomacy has to respond to that new alignment.

On the one side, you have extremist forces: Hezbollah, Hamas, Syria, and Iran. In fact, it is Iran the state that is most responsible for supporting those extremist forces. On the other side of the ledger, you have young reformist governments like Lebanon, the Government of Iraq and, of course, the positive forces in the Palestinian Territories like Mahmoud Abbas. But you also, of course, have states like Saudi Arabia, Egypt and Jordan, and the Gulf States.

We have organized our diplomacy around the proposition that you begin with those who share your views of how the Middle East ought to develop; and, therefore, our diplomacy and my trip will focus heavily on rallying the support of those responsible Arab states to support the Government of Iraq, to support what needs to be done there, to support, of course, also Lebanon and the moderate Palestinians.

But, as to Iraq, I do believe that the states of the Gulf and the Egyptians and the Jordanians understand increasingly that if they are to resist as much they want to, if they are to resist Iranian in-

Digitized by Google

Original from
PENN STATE

fluence or increases in Iranian influence in the Middle East, something that they fear quite rightly, then it is going to require support for Iraq. Because Iraq can either be a barrier to further Iranian influence or it can become a bridge if it is not dealt with effectively.

So one of the most important elements of my trip will be to talk to those countries. I will talk with them individually in Egypt, in Jordan, and in Saudi Arabia. I will then meet with the Gulf States. The GCC+2 will have its fourth meeting since September, and it really is rallying the states around support for these moderate governments and in opposition to the extremists forces that Iran, in particular, and Syria, as the kind of sidecar, are trying to unleash in the region.

I know there has been a lot of talk about talking to Iran and Syria. I have talked to you, some of you, about that. Let me say that it is not that we fear or I fear talking to anyone, but you have to ask: On what basis do you carry out such a conversation? We have to separate them. With Syria, we have tried. Colin Powell talked to Syria. Rich Armitage talked to Syria. William Burns talked to Syria, and that was as recently as February 2005. Then the Hariri assassination froze everyone internationally with engagement with Syria.

But it is not that we haven't talked to Syria. The problem is Syria hasn't acted on such approaches. It has supported extremists in the opposite direction, continues to support extremist forces in the region, continues to try to bring down the Government of Fuad Sinoira in Lebanon, continues to harbor and house the most radical Palestinian factions that are rewarding process toward a Palestinian state.

So I can't imagine, frankly, what this conversation looks like. If you go to the Syrians and you say you need to stop destabilizing Iraq because it is in your interest to do so, most certainly they do know that; and if they believe it is in their interest to stop destabilizing Iraq, they will stop destabilizing Iraq. On the other hand, if the idea is that we go somehow as supplicant to ask them to help us in Iraq—and they will have a price, I can assure you, one can only imagine that price is the reintroduction of Syrian influence into Lebanon or perhaps to shave the edges off the tribunal that the Syrians seem to fear will find some connection to the Hariri murder.

With Iran, we have 27 years of policy that we did not have diplomatic engagement with Iran, but this administration said that we were prepared to do that if the Iranians would suspend their enrichment activities leading to the technologies that could lead to a nuclear weapon, because it doesn't make sense to talk while they keep improving their nuclear capability. I said, if they did so, I would meet them anyplace, anytime; and that offer still stands.

But if we are talking about, in the absence of that commitment from Iran, the following kind of engagement: We go to the Iranians and as supplicants say to the Iranians, "Help us to secure Iraq," do we really believe that the Iranians are going to treat Iraq over here and not demand that we do something to alleviate the pressure that we are now bringing on their nuclear program and their nuclear ambitions? I don't think it is going to happen.

Digitized by Google

Original from PENN STATE

So we believe that the appropriate place for diplomacy for the United States is to concentrate on this new alignment, Mr. Chairman and Congresswoman Ros-Lehtinen. It is an alignment that could be quite favorable to all of our interests, to a stable Lebanon that is free of Syrian influence, to an Iraq that has the support of the region, to a Palestinian state that could live side by side with Israel in peace. That is the alignment that is going to support those goals, and that is where I will be focused in the diplomacy that I undertake.

I should mention that we have supported the Iraqis when, as any state might do, they have engaged their neighbors even when they have engaged Iran or Syria. But it is fine for the Iraqis to carry that activity.

And, finally, I would note that we have an international compact which is a pardon between the international community and the Iraqis. The Iraqis would agree to do certain things—enact an oil law, fight corruption; certain other activities—and the international community would promise support. It seems to me this is something that could have a positive effect on support for Iraq but also a positive effect on developments for reform in Iraq.

Let me close, Mr. Chairman, by saying I have been listening to many from this body and to many from the Senate. We have talked to lots of people. The President listened to advisors, old ones like me, who have been a part of this since the beginning and bear the responsibility for both good decisions and bad decisions; and he has talked to new advisors like Secretary Gates, who comes with a fresh look.

We understand the skepticism that we are hearing about whether or not this strategy can and will work. We understand that a lot rests on whether or not the Iraqi Government finally makes the difficult decisions that it needs to make. We also understand the continuing heartache that America experiences with the death of our men and women, whether in uniform or the brave civilians also who are serving there, and we certainly understand the continuing concern about those who are still in harm's way. But after a lot of thought and after looking at a lot of different options, the President very much decided that this is the best option for us going forward.

I have heard many people say that we can not fail and therefore we need to give ourselves, and most importantly, the Iraqis, a chance to succeed. That, Mr. Chairman, is what the President laid out last night; and I hope that you will find a way to support it, each and every one of you.

Thank you very much.

[The prepared statement of Secretary Rice follows:]

PREPARED STATEMENT OF THE HONORABLE CONDOLEEZZA RICE, SECRETARY OF STATE, U.S. DEPARTMENT OF STATE

Mr. Chairman, Members of the Committee:

As I come before you today, America faces a crucial moment. We all know that the stakes in Iraq are enormous. And we all share the belief that the situation in Iraq is unacceptable. On this we are united.

The new way forward that President Bush outlined last night requires us to do things differently. Most importantly, the Iraqis have devised their own strategy, and our efforts will support theirs. To do so, we will further decentralize and diversify our civilian presence in Iraq to better assist the Iraqi people. We will further integrate our civilian and military operations. And we will fashion a regional strategy

Digitized by Google

Original from PENN STATE

that supports reformers and responsible leaders in Iraq and across the Broader Middle East.

Among Americans and Iraqis, there is no confusion over one basic fact: It is *Iraqis* who are responsible for what kind of country Iraq will be. It is *they* who must decide whether Iraq will be characterized by national unity or sectarian conflict. The President has conveyed to the Iraqi leadership that we will support their good decisions, but that America's patience is limited.

Iraqis are now engaged in a task without precedent in their history. Iraq rests on the main religious and ethnic fault lines in the Middle East, and for centuries, Iraqis have settled their differences through oppression and violence. Now they are attempting to do so peacefully and politically. This is not easy, and as one could expect, many Iraqis have deep grievances, which some violent men interpret as a license to kill innocent people.

Baghdad has become the center of this conflict. We know that Al-Qaeda deliberately sought to provoke sectarian violence in Iraq by targeting Shia civilians. With last February's bombing of the Golden Mosque in Samarra, the success of their plan accelerated. Sectarian passions, incited to violence, now threaten to overwhelm Iraq's fragile, yet promising, process of reconciliation—a process that has produced successful elections and a new constitution, substantial agreement on a law to share Iraq's oil fairly, and commitment to a more reasonable approach to "debaathification."

To succeed with national reconciliation, the Iraqi government must improve security for its people, particularly in Baghdad. Iraqis themselves must take up this essential challenge. They must protect their population from criminals and violent extremists who kill innocent Iraqis in the name of sectarian grievance. The Iraqi government must reestablish civil order in Baghdad to regain the trust of its people and control of its capital. President Bush has decided to augment our forces to help the Iraqis achieve this mission. Secretary Gates will have more to say on this.

Success in Iraq, however, relies on more than military efforts alone; it also requires robust political and economic progress. Our military operations must be fully integrated with our civilian and diplomatic efforts, across the entire U.S. government, to advance the strategy that I laid out before you last year: "clear, hold, and build." All of us in the State Department fully understand our role in this mission, and we are prepared to play it. We are ready to strengthen, indeed to "surge," our civilian efforts.

Our political and economic strategy mirrors our military plan: Iraqis are in the lead; we are supporting them. Improvement in the security situation, especially in Baghdad, will open a window of opportunity for the Iraqi government to accelerate the process of national reconciliation. We can and will measure whether this work is being done. We recognize that the trend of political progress in Iraq is just as important as the end result. On the hydrocarbon law, for example, Iraqis are transcending sectarian differences and achieving a national purpose. The is a positive trend, and the process is moving in the right direction.

Iraqis must also take steps that accelerate economic development and growth. The government of Iraq has taken many important steps already on key economic issues, including policies to open Iraq's economy more fully and responsibly to foreign investment. The Iraqi government must now move urgently, especially in the most troubled areas, to deliver essential services to its people—programs that improve lives in meaningful ways, that restore confidence in national and local governance, and provide a stake in the country's future for all Iraqis who wish to see an expansion of hope rather than a continuation of violence. The Iraqi government is committing $10 billion of its own resources to help create jobs, to break the logjams to growth in their economy, and to further national reconciliation.

To better disperse these new resources throughout the country, Iraqis are building new governmental structures. One innovation they have proposed is the creation of a new National Reconstruction Development Council, which would enable the Prime Minister to deliver resources faster and more effectively for major infrastructure projects. This Council will also help take the place of our own Relief and Reconstruction Fund. Another Iraqi innovation is the development of Project Management Units, to help Iraqis use their own resources more effectively to implement programs.

For these efforts to succeed, our support will be crucial. Since 2004, we have used money from the Iraq Relief and Reconstruction Fund and other programs to build infrastructure and help the central government move toward self-reliance. As we enter 2007, despite many problems, we have substantially and successfully completed this phase. As Iraqis take charge, we will narrow our focus in how we help their central government. Using FY 2006 Supplemental funding, we have worked with the Iraqis to improve their capacity to govern. Now, our advisory efforts will

Digitized by Google

Original from
PENN STATE

concentrate on the most vital ministries. We will advise and invest our resources where we judge that our efforts will be most effective.

To oversee our economic support for the Iraqi people, and to ensure that it is closely integrated with our security strategy, I have appointed Tim Carney to the new position of coordinator for Iraq Transitional Assistance. He will be based in Baghdad and will work with Iraqi counterparts to facilitate a maximum degree of coordination in our economic and development efforts.

As Iraqis intensify efforts to improve lives, the main focus of our support will continue to shift toward helping the Iraqi government expand its reach, its relevance, and its resources beyond the Green Zone. We will help local leaders improve their capacity to govern and deliver public services. Our economic efforts will be more targeted on specific local needs with proven records of success, like micro-credit programs. And we will engage with leading private sector enterprises and other local businesses, including the more promising state-owned firms, to break the obstacles to growth.

Our decentralization of effort in Iraq will require a more decentralized presence. We must continue to get civilians and diplomats out of our embassy, out of the capital, and into the field, all across the country. The mechanism to do this is the Provincial Reconstruction Team, or PRT. We currently have ten PRTs deployed across Iraq, seven American and three coalition. Building on this existing presence, we plan to expand from 10 to at least 18 teams. For example, we will have six PRTs in Baghdad, not just one. We will go from one team in Anbar province to three—in Fallujah, Ramadi, and al Qaim. These PRTs will closely share responsibilities and reflect an unprecedented unity of civilian and military effort.

Expanding our PRT presence will also enable us to diversify our assistance across all of Iraq. Iraq has a federal government. Much of the street-level authority, and much of the opportunity for positive change in Iraq, lies outside the Green Zone, in local and provincial governments, with party leaders and tribal chiefs. By actively supporting these provincial groups and structures, we diversify our chances of success in Iraq. Our PRTs have had success working at the local level in towns like Mosul, Tikrit, and Tal Afar. Now we will invest in other parts of Iraq, like Anbar province, where local leaders are showing their desire and building their capacity to confront violent extremists and build new sources of hope for their people.

All total, we seek to deploy hundreds of additional civilians across Iraq to help Iraqis build their nation. And we will ask Congress to provide funding to support and secure our expanded civilian presence. We want to give our civilians, deployed in PRTs, the flexibility to devote extra resources where they can do the most good at the local level. Our expanded PRT presence will be a powerful tool to empower Iraq's reformers and responsible leaders in their struggle against violent extremism. We therefore plan to request, as part of our FY 2007 Supplemental, significant new operating funds for our PRTs, as well as hundreds of million of dollars to fund their programs. When we add in relevant USAID projects, we hope to approximately double our resource commitment to help local Iraqi communities through PRTs.

These commitments will not be indefinite. As I said earlier, one of our main objectives in this phase is to help the Iraqis use their own money to rebuild their country. The Iraqis have budgeted billions of dollars for this mission in 2007, and as their efforts become more effective, we have kept our FY 2008 requests limited. We want Iraqis to rely more and more on their own resources, their own people, and their own efforts. Therefore, by 2008 and 2009, the burden of local assistance should be assumed more effectively by the Iraqi government. In the meantime, though, our efforts will be vital.

The final piece of our effort is the development of a regional diplomatic strategy, which was a key recommendation of the Iraq Study Group. Iraq is central to the future of the Middle East. The security of this region is an enduring vital interest for the United States. America's presence in this part of the world contributes significantly to its stability and success. So as we recommit ourselves in Iraq, we are also enhancing our efforts to support reformers and responsible leaders in the region—and to deter and counter aggression to our friends and allies.

Our regional diplomacy is based on the substantially changed realities of the Middle East. Historic change is now unfolding in the region, and it is unleashing a great deal of tension, anxiety, and violence. But it is also revealing a new strategic alignment in the Middle East. This is the same alignment we see in Iraq. On one side are the many reformers and responsible leaders, who seek to advance their interests peacefully, politically, and diplomatically. On the other side are extremists, of every sect and ethnicity, who use violence to spread chaos, to undermine democratic governments, and to impose agendas of hate and intolerance.

This is why the proper partners in our regional diplomacy are those who share our goals. In this group, I would count, of course, our democratic allies, Turkey and

Digitized by Google

Original from
PENN STATE

Israel. I would also count the governments of the Gulf states plus Egypt and Jordan, or the "GCC + 2." We have established unprecedented consultation with this group of countries. In fact, I will be returning to the region, and to this process, later this week. I would also count among our key partners the democratic reformers and leaders in places like Lebanon, the Palestinian territories, and of course, Iraq. Our most important goal now is to use our diplomacy to empower democratic and other responsible leaders across the region. We must help them show their fellow citizens that it is they, not violent extremists, who can best protect their lives, promote their interests, and advance a future of hope.

On Iraq, in particular, our regional diplomacy has several components. One concerns Iraq's neighbor to the north: Turkey. President Bush and I have engaged retired General Joe Ralston to work with Iraq and Turkey on concerns about terrorism from the Kurdish Worker's Party. Those efforts have helped to ease tensions, but we will do more to protect our ally, Turkey, from terrorist attacks.

Over the last six months, we have also supported significant progress in crafting an International Compact between the Iraqi government and the international community. Working with more than forty countries, Iraq has developed a set of written commitments to action on political, security, and economic targets. The creation of the Compact has been guided by a diplomatic process that has already met at the level of foreign ministers. This group involves all of Iraq's neighbors—including Iran—and other states that have invested significantly in Iraq's future. Iraq has led the Compact process. The United Nations has served as co-chair. And the World Bank has assisted. This diplomatic process also provides a structure that can easily accommodate flexible, informal meetings of smaller groups of countries about other topics of common concern.

While many of us are working to strengthen peace in the region, two governments have unfortunately chosen to align themselves with the forces of violent extremism—both in Iraq and across the Middle East. One is Syria. Despite many appeals, including from Syria's fellow Arab states, the leaders in Damascus continue to destabilize Iraq and their neighbors and support terrorism. The problem here is not a lack of talk *with* Syria but a lack of action *by* Syria.

Iran is the other. If the government in Tehran wants to help stabilize the region, as it now claims, it should end its support for violent extremists who destroy the aspirations of innocent Lebanese, Palestinians, and Iraqis. And it should end its pursuit of a nuclear weapons capability. I repeat my offer today: If Iran suspends its enrichment of uranium—which is, after all, an international demand, not just an American one—then the United States is prepared to reverse 27 years of policy, and I will meet with my Iranian counterpart—anytime, anywhere—to discuss every facet of our countries' relationship. Until then, we will continue to work with the Iraqis and use all of our power to limit and counter the activities of Iranian agents who are attacking our people and innocent civilians in Iraq.

Mr. Chairman, members of the committee: I know there are no guarantees or magic formulas on the question of Iraq. I know that most Americans are skeptical and concerned about the prospects of success. I know and share the concern for those who remain in harm's way that all Americans feel, as well as the heartbreak they feel for the families who have lost loved ones.

I also know that, over the past several weeks, President Bush and our entire national security team have carefully considered a full range of new ideas. The President has heard from those of his advisors, like me, who have been around from the very beginning, and who bear responsibility for our policy thus far—its successes and its setbacks. He has also heard from new advisors who bring a fresh perspective. In addition, the President has weighed the thoughtful advice given to him by members of Congress, by our friends and allies abroad, and by outside experts, like the gracious public servants who made up the Iraq Study Group.

The conclusion the President reached, with which I fully agree, is that the most urgent task now is to help the Iraqi government establish confidence that it can—*and will*—protect all of its citizens, regardless of their sectarian identity, from violent extremists who threaten Iraq's young democracy—and that it will reinforce security with political reconciliation and economic support. Implementing this strategy will take time to succeed, and I fully expect that mistakes will be made along the way. I also know that violent extremists will retain their capacity and their appetite to murder innocent people. But reestablishing civil order—the willingness and the capacity of the Iraqi government to meet its responsibilities to its people—is essential.

The situation in Iraq is unacceptable, and the stakes are extraordinary—for the United States, for the region, and for the entire international community. It was, after all, the trouble and turmoil of the Middle East that produced the violent extremist ideology of Al-Qaeda, which led 19 young men to crash airplanes into our

Digitized by Google
Original from PENN STATE

cities five years ago on September 11. It is clear that, now and for many years to come, the crucible of the Middle East will remain the center of gravity for American and international interests.

There have been other critical times for America, when we have united as one nation to meet great challenges. Now must be such a time, for it is a national desire and a national imperative not to fail in Iraq. This, we believe, is the best strategy to ensure success. And I ask that you give it a chance to work.

Chairman LANTOS. Thank you very much, Madam Secretary.

Let me begin where you left off, with the President's speech last night.

Both last November and in every subsequent public expression of views, what the American people are looking for is a responsible plan for de-escalation and not escalation. The President last night provided a plan of escalation, and the reason that there is such broad disappointment and disapproval of his presentation has much less to do with the details of the plan than the general direction of the plan.

The American people overwhelmingly—and you know the figures as well as I do—by 80 percent, 85 percent, are in favor of a gradual redeployment de-escalation and not an escalation of our military presence.

One of the things which is so disappointing, Madam Secretary—and, as you recall, 2 days ago at the White House I raised this issue with the President—is that there is really no indication that the countries in the region like Egypt or Saudi Arabia are showing any willingness to participate in setting Iraq straight. Egypt has a huge military force. I raised the issue, and I am raising it now publicly. Have we asked the Egyptians to provide a significant number of police and military for stabilizing Baghdad? Have the Saudis, who have obtained hundreds of billions of dollars of unanticipated surplus oil revenues, have they stepped forward to carry some of the financial burden?

We have by now spent some $400 billion on this enterprise, which is not much money for the Saudis, but they have not participated at all in any of this. Now if these regimes—which claim to want to see a stable and peaceful and prosperous Iraq, being so near facing the possibility of disaster for themselves if the civil war escalates to the point of becoming a regional war—are unwilling to do really anything except in the most minimal fashion, no wonder that the American people feel that we have done our share. It is now up to Iraq to, as you said at the outset, to provide for their own security.

Civil wars end. All civil wars end. And it is not our responsibility to end the particular civil war that we see in Iraq. It is not the function of the American military to play the role of a referee between the Sunni and the Shi'a; and I would be grateful if, at the outset, Madam Secretary, you could deal with this fundamental issue.

The American people are asking for a program of de-escalation. The President is giving us a program of escalation. The American people are asking, What do the neighbors who have so much to lose, like Egypt and Saudi Arabia, what are they doing to help? And on what do we base our optimism or the President's optimism? A government that has been so pathetically non-national in its ori-

Digitized by Google

Original from
PENN STATE

entation; it has been so sectarian in its orientation. We suddenly see the light.

Before you answer—and I know there are a million quotes running around—I would just like to take as my point of departure General Abizaid's comments. He has been there now for 4 years. He is a brilliant Arabic-speaking officer who has done his utmost to bring about a favorable result, as you know. This is what he said, and I quote:

> "I met with every division of command, General Casey, the corps commander, General Dempsey. We all talked together. And I said, in your professional opinion, if we were to bring in more American troops now, does it add considerably to our ability to achieve success in Iraq? And they all said no. And the reason is because we want the Iraqis to do more. It is easy for the Iraqis to rely upon us to do this work. I believe that more American forces prevent the Iraqis from doing more, from taking more responsibility for their own future."

One of the things which was disappointing in last night's speech was the lack of any substantive placing of responsibility on the Iraqis except in an oratorical sense. There is no mechanism whereby this Iraqi Government will be held responsible or can be held responsible to do what they, in their own best interests, should do. You know better than I do that last time when they promised to bring in a certain number of Iraqi divisions they brought in only a fraction of them. What is the performance of the Prime Minister of Iraq that suddenly gives us or gives the President so much confidence in him?

Secretary RICE. Well, thank you, Congressman Lantos.

First of all, we certainly understand the skepticism about whether or not the Iraqi Government will perform. You put it very well. They didn't the last time.

We do believe that this is a plan that originates with them because they recognize that the situation in Baghdad threatens to overrun any efforts at political reconciliation that they can carry out, and they have a new sense of urgency about it because of the impatience of the Iraqi people. I think he understands our impatience as well, and I think they do understand, too, that this is a democratic country. This is a democratic country, and people will hold them accountable, one way or another, for whether or not this works.

So I think the question becomes, Do you think that the problem with the Iraqis is a problem of will or a problem of capability? If you think it is only a problem of will, then it makes sense to deny any further American help and to say, "Go solve it; it is your problem." But if you think in fact it is a problem of capability and will, then you want them to show the will, but you also want to make certain that they have the capability so that they don't fail. And that is really what the President was talking about last night.

I think when Prime Minister Maliki came to Amman, Jordan, and he brought a plan, he really hoped that his forces could do it all alone. That was really what was in his mind, and it remains in some of his advisors' minds. But what happened was that when they looked to the experts like General Casey and to his own mili-

Digitized by Google

Original from
PENN STATE

tary people, the time in which the Iraqis would have forces capable of carrying out that kind of plan is some time in the summer. The problem is if Baghdad is not resolved relatively soon and they don't reestablish the confidence of the Iraqi people that they are prepared to defend them and protect them in a non-sectarian way, then the fabric of the society is going to fray to a point where I think they can't reach a political accommodation.

So there is a gap between the time, the urgency of doing the Baghdad project and the forces that are available to them; and that is the purpose of the American forces. With them in the lead, with them on the front lines, the Iraqis bringing their best forces to the fight, organizing Baghdad into military districts where the military commander knows that the rules of engagement now from his own Prime Minister would be that no one is off limits, no neighborhood is off limits, this is to be even-handed, if you are a Shi'a killer or Sunni killer, you are equally guilty before the law, that is what I think gives the President some confidence that this is the right plan.

We are very clear that the Iraqis have not performed before. This is a process. I think we will be able to see whether they are meeting the most important conditions. I think the most important condition is the one that I mentioned, which is: Are they living up to their obligations under these rules of engagement that really allow them to take care of the problem?

I know that there is some concern about whether we are sending our people into a civil war. I think that I would characterize what is going on in Baghdad not as all Sunnis and Shi'a have decided to go after each other and therefore Sunni and Shi'a populations are randomly going and attacking one another. Rather, the bulk of this is organized death squads, Shi'a and Sunnis that are going largely into neighborhoods.

You see the results. They will go in. They will kill the men. Those are the bodies that show up. They send the women into exile. That is why there are internally displaced people.

So it is an organized effort to disrupt civil order for sectarian purposes, and the Iraqi Government has got to get on top of that. If they take the right course, that is something that can be defeated. It is not just a kind of wild Sunni on Shi'a violence.

Let me make one final point, Mr. Chairman, and that is I think we need to recognize that the origin of this sectarian violence—I am not saying there wasn't sectarianism in Iraq before—but at the time of the February Samara bombing, we had already learned that sectarian violence was the plan of Zarqawi and al-Qaeda. Zarqawi had written a letter to Zawahiri saying, "I'm going to set off a war against the Shi'a."

So this is a direct result of al-Qaeda activity, and in that regard I think it should not be considered as a barometer for whether or not Iraqis might have the social fabric to live together, although admittedly the continuing cycles of sectarian violence are fraying that fabric.

Chairman LANTOS. Many medical conditions can be nipped in the bud, and the solution is happy and final. But if a problem is allowed to develop, there comes a point when solutions, which earlier could have been effective, are no longer realistic. You cannot un-

Digitized by Google

Original from
PENN STATE

scramble an omelet. You don't need to be reminded of General Shinseki's proposal that we would need something like 400,000 people to undertake this mission.

Now, I was in Iraq in a military helicopter shortly after the major military operations ended; and the general who was with me pointed to huge ammunition dumps, all of them unguarded because we did not have adequate troops to guard them. And we agreed that we will pay for this later on, and we are paying for it very dearly.

What is the logic behind expecting that approximately 20,000 additional troops—basically in a city, a metropolis deeply divided, of 5 million people—can really turn the corner? We all so much want us to prevail and to bring some stability and tranquility to these people who have suffered so much. But it is very difficult to follow the logic which expects, after all this period of sectarian violence and increasing hatred and hostility and bloodshed, to expect that one more modest push will do it.

Secretary RICE. Well, Mr. Chairman, I would agree with you that you need to nip things in the bud, and we still believe, and this Iraqi Government believes, this is something that can be done, that Baghdad is not yet beyond the point at which it can be brought back from the brink. It is not yet at the point in which civil order is so broken down that, with a concerted effort of Iraqi security forces supported by American forces, they can't deal with these death squads that are carrying out the violence.

Again, I think it is not simply that every Shi'a and every Sunni want to fight with one another. This is a deliberate campaign of armed people, who go into neighborhoods and do terrible things, and they have to be stopped, and that is a civil order problem.

Chairman LANTOS. Isn't it a little bit more than that, Madam Secretary? I mean, the Sunnis had been in control, they had been the commanding force not only in Iraq but in much of the region for a long, long time. There are countless stories of how the Sunnis still believe that they are the majority. After this protracted period, literally centuries of the suppression of the Shi'a, they now are in the majority. They feel very powerful. This is payback time from their point of view. From the Sunni point of view, it is desperate desire to regain their earlier predominance. Isn't it much more than just some bad groups engaging in some violence under deep sectarian divisions here which we are attempting to paper over?

Secretary RICE. There are the absolutely sectarian divisions that go back from the fact, as you know well, Iraq was drawn literally on the fault lines between Sunni and Shi'a. But I would make a couple of points.

First of all, these people have managed before to live together. They are intermarried. Sometimes the tribes are both Sunni and Shi'a. It is not as if——

Chairman LANTOS. But they lived under a police state.

Secretary RICE. That is right.

Chairman LANTOS. And the police state has a way of dealing with people who get out of line.

Secretary RICE. But that is exactly my point, Mr. Chairman. When the democratic process took place and it became one man, one vote, it is absolutely the case that they could have come to an

Digitized by Google

Original from PENN STATE

irreconcilable place where Sunni were determined to reestablish their power—and certainly there were some, the Baathists, in particular, who were in that camp—and it could have come to a place where Shi'a were determined to work the will of the majority even if it meant completely crushing the interest of the minority. But that is not where they went. They went inside to a Constitution that, while not perfect, is certainly a document that could provide the basis for a unity government.

They went to a unity government in which they brought Sunnis and Shi'a and Kurds together. The President, after all, is a Kurd. The Vice President is a Sunni. They went to the development of what we believe is going to be a very good oil law which didn't do what people thought it would do, which is the Kurds said, What is mine is mine and what is yours is negotiable. That is not the oil law that they created.

So I think this is evidence that these are a people who actually do want to live in the same body.

Now, what has happened is that because this new political process has been slow—and I will underscore slow—in doing all of the work of national reconciliation because some of the early moves were, frankly, very sectarian, like the de-Baathification law that cut much too deep, it did create an environment in which, once the spark was set at Samara, the sectarian violence didn't get controlled. It is unfortunate, frankly, just as a historical fact, that the government was very new—the government hadn't even been formed, and so it took them some time to get on top of it.

But I think that the possibility of a national compromise, a national reconciliation is still there. They are still working at it every day. That is why they are still working on an oil law, working at a new de-Baathification law, promising to hold provincial elections.

But if they don't find a way to provide population security so that Iraqis across the spectrum believe that they will be protected by their government, then people are going to do precisely what they are starting to do but in larger numbers. They are going to depend on protection of militias, depend on protections of armed men. That is what they are trying to get a handle on, and that is why the President wants to act now on Baghdad, rather than waiting until the Iraqis can completely do it themselves.

Chairman LANTOS. Before I turn it over to my friend from Florida, could I just ask you to comment on the lack of Saudi and Egyptian help?

Secretary RICE. Sure.

The Saudis have been quite helpful on the Sunni outreach side and I think in convincing of some of the tribes to be a part of the political process. I think we have been, or the Iraqis have been reluctant to have forces from their neighbors and near neighbors actually in their country.

Chairman LANTOS. How about financial help?

Secretary RICE. Financial help—I do believe what the Saudis should do is debt relief. That is the single best thing they could do for the Iraqis.

Chairman LANTOS. Why haven't they, Madam Secretary?

Secretary RICE. It is part of the international compact which is being negotiated. But, frankly, we had spent a lot of time remind-

Digitized by Google

Original from PENN STATE

ing the Saudis and convincing them, and I think they are getting there, that an Iraq that is a failed Iraq is really going to be much worse for their interest; and if they are worried about Iranian influence, that is the way to make sure Iran has influence in the region. But I think they will act. They too, would like to see the Maliki government demonstrate some evenhandedness between Sunnis and Shi'a.

Chairman LANTOS. Thank you very much.

Congresswoman Ros-Lehtinen.

Ms. ROS-LEHTINEN. Thank you so much to my friend and colleague, Chairman Lantos. Welcome, Secretary Rice.

My stepson and daughter-in-law have served in Iraq, and they continue to serve our country as proud Marine officers. They may be serving abroad again soon, so I understand the sacrifices of our military families.

I support the President's new strategy for victory in Iraq and hope to push that forward. I have a fuller statement there explaining why. But I would like to use my time, Mr. Chairman, to give it to other members who sometimes don't have the opportunity to speak to important people like Secretary Rice; and I would like to start with Mr. Barrett, if I could yield my time to Mr. Barrett.

Mr. BARRETT. I thank you, Gentlelady. Madam Secretary, thank you for being here today.

Three questions I'm going to give you all at a time.

Why 21,500? Is this a number that is going to take to be successful for victory, or is this a number because of what we had? Number two, please clarify rules of engagement. You touched on it earlier. Iraqi and United States. Is this exactly what we need? And third and last, Moqtada al-Sadr. He has to be dealt about. Who is going to deal with him, us or the Iraqis?

Secretary RICE. Thank you, Congressman.

First of all, the number was established in the following way: When the mission was determined to be to support the Iraqis in their effort to gain confidence of the population and to protect the population, the commanders determined what numbers they would need to be able to support Iraqi forces, because this is an Iraqi lead. The United States isn't going to fix the sectarian problem. It means getting an American battalion within each of the nine districts that are being developed. So that is how the numbers were developed. Of course, the 4,000 for Anbar to deal with the positive developments there of the people of Anbar starting to fight back against al-Qaeda.

General Pace was asked this question this morning in a press conference that we did, and he made very clear that the Joint Chiefs considered their role to resource the mission and requirements that they get from the field and not to allow what they have to dictate what they recommend to the President.

On rules of engagement, this has been the crux of the argument and discussion with the—I should say the discussion with the Iraqis. They haven't really argued about it, but it has been the crux of the discussions. Those have been the most candid discussion. We cannot get into a situation again, and we think about this being a problem for American forces, but there were circumstances where Iraqi forces were trying to do the right thing and were pulled up

Digitized by Google

Original from PENN STATE

short politically. That can't happen again, and that has been the crux of it.

And finally, on Sadr, this is something that the Iraqis are really going to have to deal with. The Prime Minister said in his speech that under no circumstances are any forces of disruption outside the law, any of them, going to be spared and that they will go after those who are killing innocent Iraqis whoever they are and wherever they come from and whatever their stripe.

Chairman LANTOS. Congressman Berman.

Mr. BERMAN. Because of the impending votes and the time out, I will limit all of the comments I wanted to make and just follow up on Mr. Barrett's last question.

Is it our intention to destroy Sadr's militia, to either get them to disband or to force them to disband? And what is there in the record that would make the President think that this Prime Minister, this political base and his previous record of actions is going to have the Iraqi army lead the effort to destroy that militia, if that is our intention?

Secretary RICE. Congressman, I think they will begin with the death squads that are killing innocent Iraqis, and some of those are indeed associated and may indeed come from the Jaish al-Mahdi, the al-Sadr militia. They also have a requirement that they themselves have set to disband militias that were not covered under the early orders about how militias like the Pershmerga would be dealt with.

I think the reason that we believe in and think that they, this time, are going to actually deal with death squads and with those who are causing this chaos, whoever they are, is it is a necessity. When they came to us, they said that Baghdad couldn't continue as it is going, and I think everybody agrees with that. And so necessity and self-preservation means that they have to do the things that they have to do.

Now the rules of engagement: We are going to know fairly soon whether or not they are living up to the obligation—the promise—to follow rules of engagement in a non-sectarian, non-political way. We are going to know very soon, and the President was very clear that he is not going to stay involved in a plan in which the Iraqis are not carrying out their obligations. So I think we will have a very good sense of whether they are going through with it.

Mr. BERMAN. I hope you are right, but I have to say I think the President here is making, if you pardon the expression, a Hail Maliki pass without any foundation for persuading the American people or the Congress that this has a real chance of success.

Secretary RICE. May I just note, you know, the Iraqis are already engaged in some security sweeps. They have begun some activity. I think obviously when the forces come in, start coming in on February 1st, we will get an early indication of how they intend to use them. But we think this is the best chance that they will have to stabilize Baghdad.

Chairman LANTOS. Mr. Rohrabacher.

Mr. ROHRABACHER. Sometimes you win the game when you throw a Hail Mary pass, and maybe this will be a worthwhile endeavor.

Digitized by Google

Original from PENN STATE

Just prefacing my question about Iraq, let me note this administration's insistence on sending to prison two border guards for what they were doing when they intercepted a drug dealer on our southern border undermines the President's support among those of us who would like to offer more support. Because if he thinks this lowly of securing our southern borders, it makes us question why we are sending troops overseas. I will just preface it with that.

Is this not—and we wish you success—but is this not the Iraqi people's last chance because of the public opinion here in the United States? And we wish you success. We wish the President success because we want the forces of evil to be thwarted there in Iraq. But if the Iraqi people don't step up after we have given them this chance, this is their last chance, is it not?

Secretary RICE. Well, obviously, failure in Iraq would be of great consequence for us and for the American people as well. And so I think what we are trying to do is in what is a very important and pretty bad set of circumstances in Baghdad to give them a chance to get on top of the sectarian violence. I don't think they have many more chances to do it.

Mr. ROHRABACHER. I would say it is their last chance. If you do not succeed, you are talking about the frame of the social network. Aren't we really talking about the disintegration of Iraq as a nation? And if that comes, would not the Kurdish population declare their own nationhood and perhaps wouldn't that affect Iran in a very negative way to have a Kurdish nation there?

Secretary RICE. Well, I don't think there is any doubt that if we can't help the Iraqis maintain their unity—and, by the way, the Iraqis always talk about a unified Iraq. They don't talk about Iraq divided into three parts like goals. They talked always about a unified Iraq.

When we invaded Iraq to overthrow Saddam Hussein, we did make a representation to the region that we understood the importance of the territorial integrity of Iraq and the unity of Iraq. We did that because obviously the dynamic between the Kurds and Turkey, the dynamics between the south and Iran, not to mention the dynamics between the Sunnis and the rest of the region, would be quite difficult to manage if in fact Iraq does not remain unified. It is another reason to recognize the stakes that we have in an Iraq that remains unified.

Let me be very clear. Most of the country has not collapsed into "sectarian violence." Most of the country is either peaceful under Iraqi control or is kind of going about it in its own way. But with the center of the country, Baghdad, with the capital having a sectarian problem, it does undermine the confidence of the whole country in the unity of Iraq, and it is why it is very important for the Iraqi Government to succeed in it.

Mr. ROHRABACHER. For them and for the people of that region.

Chairman LANTOS. Thank you.

As a sign of our respect and affection for you, you will now be able to have a late lunch; and the committee will stand in recess.

[Recess.]

Chairman LANTOS. The committee is now in session.

Digitized by Google

Original from PENN STATE

The Chair is pleased to announce that the House, overwhelmingly and in a bipartisan basis, has approved the stem cell legislation.

Mr. Ackerman.

Mr. ACKERMAN. Madam Secretary, welcome. It is very good to see you here with us again today.

Madam Secretary, I read the President's speech a little earlier last evening and listened very carefully as he delivered it. I listened again late at night when it was repeated, and I read it again this morning. I had been so hopeful that there would be a real change in strategy, some enlightenment in a different direction to try to solve this problem, other than just changing a mathematical number with no real, at least to me, discernable difference in what we are doing.

The President said that Iraq was key and critical to winning the war on terrorism, pointed out that terrorism was the main challenge to our generation and our century. He related what some of the problems were, the dangers of failure. Iraq would be a place from which terrorists would launch future attacks on the United States, he evoked the specter of what happened on September 11th again, and repeated that we must succeed in Iraq.

What I don't understand is the mixed messages that are there.

First, it really looks like we are starting to pass the ball to the Iraqis and hold them responsible. I don't know how the Iraqis—and he gave them a 10-month basic, next November deadline—I don't know what the Iraqis can do in less than a year that our troops couldn't do in 4 years. They are not as well-trained as we are, they are not as good as our troops are, they are not as determined, evidently, as our troops are. Where we have not been successful, how will they be successful?

And then, after putting out all of the dire consequences of the war on terrorism and saying that Iraq is critical to us winning the war on terrorism, then make the statement such as, "Our patience is not infinite," implying that we are going to leave. How do we leave if this is all the case, and lose the war on terrorism unless Iraq is not the only critical element, the key to the war on terrorism? How do we leave if the President is right in his assessment that attacks are going to be launched from Iraq, such as 9/11, which, of course wasn't, if we leave Iraq? What message does that send to the Iraqi people?

I fail to understand, and I think it is a confused message, and I think it is just more of the same with more people from which the only thing that will result is a greater number of casualties, both on us and on the Iraqis. Why will this work with 20,000 new troops?

Secretary RICE. Thank you, Congressman.

First of all, in terms of what can the Iraqis do that we have not been able to do, I think that the mission that is now being defined is one that is quite critical but one that really only they can do, which is to determine the basis for what kind of Iraq this is going to be, and that means to have a government that is prepared to deal with this population in an even-handed fashion.

There is nothing worse than being a citizen of a country and believing that your government is not going to deal with you in an

Digitized by Google

Original from PENN STATE

even-handed fashion because of the color of your skin or because of your religious sect. We know that very, very well in our own country.

And what has developed, I think, is that since the Shi'a majority government has come into being, they have done a lot of things to reach out to the Sunnis. They have worked with the Kurds. They have made some progress. But the sectarian violence in Baghdad and the way that it has been handled has called into question their willingness to go after Shi'a death squads that are going into mixed neighborhoods and cleansing them of Sunnis, and that has eroded the confidence of the population. That is not something, no matter how good our military is, and they are very, very good, they can't fix that problem.

What the President outlined last night is that the Iraqis have undertaken that they want to fix that problem, that they have the will to do it now, but they don't quite have the capability to do it. So our 20,000 or 20,000 plus forces, minus the 4,000 that would go into Anbar, are to give them augmented strength to do what they need to do.

But they have got to be on the front lines of this. They have to go into the neighborhoods and make sure that these populations are protected. That is why I think we believe that, with their responsibility, with their plan, this has a better chance for success.

The second point is that it has to be properly resourced. When we have tried to deal with Baghdad before, there haven't been enough reliable forces. But what is really new in this is the acceptance of Iraqi responsibility for dealing with the nature of what their country is going to become and demonstrating that to the population.

The third point is that we are decentralizing and diversifying our efforts to get out of Baghdad and to grow in a sense, to bring from the bottom up strong leadership among local and provincial leaders. Because no country can really succeed just from the top down. This is having some effects in some places like Mosul. I think it is beginning to have an effect in Anbar, and that should also strengthen our efforts.

But as to the question of our patience being limited, I do know that the President feels that our patience with Iraqi indecision, Iraqis unwillingness to make tough decisions is not limitless. It can't be. That doesn't mean that we don't recognize that we will continue to have interest in Iraq, that we continue to have responsibility for the territorial integrity of Iraq, something we promised the neighborhood, that we continue to have responsibility for fighting al-Qaeda. But on the Iraqis' dealings with their own national reconciliation, I think it would be the wrong signal——

Mr. ACKERMAN. Could you address——

Chairman LANTOS. I am sorry. The gentleman's time has expired.

Mr. ACKERMAN. Can I explore this for 10 seconds?

With the President's patience limited and November being cited, do we leave—and the Iraqis not stepping up to the plate by our standard, do we leave or start to leave in November?

Secretary RICE. I don't think that is what the President was saying. But we do know that this plan for Baghdad, and for national

Digitized by Google

Original from PENN STATE

reconciliation, is not going to work unless they step up and I think if we say to them, "We have unlimited patience with your living up to the obligation you have undertaken," then that would be a mistake.

Chairman LANTOS. Thank you.

Mr. Fortenberry.

Mr. FORTENBERRY. Thank you, Mr. Chairman.

Good afternoon, Madam Secretary.

I want to return to your opening comments where in referencing your upcoming trip you referred to the opportunity for a new alignment in the Middle East. What is compelling that new alignment now? Is it the fact of the growing Shi'a dominance of Iraq backed by Iran that is compelling Sunni-dominated countries or majority Sunni countries to think more broadly about the goal of stabilization in the Middle East? That is the primary question. But the premise is the extent of Iran's influence in Iraq currently.

Secretary RICE. I would put it more broadly, Congressman. I think it is the assertiveness of Iran in general, the sense that Iran is trying to extend its influence through Iraq into the region more broadly. I do think it has taken—and the chairman mentioned this—we are dealing with Sunni-Shi'a tensions that are not just Iraqi, they are region-wide, and concern that the Iraqi Government, because it is Shi'a, will somehow have—will be a bridge for Iranian influence into the region. What I have been spending all of my time and all of my breath telling our Arab allies, who are indeed governed by Sunnis, is that these Iraqis are Arabs. They are not Persians. They are not Iranian or Iranian clients. They want to have an Iraq that, of course, has good relations with its Iranian neighbor but they are not wanting to trade the yoke of Saddam Hussein for the yoke of Iran. There is an opportunity to make this government—even though it is Shi'a led—an Arab government that is not unduly influenced by Iran and that is not a bridge. But if they treat the Iraqi Government as if it is just a client for Iran, then they are going to get into a self-fulfilling prophecy. But I think the reason the realignment is taking place is that there is growing concern about Iran's assertiveness, and the war in Lebanon this summer really crystallized for the states of the region that Iran's influence through Hezbollah and indeed Iran's increasing efforts to insert itself into the Palestinian-Israeli issue is a real problem for the governments in this region. I think that is causing a realignment that even makes them understand that a Palestinian state that would live in peace side by side with Israel would be preferable to a Hamas-governed Palestinian Territory where Iranian and other extremist influence could play.

Mr. FORTENBERRY. Thank you.

Chairman LANTOS. Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman. I certainly want to offer my personal welcome to our Secretary of State, and I certainly would be remiss if I do not offer my deepest appreciation for your allowing some thousands of Samoans to be taken in a visa pilot program that you had initiated in the South Pacific, where at the time for 3 years members of my community have had to go all the way to New Zealand, some $1,500 a pop. Two hundred of those people are requesting visas. That is $200,000 of expenses not even

Digitized by Google

Original from PENN STATE

guaranteed if it would be done, but I want to offer my thank you for your help in getting that with our Ambassador of New Zealand, Ambassador McCormick, who I met just a couple weeks ago. Thank you so much.

I was taken by the question raised by my colleague, Congressman Barrett, concerning Muqtada al-Sadr. I think the media as well as many of our national officials have pictured him as not only as a killer, an extremist deeply anti-American, but I wanted just to kind of share with you a perspective and the fact that we can talk about nuclear dangers and all of this and that, but sometimes we seem to dismiss it as unimportant, a 1,000-year rivalry among the Sunnis and the Shiites all wanting—all factions wanting to claim the rights of succession to the Prophet Mohammed. This has a lot of cultural barriers, sometimes we dismiss it and think it is not important, taking into consideration 40 years of suppression of rule in Iraq by Saddam Hussein and of course the Shiites were the real—in terms of repression, this is really what happened. We are also quite aware of when we supported the Shah of Iran and his brutal repression of the people of Iran, predominantly Shiites. It is my understanding that at that time Vice President Saddam Hussein made a deal with the Shah of Iran, Ayatollah Khomeini. That is why the Ayatollah ended up in Paris for all those years. And at the time Saddam Hussein eventually became President, he tried to figure out a way to put the blame on the highest cleric at that time in Iraq was Ayatollah al-Sadr, who happens to be the father of Muqtada al-Sadr. What did they do with the Ayatollah? This is what Saddam Hussein did, got his sister in his presence, raped and murdered her, and then after that burned the beard of the Ayatollah al-Sadr—this is Muqtada's father—while he was alive and drove nails into his head. If you can put that perspective in terms of if you were his son—I suppose if it was Bush 41 and Bush 43, I would have some really, really strong feelings about how my people had been treated by Saddam and his regime, and I think we have to put that in perspective as to why Muqtada al-Sadr is very much part of this whole thing because of course the Mahdi militia that he now controls simply because he wants to make sure the Shiites are never going to be under suppression by the Sunnis.

This is where we find ourselves in the situation now in Iraq, and I just wanted to ask you the question of whether or not—and I am sure that you probably may have already explained this, the surge or the addition of troops as we have tried before, would it really bring some sense of resolution to the crisis that we now face ourselves in Iraq? And I just wanted to give that question to you.

Secretary RICE. Well, thank you. First of all, I think you make a very important point about the deep grievances that are there. And they are deep grievances that are not just in Iraq, they are deep grievances that are region-wide, and it underscores the difficulty of overcoming that through political process rather than through violence and repression. I think we also have to recognize that in the modern era the continued oppression of the Shi'a by dictatorships is simply not going to survive. It is going to explode to the surface, and what is happening in Iraq is that you have now one man, one vote, and the Shi'a are in the majority, and so they have been the majority in the government. But the task is for the

Digitized by Google

Original from PENN STATE

Shi'a and indeed the Kurds to see themselves as a part of a broader picture to put majoritarian interests below that of the nation as a whole, but that is a hard lesson to learn. I think we recognize that our own democracies had a tough time with some of that, and it takes time, and I recognize—and myself feel some impatience with the Iraqis sometimes for not getting the oil law passed, for not getting the de-Baathification law quite right, but they are asked to do something quite remarkable given the history that you just cited and so the political process now gives them a chance to solve their problems politically. It would have an enormous impact on this region if in fact that became the model, and as tough as it is, it is worth continuing to pursue because succeeding in that would mean a very different kind of Middle East.

As to the question of why the surge would help, I think that what you are trying to do in this case is to give some breathing space to national reconciliation. The points of General Abizaid have been noted a couple of times, but General Abizaid was talking in a particular context, he went on to say, you know, that given certain circumstances it might help. And we all had hoped that the additional forces would be Iraqi forces, but those Iraqi forces are simply not going to be ready in time to help deal with the Baghdad problem which threatens to overwhelm the political process that has a chance to deal in a political rather than a repressive or violent way with the tensions that you have outlined.

Chairman LANTOS. Thank you very much. Mr. Burton.

Mr. BURTON. It is nice seeing you again.

Secretary RICE. Nice seeing you.

Mr. BURTON. Tough times for you, but you are handling it well.

Secretary RICE. Thank you.

Mr. BURTON. Last night the President's speech was, I thought, very effective and very good, and I listened not only to the President's speech but I also listened to the response from my Democrat colleagues on what should be done or shouldn't be done. And they have continually pointed out from their perspective that we need to start redeploying, moving our troops out of there, and putting them someplace else. What I would like to ask you today, and I don't want to be redundant, you may have been asked and answered this before I arrived, but what I would like to know from your perspective, and I know nobody has a crystal ball, but if we were going to signal that we were going to redeploy, if we were going to say we would pull our troops out of there within a given time period, what would happen, number one? And number two, long term, what would that lead to? Would it lead to another conflict of maybe more devastating magnitude than what we have seen so far? And could it lead to a war throughout that entire region?

Secretary RICE. Thank you, Congressman. First of all, let me just say that redeployment really means withdrawal, and I think we need to be clear about the language. And withdrawal under the circumstances would, I think, before the Iraqis are ready and before they have had a chance to make their political process work and before their security forces can handle the jobs, before al-Qaeda is defeated—and make no mistake about it, we have been emphasizing Baghdad and saying Anbar is the center of al-Qaeda, but al-Qaeda's fingerprints are on a lot of what is happening in Baghdad

Digitized by Google

Original from PENN STATE

too, and we have to keep that in mind. So I think the notion of withdrawing and leaving this country to terrorists' safe haven of the kind that was Afghanistan but this time in a country that is central to the Middle East, leaving an Iraq that cannot govern itself, cannot sustain itself, an Iraq in which its neighbors are tempted to, so to speak, pick at its bones if it cannot govern itself, and we have to remember that it has a particularly troublesome neighbor to the east, and I might just mention, of course America's own credibility with our friends and allies in the region. Our friends and allies in the region still remember that after Beirut we left Lebanon. They still remember that. They still remember, from their point of view, that that said that when times get tough America will leave. And you say, but we have been together through the Gulf War, through—but they still remember. If the United States is not willing to keep its commitments, not willing to finish the job, I think of the negative impact on our influence in the region, on our standing in the region. If there is not American influence in the region, there will be other influences in the region, and my candidate would be Iran. So the stakes are enormously high in Iraq, and let me just say, we all fully understand—this administration fully understands and I understand personally that this has not gone as we would have hoped it would have gone. We understand the difficulties. We understand how hard it is, but we know that it is not done, and we have made mistakes, there is no doubt about it. But to allow this to fail for lack of trying, for lack of willingness to augment our forces, to give the Iraqis a chance to stabilize their capital, I think would be a real tragedy. And I thank you also, Congressman, for the expression of concern, but let me just say, I can't think of anything that is a greater honor or indeed more stimulating, and in many ways I feel myself very, very lucky because if you are going to do this you might as well try to do it at a time of consequence. So thank you very much.

Chairman LANTOS. Mr. Payne.

Mr. PAYNE. Thank you very much. Ms. Secretary, I wish you well on your trip. Just a quick comment and then I will ask about this surge. I saw where the United States went into Somalia and attempted to get three al-Qaeda-accused persons that had been there for about a decade anyway, but the swiftness of our action once we decided to do that certainly shows we can do what we want to do. I just look at Darfur with 450,000 who have been slaughtered by al-Bashir and his government and all we have asked for is just a no-fly zone to prevent the Sudanese from continually bombing and killing innocent people, 450,000 there, but we cannot even do that. And so I would hope that in some of these other issues we can take as gravely and as important the lives of those innocent people as we are going after these three suspected al-Qaeda operatives.

Let me just ask a question about the surge. The question about surging appears that when you surge it is like a wave. You come in, you bring a lot in, you have a lot of activity, but surges seem then to recline, I guess. You can't keep a surge. Like I guess on a swing with a child, you surge up but you can't stay up. So is this a surge? Or is it an escalation? Because if you are going to then continue, and I recall that word in the 1960s when Vietnam, the word "escalation," I see that we are not using escalation here but

Digitized by Google

Original from PENN STATE

a surge would seem to me mean it is time certain. I don't see how a surge can work with just the group of people additional in and then they are supposed to maintain that momentum.

The other thing I just wonder about is the 21,000 more, whether that is enough, because I also question how many combatants we currently have. We say we have 132,000 troops, but I have been led to believe that we have almost that same number of contractors, which are soldiers themselves, I guess. So we could look at the current numbers, maybe being over 250,000 persons in a combative or supportive role if we take in these contractors. So I just wonder the number of contractors, whether that is classified information because I wonder how many are we going to need to contain and bring democracy to Iraq.

Secretary RICE. Thank you, Congressman Payne. On the contractor number, I don't know myself the exact numbers of contractors. I think most of the contract personnel that is there in a security fashion, is there as a part of protection forces or security forces or that kind of thing, not actually involved there in with the central mission, but I can certainly check that for you.

The question about the surge, I think it is intended to be one that is for the time that is necessary for the Iraqis to—under new rules of engagement, under a new structure for the plans for the City of Baghdad to be able to deal with the death squads that are running in these neighborhoods, to be able to deal with some of the militia activity, and as a consequence of working with the Iraqis to leave a better trained Iraqi force behind to be able to hold these areas. So in that sense, it is there for a very specific mission, which though I can't give you a time, I think would be time limited by its very nature.

The point that I think the President was trying to make last night is that what we understand is that the Iraqis have to deliver on the rules of engagement part, and they have to deliver their own forces. If they do that, we think that this has a good opportunity to actually help them get their hands around the sectarian violence. But as I said, it would also leave behind better trained Iraqi troops, and again, there was a gap between when Iraqi troops were going to be ready sometime in the summer to early fall, to turn them over to Iraqi control, and the need to deal with Baghdad now. So I think everybody thinks of this as something that is mission limited and thus ultimately time limited.

Chairman LANTOS. Mr. Boozman.

Mr. BOOZMAN. Thank you, Mr. Chairman. Thank you for being here, Madam Secretary. As you may or may not know, Tom Osborne, the great coach from Nebraska who was a Congressman here for the last couple of terms and did a wonderful job, here is a guy who won the national championship three times and somebody one day asked him, "How do you win? What is there about winning?" And he said that you win by doing the little things. Earlier today Mr. Woolsey was here and was talking about the importance, and related a story about a Romanian KGB agent who said one of the keys in dismantling the Iron Curtain was through our Voice of America program, how good it was. And he was very critical of the program that, you know, that—what has replaced that for the Arab countries, very critical. In my travels on several occa-

Digitized by Google

Original from PENN STATE

sions, that has been brought up to our delegation. Those leaders, at all different levels, really felt like it is just not doing the job. Is that something—would you agree with that assessment? Is that something—that to me, we have got all of these things going on that aren't fixable, but that to me really is one of those real things that is kind of the basis of a lot of the stuff that is going on that is fixable. So again, I would appreciate your comments.

Secretary RICE. Well, thank you. First of all, I do agree that we need to do a better job in terms of what we were able to do to begin to reproduce what we were able to do at the time of the Cold War with the Voice of America, Radio Free Europe, Radio Liberty, which was a lot of our success in Eastern Europe. Of course times have changed. We now talk about satellite TV. There is a satellite dish on most apartment buildings in most of the Arab world. We face a certain skepticism if it is seen to be an American Government product and I think we have to understand that. We didn't face that skepticism with Radio Free Europe and Radio Liberty. We were known to be the voice of the truth. I think in the Arab world sometimes there is great, great suspicion of American programs. But that said, we are trying to rebuild some of that capability. We did let it go at the end of the Cold War, disbanded USIA, basically believed that the job had been done and didn't foresee that a lot of this would be needed for hearts and minds in a very different part of the world. So with stations like Al-Hura, Radio Farda, which is focused on Iran, we are doing our best to improve our capability, and we are also trying to get people out and around, to be good voices on the media that is there. I know we all have a particular view of Aljazeera, it is a view with which I completely agree, it is very often—most often propaganda. However, even with Aljazeera, we try to get our people out on Aljazeera; we try to get our people out on Al Arabia because satellite TV is extremely important to spreading the message. So I agree with you about the importance of that path.

Chairman LANTOS. Mr. Wexler.

Mr. WEXLER. Thank you. Madam Secretary, each time you have very generously testified before our committee you have done so with conviction, with passion, vociferously defending this administration's policies. I very much respect your intellect and certainly your consistency.

Last night the President, when he addressed the Nation, made a stunning admission that the United States effectively had already implemented the strategy that he was proposing anew, the strategy of American troops going door to door in Baghdad, American troops going neighborhood to neighborhood, removing the killers in Baghdad. And then the President said, "But we didn't have enough troops to hold the gains." The quote from the President was—this is the President's language: "This time we will have the forces level we need to hold the areas that have been cleared."

You have focused a good bit of your answers on the mistakes that the Iraqi Government has made. With all due respect, the Iraqi Government did not determine the troop level that we employed in Baghdad. That was the American Government that made that choice. It was the American administration that rejected General Shinseki's initial estimation of troops. It was the American Govern-

Digitized by Google

Original from PENN STATE

ment that made the mistake on the amount of money it would take. It was the American Government that made the mistake on the nuclear program in Iraq. It was the American Government that mischaracterized the connection between al-Qaeda and Saddam Hussein. But yet today we focus on the mistakes of the Iraqi Government.

Now why is it a fair, I believe, question to ask? Because in November the American people spoke, and the American people said, "No new troops, no new troops." You in fairness, in response to Mr. Burton, said, "We need to be clear about our language, redeployment means withdrawal." I grant you that. That is fair. But you too need to be fair and clear about your language. Surge means escalation. The American people in November said, "No new troops." So we as the representatives of the American people have the obligation, I would argue, to ask you, we have a whole series of American misjudgments, American mistakes. Who was it that told the President of the United States, recommended to the President of the United States we had enough troops in Baghdad when as you described we knew al-Qaeda was about to blow up a Shiite holy site and create a civil war? Why didn't we ask for 40,000 more American troops before that happened to stop it? But last night, the President went on TV and asked for 20,000 more American troops. I would respectfully suggest not so much because of the Prime Minister of Iraq's mistakes but because of the mistakes of the United States Government and the American people have a right to ask, is it the same people that made these mistakes that now want us to buy into this escalation of troops? And if so, why should we give you the benefit of the doubt this time when it appears so evident that so many mistakes have been made in the past?

Secretary RICE. Well, Congressman, thank you very much. First of all, I don't think we did know that al-Qaeda was going to blow up the Samara Mosque. With all due respect, we don't have a crystal ball and we didn't see it coming. We did know that al-Qaeda was going to try to stoke a civil war because we knew that Zarqawi was planning to do so. I don't frankly know that 40,000 troops would have stopped him from blowing up the Samara Mosque. So I fully accept that the American administration has made mistakes. I think we have done some very good things. I think we have done some things that would not have worked out as we would have had them work out. We fully accept the responsibility for that. Some of the people who are advising the President, like me, are the same people who have been advising him since the beginning of the war. Others who are advising him, like Secretary Gates, came to this with fresh eyes. We all came to the same conclusion, listening to the military commanders on the ground, listening to our political people, that the urgency of dealing with the Baghdad situation and helping the Iraqis to deal with that situation required a surge, and by surge—and I am not here to speak again to what Congressman Payne said—a surge to do a specific mission related to Baghdad security.

Now, in fact, the last Baghdad security plan did not fail because American troops didn't show up. It failed because Iraqi troops didn't show up in the numbers that they promised, and it failed be-

Digitized by Google

Original from PENN STATE

cause the rules of engagement were rules of engagement that allowed political interference. I think we believe that we fixed that problem this time. But to be absolutely clear, we understand that this plan depends very much on execution, it depends on human beings to execute it. And if human beings don't execute it well, then it is going to fail.

Mr. WEXLER. Madam Secretary, with all due respect, it is now your testimony that American troops were sent into harm's way in Baghdad knowing that the commitment of the Iraqi troops was not there that you thought would be there and, so be it, that is just the way the cookie crumbles?

Secretary RICE. Congressman, let me say what my testimony is if you don't mind.

Mr. WEXLER. Please do.

Secretary RICE. My testimony is that we had a plan for the security of Baghdad. It succeeded very often in clearing the neighborhoods because we had enough forces, Iraqi and American, to do that, but because there were not enough Iraqi forces that indeed were supposed to be a part of this plan, it turned out to be impossible to hold those areas after they were cleared. So in fact, the first part of the plan worked. The other part that didn't, of course, get done is that the build section—and we have spent too little time or I have spent too little time talking about the economic and political side of this that has to accompany the military effort because it wasn't possible to hold the areas. It was also not possible to build.

This plan also is an Iraqi plan that has a different structure to it with districts in Baghdad that are governed by military commanders, with forces at their disposal in a kind of wheel-and-spoke fashion. So Congressman, I want to be very clear about what the President was saying last night. We understand that there were problems with the Baghdad security plan the last time around. We also understand what those problems were. And we understand first and foremost that without Iraqi buy-in to this plan it is not going to work, and that is where the President has spent most of his time with Prime Minister Maliki, making certain that he has the Iraqi buy-in and the Iraqi assurances that we need.

Chairman LANTOS. Mr. Royce.

Mr. ROYCE. Thank you, Mr. Chairman. Secretary Rice, I was in Haifa, Israel, in August when it was being shelled by Hezbollah. So I have seen the effects in the trauma hospital of Iran's involvement in Lebanon. Incidentally, the Hezbollah general on that southern front, Karani, had a brother, Mahmoud Karani, who in fact came into the United States. He was caught. Here he had come in in the trunk of a car in my State, in California. Later he was caught up in Dearborn, Michigan, with a cell, Hezbollah cell, and found to have been trained by Iranian intelligence. That does raise certain questions about our border security. It also raises questions about support for our border patrol. But the question I would like to get at today is something that our Director of Central Intelligence, former Director Woolsey—as you know, he was here this morning prior to you, and he raised this question. He said that the head of Hezbollah for Iraq is al-Sadr, and likewise the Iraq Study Group raised a point that Muqtada al-Sadr is, as they said,

Digitized by Google

Original from PENN STATE

following the Hezbollah model that they are following in Lebanon. In other words, they are building a political party now in their areas that they influence in Iraq that controls basic services within the government and controls an armed militia outside of the government. And I was going to ask if you shared that assessment, and then I would go to one thing that you said previously in your testimony today. You said that Iraqis will have to deal with Sadr, and I was going to ask how likely that is, but also, do we have no role to play in dealing with Sadr?

Secretary RICE. Well, on the latter point, I think it is important to recognize what you have just said, Sadr is a political force. He has people in the legislature. He has had people in the government, although currently standing down from that. And when I say Iraqis have to deal with Sadr, I mean they have to deal both with the violence he causes and with the political problem that he causes. But I do think it is best done as an Iraqi responsibility because of the nature of the problem. I don't doubt that at some level Sadr's forces see as a model the way that Hezbollah has emerged in Lebanon. A poor Shi'a area, as the south of Lebanon is, as Sadr City is in Iraq, historically discriminated against, historically impoverished, where social services are not delivered by the central government, where there is a sense of discrimination, and where people take their aid from whomever can offer it, and in this case a well-organized group can offer it. I think that is undoubtedly what they have in mind. Therefore, the wise thing for the Iraqi Government to do is to make sure that they don't repeat the conditions that the Lebanese Government created in order to let that take hold. That means getting goods and services and education and jobs programs into these areas where there has been deprivation. It means that you don't live with a political party that has an armed militia beside it. At some point in time it has to be disarmed. It means, too, that you don't permit outside forces to become embedded in the training of these. Now, there isn't really, frankly, very much evidence of the Iranian influence with Sadr himself, but I will say that we do believe that the Iranians of course have a role in helping militias and in helping violent people who are hurting our forces. But I think that it is a forewarning to the Iraqi Government that unless they provide the kinds of services from the central government and from localities that they will face an organization that has a Hezbollah-like model in mind.

Mr. ROYCE. Thank you, Secretary Rice.

Chairman LANTOS. Mr. Engel.

Mr. ENGEL. Thank you, Mr. Chairman. And Madam Secretary, I want to just make a couple of quick statements and then I just want to ask you a question about Iraq. First, thank you for your testimony, and thank you for calling me the other week. I really appreciated our exchange of views, and I thought it was very, very helpful. You know we have always talked about the Syrian Accountability Act, which I authored and cosponsored with Ileana Ros-Lehtinen, and I just, again, want to urge the administration to implement all the sanctions of the Syrian Accountability Act. I know that you are going to the Middle East, and one of the things that has been talked about is the Israeli-Palestinian dispute, and I just want to say that I disagree with the Iraq Commission and

Digitized by Google

Original from
PENN STATE

others who say that the key for solving all the problems in the Middle East is solving the Israeli-Palestinian dispute because the translation to that usually means, let's put pressure on Israel to make concessions without really getting anything in return, let her make concessions to a Hamas government that denies their right to exist, and just keep pressure on Israel. So I hope that that won't be the case, and that we want the goal of a Palestinian state living side-by-side in peace with Israel, but I think such a state can only happen if the Palestinians recognize Israel's right to exist.

My question about Iraq is this, no one wants chaos in Iraq, and no one obviously wants defeat in Iraq, and no one wants terrorism to get the upper hand. The question is: Does the President's plan simply perpetuate the problem? Is Iraq winnable? That is the question. And if it is, what do we mean by winning? Because we have said a couple of times, our goals in Iraq are one thing and then we seem to kind of shift it.

We had a hearing this morning on Iran, and I think that a case can be made that as long as we are bogged down in Iraq the Iranians will continue their mischief, and we lack the ability to deal with them because of our being bogged down in Iraq. So the question really is: If we need to deal with combating terrorism, and we do, are our goals best served by pouring more troops and resources into Iraq? Or might our goals be better served by realizing our limitations and realizing again that by being bogged down in Iraq we are exacerbating the terrorist problem by being led by Iran, who is the leader of terrorism, by not being able to deal with that sufficiently? Iran is thumbing its nose at us because they know we are too preoccupied in Iraq to deal with them sufficiently.

Secretary RICE. Thank you. Well, first of all on the Syrian Accountability Act, let me thank you again, you and Congresswoman Ros-Lehtinen, for it. I think you will see us use it. We have been trying to use it to leverage contributions, so to speak, multilaterally but the President is determined to use those powers. So thank you very much.

On Israel and the Palestinians, we see this as a conflict that has its own logic and needs to be resolved on its own terms. Obviously it would be a very good thing for the Middle East if this were resolved. It is not that it would solve all the problems of the Middle East but one can't imagine a truly different kind of Middle East without this resolved. But we are going to do it on the logic that makes sense for that conflict. It may well be that as people realign their interests in the way that I was describing, that there may be more interest, for instance, on the part of some of the Arab states in being supportive of the establishment of the right kind of Palestinian state. But let me just assure you, we are not about to sacrifice the interests that we have maintained in a stable and democratic Jewish state of Israel and indeed, a Palestinian state that can live side by side. We are not about to sacrifice that.

As to Iraq, I do think—not only do I think it is winnable, I think if it is lost, then we really will empower Iran in a very major way because then Iran's ability to meddle in the affairs of an Iraq that is truly unable to govern itself, and in effect to use Iraq as a bridge for Iranian assertiveness to the region, I think, is only going to grow. The converse of that though is if we are able to stabilize a

Digitized by Google

Original from
PENN STATE

Shi'a-led government in the middle of the Middle East, and one that by the way that is not theocratic, which I do not think the Iraqis will be, that is really a barrier to further expansion of Iranian influence. I don't think that it is an issue of being bogged down. I know that it is not an issue of being bogged down that makes it difficult to deal with Iran. What makes it difficult to deal with Iran is that it is a state that has tentacles out through extremist groups like Hezbollah and now is trying to push those tentacles into Hamas, and that it has a sidecar, Syria, that is certainly helping it in those activities. Iran is in pursuit of a nuclear weapon. But I would not—I don't feel at all a lack of optimism or, to put it differently, pessimism about our ability to deal with Iran. We have in the last year gone from people questioning whether or not the Iranians are really trying to get a nuclear weapon to Chapter 7 sanctions against Iran in the Security Council. Now, I would be the first to say those sanctions are not enough because they are not strong enough to change Iran's calculations. However, being under Chapter 7 resolution is not very good company to keep. It is states like Sudan, it is being with states like North Korea, and a few states that I think we will soon be out from under, like Liberia and the DROC. It is not the kind of company that you want to keep. Given the reputational risks for private financial institutions and private investors as well as the shadow of further sanctions, I think you are beginning to see an effect on Iran's ability to invest in its oil and gas industry and in its ability to move its assets. So it has a collateral effect that is very important, and I think we have to press our allies to be very tough on this matter. Frankly, one of our problems is that we have not had the kind of concerted international effort on Syria or, to that matter, Iran that we need to build. I think we are getting there, but that is ultimately going to help us to deal with Iran, and perhaps change Iran's calculations. But I think an Iraq that fails is going to be a real boon for Iran.

Chairman LANTOS. Mr. McCaul.

Mr. MCCAUL. Thank you, Mr. Chairman. Madam Secretary, I want to thank you for the job you are doing under tremendous pressure, and we all recognize that here. I served as a consultant to the Iraq Study Group and while I don't agree with all the findings, there are many that I do. Number one, this is one you mentioned, and that is that failure is not an option. I think failure for all Americans is something that we cannot afford. It will create a situation far worse than what we have today. Secondly, this is not going to be won militarily alone. I think that there is a political solution to this. I am hopeful that the President's plan and the surge in troops will provide the security and stability necessary so that we will have a breathing period, if you will, so that a political solution can be reached, and I know you are working in that effort. I have three short questions I want to ask you. One, one of my concerns all along with this conflict is——

Chairman LANTOS. I am sorry to interrupt my colleague. I don't want you to use up all of your time because then we won't get a chance to hear the answers. So ask your first question. Then we will listen to you.

Digitized by Google

Original from PENN STATE

Mr. MCCAUL. Okay. You would rather me take it one at a time, Mr. Chairman?

Chairman LANTOS. Yes.

Mr. MCCAUL. Iran. The concern I have is that Iran, we have created, if you will, maybe an opportunity for a power grab, a greater extension into Iraq. We know their tentacles are there. Can you comment on the Shi'a and their allegiance? Is their allegiance to Iraq nationality first or is it to Persia?

Secretary RICE. I believe that the great, great, great majority of Iraqi Shi'a are Iraqi patriots and that they see themselves as Arabs first and have no desire to trade the yoke of Saddam Hussein for the yoke of Iran.

Mr. MCCAUL. Okay. And I hope that is true. The second has to do with Iran and how are we dealing with Iran. We heard from Jim Woolsey earlier at a hearing, the idea of an internal resistance to deal with the current regime. To the extent you can comment on that, what are we doing to assist that internal resistance? And then if you can also comment on the role of the MEK and their status on the terrorist list and whether that is something that can be potentially changed.

Secretary RICE. Well, the MEK is still listed as terrorists and I think that given the history they will continue to be. In terms of the Iranian internal circumstances, we have been pretty up front in trying to find those who wish to build another kind of Iran. We have grants that we are prepared to make to groups that are trying to form. But I think we need to recognize that Iran is a rather complicated place, and there is some internal turmoil in Iran that is emerging already. You hear it in the way that people—that the near riot that broke out when Ahmadinejad went to Tehran University. You see it in the fact that, from my point of view quite extraordinarily, the Deputy Oil Minister talking about how their policies are leading to a lack of investment in Iran's oil fields. I think there is some turmoil there, and I think that policies that demonstrate that Iran's policies are serving to isolate it further will, in fact, cause that turmoil to grow and perhaps change Iran's policies.

I just want to say, I hear very often at least the undercurrent, Well, by taking out Saddam Hussein we have made life easier for Iran. I think we also have to recognize that having Saddam Hussein there of course made life hard for the whole region. So whatever near-term or short-term advantage Iran might feel, if we do our work well, it will be a long-term loss for Iran to have an Iraq that is Shi'a-led and not theocratic and democratic and connected to the Arab world. I just ask you to imagine what life would be like if we had Saddam Hussein chasing Iran for nuclear preeminence as Iran chases a nuclear weapon.

Chairman LANTOS. Mr. Delahunt.

Mr. DELAHUNT. Yes. Thank you, Mr. Chairman. Thank you, Madam Secretary. I would just make an observation as a follow-up to the question posed by Mr. McCaul, that there has been a number of agreements executed between Iran and Iraq, including the bilateral military cooperation agreement, according to the CRS. I would be interested—I am not going to ask you now—if you can communicate to the committee what the terms of that bilateral

Digitized by Google

Original from PENN STATE

agreement between Iraq and Iran is. I think that would be of interest to us.

In addition, I would also note for the record that Foreign Minister Zeybari back in June made a comment that—and I am quoting here: "Iran doesn't want to claim they want to obtain a nuclear weapon or a nuclear bomb so there is no need that we ask them for any guarantee now."

I think we all can agree that is somewhat disturbing. So in terms of where Iraq is in relation to the Islamic Republic of Iran I think is very much open to debate. There are a number of agreements that have been executed. But I heard what you said earlier about the plan being an "Iraqi plan." And yet today in the *New York Times*, there is a headline that says, "Promising Troops Where They Aren't Really Wanted." And a close associate of the Prime Minister, Mr. al-Abadi, has this to say: "The government believes there is no need for extra troops from the American side. The existing troops can do the job." That is his quote, not mine. And I am also aware that we talk about American public opinion, but the Department of State and independent groups have done extensive polling, and I find it very disturbing the results that in excess of 70 percent of the Iraqi people, according to DoS poll as well as the University of Maryland poll, want the Americans out. They want us out in the course of at least a year—I think that is how the question was proposed—because their belief is that it is provoking more violence rather than de-escalating the violence. In addition, in the University of Maryland poll there was a question about support for attacks by Iraqis on American military personnel. And I think it is very disturbing to hear or read that the conclusion is that in excess of 60 percent of the Iraqi population said it was okay. I mean, I guess my point is, are we really wanted there by the Iraqi people, Madam Secretary? And if so, how do you account for the polling there?

Secretary RICE. Well, first of all, I do understand that one has to be very careful on how one reads polls because you have to know precisely what was asked and of whom and under what circumstances. I am a social scientist. I know quite a bit about polling, and one has to be careful in how one—even Department of State polls have to be carefully read from the assumptions that were built in and so forth. But that said, I don't doubt that Iraqis would like to see their country free of foreign forces. It is a country that doesn't particularly like having foreign forces on its soil, but I do know that the Iraqi Government overwhelmingly, with the exception of the Sadr bloc, has made very clear that they do not think that America can afford to leave and that is why the Iraqi Government requested through the United Nations an extension of the multinational forces for Iraq. Every time those leaders are here they thank us for the liberation of Iraq, but of course they want to get to the day when they themselves are able to take care of their security problem, and I think that also explains why, when the Maliki government came forward in Jordan with its plan, it wanted this to be all Iraqi forces. I fully remember that and want you to understand that. That is a good sign. However, when the experts took a look at the plan and said, What would need to be done in order to bring stability and security to the population of Bagh-

Digitized by Google

Original from PENN STATE

dad? It was the assessment of our generals and frankly of their defense experts that there was a gap between what they had and what they would need and that that gap was going to persist well into the summer.

Mr. DELAHUNT. So this is an American plan, not an Iraqi plan?

Secretary RICE. No, no. I said they brought the plan but we then sat with their experts and our experts. Prime Minister Maliki handed the plan to the President. He said, "Now go and get our experts together to see how we can execute this plan." It is a perfectly logical thing to do. So when they sat together, they recognized there was a gap between Iraqi capabilities now and Iraqi capabilities in the summer and nobody felt that this could wait until the summer. And that is how the augmentation came through. Now I don't doubt—Iraq is now actually a very free wheeling kind of democracy and people say all kinds of things and I am not at all surprised that there are a lot of Iraqis that still believe that Iraqi forces can do this on their own. I think they want to do it on their own but we do have to ask the question, given the stakes and given that security in Baghdad is a very high priority, we don't want them to fail. And so helping to augment their capabilities so that they can succeed is a logical thing to do.

Chairman LANTOS. Mr. Smith.

Mr. SMITH OF NEW JERSEY. Thank you very much, Mr. Chairman. And welcome again, Madam Secretary. Thank you for your candor and your leadership. Let me just ask a couple of brief questions. In the past when I met with the leader of the reconciliation commission in Iraq and several of its members, I got the distinct feeling they felt isolated and not supported by either their own government or by the international community.

Secondly, on the plight of the Assyrian Christians and other Christians who are a minority in Iraq, as we know, according to information we received at a hearing of this committee in late December, approximately 40 percent of those seeking refugee status from Iraq over the past 3 years have been Christians, and UNHCR has said very clearly they were destitute of those who had managed to get out. My question is, despite these reports, the United States is not making direct access to those refugee programs available to the Iraqi religious minority. Is there consideration being given to creating a new or expanded option for those Christians who are fleeing? I hoped that that would have happened already, UNHCR has not done it either. So this is a very pressing issue.

Finally, on the issue of labor guidelines. We all know that we held hearings on this last year. I traveled to Iraq to check it out myself in September. There is a concern that many of the foreign workers, the 35,000-plus that have been brought in, many of whom were brought in under brokers who were used in deceptive practices and other kinds of very misguided procedures. Unfortunately, some of them could be construed as trafficked individuals. General Casey, to his credit, issued a zero tolerance policy and put into place a number of important steps to try to mitigate and hopefully end the status of that labor agreement. How was it proceeding? Are we hiring people who are getting a fair wage for their work, under the circumstances that we would consider to be fair?

Digitized by Google

Original from
PENN STATE

Secretary RICE. Thank you, Congressman. As you said, obviously we do have a zero tolerance. You know how strongly we feel about trafficking, how much we have been an international leader on trafficking. Anytime we have a chance to stop it, even in places where we don't have as much influence as we do in Iraq, we try to do it. I think it is fair to say that this is a very complicated place right now. They have got a lot on their plate, and they are not going to do everything perfectly but of course we are pressing the case.

Let me go first to the reconciliation commission. I also have heard that they sometimes feel they are not listened to. The Prime Minister's people say they do work with them, they do listen to them, but it is awfully important there be a sense that the work that they are doing is really being taken seriously. I think it is. I think some of the proposals that are coming out are really coming out of that commission, but it should be taken very seriously.

Finally, on refugee policy and the current refugee policy more generally, I have asked to look again at our refugee policies on Iraq. As you know, we have had some delay in the way that UNHCR deals with these cases. We have places where people will not—where they are residing where they are not classified as refugees by the government, which causes some problems, and of course we have had a fairly limited program for special refugees, so to speak. So I do think this is something worth looking at.

Mr. SMITH OF NEW JERSEY. If you could do that as quickly as possible, those people really are on the edge. Many will die. I heard, while I was in Baghdad, from several of those individuals, and they are in dire straits, and they are often looked at as if they are the Americans by the warring factions, and they are Iraqis, but they are singled out in a way that leads to putting them in dire straits and often leads to their death. So, I would hope a special program or at least an inclusion of them in programs could be done as quickly as possible.

Secretary RICE. We will take a look.

Chairman LANTOS. Mr. Meeks.

Mr. MEEKS. Madam Secretary, when I remember sitting in this committee now close to 4 years ago and at that time there was a big deal that was being made about the "coalition of the willing" and that we were not doing this by ourselves. And then I look in the *New York Times* today, and I see the biggest partner of the "coalition of the willing," the British, they are not surging with us. They are talking about redeploying or, as you say, withdrawing. They are not talking about escalating. And I have not heard of any of the "coalition of the willing" surging with us. It seems as though we are surging alone, and that coalition that was a big deal a few years ago that we were not going at it alone is no longer intact.

So my first question is, Where is the "coalition of the willing"? Is there anyone surging with us or are we surging alone?

Secondly, listening to the President last night, I couldn't help but think about a number of the things that he had said in the past and how he has pulled on the Americans' emotion strings, if you will. I can recall vividly you, in fact, talking about a mushroom cloud, and the American people were fearful as a result of that. I recall the President saying, "Bring it on." And the American people

Digitized by Google

Original from PENN STATE

at that time, because it was seen to be patriotic, we are going to go get them. And then I recall the banner, Mission Accomplished, and that was supposed to be it. We went in there, we did our thing and everything that we talked about was done. Then I recall every press conference. There was a plan for victory that we never seemed to see happen. Then we had the deck of cards with all of the different heads of the Saddam Hussein regime and we were supposed to pick them off one by one, and Americans were supposed to feel that once we captured them, then it would be over, particularly when we found Saddam Hussein in a hole. Americans were hopeful. That was going to be the end. There was going to be some peace. That didn't happen. Then we had elections in Iraq. That was going to change things. Then that was going to make it better in Iraq, and Americans had its hope up. Then stay the course. And now, surge. And then I listen to the President. So my question is, last night the President then said that the U.S. has responsibility and engagement is not open ended. And allegedly there are benchmarks being set up. Now to me the President has a credibility problem. So if you are going to set up benchmarks at this point, is there a timetable? How do we know? Is it a month? Is it 6 months? Is it a year? How do we know? What are those benchmarks? What is that timetable that we will be utilizing to determine whether or not the Iraqi Government has shown up, doing their thing, taken control of their country or they are not? Is it open ended, or do we have dates to go? Forget about withdrawing now, I am not even talking about withdrawing, but dates to see if the Iraqis have met their benchmarks to show that they are keeping up their end of the bargain based upon the plan for which I heard you say they brought to us and said they can do? There should not be any excuses because it is their plan.

Secretary RICE. Well, first of all, Congressman, let me be very clear about what their plan is. Their plan is for Baghdad—there are other elements of this plan that the President is putting forward for Anbar, and for the decentralization of our political and economic structures. I want to be very clear that the Baghdad plan with the nine districts and so forth that we would help to resource, that is the part that is an Iraqi plan, and obviously it is going to be very important to monitor how they are doing on meeting their commitments.

But I will tell you the benchmark, if you want to call it that, that I am most interested in is, are they going to make the difficult decisions when it comes time to take down death squads that are related somehow politically to influential people, or who are of one sectarian stripe or another. I think that is probably, in the short time, the most important benchmark.

Mr. MEEKS. How will we know——

Secretary RICE. I think we are going to know right away when the commanders say that they did or did not receive the green light to do what they needed to do.

Chairman LANTOS. The gentleman's time has expired.

Mr. Tancredo.

Mr. TANCREDO. Thank you, Mr. Chairman. First of all, let me thank you, start off by thanking you for allowing the transitive President Chen through San Francisco. I think that is a very good

Digitized by Google

Original from PENN STATE

development, and I want to thank you publicly for allowing that to occur.

Secondly, I want to bring to your attention something that has come up recently as a result of the fact that once in Colorado, I think once in Tennessee, an Iraqi national who was here, was arrested for a very serious crime in both cases. At least in one case it was manslaughter; I think in the other case it was something similar or just as serious. It turns out we cannot return these people, who would otherwise be returned to their country of origin if they committed an act like this in the United States, after serving their time they would be deported back to the country of origin. Turns out that Iraq won't accept their nationals who have committed crimes in the United States. They will not accept them back if we try to deport them.

It also turns out, when we looked into it, there is something like 40,000 Chinese that fall into the same category. China will not accept back their nationals.

In a letter I sent to you and a response I got today, I understand—although I have not read it yet, and I was just given a part of the response, it said that—as you know, by the way, that the law requires, U.S. Code 1253 states very clearly that on being notified by the Attorney General that the government of a foreign country denies the ability of the United States to actually send back or deport someone who has committed one of these crimes, that we are to stop giving that country visas.

I mean, it is a very clear law. It gives absolutely no wiggle room, if you will, to the Department of State; and in your letter back you said something like, Well, we need to consider foreign policy considerations. What other foreign policy considerations that have prevented us from actually sending back criminal aliens to countries like Iraq, which we are doing a great deal for, it seems to me that they should at least reciprocate by taking their own people back if they have committed a crime in the United States. And the same thing with China, considering our trade relationship with them.

And the second question deals specifically with the issue of the President's speech. If you could explain in detail what exactly he meant by a benchmark being established for November, if, in fact, the Iraqi Government, or by that time Iraq's Government is to take over responsibilities for the security in all provinces in Iraq by November. That is what I heard him say. But I wondered if you could actually tell me what that means in terms of, especially, what would be the response if they did not? What are the ramifications for failing to meet that benchmark in very specific ways?

Secretary RICE. Congressman, I don't think it will be a matter of the Iraqis failing from a lack of will to do it. If for some reason we are unable to train their forces to be able to do it, then perhaps that would be a cause, but we fully expect that by November they are going to be able to do this.

Mr. TANCREDO. What if they don't?

Secretary RICE. I really don't think it is a good thing to speculate what options we might have.

Mr. TANCREDO. Then the benchmark means nothing?

Secretary RICE. No. The benchmark is that you meet the benchmark and then we will still have to work with the Iraqis—we don't

Digitized by Google

Original from PENN STATE

want to cut off our nose to spite our face. If they are moving along and doing rather well in their country, and the generals come and say, "Well, it is going to be a little bit longer," I think we will want to consider that.

What the President is saying is, November is the time that they are supposed to take over the responsibility. We expect them to do it. We think they will be ready to do it. A lot depends, frankly, on how well the training goes for those forces, but we fully expect them to do it. I just don't want to get into trying to talk about what consequences there may be if they don't deliver.

I think that we have made very clear to them that it is time for them to deliver. I am frankly much more concerned initially about, as I said to Congressman Meeks, what happens as this Baghdad security plan unfolds. Are they living up to the rules of engagement that they have agreed to? Are they bringing in the best forces they need to do? Are they acting in an evenhanded fashion? Let us cross that bridge, get them trained, and I think they will meet the November time frame.

As to the point about the various countries and their willingness to take back criminals, this is something that we have and are discussing with the Chinese. I think that we understand the law. We also understand that there are certain downsides to having no visa traffic between the United States and China. So that is what is meant by foreign policy considerations. One has to consider those things.

When it comes to Iraq, the Iraqis have a lot of problems, a lot of problems that we want them to solve. And the issue of the return of our criminals to a country that is already having trouble dealing with the detainees that we are picking up on a daily basis, and they are trying to take these people off the streets who are doing very terrible things, I think we want to be judicious in how hard we press them on this issue. Although we raise it with them, we want them to take them back, I just ask for a little bit of judiciousness with a country that is obviously fighting on many, many different fronts right now.

Chairman LANTOS. Mr. Sherman.

Mr. SHERMAN. Thank you, Mr. Chairman.

Madam Secretary, I am simply concerned that we are putting far too little of our diplomatic and economic power behind the effort to prevent Iran from developing nuclear weapons and putting all of our power—diplomatic, our good name and, of course, our military—behind this effort in Iraq.

The Global War on Terrorism has many fronts and will last for many years. You and I were with the President about a month ago when he compared the Global War on Terrorism to the Cold War. Let us learn from the Cold War. We won that one; there are some good lessons. Kissinger and Nixon told us that if we did not prevail in Vietnam, the Stalinists would take over Southeast Asia, South Asia, and eventually win the Cold War.

Eventually we got smarter. We realized that Vietnam was the worst possible place to bottle totalitarian communism. We withdrew from Vietnam, and I would venture that if we had never withdrawn from Vietnam, we would not have prevailed in the Cold War. In any case, we withdrew from Vietnam and we prevailed.

Digitized by Google

Original from PENN STATE

Now we are being told by the administration that there is no way to prevail against the worldwide terrorists unless we achieve stability, perhaps democracy, in Iraq. We are told that this is the case because if Iraq is not completely pacified, then terrorists will have a place where they can meet and plot against us. But, of course, terrorists right now are not only meeting and plotting against us in Iraq, but in many places in Waziristan, in northwest Pakistan, many places in Afghanistan, many places in the Congo are available to them; they just don't need to go to Iraq.

And so it seems fairly obvious that in this war against terrorism there will be many places where terrorists can plot against us, and if we devote 100 percent of all of our effort to try to deprive terrorists of one place where they can meet, we are kind of losing sight of the entire effort.

Is Iraq the be-all and end-all of the war on terrorism? And as you speak, reflect on the words of Kissinger and Nixon; why did they have it wrong, but you have got it right?

Secretary RICE. Well, with all due respect to my good friend Henry Kissinger, I think we have a history with al-Qaeda that we didn't have with Vietnam.

Mr. SHERMAN. That was part of the global war.

Secretary RICE. Let me answer.

We have a history with al-Qaeda. It is the history of September 11th and we know what it would mean to have al-Qaeda able to roam freely in one of the most important states of the Middle East. We also know what it would mean to have an Iraq that is so disabled and so crippled that Iranian influence became a major factor in the Middle East, really endangering American interests that go back more than 60 years in the Persian Gulf region.

We know, too, what it would mean to our allies in the region to have that kind of Iranian influence and what that would mean for American influence. It is going to be one way or another in the Middle East, and if it is not American influence, I will bet you it will be Iranian influence.

As I said, Iraq given over to terrorists in its Sunni areas and Iraq given over to Iranian influence is most certainly then going to be a bridge for Iran into the region, and an Iraq that is successful is going to be a blockade.

I just frankly think that our interests are so much clearer in what would happen if Iraq fails—our interests in the war on terrorism and the implications of that failure. I would just point, Congressman, to the fact that I think whether it was the Baker-Hamilton Study Group or many of the experts that I have been listening to as they have been testifying, there is a very generalized sense that Iraq, if it fails, is going to have enormous consequences for the United States; and I just think we have a different history with Iraq.

Chairman LANTOS. The gentleman's time has expired.

Secretary RICE. Mr. Chairman, I didn't answer Congressman Meeks question about the "coalition of the willing," and I should do that.

Chairman LANTOS. Please.

Secretary RICE. We don't anticipate that there will be additional forces because in the areas that those coalitions' partners are, they

Digitized by Google

Original from PENN STATE

are not needed. In fact, part of the reason for the British being able to contemplate bringing down their forces is that the area that they are in is about to be transferred to Iraqi control.

But we still have nearly 20 countries involved in Iraq including the Japanese, the South Koreans, several of the Baltic States. The contributions have always been relatively small, but the Australians are still there.

The "coalition of the willing" continues in Iraq, but it is obviously very tied now to how various areas of the country are doing in the areas for which those countries have responsibility.

Chairman LANTOS. Mr. Pence.

Mr. PENCE. Thank you, Mr. Chairman. I want to welcome the Secretary of State to the 110th Congress. I hope you are enjoying it as much as we all are.

Chairman LANTOS. I hope she enjoys it more.

Mr. PENCE. So do I, Mr. Chairman.

I want to take a moment to commend the President and our Commander-in-Chief for deciding not to fail in Iraq. And in consultation with your good offices, Madam Secretary, developing a new strategy and new tactics to achieve a victory of freedom. I also want to commend you for your tenacious commitment to see freedom win in Iraq and for what we again heard today on the subject of Iran, your clarion understanding of how we deal with those who have enmity toward our Nation and our values in the world.

I wish you journey's mercies on your travels tomorrow, and our prayers go with you and your outstanding team as you represent America one more time in that troubled place.

Secretary RICE. Thank you.

Mr. PENCE. I was speaking to a high school group in Columbus, Indiana. From the mouths of babes, I was asked a wonderful question that I wanted to flip back around for you.

Knowing I was a fiscal conservative, I had an industrious honor student stand up and say, "Congressman Pence, can we afford to win the war in Iraq?" And I paused for a moment and thought and said that I thought for their generation, the real question was, Can we afford to lose the war in Iraq?

And I wonder, within the time that I have remaining, Madam Secretary, if you would address what the cost of losing would be. What would be the cost to America's interest in the region? And in your very respected judgment and experience, what would it leave for future generations of Americans to face if we chose to fail by any means in Iraq?

Secretary RICE. Thank you, Congressman Pence. I think it is the right question because these are difficult times. They are crucible times.

And for the President, he has to try to make decisions that are going to give us that opportunity to succeed. The reason that he believes that we really must succeed is to prevent an Iraq that is given over to al-Qaeda in its Sunni areas, where Sunnis have made their accommodation with al-Qaeda—and al-Qaeda has a base not in underdeveloped Afghanistan off the central front, but right in the middle of the Middle East.

And let us make no mistake about al-Qaeda. We have done a lot to disable that organization, we have done a lot to go after the or-

Digitized by Google

Original from PENN STATE

ganization that did September 11th, but they are still alive. I think it was perhaps Senator McCain that said, "The difference here is that when we leave, they will follow us home"; and I think we have to keep that in mind.

Secondly, I can't emphasize enough—everybody here is worried about Iran. Yes, there have been some short-term gains of Iranian influence because of Iraq, but do you really want a long-term gain on Iranian influence, where Iran is able to do whatever it wishes in the south of Iraq, where the Iraqi Shi'a have to make their accommodations with Iran because they have no other friends?

Do you then want to set off the Shi'a-Sunni divide throughout the region where Sunni states are choosing their sides with Sunnis within Iraq and Shi'a are choosing their friends with Shi'a, and you really now are talking about sectarian conflict on a regional basis?

Do you want to incent Turkey to again be concerned about a Kurdish north that would most certainly have to make different decisions than the Kurds have courageously made, decisions now to be a part of a unified Iraq? Because if Iraq falls apart, they are going to have to make different decisions and that is going to be a problem with Turkey. Is that the Iraq you want to create?

You know, I have to say that as I think about what we face as a country, we have been through these difficult and dark times before. We all look back now on the end of the Cold War, and I was lucky enough to be the White House Soviet specialist at the end of the Cold War. I was behind the Jim Baker that signed the agreement that unified Germany. I was there when Eastern Europe was liberated, in Poland when Lech Walesa met President George H.W. Bush. I was there for the early signs when the Soviet Union was about to collapse peacefully. A couple of months ago I went to a NATO summit in Riga, and the Czech President said, maybe a little bit more boldly than most of us would have said, "This is the first NATO summit on the territory of the former Soviet Union."

Now if you think for a minute that anybody would have believed that possible in 1946 when the Italian Communists won 48 percent of the vote and the French Communists won 46 percent of the vote, or when Czechoslovakia fell to a Communist coup in 1948 or when the Chinese Communists won their revolution in 1949, the Soviet Union exploded a nuclear weapon 5 years ahead of schedule, and in 1950 the Korean War broke out—think if anybody would have thought that 1989 and 1990 and 1991 was possible.

I have been accused of being overly idealistic, and one friend even said, "Maybe you are drinking the Kool-Aid." Well, you say that a country that spans 12 time zones with 30,000 nuclear weapons, 5 million men under arms, an empire that stretched from Cuba to Angola to the north of Europe, that it was just going to collapse peacefully one day and Europe was going to be united in Western values—that was drinking the Kool-Aid.

So I hope that when we think about the prospects for what could be in the Middle East, if we are resolved enough to win in Iraq against obviously difficult odds, because we are trying to help the Iraqis do something fundamentally very, very hard, but if we think about the benefits of giving it all we have got, I think we will decide that as a country we really don't have a choice.

Chairman LANTOS. Ambassador Watson.

Digitized by Google

Original from
PENN STATE

Ms. WATSON. Thank you, and I want to thank the Secretary for spending this amount of time with us. And I would hope that the next time we meet we will not be on this same issue because I have listened for the last few hours, both about Iran and Iraq, and I can't identify what victory in Iraq really is.

But I hope diplomacy will win out over bullets and guns; and I will expect that you can join me in that one.

I have three things, and I am going to run them all together, and then if time allows, you can respond.

But what I am hearing now is that we have helped draft up a law in Iraq that would give Western oil companies about 75 percent of the profits and contracts for the next 30 years. And you mentioned "given the stakes," are these the stakes? I would like you to comment on that.

What is really disturbing is that occupying Iraq is not something that we want to do. But I said here, when it was decided to build the largest Embassy in the world with 5,000 workers at the cost of approximately $1 billion, that, to me, says we are going to have a massive presence for a long, long time in a country that I think has 28 million people. And I understand that currently the total of Embassy personnel, well within that total there are less than 10 people who are fluent in Arabic.

So I am just wondering why we are spending that much money, why we are making it appear that we are going to be there for a long time.

And I would hope that you would help us understand the work that you do. And I respect it and admire it, and it might play a major part, rather than this surge or this escalation of military personnel and weapons.

Thank you.

Secretary RICE. Thank you very much, Congresswoman Watson.

First of all, we have not helped to draft a law that would advantage Western oil companies. We have encouraged the Iraqis to have a private sector with a free, open market. I think they will make the best deals they can with whatever companies they can. That has really been our goal.

There are a lot easier ways to ensure oil supplies than what we have done in Iraq, and I think the notion that we somehow are seeking oil is not right, and we ought to put that to rest right now.

Ms. WATSON. I am going to share an article that I pulled up, Googled up, and I will share it with you.

Secretary RICE. Now——

Ms. WATSON. I know you can read it, but I am going to share.

Secretary RICE. The Embassy is—$569 million to build it. But you are right, it is a large Embassy. We do expect to have a presence in Iraq for a long time. It doesn't mean a military presence necessarily. It means that like we have a presence in China, India, and Egypt. We need an Embassy, and given the security situation there, it is an Embassy that has special features. I think it is perfectly logical that we will want to have a large diplomatic presence, a large aid presence, and a large presence to engage the Iraqi people. Iraq is one of the most important countries in one of the world's most important regions, and that is the reason for the large Embassy there.

Digitized by Google

Original from PENN STATE

In terms of the Arabic, I said earlier and I would like to repeat it because it is very important. We do have an awful lot of people who have Arabic at different levels working in the Embassy. And, in fact, we have a program to try to recruit more people with those skills through our critical languages program and to begin to train people in lower grades in critical languages. That is an initiative that Margaret Spellings and Don Rumsfeld and John Negroponte and I announced, because the truth of the matter is, this country is underinvested in people who can speak the critical languages like Arabic and Persian.

I am an example of how the country invested in people who could speak Russian; and we did not make the same investment in critical languages of the Middle East, and now we are going to have to catch up, and I hope there will be support for our efforts. It can't be just the U.S. Government; I hope that universities will incentivize people to learn these critical languages.

Finally, you are absolutely right—this can't be military alone. I think the President was clear that we need the military surge because the Iraqis need help for the difficult mission that they want to undertake. But he was also very clear—and I thank you for giving me the chance, because we haven't talked enough about it—this has to be a political and economic surge.

We need very much to decentralize our efforts, our political and economic efforts, out of Baghdad. We will have three new provincial reconstruction teams in Baghdad. We will have several in Anbar. I think it is five in Baghdad and three in Anbar.

We also are going to continue to build these provincial reconstruction teams out with localities and provinces because we don't want the only point for success to be Baghdad. We want this country to build its governance in economic and political structure from the bottom up. And if I could introduce you, Congresswoman, to some of the provincial reconstruction team leaders who are out there in places like Mosul and places very far from Baghdad, who are engaging the local population, engaging local leadership, helping to bring reconstruction and job programs right to the local level, I think you would get a sense of how we are trying to bring the work that we do to support the building of a stable and democratic Iraq.

Finally, on the diplomatic front, I am going to leave tomorrow because I think it is extremely important that we embed this in a regional strategy. Iraq is central not just to our interest; it is central to the interests of the region. We are pressing the regional states to be more responsive to Iraqi needs, to be politically more supportive. We do have an international compact, which is a set of benchmarks for the Iraqis to meet with a set of benefits that would come from the international community as the Iraqis meet those benchmarks: Like the oil law and the anticorruption measures that they might take.

So thank you for giving me a chance to talk about some of the things we are doing that are nonmilitary.

Chairman LANTOS. I am sorry. The gentlewoman's time has expired.

Ms. WATSON. I will call you.

Mr. SIRES. Thank you, Mr. Chairman.

Digitized by Google

Original from PENN STATE

Madam Secretary, I am the new kid on the block here, so just bear with me.

I am constantly amazed at our effort, the money that we have spent, the human toll that we have in the region, and you mentioned the word before, self-preservation. Everybody is concerned about Iran, if we lose, if we withdraw, how they are going to step in. I guess my question is, What would it take for these people to see the light, the neighbors of Iraq?

I am talking about Saudi Arabia. They have to come to the dance floor. What would it take? Would it take a plan for us, instead of a surge, to say that we are going to withdraw 20,000 troops every 6 months until they participate? I mean, what would it take from us?

And the other part is, you spoke about Aljazeera and how we need a vehicle for us to get out our message in this area. Maybe I am wrong, but I thought I read where Saudi Arabia is one of the biggest contributors to Aljazeera, and I am sure they can use a little force. I don't think they have to worry about the FCC in that part of the world. Can we get them to at least participate in trying to change some of the opinions that these people have of us?

Secretary RICE. Thank you, Congressman.

First of all, you are right. It is one of our friends. It is in Qatar that Aljazeera is, but the point is still well taken, and we have indeed engaged the Government of Qatar in telling them that Aljazeera is engaging in propaganda that is endangering our forces. You can be sure that is something that we press very hard with them. They keep saying they are making changes in the management, but it never quite materializes.

Mr. SIRES. It is the money.

Secretary RICE. You make a very good point of that. What would it take for them to be more involved?

I think they are becoming much more involved than they were. They have been pretty involved in getting Sunnis involved in the political process in a useful way, and we have to recognize that. Jordan is training lots of policemen for the Iraqis in Jordan.

A lot of them have now begun to really have missions in Iraq, if not at the Embassy level at least at the chargé level. The Arab League did send the head of the Arab League there because part of this is to have Iraq have an Arab identity, not one that is linked through the Shi'a to Iran. So I think those are useful things.

We want the Gulf States to really—the things they could do most importantly is debt relief, especially Kuwait and Saudi Arabia, because in fact the Iraqis—and a point I have not made and I should have made to Congresswoman Watson—the Iraqis are about to spend $10 billion of their own money on reconstruction, as well they should. They have been slow to spend it; we have been pressing them to spend it. So they do have resources.

One of the issues is, can debt relief help the Iraqis to have even more resources? Because one of the limits on the resources has to do with this overhang of debt that we hope people will forgive.

The international compact gives everybody an opportunity to step up, and we plan to press that. Frankly, the Iraqis need to demonstrate to the region, just like they need to demonstrate to their own people, that they are going to be evenhanded in the treatment

Digitized by Google

Original from PENN STATE

of Sunnis and Shi'as. With that I think then they will get a better response and a good response from the region.

But I don't want to leave the impression that the region has done nothing. They have been much more engaged with the Iraqis over the last year. They could, frankly, be more engaged than that.

Chairman LANTOS. Thank you.

Ms. Jackson Lee.

Ms. JACKSON LEE. First, Mr. Chairman, let me express my appreciation. It is an honor to be able to serve with you and serve with Ranking Member Ros-Lehtinen, but also with all of the members of this committee.

Last evening I sat in front of the television with a little black book and intently tried to take notes—even though I knew they would be reported very aptly in today's newspapers—of the President's speech. And I recognized constitutionally we are three separate branches of government with the President being the Commander-in-Chief of the Armed Forces and, in actuality, can call our troops into battle.

The most frustrating aspect of what I heard last night was seemingly the conspicuous ignoring of the vast input of Members of Congress—I note there were a number of Senators who had recently come back from Iraq who wanted to engage and I am not sure whether they were completely engaged—and completely ignoring the creature of the Congress which was the Baker Commission, a studious, thoughtful presentation of diplomacy first.

The concern that I have for the President's representation last night, and as you recalled for me—and I will quickly get to the question—the Cold War, my brief recollections that Lech Walesa of Poland claimed Martin Luther King as an idol, claimed a social movement of nonviolence.

We cannot compare large portions of the end of the Cold War to the violent upheaval in Iraq. There was a great deal of diplomacy utilized in the coming to a conclusion of the Cold War. Although there may have been a number of conflicts that we can recount—I know that, and you are the Soviet expert. But what you have done based—the President has based his efforts on is an Iraqi dependent policy. You are sending troops into battle based upon a failed government that has never kept its promises short of our forced election. When I say "forced," we provided them the protection.

So I ask the question—and you may have answered it already, and I will ask the question. Riddled in my remarks may be some errors because obviously I am just becoming familiar with the vastness of the details that this committee has been privy to. How are we, the American people, to rely upon a dependent foreign policy versus a coalition foreign policy? I don't think we should send our troops into battle based upon this dependent foreign policy of an Iraqi Government that has failed to engage the Sunnis and the Shiites, has failed to engage in diplomacy.

Secretary RICE. Thank you, Congresswoman. Let me just make clear about the Cold War.

I was actually talking about the first part of the Cold War, not the last part of the Cold War, and I think it would be fair to say that the first part of the Cold War was pretty violent. The first

Digitized by Google

Original from PENN STATE

part of the Cold War was pretty tough from the point of view of totalitarianism and the first part of the Cold War also, of course, produced the Korean War which was pretty violent. So my point was not about Lech Walesa and the end of the Cold War.

Ms. JACKSON LEE. I was speaking about the end of the Cold War because, as we all know, 50 years ago—I want to separate out as we went toward the end—there was diplomacy.

Secretary RICE. Yes, absolutely. But my point is, Congresswoman, that it was only about the difficulty that we experienced at the beginning and the fact that we did not give up despite that difficulty.

Now, in terms of the diplomacy at the end—I am going to get to your Iraq question—but the diplomacy at the end, let us be very clear. I was here for that diplomacy. The Soviet Union was in collapse. We had all of the leverage. It was pretty easy to unify Germany because East Germany was falling apart daily because the Soviet Union had lost its will and lost its capability.

That is not the situation that we are in with Iran at this particular point in time. So I think it is extremely important to recognize that diplomacy requires leverage.

Now, we are actually being very active on the diplomatic front. I have personally worked to put together a regional grouping of countries that have a like-minded view of where we are going in the Middle East, the GCC+2. And I have been able to put it together because they don't like the Iranian assertiveness any more than we do.

We have also put together a diplomatic effort that has isolated Iran in terms of its nuclear programs. I think it is actually starting to have an effect on Iran's ability to access capital from the international financial system, and that may make a difference in how Iran sees its interests.

So diplomacy is very much in evidence here. But when it comes to the Iraq situation, there isn't much to be done in terms of the negotiations with al-Qaeda that is there or with the terrorists that are killing innocent people.

What you are absolutely right about and why I fully understand your skepticism is that the Iraqi Government is, has been, I would say—I would not say they have not delivered, but would say they have been slow to deliver on their own promises of national reconciliation. But let us remember they are 9 months old as a government in a country that has decades of history of repression and tyranny against the various groups that are—the very group that is now in the majority.

I think one question that we might ask is, Why the outcome in terms of national reconciliation hasn't actually been one in which the Kurds refused to deal with a national unity government? In fact, there are some people who thought that is what they would do. In fact, the President of Iraq is a Kurd.

It is interesting to ask why Sunnis have come back into the process and why Tarik al-Hashimi, the head of the IIP Party, though he has lost two brothers and a sister, continues to hang in there to try to form a national unity government. Why have the Shi'a, who won the majority of the vote, continued to pursue a national reconciliation plan? I think it is because even though it is really,

Digitized by Google

Original from PENN STATE

really hard; given the tremendous grievances that they have against one another throughout history, they understand that their best future is together.

Now in the time that they have been in office, or even before they came into office, we have to recognize that al-Qaeda did set out to stoke sectarian violence through the bombing of the Golden Mosque and that to a certain extent it succeeded. What the President was talking about last night was a limited mission for additional American forces to bridge the gap for the Iraqis between the force that they need to deal with in Baghdad and the force that they have.

I want to repeat again, if you really do think that this is just a matter of will, that all the Iraqis have to do is step up, then in fact I think the right policy might be to challenge them on that, step back and say, "Step up." But it is the assessment of our people on the ground, our military people, our political people and, indeed, in conjunction with their military experts that they don't currently have those forces. It would be at least the summer, maybe a little bit later, before they have those forces. And because the sectarian violence in Baghdad that needs to be dealt with that is so urgent, they have got to regain the confidence of the population that they will indeed deal evenhandedly with the violent people who are killing innocent Iraqis.

If I may, I just want to repeat something that I have been saying today because there is an image that is pervasive of Sunnis and Shi'as simply going at each other, random Sunnis and random Shi'as, just simply going at each other because they hate each other. The chairman is absolutely right; there are deep enmities between these groups. But the real problem is, in these mixed neighborhoods and to a certain extent in some Sunni neighborhoods, you have organized violent people, organized gangs, organized death squads, that are going into neighborhoods killing the men and sending the women into exile. That is a breakdown in civil order, and the Iraqi Government has got to get control of that problem.

In order to do that, they developed a plan that puts a military governor in Baghdad, that puts two deputies in nine districts where Iraqi army forces, Iraqi national police and Iraqi police will operate out of police stations like the spoke out of a wheel, spoke-to-wheel, and where we are supporting them with an American battalion in each of those nine districts.

This is a very limited mission, I think, for a very important, high-priority task. But I absolutely fully agree and admit that if the Iraqis aren't able to step up to their part of the bargain, this isn't going to work.

What gives some comfort to me is that I think they now understand that everything is on the line for them in convincing their population that they can actually govern.

Chairman LANTOS. Madam Secretary, before I thank you, let me just say, and I know I speak for every member of this committee, we stand in awe of your intellectual brilliance and your mastery of a global portfolio of unprecedented proportions and complexity, and we are immensely proud of you.

Let me also wish you on behalf of every member of this committee Godspeed and good successes in your mission. Let me tell

Digitized by Google

Original from PENN STATE

you, we are looking forward to February 7th when we will have the pleasure of seeing you again.

Secretary RICE. I look forward to it.

Ms. ROS-LEHTINEN. If I could also extend our best wishes to the Secretary as well. And it is just so wonderful to be speaking on behalf of American values of freedom, democracy and respect for human rights, so be proud.

Secretary RICE. Thank you very much. Thank you.

Chairman LANTOS. Thank you very much.

This briefing is adjourned.

[Whereupon, at 5:10 p.m., the committee was adjourned.]

○

Digitized by Google

Original from
PENN STATE

INTERNATIONAL RELATIONS BUDGET FOR FISCAL YEAR 2008

WEDNESDAY, FEBRUARY 7, 2007

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The committee met, pursuant to notice, at 10:03 a.m. in room 2172, Rayburn House Office Building, Hon. Tom Lantos (chairman of the committee) presiding.

Chairman LANTOS. The Committee on Foreign Affairs will come to order.

I want to welcome our distinguished Secretary of State. This is the second time in just a few weeks that we have the pleasure of a visit from Dr. Rice, and we are deeply grateful that, despite the enormous demand on her time here and abroad, she has honored us with her presence.

I also want to mention at the outset that family medical circumstances are preventing our distinguished ranking member from being here. So after my opening statement, we will go to the Secretary, and members on the committee on either side are free to submit statements for the record.

The United States is engaged in two wars, one in Afghanistan and one in Iraq; we are facing two rogue regimes, Iran and North Korea, which are racing to acquire nuclear arsenals; and we are fighting an international war on terrorism against a constantly changing enemy.

Any one of these would be sufficient for a series of hearings, which we have already begun. Today I want to focus my remarks on just two: Iran's nuclear ambitions and the war in Afghanistan.

Madam Secretary, as the civilized world confronts the rising threat of Iran, it is imperative that we speak directly and accept no more excuses from any quarter.

The Iranian Government has no end of excuses to justify its construction of a huge uranium-enrichment facility. They argue Iran needs the fuel for civilian nuclear power plants. They assert the need for an uninterruptible supply of nuclear fuel that is not subject to the whims of other nations.

As you well know, Madam Secretary, these excuses are pure fiction. Iran is developing a nuclear weapons capability, and its enrichment facility is designed to feed the voracious appetite of that program.

But in all candor, Iran's excuses hurt us severely with our friends and allies, as we urgently seek to develop an international consensus that Tehran's nuclear ambitions must be stopped. Iran's

Digitized by Google
Original from PENN STATE

excuses prevent us from exerting strong multi-lateral pressure on Iran through increased economic sanctions.

While I do not believe that Iran is likely to be deterred in its pursuit of nuclear weapons, the hollowness of its claims of peaceful intent can be easily exposed. If Iran's nuclear program is truly peaceful, Tehran should welcome an opportunity to ensure a stable supply of nuclear fuel from an internationally supported nuclear fuel bank located in a safe nation. If Iran is instead building a nuclear weapon, its nefarious intentions will be quickly exposed should it refuse to participate in this important project.

So, Madam Secretary, today I am introducing legislation to provide both financial and material support for establishing an international nuclear fuel bank, under the auspices of the International Atomic Energy Agency. This bank will ensure that any state that keeps its nuclear non-proliferation commitments can get the fuel it needs without establishing its own fuel production facilities.

Madam Secretary, with this legislation we can put an end to the lame excuses of the Government in Tehran. But the same holds true for Afghanistan: The time for excuses is over.

As you know, Madam Secretary, I just returned from a fact-finding trip to Iraq and Afghanistan with Speaker Pelosi and other colleagues in the National Security Leadership of Congress. Soon after our plane touched down in Kabul, a delegation met with President Karzai. Increased economic assistance for the troubled nation was at the top of his request list, and I know it is on yours, as well.

Let me be clear. I support an increase in economic and security assistance to Kabul. Security must be restored; abject poverty must be tackled; and the explosive growth of poppy production must be checked. There is every reason to believe Afghanistan can still be safe.

But if American taxpayers are to be expected to allocate an additional $10.5 billion to Afghanistan, the oil-rich Arab countries in the Gulf should surely be expected to match our contributions, at the very least.

Over the past several years, the Saudis have made more than $300 billion in excess oil profits, while Americans paid $2.50 or $3.00 a gallon at the pump. Meanwhile, the Saudi contribution to Afghan reconstruction and development has been pathetic, a mere drop in the barrel.

While their fellow Moslems are struggling to survive in the harsh Afghan winter, the Saudi royal families contend with handing out a few small coins from its change purse. Madam Secretary, I hope that you will continue to make it abundantly clear to the Gulf nations that their miserly ways must end, and it must end now.

The member nations of NATO must also rethink their knee-jerk aversion to being major players in bringing peace to Afghanistan. Europeans loved NATO when the alliance protected them from the menacing Soviet threat, but their ardor has cooled as NATO is called on to protect Afghanistan from devolving into a narco-terrorist state.

NATO literally has to beg for troops, and the numbers are still too few: Approximately 35,000, with almost 14,000 coming from the United States. Those European troops that are present in the coun-

Digitized by Google

Original from PENN STATE

try have largely been deployed to the safest areas, leaving the difficult work once again to us, the Brits, the Canadians, the Dutch, and the Danes.

The Europeans have provided plenty of excuses for their failure to send adequate troops to Afghanistan: Low public support, declining armies, high costs. Madam Secretary, I am sure you agree with me that these excuses must end. If the nations of Europe and the Gulf are unwilling to do their share to protect international security, then perhaps we should rethink the nature of our alliances with them.

Madam Secretary, I would also like to take this opportunity to advise you that the House next week will have a serious and substantive debate on the President's plans to escalate the number of American troops in Iraq. All members will have an opportunity to express their views on the floor of the House. I will personally reiterate my strong opposition to the administration's proposal, and I anticipate that many of my colleagues will do likewise.

Let me also, before I conclude, call your attention to a news report this morning indicating that our military in Iraq is deeply disturbed, according to these reports, that there are not enough civilians from the Department of State and other Federal agencies in our complex effort to bring some stability to that country.

I will place Ranking Member Ileana Ros-Lehtinen's official statement in the record without objection. And I want to welcome you, Madam Secretary, and the floor is yours.

[The prepared statement of Ms. Ros-Lehtinen follows:]

PREPARED STATEMENT OF THE HONORABLE ILEANA ROS-LEHTINEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

FEBRUARY 7, 2007

Madame Secretary. Thank you for your appearance today to discuss the Administration's FY 08 budget request.

It would be an understatement to say that the world is rapidly becoming a more complex and dangerous place, where the challenges facing the United States are expanding on many fronts.

Our response must be as nuanced and faceted as the problems we face.

But a foreign policy is more than a simple collection of individual pieces.

Success requires that these be shaped within a context of clear organizing principles and that the individual elements contribute to a common purpose.

The President's foreign policy is distinguished by two distinct, but interwoven themes: a Security Agenda and a Freedom Agenda.

The Security Agenda is the more traditional and tangible set of policies and is focused on defending the U.S. itself and our interests abroad.

This Security Agenda embraces a range of objectives from seeking out and destroying terrorists and curbing the proliferation of dangerous unconventional weapons to countering the rise of powers such as China, which are moving aggressively to expand their influence by undermining that of the U.S.

The Freedom Agenda addresses a much broader and longer-term vision.

Among the greatest problems we confront are those resulting from authoritarian governments ruling by force that inevitably push their citizens toward extremism.

If we are to take effective action against these sources of instability, we must always keep in mind that our strongest allies in our fight against rogue regimes such as Iran and Syria, are the people they rule over.

By assisting these peoples in their struggle to undermine their oppressors, we can advance our own interests as well.

Although the shaping of strategies dominates the discussion of foreign policy, most observers overlook the more mundane, yet all-important, task of implementation.

Even the wisest decisions must be transformed from printed word to concrete action in an effective and faithful manner, if the intended result is to be achieved.

Digitized by Google

Original from PENN STATE

It is in the process of implementation that failure or success is often determined.

This seemingly simple task is in fact enormous, requiring close management of the global efforts of thousands of employees, contractors, and others; coordination of the work of scores of bureaus, agencies, and programs; and ensuring the smooth, daily operation of our countless actions in every country on the planet.

Madame Secretary, you are to be congratulated not only for your dedication in your role of Secretary of State but also for choosing to undertake a massive and long-overdue reorganization of the operations of the State Department and its associated agencies to meet the rapidly changing conditions of the world in which we live.

Given the complex challenges and foreign policy objectives outlined above, and the demands these and current programs place upon our ability to implement them, the question before us today is whether or not this budget submission is the one best structured to accomplish the goals you have set.

A good place to start would be to revisit the resources and independence of the Office of the Inspector General.

Although State's overall budget has increased by approximately 50% since FY 2001, the Inspector General's budget has increased by only 1%.

Obviously, strengthening State's own internal oversight mechanism is a prerequisite to effective reform elsewhere.

There is also a great need to review whether or not the training and deployment of personnel are adequate to current needs.

Last fall, the GAO released a report that concluded that State needed to devote far more attention to addressing staffing shortfalls and improving language proficiencies of employees at foreign posts, especially those critical to the war on terror.

I believe some of your broader reform proposals address some of these issues.

I welcome any details you may be able to share with us and look forward to hearing from Ambassador Tobias in coming weeks regarding the progress on this front.

We must also be alert to decision-making by inertia and to be wary of the trap of equating the spending of money with advancing U.S. interests.

For example, in his FY 07 budget, the President requested funding for U.S. membership in more than forty international organizations.

But it is not at all clear that continued membership in each of these organizations serves U.S. interests.

Given that the new and supposedly reformed United Nations Human Rights Council still includes some of the world's worst human rights violators, I believe that a sober look at the costs and advantages of our participation in these international organizations be undertaken as soon as possible.

Regrettably, the UN provides many such examples where a fresh eye and unclouded judgment are sorely needed.

On a larger scale, there is an undeniable need for a thorough reexamination regarding the focus of our assistance programs overseas.

In some instances, I would argue we need to move away from government to government programs and focus more on developing and strengthening civil society.

We must also be careful not to place undue emphasis on conferences and sporadic training efforts but, rather, should structure our programs toward long-term sustainability.

Last year, the National Endowment for Democracy issued a report stating that, in certain countries around the globe, "government efforts to constrain democracy assistance have recently intensified and now seriously impede democracy assistance."

We must remain vigilant and hold foreign aid recipients accountable for their actions.

The overriding goal of our State Department operations and foreign aid budget should be to better integrate and streamline our programs, in order to effectively advance both the Security and Freedom Agendas I have already mentioned.

The need for a new approach extends to all levels, beginning with the mechanisms and standards we currently employ to monitor and evaluate the performance in the field of our assistance programs.

We must restructure or eliminate those programs which have failed to secure the results set out for them.

Madame Secretary, again let me thank you for your appearance here today. I look forward to working with you as you move forward in implementing this long-overdue reorganization of how we conduct U.S. foreign policy.

Thank you, Mr. Chairman.

Digitized by Google

Original from
PENN STATE

STATEMENT OF THE HONORABLE CONDOLEEZZA RICE, SECRETARY OF STATE, U.S. DEPARTMENT OF STATE

Secretary RICE. Thank you very much. Thank you, Mr. Chairman. Thank you, members of the committee, for this opportunity to address the committee about the challenges and the opportunities that we face today, and the resources that the President will be requesting to be able to meet those challenges.

And Mr. Chairman, I had a longer statement, but I would propose to make short opening remarks, and then to have the full statement placed into the record, if that is acceptable.

Chairman LANTOS. Without objection.

Secretary RICE. Thank you. I will also, Mr. Chairman, address your question at the end of my remarks concerning civilians in Iraq.

President Bush's fiscal year 2008 international affairs budget for the Department of State, USAID, and other foreign affairs agencies, totals $36.2 billion. The President's budget also requests $6 billion in supplemental funding for the year 2007, to support urgent requirements that are not funded in the annual budget cycle. This supplemental request includes $1.18 billion for additional operating costs of the Department of State and other agencies largely related to the wars in Iraq and Afghanistan.

It also includes $4.81 billion to meet urgent new foreign assistance needs in Afghanistan, Iraq, and Lebanon, as well as peacekeeping and humanitarian assistance in Sudan Somalia, and other countries in need.

In addition, the administration is requesting $3.3 billion in war supplemental funding for fiscal year 2008, or $1.37 billion for foreign assistance and $1.93 billion for State Department operations. This is responsive, Mr. Chairman and members of the committee, to a request that has been made several times that we try and project what the war costs will be in the coming year. And these are costs that we would not expect to want to put into base budget because they are, in a sense, emergency spending, and related to specific circumstances.

These resources are absolutely fundamental to our national security. I think the members of the committee recognize that over the last 5 years since September 11, we have been very engaged in the global war on terrorism. It is a war, and it is definitely a war in the sense that we are losing human treasure in that war.

But it is a completely different kind of war than we have fought before. To be successful, force of arms is necessary, but not sufficient; and we are mobilizing our democratic principles, our development assistance, our compassion, our multi-lateral diplomacy, and the power of ideas to win what is going to be a generational struggle.

I am pleased that in this struggle, President Bush has made clear our commitment to a broad approach to the war on terror. And that is why this year, for the first time, he has designated the Department of State as a national security agency, alongside the Department of Defense and the Department of Homeland Security. That is why the State Department has the lead in most of the tasks associated with the national counterterrorism strategy.

Digitized by Google

Original from PENN STATE

What I would submit to you today is that this requires of the Department of State, of USAID, fundamentally different thinking about our role; fundamentally different ways to train our people, to recruit our people, and to deploy them. It gives us a better understanding of what we are called to do.

We are calling this mission transformational diplomacy. Indeed, we are making changes in where we deploy our personnel, how we deploy them, what we ask of them, and the training that we give them. In some cases, Mr. Chairman, we are trying to catch up, for instance, in terms of language skills. I want to just note for this committee that one of my own personal concerns is to improve the capability to draw on people who have critical languages. When I was a young student going to college and then graduate school, it was the patriotic thing to do to learn to speak Russian. Along the way I learned to speak Czech, too, because for this country, the investment, through the National Defense Languages Act, that people needed to learn those at-the-time-critical languages was understood.

We are frankly under-invested as a country in the acquisition of critical languages like Arabic, Farsi, and Chinese. Indeed, Secretary Spellings and former Defense Secretary Rumsfeld, then DNI John Negroponte and I have proposed to the President's critical language initiative that we try and address that deficit in language skills. This is just one of the examples of what we are trying to do to prepare ourselves better for the long-term war on terror.

But we are doing other things. We are revolutionizing our approach to development assistance. We are trying better to realign our foreign assistance with our foreign policy goals, to make sure that our foreign assistance is contributing to the development of well-governed democratic states. Because, after all, well-governed democratic states form the foundation of a more stable world.

We recognize that democratizing states also have to be able to meet the needs of their people for education and for health. America is a compassionate country that wishes to be involved in the great health struggles of malaria and HIV/AIDS. We are revolutionizing that through the way that we deliver foreign assistance, and what we expect of those who receive our foreign assistance.

But we are also revolutionizing the way that we perform by simply being right on the front lines in the war on terror. We have people serving in Iraq and Afghanistan, in other places, who, like their military counterparts, leave family behind; they serve unaccompanied in places like Iraq and Afghanistan. They serve literally on the front lines. Our people in Iraq are not sitting in the green zone in Baghdad; they are in places like Anbar Province, one of the most difficult provinces.

The provincial reconstruction teams' concept is one that was developed by the Department of State to get our diplomats and our political personnel and our economic counselors closer to the people of Iraq and Afghanistan, so that they can help to deliver services.

Frankly, Mr. Chairman, this puts our people at great risk. I want today to pay tribute to the many civilians who, on a daily basis, see mortar attacks against their positions and who must travel in convoys that are dodging attacks. We know that they are in danger. We have done everything that we can to help secure

Digitized by Google

Original from
PENN STATE

them. It is one of the reasons that our security costs are going up in the way that they have.

We have partnered with the Department of Defense and the military in these provincial reconstruction teams to put our people, to literally embed our people with brigade commanders, so that they can deliver services as a part of the counter-insurgency effort.

It is not easy for civilians. I will tell you that when we first started down this course, I was concerned, Mr. Chairman and members of the committee, that I might have to direct members of the Foreign Service to go to these difficult posts. I have not had to do that.

We have indeed changed incentives. We have indeed recruited people; we have recruited people personally to go to these jobs. But I will tell you that as of now, we have already recruited for the enhanced provincial reconstruction team effort associated with the President's enhanced effort for Iraq. We have already recruited 87 percent of the people that we need, and that recruitment cycle will not be active until the summer. So people are stepping up in the Department of State to take on these jobs.

We are fully staffed in our PRTs. We are fully staffed not just in places like Baghdad, but also Kabul and Islamabad, and Sudan, and difficult posts of those kinds. And we already have people volunteering in large numbers for the follow-on service.

It is a very, to me, courageous thing for civilians to do, because they are not war fighters. They are political officers, and linguists, and economic officers; and yet, they have gone to this fight. I know that President Bush had the opportunity to meet recently some of our provincial reconstruction team leaders, people who are serving in Mosul and in Anbar Province. People who, by the way, are in no small part responsible for the tremendous progress that we have made in places like Mosul. The fact that sheiks in Anbar are now fighting al-Qaeda; this is in no small part because of the efforts that our people have made there.

So, Mr. Chairman, if I can use that lead-in to speak to the question that you asked about the article this morning, when it comes to the need to get Foreign Service personnel out to the field, we are doing that.

The President's plan requires, however, 350 people whose skill set is far different than the one that we actually have in the Department of State. These are engineers. These are legal experts. These are soil specialists, scientists who can help on the agricultural side. These are not people that the Department of State or USAID employ.

As of December, we agreed with the Department of Defense—something on which we worked with them very closely—that we would identify the specialties and that the Department of State would seek supplemental funding to fund this surge of civilian personnel. That request is in the supplemental. We would identify people who could fill those posts both from inside other agencies of the U.S. Government, but also, frankly, the agencies of the U.S. Government cannot fill that many posts of those kinds of specialties.

And so we are relying on the recruitment now of additional civilians from a data bank that we hold to bring people from around the country who have those specific specialties. That, as you might imagine, Mr. Chairman, takes a little time. These people have to

Digitized by Google

Original from PENN STATE

be recruited, they have to be vetted, and they have to receive appropriate security clearances.

Our agreement with the Department of Defense was that for a period of time—and we think that is 6 or so months, maybe a little longer; it depends a little bit on when we get the funding, so that we can let contracts for these civilians—we would actually use reservists to fill those positions. Because the military actually does have a reserve corps that has many of those specialties.

It speaks to me, Mr. Chairman, to the importance of the cooperation that we have had with the Defense Department in making sure that we have the right specialties, and that they can fill in until the civilians are recruited. But the Department of State's positions for this surge have already been addressed, the people have been identified, and they are ready to go.

What we have to do is to recruit other civilians. It speaks to me, too, Mr. Chairman, of the very importance of the civilian response corps that the President proposed in the State of the Union. We don't have a counterpart to the military National Guard or a reserve corps of civilians who can be ready and trained to go out and perform these functions: Engineers, lawyers, agricultural specialists.

So we are charged with developing the concept for civilian response corps. We will be coming to the Congress for support for that concept, and for funding for that concept, so that we can have a ready reserve of civilians to take exactly this kind of task.

But currently, the Department of State is, in fact, ready to go. We will recruit other civilians from within the U.S. Government agencies, and then we will recruit broader numbers of civilians.

But Mr. Chairman, I am glad you asked. Because I know the President, because I just talked to him about it, and I have talked to him many times about it, he appreciates what these civilians are doing out there in harm's way. And I hope that everyone in America understands that we have a lot of civilians who are very courageous, and are taking great personal risk because they believe in these missions.

Thank you very much.

[The prepared statement of Secretary Rice follows:]

PREPARED STATEMENT OF THE HONORABLE CONDOLEEZZA RICE, SECRETARY OF STATE, U.S. DEPARTMENT OF STATE

Mr. Chairman, Members of the Committee:

Thank you for this opportunity to address the Committee about the many challenges and opportunities of our world today. I look forward to continue working with Congress, closely and across party lines, to ensure that America's diplomacy, and the courageous individuals who undertake it, have the necessary resources to protect our national security, advance our democratic ideals, and improve people's lives throughout the world. With these duties we also reaffirm our responsibility to the American people: to be the best possible stewards of their hard-earned dollars.

President Bush's FY 2008 International Affairs Budget for the Department of State, USAID, and other foreign affairs agencies totals $36.2 billion. The President's budget also requests $6 billion in supplemental funding for FY 2007 to support urgent requirements that are not funded in the annual budget. This supplemental request includes $1.18 billion for additional operating costs of the Department of State and other agencies. It also includes $4.81 billion to meet urgent new foreign assistance needs in Afghanistan, Iraq, and Lebanon, as well as peacekeeping and humanitarian assistance in Sudan, Somalia, and other countries in need. In addition, the Administration is requesting $3.3 billion in war supplemental funding in FY 2008—

Digitized by Google

Original from PENN STATE

$1.37 for foreign assistance and $1.93 billion for State Department operations—to support emergency requirements in Iraq and Afghanistan.

This money is a fundamental investment in our national security. More than five years after the September 11 attacks, America remains engaged in a global war on terrorism, but it is a war of a totally new and different kind. We face a long confrontation, in which military strength is important to our success, but is not sufficient. The defining feature of our world today is its interdependence. The security of the American people depends on the stability and the success of foreign societies. If governments cannot, or choose not, to meet their responsibilities as sovereign states, then every country in the world is threatened. The President believes that, in today's world, the defense of our country depends on the close integration of our multilateral diplomacy, our development efforts, and our support for human rights and democratic institutions. That is why President Bush, in his budget, designates the State Department as a national security agency.

We must recognize that our Foreign Service, our Civil Service, and our Foreign Service Nationals are performing a vital national security role—often in difficult and dangerous posts, far away from their friends and families, and in many cases, shoulder to shoulder with our men and women in uniform. We are asking our civilians to do far more than just manage an existing international order; we are charging them with helping foreign citizens and their governments to transform their countries—to move them toward peace, freedom, prosperity, and social justice.

This is the national security mission of our State Department today, which we have referred to as transformational diplomacy. To succeed in this critical work for the American people, we are making important changes to our department's organization—both in terms of the roles our people are playing and how we are revolutionizing our approach to foreign assistance. This is the foundation of our budget, and I would like to briefly review these important changes.

TRANSFORMING THE STATE DEPARTMENT

Faced with new challenges to our country, President Bush has initiated major reforms to bring our institutions of national security into the 21st century. Now it is the State Department's turn. With the support of Congress, we are moving our people off the front lines of the last century, in the capitals of Europe and here in Washington, and into the critical posts of this new century—in Asia, and Africa, and the Middle East, and here in the Americas. Last year, we reprogrammed 200 positions for this purpose; we are set to reposition 80 more. At the same time, we are moving more of our people out of our embassies and into the field, so they can engage and work not only with governments but with the people of the nations in which they serve. We are making every necessary change—giving our diplomatic corps better training, better tools and technology, and more language skills—to empower them to meet this challenge.

We realize that resources are tight, so in all that we do, we seek to be good stewards of the taxpayers' money. That is why, last year, I created the position of Director of United States Foreign Assistance, which Randy Tobias now occupies. He serves concurrently as the Administrator of the United States Agency for International Development, and in these dual roles, helps to bring unified leadership to our foreign assistance resources. Our goal for this budget was unprecedented: the strategic alignment of our foreign assistance with our foreign policy goals.

The budget that you have in front of you represents the first joint effort of the State Department and USAID, working together, to align resources strategically in order to accomplish key national security and development goals with maximum efficiency and fiscal responsibility. To that end, we allocated our resources on the basis of shared goals, established common definitions for our foreign assistance programs, and common indicators to evaluate their performance. Six strategic principles guided our efforts:

- to integrate our planning based on the totality of our government's resources, so we can make the smartest investments possible, without duplicative efforts or wasteful spending;
- to assess where each country stands in its course of development, so we can tailor our assistance to the unique demands of each individual country and support its own efforts to combat poverty;
- to invest in states critical to regional stability and prosperity, which are often those key to the global war on terror;
- to focus our assistance on the most critical impediments to and catalysts for long-term country progress;

Digitized by Google
Original from PENN STATE

- to empower our Ambassadors and Missions Directors to oversee the complete range of foreign assistance programs in the countries in which they work;
- and finally, to align our account structure with the country conditions and goals that they are designed to address.

The main idea that I want to stress is this: Our new approach to foreign assistance ensures an efficient, effective, and strategic use of the American taxpayer's money. The adjustments you may see in one program are justified by what we have determined is an even greater need elsewhere, and for the first time, we are starting to measure the trade offs in order to make the best use of our limited resources. With the performance and accountability measures we are putting in place, we will better ensure that we are providing both the necessary tools and the right incentives for host governments to secure the conditions necessary for their citizens to reach their full human potential. This furthers our goal of helping developing nations to "graduate" from our assistance, not to grow dependent on it.

EMPOWERING OUR PEOPLE

We are moving ahead on these actions with our existing authority. They are steps that need to be taken, and we are taking them. But we must do more, and to do it, we need more resources. We need the continued, indeed the increased, support of the Congress. That is why we are requesting $7.2 billion for State Department administration.

As we transform our existing positions to serve new purposes, we must also create new positions that advance our strategic objective of getting more Americans onto the diplomatic frontlines of the 21st century. This year, we are requesting $125 million to create 254 new positions in critical spots like India, China, Indonesia, Venezuela, Nigeria, South Africa, and Lebanon. This funding will also enable us to establish new American Presence Posts, reflecting our goal of moving more of our diplomats into the regions and provinces of our host countries. In addition, we request 57 positions and $23 million for the Office of the Coordinator for Reconstruction and Stabilization and our Active Response Corps. This will strengthen our ability to develop a deployable cadre of civilian staff able to respond quickly to crises and stabilization missions overseas.

Our department's new and evolving mission, which is vital to our national security, requires an increased investment in our people. They need the latest technology and the best training, both leadership and language skills. This budget meets those demands, including $905 million for information technology. We must also continue to improve our security in a dangerous world. This budget allocates $965 million to strengthen overall security for our posts, our people, and our information systems worldwide, including through the creation of 52 additional positions for security professionals.

At the same time, we must continue to modernize and improve our buildings across the world. We seek $1.6 billion to address the major physical security and rehabilitation needs of our embassies and consulates worldwide so we can protect the men and women serving in our posts. In the fourth year of Capital Security Cost Sharing, other U.S. government agencies with personnel abroad will contribute $362 million for the construction of new, secure diplomatic facilities.

To continue filling the ranks of the Foreign Service with our nation's best talent, we will continue our efforts to revamp the pay scale for our diplomatic corps. State Department personnel are increasingly expected to serve in what we call "hardship posts," which now comprise nearly 20 percent of all department positions. We must fairly compensate our men and women serving abroad in difficult locations, often far away from their families, and we must rectify a growing disparity between basic salary levels for employees in the United States and overseas. Our budget request includes $35 million to begin transition to a performance-based pay system and a global rate of pay.

The State Department mission also extends to defending our borders and protecting our homeland. We must strive to remain a welcoming nation for tourists, students, and businesspeople, while at the same time increasing our security against terrorists and criminals who would exploit our open society to do us harm. For this purpose, our budget includes $1.3 billion for the Border Security Program, and we seek to add 122 consular positions to address rising passport and visa demands. As good stewards of taxpayer dollars, we are using revenues from visa, passport surcharge, and visa fraud fees to fund improvements in our border security. In coordination with the Department of Homeland Security, we seek to fulfill the President's vision of secure borders and open doors.

Finally, we are requesting $1.35 billion to meet our commitments to international organizations such as the United Nations. Over the past year, in particular, we have

Digitized by Google

Original from
PENN STATE

seen how important it is for the United States to provide principled leadership in institutions of multilateral diplomacy. Through the United Nations, we helped to negotiate a key resolution that ended a month of war in Lebanon and Israel, which was launched by the leaders of Hezbollah. We rallied the international community to oppose Iran and North Korea's nuclear weapons ambitions with tough Chapter 7 Security Council resolutions. And we worked to ease the suffering of the people of Darfur. International organizations are essential to our nation's key foreign policy goals, and we must continue to support them.

SECURING PEACE, SUPPORTING DEMOCRACY

I have discussed the steps we are taking to support our people. Let me turn now to the purposes of our foreign assistance.

Our highest priority is to defend the American people and homeland by doing our part in the global war on terrorism. To succeed, we need the continued support of key partners—our historic allies in places like Europe, Asia, and the Americas, but also key developing countries, many of which have the will to fight terrorism but need help with the means. The FY 2008 request includes, among others, $186 million for Indonesia, $2.4 billion for Israel, $540 million for Kenya, and $513 million for Jordan. Our assistance helps those countries, and many others, to enforce their laws, secure their borders, gather and share intelligence, and take action against terrorists on their own or with us. This request also devotes $90 million to Pakistan, supporting President Musharraf's five-year development plan to lead the country in a moderate and modern direction, to gain control of the border areas, and to advance prosperity there.

Across the Broader Middle East, we also look to new partners in embattled young democracies, who are working courageously to turn the tide against violent extremism in their countries. In the past several years, the efforts of reformers and responsible leaders have changed the strategic context of the region. Through programs like the Middle East Partnership Initiative, we have offered critical support for civil society groups seeking political openness, economic opportunity, education reform, and the empowerment of women. We will continue to support these important reform initiatives.

Democratic institutions now offer new hope for positive change in places like Iraq, Afghanistan, Lebanon, and the Palestinian territories. Yet these structures remain weak and fragile. And in many cases, they are under siege from violent extremists and their state supporters in the region. The Taliban in Afghanistan, Hamas in the Palestinian territories, Hezbollah in Lebanon, violent extremists in Iraq—both Sunni and Shi'a—all of these groups struck damaging blows last year to the cause of peace and freedom in the Broader Middle East. This year we must turn the tide, and we aim to do just that with a comprehensive strategy to help reformers and responsible leaders show their people that democracy can deliver the security, prosperity, opportunity, and dignity that they seek.

In Afghanistan, we support the efforts of the new democratic government in Kabul to lead the nation toward freedom and prosperity. To achieve that goal, we have taken a hard look at our overall policy and adopted a true counterinsurgency strategy—a complete approach that integrates military efforts with political support, counter-narcotics programs, development priorities, and regional diplomacy. If there is to be an "offensive" this spring, it will be our offensive, and it will be comprehensive.

Our goal is to help the Afghan government improve the quality of life for its people by extending security, providing good governance, and opening up new economic opportunity. Along with these goals, President Karzai has demonstrated his determination to lead a serious counter-narcotics effort, but he needs our assistance. We are increasing our funding in this key area, along with additional funding for reconstruction, local economic development, and law and order. The budget request is $698 million in the FY 2007 supplemental and $1.4 billion for FY 2008 to stimulate economic growth, establish peace and security, create jobs, help provide essential education and health care, and extend the reach of the democratic state.

To achieve these broad objectives, we will build roads and electricity grids, and support agricultural development. Working through Provincial Reconstruction Teams, or PRTs, and in concert with the Afghan government, we will build government and justice centers at the provincial level. We will train government personnel, and we will help meet local needs for markets, schools, clinics, and other vital services. Most importantly, we will integrate all of these efforts to advance our overall strategic objective of empowering Afghanistan's democratic government.

In Iraq, President Bush adopted a new strategy, in recognition that the situation was unacceptable. There is a military component to that strategy, but success in

Digitized by Google

Original from PENN STATE

Iraq depends on more than military efforts alone; it also requires robust political, economic, and diplomatic progress. Our military operations must be fully integrated with our civilian and diplomatic efforts, across the entire U.S. government, to advance the strategy of "clear, hold, and build." The State Department is prepared to play its role in this mission. We are ready to strengthen, indeed to "surge," our civilian efforts. To do so, we are requesting $2.3 billion in the FY 2007 supplemental and $1.4 billion in FY 2008 to fund our assistance efforts in Iraq.

The main focus of our support will continue to shift toward helping the Iraqi government expand its reach, its relevance, and its resources beyond the International Zone. We will help local leaders improve their capacity to govern and deliver public services. Our economic efforts will be targeted on local needs with proven strategies of success, like micro-credit programs. And we will engage with leading private sector enterprises and other local businesses, including the more promising state-owned firms, to break the obstacles to growth.

We must continue to get civilians and diplomats out of our embassy, out of the capital, and into the field, all across the country. The mechanism to do this is the Provincial Reconstruction Team, or PRT. We currently have ten PRTs deployed across Iraq, seven American and three coalition. Building on this existing presence, we plan to expand from 10 to 20 teams. For example, we will have seven PRTs in Baghdad, not just one. We will go from one team in Anbar province to four with PRTs in Fallujah, Ramadi, and al Qaim. These PRTs will closely share responsibilities and reflect an unprecedented unity of civilian and military effort.

Expanding our PRT presence will also enable us to diversify our assistance across Iraq. Iraq has a federal government. Much of the street-level authority, and much of the opportunity for positive change in Iraq, lies outside Baghdad, in local and provincial governments, with party leaders and tribal chiefs. By actively supporting these provincial groups and structures, we diversify our chances of success in Iraq. Our PRTs have had success working at the local level in towns like Mosul, Tikrit, and Tal Afar. Now we will invest in other parts of Iraq, like Anbar province, where local leaders are showing their desire and building their capacity to confront violent extremists and build new sources of hope for their people.

The importance of these joint teams in Afghanistan and Iraq is clear, as is the need to increase our capacity to deploy civilians. The President has called on us to work together to develop a "civilian reserve" to provide the government with outside experts to augment our government teams. I look forward to working with you to address this challenge.

In Lebanon, we are requesting $770 million in the FY 2007 supplemental for a new comprehensive package to support the Lebanese people's aspirations for peace, stability, and economic development. I made this pledge last month at the Lebanon Donor's Conference, which raised $7.6 billion to support the Lebanese people and the democratic government of Prime Minister Siniora. Our new package includes both economic and security assistance. And let me add, most importantly: Our assistance will support the Lebanese government's own ambitious reform program, which demonstrates its commitment to reducing its debt and achieving economic and financial stability. In November 2006, we also signed a Trade and Investment Framework Agreement to help support Lebanon's development through enhanced bilateral economic ties.

As we take steps forward in the reconstruction and development effort, we must not lose sight of the need to continue to implement fully all UN Security Council resolutions related to Lebanon, in particular Resolution 1701. We commend the Lebanese government for its efforts to deploy the Lebanese armed forces to the south of its country, and we applaud the international community for its successful deployment of the enhanced UNIFIL forces to help Lebanon secure its sovereignty. Much more work remains to be done, however, and I look forward to the report of the UN Secretary General on what further steps must be taken to continue implementing Resolution 1701, so that we can move forward vigorously.

In the Palestinian territories, President Abbas's desire to support a better life for his people and to make peace with Israel is being blocked by the radical leaders of Hamas. One year after this group's legitimate election, the international community continues to stand together in our insistence that Hamas must meet the conditions set out by the Quartet: recognize Israel, renounce violence, and recognize all previous agreements between Israel and the Palestinian Authority. The leaders of Hamas now find themselves increasingly isolated and unable to govern.

Our goal with the Palestinians this year, working with Israel and responsible Arab governments, is to empower President Abbas—to help him reform Fatah, provide security in the Palestinian territories, provide essential services to his people, and strengthen the political and economic institutions of his state. We are requesting $77 million for these objectives. At the same time, we seek to facilitate discus-

Digitized by Google

Original from
PENN STATE

sions between Prime Minister Olmert and President Abbas to meet the conditions of the Road Map and to discuss the possible political horizon for our ultimate goal: two democratic states, Israel and Palestine, living side by side in peace and security. This purpose will take me to the Middle East next week.

Our support for freedom and democratic reform is critical to our efforts in the war on terrorism, and it remains a central pillar of our foreign policy worldwide. President Bush remains fully committed to the goal he outlined two years ago in his Second Inaugural address: supporting democratic movements and institutions with the goal of ending tyranny in the world.

The hard work of democracy does not end with one free election; that is only the beginning. Lasting democratic reform must also encompass an independent media, pluralist political parties, legal limits on state authority, and protections for human rights. We are funding programs in all of these fields of democratic reform, and thanks to our new budget process, we are improving the transparency of how our democracy funding is spent. To support democratic transitions, the budget provides $460 million for programs that foster independent media sources, pluralist political parties, voter education, election monitoring, and human rights in non-democratic countries. We also request $988 million to promote good governance and the rule of law in countries committed to reform.

As we work to expand freedom and prosperity, we must champion these ideals in our public diplomacy, for which we are requesting funding of $359 million. Public diplomacy is a vital component of our national security strategy. We seek to reach out to the peoples of the world in respect and partnership, to explain our policies, and just as importantly, to express the power of our ideals—freedom and equality, prosperity and justice. That is how we build new partnerships with foreign citizens and counter ideological support for terrorism. Public diplomacy is no longer the job of our experts alone; it is the responsibility of every member of the State Department family, and we are mobilizing the private sector and the American people to help. In addition, we seek $668 million for the Broadcasting Board of Governors, to support radio, television, and internet broadcasting worldwide, including in countries like North Korea, Iran, and Cuba.

In turn, we recognize that public diplomacy is and must be a conversation, not a monologue, and we are eager to welcome foreign citizens here to America. People-to-people exchanges are a vital component of our national security strategy. Many exchange participants report that they are "forever changed" by their direct involvement with the American people. Last year, the total number of student and exchange visas reached an all-time high of 591,000, and we want to expand on this progress, working in partnership whenever and however possible with the private sector.

One audience with whom we are particularly eager to continuing building relationships is the Iranian people. The President has called for expanded people-to-people exchanges with Iran, and our Bureau of Educational and Cultural Affairs is assisting in setting up a broad range of exchange programs with the Iranian people. The State Department is now supporting academic and professional exchange programs for Iranians for the first time since 1979. Last year, we welcomed to America groups of Iranian teachers, doctors, and wrestlers. These visits, like all of our exchanges, help to further understanding and foster goodwill among foreign and domestic audiences alike. We are eager to do much more this year. So we are requesting $486 million for educational and cultural exchanges.

MEETING GLOBAL CHALLENGES

Combating violent extremism and supporting democracy are examples of the new challenges that we face in today's world: They are global. They are transnational. They cannot be resolved by any one nation acting alone; they are global responsibilities, requiring global partnerships.

Another such challenge is the proliferation of weapons of mass destruction and the materials to produce them. The FY 2008 budget supports our key multilateral counter-proliferation activities—including the Proliferation Security Initiative, the G–8 Global Partnership, the Global Initiative to Combat Nuclear Terror, and UN Security Council Resolution 1540. The budget also supports our efforts to strengthen the global non-proliferation regime, by rallying the international community to hold accountable all who violate their responsibilities—governments like that of Iran and North Korea, both of which are now under Chapter 7 UN Security Council sanctions. At the same time, we continue to keep open a path to a diplomatic solution. With regard to North Korea, the Six Party talks will reconvene this week. With Iran, if the leaders in Tehran fulfill their international obligation to suspend their

Digitized by Google

Original from
PENN STATE

enrichment and reprocessing activities, I have offered to reverse 28 years of U.S. foreign policy and meet with my Iranian counterpart anytime, anywhere.

We are also committed to confronting, as the President said in his State of the Union address, "the serious challenge of global climate change." Our approach is rooted both in pragmatism and partnership. One of our main initiatives is the Asia-Pacific Partnership on Clean Development and Climate, which we launched in concert with Australia, South Korea, Japan, India, and China. Together, our countries represent more than half of the world's economy, much of the world's emissions, and a growing demand for energy that is vital to our economic development. The Partnership is accelerating investment and opening markets for cleaner, more efficient technologies, goods, and services, while fostering sustainable economic growth and poverty reduction.

The FY 2008 budget sustains our effort to combat the illicit narcotics trade, particularly in Afghanistan and here in our own hemisphere. The Andean Counterdrug Initiative remains a key priority, as does our strategic partnership with Colombia. We have had tremendous success in helping President Uribe to expand the reach of Colombia's democratic state and to confront the country's drug traffickers and terrorists. President Uribe has now unveiled his government's strategy to build on the achievements thus far, while adjusting to Colombia's new realities. This is a crucial time, and we need to help Colombia finish the job. At the same time, this budget recognizes key opportunities to nationalize eradication efforts, working in partnership with Colombia, Bolivia, and Peru.

Another global challenge is posed by pandemic disease. The FY 2008 budget request and FY 2007 supplemental supports our global strategy and partnership to rapidly address avian influenza outbreaks and support prevention strategies worldwide. The FY 2008 budget also advances the goals of the President's historic Emergency Plan for AIDS Relief. Thanks to the overwhelming support that this program has received from Congress, the Emergency Plan has now supported treatment for more than 822,000 people in the 15 countries that are home to over half of the world's infected population. This year we are requesting a total of $5.4 billion for the Emergency Plan, including funds requested by the Department of Health and Human Services. This includes $4.2 billion for prevention, treatment, and care in the 15 focus countries. We are also seeking an additional $1.2 billion for bilateral programs in other countries, HIV/AIDS research, multilateral programs worldwide, and funding for tuberculosis programs.

No less historic than the Emergency Plan is the President's Malaria Initiative, which has supported prevention and treatment for millions of people in Angola, Tanzania, and Uganda. Last year, President Bush added a total of twelve other sub-Saharan African countries. The FY 2008 budget dedicates $388 million to fund our commitments under this Initiative, as well as funding for other ongoing global efforts to fight malaria.

HELPING DEVELOPING COUNTRIES AND THE MOST VULNERABLE POPULATIONS

Global partnerships are essential to meeting the global challenges that I have just described. But many weak and poorly governed states do not have the capacity to fulfill their responsibilities as sovereign states—their responsibilities both to the international community and to their own people. Our experience on September 11 showed us that, in today's world, weak and poorly governed states can pose not just humanitarian challenges, but national security threats. Hopelessness and oppression contribute to extremism and instability. Thus, helping developing states to transform themselves—to govern justly, to advance economic freedom, to combat poverty, and to invest in their people—is now a strategic imperative.

This has sparked a revolution in how we think about our foreign assistance, which we now view as one of our primary tools for helping countries to transform themselves. As a result, President Bush has made giant strides to increase our levels of foreign assistance. Since the Administration took office, we have doubled our assistance to countries in the Western Hemisphere. We have tripled our assistance to Africa, and if our FY 2008 request for assistance to Africa is enacted, we will nearly quadruple it.

With new money we have also taken new steps to use that money more effectively. We created the Office of the Director of Foreign Assistance to align our foreign assistance programs and our foreign policy goals. We are now approaching foreign assistance with the goal of helping to build and sustain democratic, well-governed states that respond to the needs of their people, reduce widespread poverty, and conduct themselves responsibly in the international system. A new Strategic Framework for United States Foreign Assistance ensures that resources are targeted to that shared goal. To allocate our assistance most effectively, we have

Digitized by Google

Original from PENN STATE

grouped every country to which we provide assistance by means of its internal characteristics. We have identified five main country categories:

- *Restricted states* are those countries with significant freedom and human rights issues, for which our assistance is geared to promote democratic reform and support for civil society.
- *Rebuilding states* are countries in or emerging from conflict, in which establishing security and the foundations for effective governance and economic growth are the highest priorities.
- *Developing states* are low or lower-middle income countries, in which poverty, governance, and investment in people are the greatest barriers to progress.
- *Transforming states* are low or lower-middle income, relatively stable and well governed, but for which poverty, disease, and human development remain impediments to progress.
- *Sustaining Partnership states* are countries with upper-middle levels of income or greater, for which our support is strategically targeted to sustain peace, prosperity, and partnership.

If a country's characteristics describe its overall demand for assistance, we now think of our foreign assistance in terms of supply—the programs and resources we can supply to help countries advance along the path of their own development. In order to allocate our resources more strategically, we identified five broad purposes for our foreign aid programs.

First is humanitarian assistance. The United States is a compassionate nation, and we will always be moved to action when tragedy strikes, and when innocent people are in desperate need. The FY 2008 budget provides more than $2 billion for the protection of refugees and for basic needs like food, water, and medicine for vulnerable populations. One of the major recipients is Sudan, for which we are requesting a total of $359 million for humanitarian assistance, excluding funding for Sudanese refugees in neighboring countries. This year we are continuing our support for victims of war and genocide, especially the internally displaced people in Darfur and the refugees in eastern Chad.

The second purpose of our foreign assistance is to promote peace and security. In addition to humanitarian assistance, this is the other major form of support that we are providing in Sudan, because it is a major need right now. The same is true in other countries that are struggling to emerge from the shadow of conflict: Democratic Republic of the Congo, Liberia, Somalia, Haiti, Colombia, and Lebanon. In some of these countries, and in many others, UN peacekeeping missions are playing a vital role, so for FY 2008, $1.1 billion of our peace and security assistance will support America's share of the costs of those deployments.

A third purpose is governing justly and democratically. For FY 2008, we are requesting a significant increase over last year's funding level. These resources will go to support programs, in every region of the world, to strengthen the rule of law, fight corruption, monitor elections, and other such demands. One region in which we are increasing our support for governing justly and democratically is here in our own hemisphere. The democracies of Latin America are now more capable of providing social services to their citizens on their own. As a result, we are reducing our direct provision of services and using our limited resources to strengthen the institutional capacity of Latin American democracies to deliver the benefits of development to their people.

Fourth is investing in people. Human capacity must be strengthened and poverty and disease addressed in order to promote and sustain development success. Our request for resources to combat disease and mitigate its impacts on vulnerable populations, to improve access to quality education, and to provide social services and protection to vulnerable populations represents a 40 percent increase over FY2006 enacted levels. The President's Emergency Plan for AIDS Relief and Malaria Initiative are core components of this increase, as these diseases claim over 5 million lives annually in the developing world; and dramatically impact a country's workforce and development trajectory. Poor nations cannot hope to devote necessary resources to address the magnitude of these diseases, and development progress is therefore severely handicapped. Basic education is also necessary for progress and establishing a foundation for prosperity. The FY2008 request for resources to support basic education programs is $535 million, the largest request this Administration has ever made.

The final goal of our foreign assistance is alleviating poverty through economic growth. On this front, our flagship initiative is the Millennium Challenge Corporation, or MCC. Since 2004, the MCC has signed development compacts with eleven countries worth a total of $3 billion. MCC works with transforming countries that

Digitized by Google

Original from PENN STATE

meet objective standards of progress for governing justly, advancing economic liberty, and investing in their people. This money is given in the form of grants, not loans, and the compacts are designed and managed by recipient countries themselves, reinforcing their ownership of their fight against poverty. These resources complement and amplify the impact of our investments in other foreign assistance accounts and provide a clear trajectory and incentive for countries to continue institutional improvement.

Ultimately, there are limits to what development assistance can achieve. For a country to unlock the potential of its people to increase economic productivity, create jobs, and combat poverty, it must integrate its economy into regional and global networks of free trade. The President remains committed to achieving a successful outcome to the World Trade Organization's Doha Development Agenda—one that opens markets, creates new trade, and strengthens the rules-based system. As a part of the President's robust trade agenda, we have negotiated ten free trade agreements (FTAs) with 15 countries worldwide, and Congress has already approved agreements with 12 of these countries. Most recently, we signed FTAs with Colombia and Peru, and we completed negotiations with Panama. We look to Congress to support these important agreements.

Mr. Chairman, Members of the Committee:

The State Department has assumed substantial new responsibilities as a national security agency in the war on terrorism. We are the lead agency on many of the tasks in the Administration's National Counterterrorism Strategy. Using our existing authority, we are taking dramatic steps to make our foreign assistance more effective and to enhance our ability to serve as responsible stewards of the American taxpayers' money.

Our role in advancing peace and security is growing. We need increased funding to push this agenda forward, but in recent years Congress has significantly reduced the Administration's requests for International Affairs. Without greater support for our request, we will fall short of our goal of protecting America and advancing our vision of a better world.

In this challenging time, the men and women of American diplomacy are doing all that we are asking of them—and much more. They are nobly answering the call to service and shouldering their national security mission. I ask you to provide the resources we need to play our part.

Chairman LANTOS. Thank you very much, Madam Secretary. Let me just say from my own personal experiences around the globe in meeting with civilian employees of both the Department of State and other agencies, that their commitment and courage and patriotism is extraordinary. And I am very pleased that we are now embarking on a nationwide effort to have a civilian corps of men and women who are prepared to undertake these dangerous missions.

I now would like to welcome my friend and colleague from Florida, and ask her to proceed with her opening statement.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Chairman. And thank you, Madam Secretary, for your testimony and for your service to our nation.

I will forego my opening statement. Thank you for making it a part of the record. And I would like to ask some questions about the President's plan on Afghanistan.

As we know, opium production in Afghanistan is soaring, and with it, the power of warlords, drug kingpins who are linked to the Taliban fighters, as well as al-Qaeda.

In an effort to address this situation, last night—and I am sure that you have it—I and three of our colleagues sent you a letter outlining a 16-point unified counternarcotics, counterterrorism strategy modeled after our successful campaign in Colombia.

Among the proposals were increased extradition of the kingpins; expanding the awards program to facilitate the capture of bin Laden and other major terrorists operating in the region; developing a consensus policy with our allies to address the linkage and the interdependence between drugs and terror in Afghanistan; and

Digitized by Google
Original from PENN STATE

increasing the trade capacity for legitimate Afghan products: For example, carpets, gemstones, and other legitimate products.

This is not just a policy issue for me, but also for personal reasons. My daughter-in-law, Lindsay, who, along with my stepson, Doug, served in Iraq, will soon be deployed in Afghanistan in a few weeks, where these drugs are financing the terrorists. So for Lindsay and for all the men and women who are serving our nation in the military, as well as in Foreign Service, in the Civilian Corps that we hope to establish, and for our U.S. national security interests, we have got to make sure that we are implementing the best plan; one that integrates all of our capabilities and assets to win over the terrorists.

So here is my question, Madam Secretary. Why is it so difficult to, when everyone acknowledges that these drugs are financing the resurgence of the Taliban, to get consensus, both in our Government and with coalition partners, to take this issue on in a serious, calculated, coordinated manner?

And secondly, related to that, drug production is sky-rocketing; the safe havens in Pakistan remain. And the new policy with a $10.6 billion price tag does not offer new initiatives to solve the narco-terrorism problem. More of the same will clearly not work. What new initiatives can we expect to fight this drug production problem?

Thank you.

Secretary RICE. Thank you very much, Congresswoman Ros-Lehtinen.

First of all let me say that we are not satisfied, either, with the results on counternarcotics in Afghanistan. One could not be satisfied. Indeed, we are reviewing again whether there are, as you say, other new initiatives that might be taken.

We do believe that the base initiatives that we have undertaken are important ones and ought to be continued. For instance, we started a program with the Afghans a little more than a year ago of so-called governor-led eradication, so that the governors themselves buy into what needs to be done. And to be fair, not every province in Afghanistan has a huge problem in this regard.

But unfortunately, it does collocate with the most difficult in terms of terrorism, like Helmand Province, and it is not a coincidence. Because, as you said, the terrorism feeds on the drug trafficking, and fuels them and funds the terrorists. So this is a link that we absolutely have to break.

We are also continuing our efforts to improve the opportunities for farmers to participate in the legal economy, rather than in the illegal economy, through giving them alternative development projects.

I will note that one of the problems in Afghanistan is that the alternative development projects for crops requires that a road network to be able to deliver those crops to market. One of the advantages, if you will, to poppy is it doesn't spoil.

We are working with the Afghan Government. One of the elements of the request, the reconstruction request, is to accelerate our road building in Afghanistan, so that the licit economy, the legal economy, can grow. In fact, as a percentage of the economy,

Digitized by Google

Original from PENN STATE

the illicit economy is going down. But we do need to provide opportunities for people.

Third, and perhaps most importantly, you put your finger on the problem of the ability to actually prosecute and punish people who are engaged in these kinds of activities. There is a large justice sector, anti-corruption element to the programs we have been pursuing.

One of the problems is that it is not just the local farmer who is doing this. The local farmer—you might be able to get him out of the business. But the drug kingpins, the networks, have to be gone after. So we are working on means by which to do that. And obviously, it can be a fairly dangerous proposition for people who try those people. This is another element of what we are doing.

Finally, I would just note, we do have, within the U.S. Government, complete agreement about what it is we want to do. We are working with our coalition partners on questions like spraying, either ground spraying or aerial spraying, which has helped us in other places. It is of concern to the Afghan Government because it is not very well understood, but we are continuing to work on that issue.

I might just note that I think our people out in the field have been doing a very good job. They have been getting out; they have been working on these issues. In the natural rotation of our ambassador, the new Ambassador to Afghanistan will be Bill Wood, who has been our Ambassador in Colombia. And we think that he will bring with him, then, some experience on this issue.

But as a bottom line, I want to say that we, too, do not think that this is an acceptable outcome. We are going to work very hard. We think some of the things that we are doing will help, but unfortunately it is a rather long-term problem to try and get rid of.

Ms. ROS-LEHTINEN. Thank you, Madam Secretary, and we look forward to the written response to our letter. Thank you very much.

Mr. Chairman.

Chairman LANTOS. Thank you. Madam Secretary, I know in due course I will get an official reply from the Department concerning the legislation I am introducing today concerning an international nuclear fuel bank.

Let me just ask you to give us your initial reaction. Because it is clear that Ahmadinejad in Tehran has succeeded in uniting a variety of forces within the country, who may dislike him and oppose him on other issues, on the importance of Iran's right to develop civilian nuclear capabilities.

My legislation would provide enriched fuel and reprocessing outside of Iran, not only for that country, but for any country. And I would be grateful if you think you could comment initially on this proposal.

Secretary RICE. Thank you, Mr. Chairman. We would like very much to work with you on this legislation, because it falls very much in the context of what the President thinks we need to do. He, at the National Defense University in 2004, talked about the need to have ways for countries to pursue civil nuclear power without having the fuel cycle. Because obviously, enrichment and reprocessing can be used for the development of nuclear weapons,

Digitized by Google

Original from PENN STATE

and therefore there is a proliferation risk. But we want countries to have access to civil nuclear power.

So breaking that link between the fuel cycle and having civil nuclear power with some kind of fuel bank we think would be a very good idea. Bob Joseph, the Under Secretary for International Security, has been talking with people about it.

I think that, Mr. Chairman, there is a lot that we could do with this idea. And it would be important, as you said, not just for Iran. One thing that we need to say loud and clear to the Iranian people is we do not wish to deny them access to civil nuclear power.

The problem is when the technologies that they use to acquire that civil nuclear power can lead, and appear to us to be leading, to the pursuit of a nuclear weapon. So I think this is a very positive idea, and we would like very much to work with you.

Chairman LANTOS. I thank you, Madam Secretary. I will now call on all colleagues for 4 minutes for questions and answers. If your questions run 4 minutes, I will ask the Secretary to submit the answer in writing. So please husband your 4 minutes.

I am pleased to call on my friend and colleague from California, Mr. Berman.

Mr. BERMAN. Thank you, Mr. Chairman, and thank you, Madam Secretary, for being here.

Later in February you are going back to the Middle East to preside or participate in a trilateral meeting with the Prime Minister of Israel and the President of the Palestinian Authority. I am very glad to see you and the United States more engaged in trying to facilitate a meaningful peace process. I wish there had been times sometimes in the past, particularly after the Israeli withdrawal from Gaza, where we had been more engaged. Perhaps the January elections would have turned out differently had more been done on the ground.

But I am curious about your expectations. Can we move forward while there is a Hamas-led Palestinian Authority that seems totally disinterested in meeting the three conditions, dealing with the shelling coming from Gaza, recent suicide bombing, actually responsibility claimed by the Al Aqsa Martyrs Brigades of Fatah, an affiliated group.

Give us some notion of where you see this going in the context of a roadmap, of a horizon, of a final settlement, how, with Hamas still having the role that it has and its unwillingness to deal with the three conditions that have been set forth, we can move forward. And perhaps even more importantly, some of this seems motivated by a belief that some of our friends in the Arab world, if we can make some progress here, are going to be willing to do things in the context of Iraq and other areas of the Middle East that they are not now apparently prepared to do.

Could you spell out a little more clearly what exactly we think can happen by their more active participation that can make things in Iraq better? Because for some of us, we don't quite understand the connection that both the Baker-Hamilton Commission Report, and even some of your diplomatic efforts, seem designed to achieve.

Secretary RICE. Thank you, Congressman. First of all, let me just say, in terms of any linkage, we see the Israeli-Palestinian issue

Digitized by Google

Original from
PENN STATE

as needing to be resolved on its own terms. And I think it is very important to say that.

It is, undoubtedly, a pillar, if you could resolve that conflict, of a more stable and democratic Middle East. But I don't wish to suggest that we think if we do that, we are going to get something for it in some other part of the diplomacy. I think that would not be the way to think about it, although I know it is sometimes presented in that way. So I just want to be very clear about that.

I do think that after Lebanon, there is a kind of configuration of states that both have an interest in the resolution of the Israeli-Palestinian conflict. Some of the moderate Arab states, some of the even conservative Arab states I think are showing more interest in working toward the roadmap. The fact that they have other interests in common with us, like securing the young government in Lebanon of Fouad Siniora, as well, in Iraq, because these are states—these are young democracies—that are under attack from extremists.

So in that sense there is a common, I think, approach, a common strategy that is developing among a number of states on each of those three fronts. But the Israeli-Palestinian issue will need to be resolved on its own terms.

Very briefly on what they could do on Iraq. I think the political support for Iraq as an Arab state, and treating the Shi'a-led government in its Arab identity is extremely important. Because when people say well, is it too close to Iran, I think the only way that the Iraqis, who have no desire to trade the Saddam Hussein yoke for an Iranian yoke, the only way that that happens is if they are not fully accepted in the Arab world.

I think that it is also the case that they can help with Sunni participation and outreach, and ultimately with financial resources, and particularly debt relief, which a couple of the Gulf States hold.

As to the Palestinian issue, Palestinian-Israeli issue, I do believe we can make progress. I think that, frankly going all the way back now to Prime Minister Sharon, there has been a broadening of the base of support in Israel for the two-state solution. I think that while it is true that Hamas is the government, you have in the Palestinian Authority and in Mahmoud Abbas, President Abbas, someone who is very devoted to the two-state solution, to the renunciation of violence, to living side by side with Israel. And he is, after all, the one who has the negotiating authority for the Palestinian people.

So I would hope to use my discussions with Prime Minister Olmert and President Abbas to see what we can do, in the context of the roadmap, to begin to develop a clear political horizon for the Palestinian people, so that they know what the establishment of a state would look like, what needs to get to be done to have it established. There are elements that we simply never talk about, like Palestinian capacity to govern a state. That is an extremely important part of this discussion.

I believe with a political horizon developed for the Palestinian people, that President Abbas will be able to go to the Palestinian people and say your future is in this two-state solution, not in declaring that you do not believe in the existence of Israel, or not con-

Digitized by Google

Original from
PENN STATE

tinuing to take violence as a legitimate means, but renouncing violence.

I think that Hamas has not, you are right, not yet come in line with the quartet principles. I don't know if they ever will. But I fully believe that the Palestinian people, the great majority of them, want a better life, they want a peaceful life, and they recognize that they will have to live side by side with Israel in order to do that. I think that is the case that President Abbas has tried to make.

I think with a political horizon developed between the Israelis and the Palestinians, he will be able to make that case more effectively. And ultimately, that Hamas will either have to stand against the aspirations of the Palestinian people, or find a way to change their ways.

Chairman LANTOS. Thank you, Madam Secretary.

Mr. Rohrabacher.

Mr. ROHRABACHER. Thank you very much, Mr. Chairman. And first and foremost, I would like to associate myself with the remarks that you made, Mr. Chairman, in your opening statement. They were insightful and eloquent, as usual, and right on target.

Chairman LANTOS. Thank you.

Mr. ROHRABACHER. And one of the points you made was, which I would like to expand upon one of the points you made, Mr. Chairman, which is why our "allies," or at least moderate Muslim states in the Gulf have not been spending more money to assist in the development of Afghanistan.

I mean, obviously they are portraying themselves as these solidarity among Muslims, and yet there is great suffering going on in Afghanistan, and they have not been stepping up to do their part. That is number one. And I would hope that you transmit that concern in your diplomatic discussions.

I am afraid, Mr. Chairman, that while Saudi Arabia is spending very little money in Afghanistan, it may well, or elements within Saudi Arabia may well be financing the terrorist campaign that murders American troops in Iraq.

And I am not going to put you on the spot, Madam Secretary, because this is a diplomatic issue, as well. But this is of great concern. And I do not believe that this administration has pursued this to the degree that it should, for whatever reason. And we know there are lots of levels to that debate on how far to push the Saudis. But if they are engaged with financing this insurgency operation, the lives of our troops are on the line. And that should be number one, trying to protect them, their interests.

I would like to draw your attention, Madam Secretary, to the letter sent by Ms. Ros-Lehtinen and several of us dealing with Afghanistan. I would like you to note on the section 16 of that letter, it mentions microherbicides and the war on drugs in Afghanistan, which is now, having not been treated as the issue that it should have been treated over these years, coming back to bite us and to hurt our efforts in Afghanistan in a tremendous way. And we have discussed that personally on a number of occasions.

But I would like now—and I am sorry for putting you on the spot here on this, Madam Secretary—but we have a $12 million expenditure that we have actually approved of in Congress for the State

Digitized by Google

Original from PENN STATE

Department to make in order to at least do the research necessary on microherbicides, which could well be a method of eliminating opium production in Afghanistan, that has gone unspent for a number of years.

Now, I know there are fanatics who are saying don't even look at that option, we don't know who the heck is financing these fanatics, or are telling us not even to investigate. But are you going to spend that $12 million to find out if microherbicides are a possible tool against the opium production in Afghanistan?

Secretary RICE. Well, Congressman, I will get back to you on the specifics about microherbicides and what we are doing in terms of research.

I will say that there are always questions about what one can do in the use of certain kinds of herbicides worldwide, in terms of crop, even illicit crop. And there are environmental issues that have to be examined.

Mr. ROHRABACHER. That is correct. That is why that research is important, and you have had $12 million. And because of some fanatic opposition to it, perhaps being financed by people who are afraid it might be seen as an effective tool, you haven't moved forward yet. And we would expect you to at least spend that money.

Secretary RICE. Well, I will get back to you about that, Congressman.

Mr. ROHRABACHER. All right. And one last thing—oh, my time is up. Thank you, Mr. Chairman.

Chairman LANTOS. Thank you very much. Mr. Ackerman.

Mr. ACKERMAN. Thank you very much. Welcome, Madam Secretary.

I was rather intrigued that you spent so much time talking about the foreign language deficit that we have, and how greatly that is needed.

It seems that the Defense Department has a don't ask, don't tell policy when it comes to homosexuals. You don't have such a prohibition in your agency, do you?

Secretary RICE. No, we do not.

Mr. ACKERMAN. Good for you. Well, it seems that the military has gone around and fired a whole bunch of people who speak foreign languages—Farsi, Arabic, et cetera—after they trained them in their foreign language school for 63 weeks, and presumably they all passed all kinds of security things. And many of them told on themselves, and were fired. For some reason, the military seems more afraid of gay people than they are of terrorists, because they are very brave with the terrorists. I mean, if the terrorists ever got hold of this information, they could get a platoon of lesbians to chase us out of Baghdad.

The affirmative suggestion that I would make is: Why can't the State Department look to pick up all those people that were fired from the military? Because apparently you don't have a policy. And put these three dozen or so Farsi and Arabic people to work doing what you are suggesting would cost a lot of money to do in training, et cetera, because we have them. Can we marry up those two—or maybe that is the wrong word. Can we get some kind of union of those two issues that you might be willing to——

Digitized by Google

Original from
PENN STATE

Secretary RICE. Congressman Ackerman, I am not aware of the availability of people, but I certainly will look. What we are doing right now is we have quadrupled the number of people in the critical languages areas. One of the problems that we are trying to deal with, and again it is a budget request this time, is that we would like to train people to higher levels of competence.

Right now, because of just needing people in the field, we are getting people to what is called three-three, and then getting them out the door. We would like to get them to higher language levels, but that requires having a greater number of people so that we can have that kind of training——

Mr. ACKERMAN. Right. Well, maybe you might find some of those competent people among those who were recently unemployed over the past several years.

Secretary RICE. Yes, we will look at it.

Mr. ACKERMAN. During previous trips to the Middle East, democracy promotion has been very highly promoted by the administration. And the reforms in the region seem to question the reality of that happening.

On your trip to Cairo University in 2005 you had spoken very, very powerfully about democracy reform. And in 2006, it doesn't seem to have been mentioned as part of the agenda.

My question is: Where does democracy reform really fit into our foreign policy? And do we have a strategy for democratization that is going to work? Why are we not really pushing our friends in Egypt and Saudi Arabia and Pakistan? And if, as in Egypt, they worry about the Muslim brotherhood, and then beat up everybody who is running for office, they kind of leave room only for people who want to be terrorists to resist, because they don't cave in to getting beat up, and we do away with all of the legitimate sources of——

Secretary RICE. Well, thank you, Congressman. First of all, democracy is right at the core of what we are doing in our foreign policy, because the President and I consider it not just a moral cause, although of course it is a moral cause, but it is also a matter of national security.

The fact of the matter is that well-governed democratic states are allies, and that is the source of true stability. But it is also the case that when you have a freedom gap or deficit, politics will go on, but it will go on on the radical side, while the healthy forms of moderation and reform that could take place don't take place. And I think we have seen that in the Middle East, and it is one reason that I think authoritarianism has produced circumstances in which terrorism breeds, because people go to the extremes rather than to more legitimate and more benign ways of carrying out their political interests. So it is very much at the core.

The Cairo speech I felt was maybe the most important speech I have made as Secretary. And I thought the President's——

Mr. ACKERMAN. Great speech.

Secretary RICE [continuing]. Second inaugural was one of the most important speeches an American President has made in years. We are going to continue to press the case.

I know that when I was in Luxor recently, and I was on the ground for 2½ hours, I think, total to talk about the Palestinian

Digitized by Google

Original from
PENN STATE

issues, I did not have a democracy event; but I did raise with the Foreign Minister and with the President issues concerning our concerns about, for instance, the non-governmental organizations like NDI and IRI and how they are operating, cases like Ayman Nour, where we think that his release would be wholly appropriate, and internal reforms in Egypt.

We are going to continue to press for those. We pressed for it in Saudi Arabia. I think I did stand next to the Foreign Minister and say women ought to vote in Saudi Arabia, and I will continue to say that.

I did have a democracy event in Kuwait, where I met with about 30 women. As you know, women in Kuwait have just gotten the right to vote. They are organizing, though they didn't win in the last election, but that has only made them more determined this time. I had a wonderful discussion with them.

We are trying, through our democracy programs, through helping people to network, with training in democracy programs, development of civil society, and bringing young people together. We are trying very hard to empower those inside these countries that want a democratic future. Nothing troubles me more than when I hear people say well, you shouldn't try to impose democracy. And I say of course not. Democracy doesn't have to be imposed; tyranny has to be imposed.

We are working very hard to try to make it possible for people, because it is our moral duty and it is in our interest.

Mr. ACKERMAN. Thank you.

Chairman LANTOS. Thank you. Mr. Paul of Texas.

Mr. PAUL. Thank you, Mr. Chairman. Madam Secretary, the Foreign Affairs budget request for this year is $42 billion, with a supplemental approximately 13 percent increase over last year.

Our expansive foreign policy is draining great wealth from the American people, and yet our foreign interventionism is creating enemies all over the world. I would like to address an area of particular concern, which is our policy in the Middle East.

Many Americans and many Members of Congress are fearful that we are about to dramatically expand war in the Middle East to include hostilities against Iran. We are escalating our sharp rhetoric toward Iran. We are employing an additional carrier group and Patriot missiles to the region. And although Iran has approached the United States to establish a serious dialogue two times since 9/11, they have been rebuffed both times.

Unproven charges against Iran's nuclear intentions are eerily reminiscent of the false charges made against Iraq before we invaded that country.

What little information we do have about Iran is coming from similarly dubious sources. The terrorist organization known as MEK, for example. The Iranian Ahmad Chalabis are all lining up and feeding us self-serving information about Iran, it seems. Unproven accusations of Iranian support for the Iraqi insurgency are now serving as a pretext for this escalation.

Requests for proof of dramatic claims of Iranian involvement in Iraq, the administration keeps promising that they are compiling it. This sounds like Iraq, where accusations came first and proof

Digitized by Google

Original from
PENN STATE

was supposed to come later, only that proof never came because the accusations turned out to be false.

Here is what we do know. The Iranians are very unlikely to support the Iraqi Sunnis and Baathists. They consider the Sunni Iraqis the enemy. However, some 99 percent of all the attacks on United States troops occur in the Sunni Arab areas, carried out by Baathists or Sunni fundamentalist guerilla groups. How does that compute with administration claims that Iran is playing the major role in the insurgency?

Realistically, the Iranians do have a justifiable self-interest in dealing with Iraq: A neighbor cast into civil war as a result of our United States invasion. They face incredible instability next door. We should also remember that Iraq Shiites that Iran is most anxious to help are the Supreme Council, our allies around whom we are trying to build a government in Iraq.

So this is my question. Can you assure me, this committee and the American people, that the United States will not initiate a preemptive attack on Iran?

Secretary RICE. Well, Congressman, first of all let me say that I think the President has made very clear that we are not planning or intending an attack on Iran. What we are doing is we are responding to a number of Iranian policies, both in Iraq and around the world, that are actually quite dangerous for our national security. Let me take them one by one.

The Iranian support for terrorism is well known and well understood. And it is not just the United States that believes that Iran is a key sponsor of terrorists. Whether one talks about Hezbollah in Lebanon, where they arm and support them, bringing about, for instance, or helping to bring about the Hezbollah attack on Israel across the blue line this summer. Whether you talk about Iranian support for some of the worst elements of militia and death squads in Iraq. Indeed, networks that both we and the British have cited as perhaps most likely being the source of the extremely powerful enhanced IEDs that are killing our soldiers. I don't think any government in the world would stand by and not react to that.

If I could move to the nuclear file. I just don't think it is right, Congressman, to say that this is a United States ginned-up notion about an Iranian nuclear weapon. I would just note that the people, the diaspora that signaled that in fact there might be something going on illegally at Natanse in Iran, where it turns out now that they had been enriching and reprocessing for 18 years without the knowledge of the IAEA, was a tip given not just to the United States, but to the IAEA.

Indeed, much of our information is coming from the International Atomic Energy Agency. I think the reason that we have been able to get a Chapter VII resolution, 15–0–0, about the Iranian nuclear program, is that the United States of America is not the only country worried about an Iranian nuclear weapon.

As the chairman was noting, enrichment and reprocessing can be for peaceful purposes. But most likely in this case, it is for the technology that would allow you to build a bomb. And that is why the world is uniting against Iran, 15–0, for Chapter VII, against their nuclear program. So, I just don't think it is right to say that it is somehow the United States that is fueling this story.

Digitized by Google

Original from PENN STATE

Finally, as to what we intend to do. When we have a carrier strike group enter the Gulf or provide a PAC–3, which is a defensive system, it is simply to demonstrate that the United States remains determined to defend its interests in the Gulf and the interests of its allies. And that, Congressman, is a position that has been held by American Presidents going back for nearly 60 years.

I would just note that these are discrete responses to Iranian activities that are really deeply concerning, not just for us, but for the rest of the world, as well.

Now, as to Tehran and whether we can talk to them: I offered in May to reverse 27 years of American policy, and to meet my counterpart anyplace, any time, to talk about any set of issues that Iran wishes to talk about, if they would just do one thing. And that is, adhere to the demand that the international community is making that they stop enrichment and reprocessing, so that we know that while we are talking, they are not improving their capability to get a nuclear weapon.

So I think, Congressman, the question isn't why won't we talk to Tehran; the question is why won't they talk to us. Thank you.

Chairman LANTOS. Thank you. Mr. Payne.

Mr. PAYNE. Thank you, Madam Secretary. Good to see you again.

I have some certain concerns about the ongoing conflicts on the Horn of Africa, the genocide in Darfur. But Mr. Natsios is going to be here tomorrow, so I won't ask you questions about that, although I was pleased to see that the President has approved a plan with the Treasury Department to block Sudan's transactions. And I think this is a step in the right direction. Also, I would like to see a no-fly zone, to be honest, where we will simply take down those anti-satellites as they continue to bomb women and children. But I will ask those questions tomorrow.

I do have a question, though, about Somalia. As you know, there is a need for 8,000 peacekeepers; there has been 4,000 pledged from the AU. I wonder if we are going to be supportive of the funding for that.

Secondly, I do believe that we missed the boat with the TFG initially not giving them the support that they were asking for as they were pledging, and the ICU, the Islamic courts came in, and got peace and security, and opened up the airport, and stopped the piracy. And I don't believe that they were al-Qaeda-led, as some people tried to lead us to believe.

However, I hope that we are pushing a merging between the TFG and the ICU in Somalia, so that there can be a government of reconciliation, and get the Ethiopians out that we prevented the AU from sending troops in because we prevented arms from coming in, and that led the way for Ethiopia.

But just in Liberia also, we promised to have a 2,000 force for President Johnson, and we have done about 1,000. There is $34 million that is needed for the next round. And there is a concern that they are not going to be able to have the stability that is needed there if we lack, or do not fulfill the need there.

Also, in South Sudan, I think that there needs to possibly be a coordinator for South Sudan. Like I say, I am not going to talk about Darfur; that is another day. And I want to know what your feeling is on that.

Digitized by Google

Original from PENN STATE

I think my time has about expired. Just one last thing: I would like to commend the President on the PEPFAR program. It is well received. Everyone knows about it. The Congress, of course, funds it. And I mentioned to him at the State of the Union that I commend him for that.

However, we are lacking health in other areas now. I mean, we are getting good funding for HIV and AIDS, but child mortality and all the rest of general health is not being funded. So I wish you would look into that.

Thank you.

Secretary RICE. Yes. Thank you, Congressman Payne. And let me thank you for the personal interest that you have had in these African issues, and our opportunities to discuss them on a number of occasions.

Let me just speak, very briefly, on Somalia. We are working on a couple of fronts. First of all, we were first on the ground with humanitarian assistance, I think about $16.5 million worth, which is what we requested for humanitarian assistance. Obviously, we think that a broad-based government would be the best for Somalia, and we are encouraging the transitional Federal Government to do that.

I do think that there are concerns about terrorist links to some elements of the Islamic courts. Of course, it was the Islamic courts that tried to go to Baidoa, and attacked Baidoa, provoking the Ethiopian response. I think we do have to recognize that. But we are counseling for the broadest possible government that can fight terrorism and provide for the people of Somalia. There will be, I believe, a reconciliation conference fairly shortly, and we would support that approach.

On Liberia, I will host a donor's conference for Liberia next week. The United States has been I think very generous in support for Liberia. We do believe that this is a real success story in many ways, but we have to now make sure that we consolidate that success.

If you think about where Liberia was 4 or so years ago, with 13-year-old boys on the front page of the *New York Times* with AK–47s, and now you see the President, the first woman President of Liberia, it is heartening. America is in large part responsible for having sent in Marines to secure the airports, secure the ports, for having assisted in bringing Charles Taylor to justice. This is something that we very much need to do.

On South Sudan, Andrew Natsios is, as you know, our Sudan envoy. He is going to spend some time in South Sudan now. He has very good contacts with the SPLM. Of course there has been some considerable difficulty there since the death of John Garang. But Ambassador Natsios is prepared to spend, we have talked about it, he is going to spend some more effort on trying to make sure that we don't lose the CPA, the Comprehensive Peace Agreement, while we are rightfully concerned about the humanitarian crisis and genocide in Darfur.

Finally, just on the health issues, thank you for the support of PEPFAR. I should thank the entire Congress for that. We also have a major malaria initiative, because we believe that if you want to think about things that really ought to be treatable, ma-

Digitized by Google

Original from
PENN STATE

laria is preventable. So we have a major new malaria initiative. Simple things like bed nets can make all the difference in the treatment of malaria. Malaria disproportionately affects women and children.

We have concentrated our other health resources in a couple of ways: To support what we are doing with HIV/AIDS and to support malaria. But also we have concentrated it in places where child and infant mortality tend to be a problem. So while you might see overall some of those numbers go down, I think you will see that what we are doing is really we are now concentrating in places that need it most.

But if you would like, I would be happy to give you a fuller report in writing on what we are doing.

Chairman LANTOS. Thank you, Madam Secretary. Let me just mention, before recognizing the next colleague, that tomorrow morning, former USAID Administrator Natsios will appear before this committee on Darfur.

The gentleman from Ohio, Mr. Chabot.

Mr. CHABOT. Thank you. Madam Secretary, I am one of the co-chairs of the Missing and Exploited Children's Caucus. And you and I have discussed in the past the tragic case of Tom Sylvester, a Cincinnati gentleman whose daughter was taken illegally, when she was 13 months old, to Austria. She is now 12 years old. He went all the way to the Austrian Supreme Court. It wasn't enforced. And I know you are familiar with the case, so I won't elaborate any further.

But in our discussion last year, you indicated that you would be willing to meet with Mr. Sylvester and myself, if it would be productive. At this point I think you may be his last, best hope. So I hope that we can discuss with your staff a possible meeting so that we can impress upon the Austrian authorities the gravity of this situation.

Secretary RICE. I would be happy to do it.

Mr. CHABOT. Thank you very much. I appreciate that.

Also, Madam Secretary, I am deeply concerned about the Special Inspector General for Iraq Reconstruction's recent reports of widespread waste and fraud in Iraq reconstruction efforts. With a reported 80 active investigations of potential criminal activity in Iraq, what steps is the State Department taking to ensure that taxpayer dollars are spent wisely, both in terms of quality workmanship, and also for intended purposes?

Secretary RICE. Thank you. In fact, I have had a number of conversations with Stuart Bowen of SIGIR (the Special Inspector General for Iraq), and we are very much supportive of the effort that they are making.

Obviously, Iraq is a very challenging environment. Much of the report that has been so concerning relates to another time period, and to the expenditure of the Iraqi Development Fund. And it is not that we don't take that seriously; we absolutely do. Those were not U.S. taxpayers' dollars, but we take it seriously. It has helped to give us some clues, some ideas about how to improve oversight in what is a very challenging environment.

I think when it comes to the Iraqi Reconstruction Fund, the $18.6 billion fund that was allocated by the Congress, that you can

Digitized by Google

Original from PENN STATE

be certain we believe that those funds have been, for the most part, very well spent.

There are some cases of contractors and contracts that were simply not fulfilled. We have tried to remedy those situations in whatever way we can do so. We have worked very hard to improve the ability of our oversight in the field. And in terms of what is now really a transition from the IRRF, which was a large United States reconstruction project, to what we believe ought to be Iraqi reconstruction projects, I have just appointed a special coordinator, former Ambassador to Haiti Tim Carney, who will go out to make sure that we are making those connections with the Iraqis.

I do think that we should be proud of what we did achieve. We didn't achieve all that we would like to have done, but the dilapidated state of the infrastructure in Iraq and the very, very big security challenges have made it very difficult. We have made some improvements for the Iraqi people.

For instance, more Iraqis have access to clean water than before the war. Some of the——

[Audience Disruption.]

Chairman LANTOS. The Chair notes that there is a disturbance in the committee.

Secretary RICE. And I would note that the Iraqi people have also benefited in the electricity field, although we have had difficulty keeping the hours of generation up for a place like Baghdad, it is in part because in the old system, the Saddam Hussein system, Baghdad was privileged; the rest of the country was starved. When you started to even out distribution, it got harder to produce for Baghdad.

So we have made some progress for the Iraqi people. If I could do one thing differently, Congressman, I think something that we have evolved to and has been more effective than some of the large-scale projects that we did; and that is to go to smaller-scale, more localized projects in which we hire Iraqis to do a lot of the work. I think you will see that more of our effort will go in that direction.

But we are very cognizant of making the changes that are necessary to provide the good oversight.

Chairman LANTOS. Thank you, Madam Secretary.

Mr. Sherman of California.

Mr. SHERMAN. Thank you, Mr. Chairman. Since these hearings focus on State Department operations, I have got a number of points about State Department operations. Perhaps you will respond to the record for these.

I look forward to working with you on a bill to rationalize the due date of reports that the State Department sends to Congress. I know your staff would prefer that we eliminate some of these reports, and every department must have dreams. [Laughter.]

As obviously the security clearance issue is very difficult for State Department operations, the Department of Defense operations, et cetera, what I have learned is that when someone has a security clearance in the Department of Defense and you want to bring them over to State on a detail, then you give credence to their security clearance. As if the Pentagon knows how to keep, you know, to do the security clearance work.

Digitized by Google

Original from PENN STATE

But if they come over for a permanent transfer, then you won't give credence to the Pentagon, which makes us wonder whether that is a rational system, given especially the tremendous burdens on those people who provide for security clearances. I would hope that you would trust your friends over at the Pentagon, or decide that you don't trust them even as to people who are assigned to the State Department temporarily. But the idea that you would have different standards for the two strikes me as odd.

I hope you create a special envoy to deal with the Sri Lankan problems. I know that you need to hire people who have an understanding of languages in the Middle East. I hope you would focus on those who have moved from the Middle East to the United States, and particularly many who are parts of religious minorities who understand the culture they came from, and are motivated to be part of America's efforts to bring human rights to that region, and security to the United States.

When it comes to granting visas, putting aside terrorism and looking only at whether people will come, enjoy their visit, and then leave, we don't even have the statistics. We don't know who has left. The failure of the Federal Government to keep track of this shows that the Federal Government is in a worse position than Disneyland. They know when you buy the ticket, then they scan you when you leave. Whereas very few people illegally stay in Disneyland permanently. [Laughter.]

Five million people are here in the United States because somebody gave them a visa, expecting them to leave on time, and they never left. And at the same time, millions of people are denied entry into the United States, and we need them in Disneyland, because we need the tourists.

I would hope that you would look again at the idea, not on the terrorism issue—we don't want to admit anybody who is a threat to our security—but on the idea of getting performance bonds. So that if somebody posts a bond saying that they will leave our country and go back home within the time limit given by the visa, that that would be perhaps a better system than relying—or an alternative system, not an exclusive system—than the enormous delays that it takes to get visas, and we have no idea what the success rate is.

We don't know what the batting average is of any consulate or any consular officer. Is 1 percent of the people they let into this country overstaying; 80 percent? We don't know whether they are letting legitimate tourists in. We don't know whether they are letting illegitimate immigrants in. We don't even know whether they are successful. So it is very hard to defend the present system.

I want to associate myself with the comments of Chairman Lantos on Iran, and ask one question. And that is, how do we talk to other countries about the rule of law and democracy, when the State Department ignores the Iran Sanctions Act, formerly the Libya Sanctions Act, by taking the position that there are no cognizable investments from foreign oil companies in the Iran oil sector.

Chairman LANTOS. The gentleman's time has expired, and the Department, I take it, will respond in writing. I just want to mention to the gentleman that several of my grandchildren wanted to

Digitized by Google

Original from PENN STATE

have permanent citizenship in Disneyland, and we are still working on that. [Laughter.]

Mr. SHERMAN. It is close to my district. Maybe something can be arranged.

Chairman LANTOS. I am delighted to call on my friend from Florida, Mr. Mack.

Mr. MACK. Thank you, Mr. Chairman. And welcome, Madam Secretary. It is good to see you again.

Secretary RICE. It is good to see you.

Mr. MACK. It probably won't be any surprise to you, but I have got some questions about Venezuela. And understanding that we only have 4 minutes, maybe there would be an opportunity, I would hope anyway, for us to sit down and talk further about what our plans are.

I am very concerned about the growing challenge, I guess you would say, in Venezuela with Hugo Chavez and what he is doing to intimidate and manipulate his country moving away from democracy, and toward a dictatorship. Quickly, some questions.

Do you believe that freedom is under attack in Venezuela? Do you believe that there are human rights issues in Venezuela? What are our plans to promote democratic reform and support a civil society in Venezuela? And which of the five categories in the Office of the Director of Foreign Assistance that you just recently created would you put Hugo Chavez's Venezuela?

Knowing that our time is going to run out, if you could facilitate either a meeting or a written response in more detail what our plans are in Venezuela, I would appreciate it.

Secretary RICE. Yes. Well, thank you very much. First of all, yes, I believe there is an assault on democracy in Venezuela, and I believe that there are significant human rights issues in Venezuela.

The United States has been one of the strongest supporters of non-governmental organizations that are trying to operate there. For instance, the Organization Sumate, the President met with the woman who was under attack—being charged by Venezuela. We think it may have, even though the case has not been decided, we think it may have helped. Because we, for instance, got European Union ambassadors to go and sit there for the trial every day, just to make an international statement. We raise these issues in the Organization of American States at all times, and with all the states in the region.

I do believe that the President of Venezuela is really destroying his own country, economically, politically. And this is a place with which we have had traditionally very good relations, and would like to continue to have good relations.

Our Ambassador has had some trouble there because he has gone out and worked with kids, and had baseball games and the like. And it is not very well liked by the government, but it is liked by the Venezuelan people. We are going to continue to try to do those things.

I would say that I think that one thing that we want to avoid is to get into a rhetorical contest with the President of Venezuela. Because, frankly, it takes the spotlight off of our very positive agenda in Latin America. In fact, we work very well, whether it is governments of the left or governments of the right, with any num-

Digitized by Google

Original from
PENN STATE

ber of governments in Latin America. It is not a left-right issue, which is, I think, the way he would like to make it. It is not a United States-Venezuela issue. This is about the United States and democratic countries, and the democratic charter of the OAS.

So when we work with a country like Brazil or a country like Chile, or even a country like Uruguay, I think we demonstrate that we can work with countries on either side of the political spectrum.

We are going to continue to press for the protection of democracy. We are going to continue to call attention to the concerns about democracy. It is a good question, where we put the country at this point, because I think it is in a transition—a negative transition, if you will. And we need to look at how we are spending our aid in Venezuela to do what.

I have had discussions with people about support for free trade unions, for instance, in Venezuela, something that perhaps could be done by labor organizations. That would be, I think, a very helpful thing to the people of Venezuela. The Catholic Church is under attack in Venezuela. We had discussions with the Church about that.

So we are going to continue to press the case; we are going to continue to fund organizations that are trying to resist. But I think we want to make this about American defense of democracy, not a rhetorical contest with the President of Venezuela. I think in that regard, he probably did himself no good with his speech at the United Nations General Assembly, and made it not very hard, actually, to argue that Venezuela had no place on the Security Council. As you notice, they are not there.

Chairman LANTOS. Thank you very much. Mr. Wexler.

Mr. WEXLER. Thank you, Mr. Chairman. And thank you, Madam Secretary, because you have participated very eloquently.

The committee has undergone I think a very thorough analysis, under the chairman's leadership, of our policy in Iran, particularly relating to the Iraq Study Group's recommendation for a dialogue. We heard from former Secretary Madeline Albright, and her testimony essentially was in accord with the study group, suggesting the dialogue with Iran. You and others in the administration have taken a different view.

What concerns me regarding the administration's approach is that it seems to undermine what I think has been a very positive effort by you and others, since the President first visited Brussels in February after the election, and he joined with the EU3. And then subsequently the administration supported further European offers to Iran, I think wisely so, and wisely supported the Russian offer to do the enrichment in Russia. All very wise moves which culminated in the first round of sanctions in a multilateral forum.

It would seem to me that accepting the Iraq Study Group's recommendation and others would strengthen the administration's hand with China, with Russia, in engaging those nations to ferret up, to increase the sanctions on Iran.

The thing that troubles me most in terms of determining, well, which policy is best, quite frankly, are the reports that in 2003, that Iran apparently sent to the administration what the administration officials have said seems to be an authentic offer—a proposal, as was reported in the *Washington Post* and other publications—which essentially put everything on the table, including full

Digitized by Google

Original from PENN STATE

cooperation on Iran's nuclear programs, acceptance by Iran of Israel, and Iranian termination for its support for Palestinian militant groups.

Now, I don't think anyone naively believes that Iran is going to change its colors overnight. But it seems that what concerns me most are the representations of members of the administration as they have left. For instance, I think it is a Mr. Leverett, Flint Leverett, who may have been on your staff, if I understand it correctly, who says, in responding to this Iranian offer, they believe, meaning the administration, the Bush administration—this is a quote: "They believed that just with a little prodding from us, pushing from us, it would be over. They were wrong."

So here we have the Senior Director of the National Security Council staff, if I understand it correctly, saying the administration was wrong in its analysis of the Iranian offer for negotiations. Given that somewhat damning conclusion, why should we accept the administration's analysis today that it is correct to yet again not engage with Iran, when administration officials at the time now have concluded—at least this one and one or two others—that the administration was wrong.

Secretary RICE. Well, first of all, I don't know what Flint Leverett is talking about, quite frankly. Maybe I should ask him when he came to me and said we have a proposal from Iran, and we really ought to take it.

I have read about this so-called proposal from Iran. We had people who said the Iranians want to talk to you; lots of people who said the Iranians want to talk to you.

But I think I would have noticed if the Iranians had said we are ready to recognize Israel. Congressman, I just don't remember ever seeing any such thing.

Mr. WEXLER. So you did not see that supposed fax?

Secretary RICE. I just have to tell you that perhaps somebody saw something of the like, but I can tell you, I would have noticed if the Iranians had offered to recognize Israel. So let me not repeat the past. Let me go to the present.

You listed a number of things that we did. I appreciate very much that you support the efforts that we have made with the Europeans, and indeed with the Russians. And I think it has paid off. I think that is why you have a 15–0 Chapter VII resolution.

But there is one other thing that we did. I went out in May, and, having worked on a package of incentives that we offered the Iranians with the Russians, with the Chinese, and with the Europeans, we said we are prepared to sit and negotiate from the basis of this set of incentives, if you will just do one thing: Suspend your enrichment and reprocessing activities so people know that you are not trying to perfect a nuclear weapon while we talk. Just suspend.

And that, by the way, had been a demand of the Europeans. It had actually been, the Iranians had actually agreed to do it, and then they were the ones who walked out of the talks with the Europeans and began their enrichment and reprocessing activities again.

So I just have to repeat, Congressman, I don't think the question is why won't we talk to Tehran, the question is why won't they talk to us? What is so important in continuing to enrich and reprocess

Digitized by Google

Original from
PENN STATE

that they can't take the offer of the United States to reverse 27 years of policy to sit and talk about whatever they would like?

So I would again put the offer on the table. The world is worried. Not just the United States—the world is worried about Iran's nuclear activities. They won't answer questions from the IAEA. Mohammed ElBaradei reports that all the time.

Their President talks incessantly about how they are becoming nuclear, they are going to have 3,000 centrifuges, and they are going to go to industrial-scale production. He does it having uttered in the same breath practically that Iran ought to wipe Israel off the map.

It is frankly, Congressman, not talk in which I want to engage. But I am perfectly ready to engage with the Iranians when they demonstrate that they are not seeking a nuclear weapon by doing what the world has asked of them, and has been asking of them for 2 years: Simply suspend the enrichment and reprocessing, and we will talk.

Chairman LANTOS. Thank you very much. Mr. Manzullo of Illinois.

Mr. MANZULLO. Thank you, Madam Secretary. Your former deputy, Robert Zoellick, famously referred to China as an emerging responsible stakeholder in the international community. Given the January 11 anti-satellite test, many are beginning to question that designation, and whether China's growing influence is truly benign.

I represent the 16th District of Illinois, where Rockford is located. It has one of the heaviest concentrations of manufacturing in the country and I am actively involved in the modernization of U.S. export controls.

Can you tell me what impact, if any, the Chinese anti-satellite test will have on this modernization effort? And also, I want to invite you to come to Rockford to play with the Rockford Symphony.

Secretary RICE. Thank you very much. I think I had better practice first, Congressman; I am a little short on practice time these days. But thank you.

When it comes to the ASAT test, we have made very clear to the Chinese Government our concerns about this; that this is something that other states have not done, and we have been very clear that this was concerning.

The impact on relations, I think it has to be taken in the context of continuing concerns, while we work with the Chinese on a whole variety of issues—and by the way, I think we have a good working relationship with China on any number of issues—that there continue to be Chinese military activities that we need to be concerned about, and ought to be concerned about, and raise all the time, and frankly deal with in a variety of ways.

But it is in a way the kind of dual character of the relationship that we have a great store of cooperation on issues like North Korea, where I think we are cooperating very well in the six-party framework.

But where we also have I think legitimate concerns about their military activities. They were asked at one point, by Bob Zoellick and by others, be more transparent about what you are doing militarily. It would make it clear to the world what you are trying to do. And then we get a surprise like this test, and it is a problem.

Digitized by Google

Original from PENN STATE

We obviously are also very concerned about export controls. We have, as you know, had to sanction a number of Chinese entities for proliferation activities, and will continue to use that tool when necessary. But this is just, I think, part of our concerns about a number of military activities that seem to us outsized for China's regional, and even global, interests.

Mr. MANZULLO. Well, I have got to second that. Mr. Mack from Florida just wanted me to ask you if, on the record, you would be willing to meet with him on this issue. And I presume the answer is yes.

Secretary RICE. Of course.

Mr. MANZULLO. Thank you.

Chairman LANTOS. Thank you very much. Mr. Engel of New York.

Mr. ENGEL. Thank you, Mr. Chairman. Madam Secretary, it is always a pleasure to see you. Welcome.

I am going to submit for the record, as the chairman of the Western Hemisphere Subcommittee, a question on Haiti—I just came back from Haiti—and article 98. And I will submit that to you, and I will get it.

But as Chairman of the Western Hemisphere Subcommittee, I have very serious concerns about overall reductions in development assistance to Latin America and the Caribbean. In the budget that is submitted, overall aid to the region is down over $70 million from fiscal year 2006. And at a time when anti-Americanism in the region is on the rise, I think we need to show our commitment to all of our neighbors in Latin America, not just a select few.

Outside of increases to three KAFTA countries, how do you explain the administration's decision to reduce development assistance funding for the region? That is my first question.

I want to also ask you a question about Syria. As you know, we have through the years discussed this. I was the author of the Syria Accountability Act. And Syria continues to play a very negative role in Iraq, a negative role in Lebanon, and it is rearming Hezbollah. Most of the rockets and anti-tank missiles fired at Israeli communities and IDF tanks last summer came directly from Syria in arsenals.

And I might also say that Mr. Abbas made a statement which was very disappointing, where he said that the Palestinians should not turn their guns on each other, but should turn their guns on the Israeli occupiers. I thought that was a very disappointing statement that he made.

But back to Syria. Some of us are now saying that we should be engaging Syria. I want to ask you your opinion. Is now the time to end the diplomatic isolation of Syria, and engage? Do you believe that Bashar al-Asad, who hints at diplomatic offers toward Israel, are his offers real? And if not, when are we going to implement the Syria Accountability Act?

And finally, I want to ask you about Kosovo, the final status of Kosovo. U.N. Special Envoy Martti Ahtisaari delivered his proposals for a Kosovo status settlement. I support that. I am a big supporter of independence for Kosovo. And I just would like to know what the administration is going to do now, since the potential for the Russians to play a negative role is there, the Serbs are

Digitized by Google

Original from PENN STATE

being very negative about it. I would like to know what the administration is doing on it.

Thank you.

Secretary RICE. Thank you. On Kosovo, we are indeed supporting very closely the efforts of the Special Envoy Ahtisaari, who has now put forward a plan. I think we have helped. Frank Wisner, who is a very well regarded diplomat, has been a kind of ambassador-at-large for the United States, working on this issue.

We believe that the Ahtisaari plan deserves support. And we are working with our European allies, who I think also support the Ahtisaari plan. I have talked very often to the Russians, first of all, that Kosovo is a precedent for nothing, which is a very important point to make. And secondly, that we need to recognize that the longer this drags out, the more likely we are to have a breakdown in order in Kosovo itself.

So over the next several weeks, the next couple of months actually, Ahtisaari will be talking to the parties, negotiating with the parties, working with the parties. Then I think the international community is going to have to support an outcome there. We will work with all parties, including the Russians, to try and make that outcome as good an outcome as possible.

The Kosovars have a responsibility, too, to protect minority rights, to make certain that Serbs feel that they can really live there. We are having equally difficult and tough, sometimes, discussions with the Kosovar Albanians about their responsibilities.

I think we helped when we included Serbia in the Partnership for Peace for NATO, because we want Serbia to have a democratic and European horizon. We don't want a revanchist and angry Serbia. We are working with our European allies to make sure that Serbia understands that it belongs in Europe.

As to Latin America and our efforts there, let me just note that aid to Latin America has risen dramatically since the start of this administration. It has gone from $862 million in foreign assistance, $862 million in 2001, to $1.4 billion in 2008.

We are, frankly, concentrating our resources on certain things. We are supporting, through MCC compacts, a number of countries that we believe have a chance to take off, if you will, particularly in Central America. But we also have increased aid significantly to Uruguay, as another example.

On the other hand, we do have limited resources. We are trying to fit a lot of needs and a lot of concerns into a growing, admittedly, but still relatively small budget. So we have been consolidating our resources in, for instance, efforts to support democratic gains—that is up about 5 percent.

We have been shifting some of our focus from service delivery and health, and basic education, in places where we think that is well advanced, and perhaps where host countries have resources of their own to spend. We are focusing on some key anchor states; places like Colombia, and Peru, and Haiti, in which aid is very much up.

I understand that if you look at the specific number just as a total, it looks like the resources have gone down to Latin America. I think if you look at all resources, it has, in fact, gone up fairly dramatically.

Digitized by Google

Original from
PENN STATE

Let me just address, too, that I know that people are concerned that there not be a substitution effect for MCC and development assistance. I do think if you look at the dramatic growth in official development assistance in this administration, that you cannot make that case. But in some countries, where we are making huge MCC compacts, we are reallocating our aid to support some of the efforts that we think would make those MCC compacts more effective.

Chairman LANTOS. Thank you very much. Mr. Fortenberry.

Mr. FORTENBERRY. Mr. Chairman, might I inquire how much time I have?

Chairman LANTOS. You and the Secretary combined have 4 minutes.

Mr. FORTENBERRY. Thank you, sir. Madam Secretary, nice to see you again. Thank you so much for joining us. I am sorry I missed a portion of your testimony; I was called away to the Floor in an urgent matter. I had to congratulate the University of Nebraska's Women's Volleyball Team on winning the NCAA championship.

Secretary RICE. Oh, good for you.

Mr. FORTENBERRY. So, a pleasure to see you again. You stated several times through your testimony that well-governed democratic states are the foundation for stable societies throughout the world. And obviously that is a reigning paradigm in your effort at governance, and I appreciate that.

I would like to go a little bit deeper, though, into that, and suggest that across social norms, across time and across cultures, indicate that strong families—in particular, in the idea of those led by a loving mother and a nurturing father—give the best possible outcome for children, and actually undergird civil order that can lead to broader promotion of a more representative type of societies that, again, are interested in just and good outcomes.

So I would just suggest that our foreign assistance program should prioritize strengthening families, particularly those that are most vulnerable in the world. That is just a comment. You are welcome to comment back.

The second question I have is regarding our policy in which we accept invitations from other countries in the Middle East to train Iraqi security forces. I am specifically asking about the offer that has been extended to us, I know numerous times, by the Egyptian Government, to participate in training the Iraqi security forces. And why is there a hesitancy to take them up on that offer?

Secretary RICE. Yes. Well, we do want other countries to participate in the training of security forces, and they are being trained in some places. The Egyptians, I understand, have talked about this.

I will say that it is just the nature of the kind of training that we are doing, that it is best to integrate it in country. We have tried to focus countries toward a willingness to train in country for a variety of reasons. But we have had training in Jordan, we have had training in the UAE, and we have had training as far away as some of the NATO countries.

We are not opposed to training people in other places. But our focus has been to try to get people to train, or to be part of training

Digitized by Google

Original from PENN STATE

missions like the NATO training mission for leadership, for instance, in Iraq.

Mr. FORTENBERRY. Is that a developing policy potentially with the Egyptians?

Secretary RICE. Absolutely. I think we want to take advantage of all offers, obviously, to help. It is just that it is preferable if countries are willing to be a part of training missions that are there.

But for instance, Jordan is currently training 1,100 young people from Anbar who have been sent by the tribal elders to become a force against the al-Qaeda in Anbar. So those efforts are going on.

Mr. FORTENBERRY. And do you have any comments on my earlier comments regarding foreign assistance programs targeted at empowering and enabling families?

Secretary RICE. Well, obviously it would be, we believe in family. I agree with your analysis.

We have tried to focus on efforts like maternal and child health. We have tried to focus on trying to get people the ability, for instance on a little farm, to be able to do better with their efforts through economic development.

And of course, on something like adoption, we have also tried to help bring children to solid situations when they can't find them at home. So yes, it is very important.

But I think that the key here is to try to focus on human need, on doing it in a way that gives people an ability to keep their roots, if you will. And family I would associate as a part of that.

Mr. FORTENBERRY. Thank you.

Chairman LANTOS. Thank you. Mr. Delahunt of Massachusetts.

Mr. DELAHUNT. Yes, thank you. Madam Secretary, you used the term limited resources, and I think we all understand that. Just recently it was announced in my local paper that the administration is recommending a cut in Medicare over 5 years of some $66 billion, which clearly is going to impact many of my constituents, and those of my colleagues here.

Speaking to Iraq and the reconstruction effort there, the American taxpayer has already expended some in excess of $20 billion in reconstruction efforts. It was done in the form of a grant, not a loan, despite the fact that some of us sought amendments which would have made that expenditure in the form of a loan.

But having said that, you are now back, and you are requesting an additional, in the aggregate, some $2.5 billion worth of funding for reconstruction efforts. It is broken out as $1.1 billion in the fiscal year 2008 supplemental, $400 million in the fiscal year 2008 regular budget, and an additional $1 billion in fiscal year 2008 emergency requests being considered in conjunction with the regular budget.

Yesterday—and again, this is a grant program, you know. The American taxpayers would not see any of this money again.

Yesterday, in the Government Reform Committee, the Special Inspector General for Iraq, Mr. Bowen, indicated that there was $12 billion that were unspent by the Iraqi Government at the end of the year. Why should the American taxpayer continue to bear the burden?

Digitized by Google

Original from PENN STATE

Secretary RICE. Thank you. Well, first of all, I think it is fair to say that we have concluded 100 percent of the funds that were associated with the $20 billion package have now been allocated; about 80 percent of them have been spent.

I would just note that it turned out that about 34 percent of that had to go for security, not for traditional reconstruction, because of the difficult security situation there. So that, for instance, an amount of it went to building security forces for Iraq.

But that said, I think we have come to the end of a particular phase in American reconstruction efforts in Iraq.

Mr. DELAHUNT. Well, why not, Madam Secretary——

Secretary RICE. May I just continue?

Mr. DELAHUNT. Sure.

Secretary RICE. I do think now that the Iraqis are prepared to, and must, spend their own resources on reconstruction. They have now allocated about $10 billion of that $12 billion to reconstruction, job growth, infrastructure development. About $2 billion of that $10 billion is to go to the provinces, where we think a lot of the work really needs to be done.

And the funding that we are requesting is really more in the way of more traditional assistance, in some ways, of assistance to them.

Mr. DELAHUNT. But that still begs the question, Madam Secretary——

Secretary RICE. May I just finish, Congressman?

Mr. DELAHUNT. Okay.

Secretary RICE. All right. It is the case that that funding now goes to building capacity for the Iraqis to be able to carry out these functions. For instance, building capacity on the budget side, building capacity in the ministries, and building capacity at the local and provincial levels.

I think of it, sir, as part of the counter-insurgency strategy now. We really are down at the local level, at the provincial level, working with local governments, when our forces go in to clear, to hold, and to build, to be part of the build part of that. And so it is definitely a different——

Mr. DELAHUNT. I understand that, but at the same time——

Secretary RICE [continuing]. Function.

Chairman LANTOS. The gentleman's time has expired. Mr. Flake of Arizona.

Mr. FLAKE. Thank you, Mr. Chairman. Let me just say I am disappointed that my colleague, Doug Delahunt, didn't ask a question on Cuba, so I will have to here.

In November this past year, a GAO report came out talking about our Section 109 assistance programs meant to help human rights and democracy groups in Cuba. It was quite critical of our efforts there.

It found, for example, that 95 percent of the USAID contracts were made in response to unsolicited proposals. So no-bid contracts, for 95 percent of what was given out.

The few projects that were awarded by state were done competitively. It is my understanding now that USAID assistance is now moving under State's purview. Can you offer any assurance that there is going to be better management of that program? It seems that it has just not been handled very well.

Digitized by Google

Original from PENN STATE

Secretary RICE. Well, thank you. I will look more closely at the specific concerns.

I do think it is very important that we begin to manage our resources in a more integrated fashion. That is why Randy Tobias holds both the Director of Foreign Assistance and the USAID Administrator positions. But let me get you the specifics.

Obviously, it is a time of some transition in Cuba. We want to make sure that we are doing the very best that we can.

Mr. FLAKE. That leads to my next question. But just to give you an example of some of the things that the GAO audit found. Some of the funds were spent on a gas chainsaw, computer equipment and software, like Nintendo Game Boys, Sony PlayStations, a mountain bike, leather coats, cashmere sweaters, crab meat, and Godiva chocolates. I think it is safe to say that those items never made it to Cuba, and we can do a lot better in that regard. And I hope that State manages that program better.

With regard to what we do going forward. As you mentioned, there is a transition going on in Cuba, maybe not the type that you would like to see. But we seem to be largely marginalized. It seems that we are on the outside.

And you have mentioned before—I was out, but was told that you said regarding Venezuela—that we are not going to engage in a war with rhetoric. But it seems that is what we are doing with Cuba. Let me just give you an example.

The U.S. Intrasection, our version of an Embassy in Havana, has a message board across the top. And at this time last year, here is one of the messages that was put out:

> "Miami public schools adopted a new menu to attract more children to school breakfast. Eggs, sausages, pancakes, cereal, yogurt, milk, dried fruits, nuts, raisins and cookies are some of the choices. The Federal Government pays for the breakfast of all children in Miami public schools."

There are many more messages that are using the same kind of words that are just kind of taunting Cuban people for what they lack.

It seems to me that this kind of diplomacy—and I am extremely impressed as I travel around the world and meet with our ambassadors, and I have always appreciated the professionalism that you have exhibited. But this seems like sophomoric diplomacy. Can I have a response?

Secretary RICE. Well, I think that one of the reasons that we are trying to point out to the Cuban people that there might be a better future is that they lack information. They fully lack information. It is a completely closed and dictatorial society. And I think we have to be very clear about that.

It is. We have many problems with other states in the region. But the one problem that we don't have is that their leaders are unelected. If you go to the Organization of American States, the only chair that is empty is Cuba. And it is empty because it is not in alignment with the Inter-American Democratic Charter.

And so the ability to tell the Cuban people what, to counter the propaganda of that regime about what life is like in Cuba, I think is extremely important.

Digitized by Google

Original from PENN STATE

Now, I hope that we will also be able to increasingly have positive messages for the Cuban people. In recent months, I have personally done a message to the Cuban people that says that in whatever transition happens, we want to be friends of the Cuban people. We want to try and help meet their needs. We want very much to see them have the same access to democracy and liberty that everybody else in the region enjoys.

And I think if the Cuban people are able to find a course, if their leaders allow them to find a course to a democratic future, they are going to have no better friend than the United States. And they will have humanitarian assistance, and they will have assistance with education. I would like nothing better.

But in the current circumstances, I think we have tried. We have tried to work to reach out to people in Cuba who want a different future. It is obviously very difficult for them, because it is a very brutal regime when people challenge.

Chairman LANTOS. Thank you very much. The gentlelady from California, Ms. Watson.

Ms. WATSON. Thank you so very much, Mr. Chairman. And I want to commend you, Madam Secretary, for your transformation diplomacy. I think it is long overdue. So thank you.

Secretary RICE. Thank you.

Ms. WATSON. Mr. Chairman, I would like unanimous consent to submit my whole list of questions for the record.

Chairman LANTOS. Without objection.

Ms. WATSON. And I just have two areas of concern. The rest will be in writing to you.

First, Mr. Royce and I sent you a letter that you responded to in September about Liberia. And I am still concerned—I had staff that went on a codel there—about Madam President Sirleaf's personal security. So when I finish, if you will comment on that, and what we are doing to support the justice system and the rule of law in Liberia, and long-term strategies to support Liberia's rebuilding.

I am going to skip over other questions, and get to the deepening conflict in Iraq, between the various sets. And what is concerning me at this time are the innocent people now that are leaving Iraq across borders, and going over to the surrounding countries. I would like to know what we are proposing to do to assist their neighbors with this increase in, I guess, refugees that are leaving because of their fears, and because of the conflict.

So if you will address those two, I will take the rest in writing. Thank you.

Secretary RICE. Thank you. We have indeed been very supportive of President Sirleaf Johnson in all areas that we possibly could, including security, and including the justice system. In fact, there is a private effort that we have been supporting to help with the training of Liberian judges and the like.

I will host a donor conference for Liberia next week. I look very much forward to getting the kind of contributions from around the world that the United States itself has already made. We will continue to pledge assistance to Liberia.

I was saying earlier, Congresswoman Watson, that it is a success story in one way, in that Charles Taylor was brought to justice largely because the United States helped to insist that that would

Digitized by Google

Original from PENN STATE

be the case. We used our own forces to stabilize the country, and now we have to build on that success. We have to make Liberia a success. We have a historic relationship with Liberia, and I think it is very important. And I think you will see that we are stepping up, and we are going to host this donor conference so that others can step up.

On the refugee issue in Iraq, I am very concerned about it. We have requested $35 million in OAID funding. But we have also, because the problem has grown since, we have requested an additional I think it is $60 million in the supplemental, to try to help neighboring states deal with the problem.

I am going to meet personally with the U.N. Commissioner for Refugee Affairs to talk about this situation, because it is a very significant situation. We are also very concerned, and a number of people have asked me about people who may be targeted because they have worked with the United States, we want to look at what more we can do for them.

There is a very particular problem with Palestinians who have nowhere to go since, in a sense, they are stateless. So we are working on all of those fronts.

I have just asked Paula Dobriansky, Under Secretary Dobriansky, to head a task force to pull all of our efforts together, and to make recommendations to me within the next few weeks as to what more we can do on this issue. I think it is an issue that we really must get on top of.

Ms. WATSON. Thank you.

Chairman LANTOS. Thank you very much. Mr. Chris Smith of New Jersey.

Mr. SMITH OF NEW JERSEY. Thank you very much, Mr. Chairman. Madam Secretary, great to see you again. Let me just ask a few questions.

The material support provision in U.S. immigration law, as you know, has prevented many deserving groups from entry into the U.S., and I applaud you for signing some waivers.

My first question would be, are the Hmong and Montagnards being considered for such a waiver?

Secondly, according to a 2006 Gallup World Poll, the institutions in which sub-Saharan Africans have the greatest confidence are religious organizations. I am wondering if you could just perhaps briefly, and then elaborate in a written form, what is being done to build capacity of local faith-based and community-based organizations in Africa. We know that the Global Fund routinely bypasses the Catholic Church and others in Africa, and miss a golden opportunity with infrastructure, with volunteers to spread the message on protection from this terrible scourge called HIV/AIDS.

The Catholic Church, for example, provides 40 percent of the health care in Africa, and they get next to nothing from the Global Fund, and some from us, but what is being done to build capacity.

Thirdly, on Romanian adoptions, Secretary Hardy has done a very good job in raising the issue with the Romanian Government that it is a tragedy that they have made illegal inter-country adoptions. And 200 Americans who had already had children in the pipeline, about 800 Europeans, have found themselves without the

Digitized by Google

Original from PENN STATE

child that they thought they were able to adopt. What are we doing to try to persuade the Romanians to accept adoptions?

And finally, on locality pay, thank you for your great efforts last year to try to get rid of the problem of overseas deployments. What can be done now? The number is now 18.5 percent loss if somebody is deployed overseas, which is a terrible disincentive to our Foreign Service.

Secretary RICE. Yes, thank you. Well, on the pay modernization, it is included in our budget. And I hope the pay modernization will be supported.

It is an unfortunate thing, because we were able to take care of senior officers, but not some of our junior officers. Thank you for raising it, and it is in the budget, and I hope it will be supported.

Secondly, on Romanian adoptions, I have raised this issue personally with the Romanian Prime Minister and the President. We will continue to raise this issue. It is locked up, as you know, in the EU issues, but we think it is a real pity that at least retroactively people were caught in this situation. So we will continue to try to find a way to resolve it.

As to the faith-based institutions, we actually do invite and are active with faith-based institutions, both in the PEPFAR program, and will be in the malaria program. We believe very strongly, as the President believes in faith-based institutions here, he believes in faith-based institutions abroad. And it is almost always the case when I go and I visit a place where our AIDS program is working or something, that there will be some representatives of faith-based institutions there.

I take the point about the Global Fund. We are a member of the Global Fund, but of course, obviously we don't have the same level of control over those resources that we do on PEPFAR. But you can be sure that we fully understand the importance and the special character of faith-based institutions, particularly in some of these health issues.

We are looking and working to see if we can get legislation that might help us more on material support. I am now currently doing it by waiver. I am doing it case by case, as they come up. We think that is going to miss some people that probably ought to be a part of the program, and so we are looking at what could be done in legislation.

Chairman LANTOS. Thank you very much. Before recognizing my next colleague, let me just say, Madam Secretary, as a former university professor, that your mastery of a complex global portfolio is nothing short of breathtaking. And I want to commend you.

Secretary RICE. Thank you.

Chairman LANTOS. I want to recognize my friend from Texas, Gentlelady Sheila Jackson Lee.

Ms. JACKSON LEE. Thank you, Mr. Chairman and Ranking Member. I thank the Secretary for her presence. Next week, Madam Secretary, we will, on the House side, be engaged in an extensive debate on the war in Iraq. I applaud the Speaker for her leadership and recognition of how important this issue is.

It is well known that I oppose the war in Iraq, and want the return of our soldiers as quickly as possible. All of us have submitted legislative initiatives on that very point.

Digitized by Google

Original from
PENN STATE

I hold in my hand the budget that the President offered. And the opening paragraph from the State Department talks about the administration having promoted freedom, political rights, and civil liberties in the world by advancing democratic institutions and values, supporting cultural exchanges.

I wish they had. And my point is that I truly believe if your profile, and that of former Secretary Colin Powell, had been the profile for this nation, we wouldn't be where we are today. And my disappointment is that we, even in this budget, I feel that there could be more tools given. And so I will state a few questions, I hope, and they might have to come in writing. Maybe there will be some time after.

I do want to applaud the administration for its work in HIV/AIDS. And I will commend you to looking at specifically the Bailor College of Medicine Pediatric Clinics, HIV clinics. I am told that they are not defined enough to get funding from one of the accounts. I would like to speak with you directly about that. I visited one recently in Lesutu.

But I thank you for the Lebanon resources, Darfur, and certainly Haiti.

I raise the question of the conflict in Palestine. And I suggest, and I thank you for the diplomacy you have engaged in, an envoy specifically to go to Palestine. And I may have missed it; maybe there is one, particularly to engage in diplomacy between the two disparate groups. We are getting nowhere, while the two disparate groups are fighting. So I raise that point.

I am disappointed in the lack of monies for CIPA. It looks as if we are $350 million short. That is the International Peacekeeping. It makes it very difficult for us to do our work in Africa without those funding.

And Iraq in particular, I note that this opening paragraph talks about political diplomacy. And yet we have got $298 million for the economic support fund, $772 for prospectively in the emergency funding. I want to see political reconciliation funding. That sentence, political reconciliation diplomacy, where we are teamwork, urging these groups—Kurds, Shiites, Sunnis, the Baathists, which I know are a political terminology—to sit down, because we are not going to win this by the military operation.

In Afghanistan, I am grateful for the increase. I think President Karzai is struggling. And I am grateful for the increase. I might have wanted to see it more. But might I add, I didn't see a line item for Pakistan. I know it must be there.

But let us stop making them the whipping boy or the whipping girl. They are struggling. And I would like to see some funding specifically on social programs, particularly to help the tribal leaders not succumb to the Taliban. The tribal leaders always get wrapped up with the Taliban, but I am sure they are getting economic support. Why aren't we putting dollars in there for educating boys and girls—I am talking about on the Pakistan border—to help them, and to give a word of thanks for the struggle that they are in. It is not perfect, but the struggle that they are in.

So let me cede on that. And my last final point is, the Western Hemisphere, the Caribbean, 26 percent cut; Trinidad, Jamaica, our faithful allies, but yet every time we look to cut, we cut the Carib-

Digitized by Google

Original from
PENN STATE

bean nations. And I really think that is an unfair—and the Latin countries—and I think it is an unfair posture.

I yield, as there is no time. So I will look forward to hearing from you.

Chairman LANTOS. The gentlelady's answers will come in writing. And I want to thank——

Ms. JACKSON LEE. Thank you, Madam Secretary.

Chairman LANTOS. My friend from South Carolina, Mr. Inglis.

Mr. INGLIS. Thank you, Mr. Chairman. And thank you, Madam Secretary, for being here.

When people yell at you in hearings, it makes us all thankful actually that capable people like you are willing to do the jobs that you do. So thank you for your service to the country.

Tom Friedman wrote a piece last week that basically contrasted Saudi Arabia with Iran, and asked the question, Which one is our ally, our natural ally? Admittedly, it was somewhat provocative in favor of Iran in asking the question. But it does raise some interesting points, it seems to me.

What do you think of that analysis? Our natural ally.

Secretary RICE. Well, thank you. First of all, we do have a very good relationship with Saudi Arabia, and we work hard with them in a number of ways. We have not been shy about raising our hopes for reform and political pluralism in Saudi Arabia, including, as I said, I said to the Saudi Foreign Minister women ought to vote. I said it publicly in Saudi Arabia. And I think we want to work with them.

But you know, our natural allies could be the people of Iran. I don't have any doubt about that. The problem is the regime.

Mr. INGLIS. Right. And that was my next question, actually. We had some interesting testimony here from Jim Woolsey and Ambassador Pickering on that point, about how do you get through to the, they said, as I recall, Mr. Chairman, 90 percent they figure of Iranians might sort of like us. And so you have got a 10 percent to 90 percent; usually it is the 80/20 rule, maybe. But it is a little better there, perhaps. Only 10 percent, you know, in this Armageddon kind of apocalyptic kind of notion. And maybe the 90 percent are thinking, Hey, why don't we get close to the Americans?

Secretary RICE. I think there is no doubt that there is a reservoir of good will toward Americans. I will tell you, we are trying with our outreach programs.

We just had the American Wrestling Team in Iran. They were received very, very warmly everywhere that they went. We just had a series of medical professionals from Iran here. They went to places like the CDC in Atlanta, and some of the research institutes. So we really are trying to reach out to the people of Iran. Because it is a great culture, these are great people. I would like to see the day when the Iranian people are actually able to pursue, for instance, technologies of the kind that their government is talking about, but without a risk of the proliferation of a nuclear weapon.

So not only do we have no quarrel with the Iranian people, I think we would like to be able to reach out to them, and to demonstrate that America could be a good friend; that America could in fact be an ally, as they try and reach the full potential of really a great culture and a great people.

Digitized by Google

Original from
PENN STATE

Mr. INGLIS. And so the challenge is, how do you get past the leadership.

Secretary RICE. Yes.

Mr. INGLIS. And we have been supporting a regime change in various places. The question is—that gets a little bit provocative. You know, I can say anything about my brother, but you better not say anything about him, you know, kind of thing. I can criticize my leaders, but I really don't want you to come and try to change them, maybe.

I guess I am asking the impossible questions. How do you get past them, and get to the people, and say you know, we really want to live in peace with you?

Secretary RICE. Well, I think there are a couple of things we have to do. We have increased broadcasting to Iran dramatically over the last year. It was a part of the $75 million that the President requested; I think we ended up with $65 million or so. We are doing that through the Broadcasting Board of Governors, but also through efforts of the State Department Bureau of Educational and Cultural Affairs.

We have small grants for Iranians—for NGOs to work with Iranians, because we don't want to put people at risk by having them work with Americans, so to speak. As I said, we have these exchanges; we will continue them.

I have been supportive of non-governmental organizations, universities, whoever can get there. The Library of Congress was there, the head of the Library of Congress a few years ago. I think these are really great things. Because the Iranian regime would like the Iranian people to believe that the United States is trying to keep them from getting the kind of technological and economic progress that they deserve. And that just isn't the case. We could be a good partner in that.

Mr. INGLIS. Thank you.

Chairman LANTOS. Thank you very much. The gentleman from Texas, Mr. Hinojosa.

Mr. HINOJOSA. Thank you, Mr. Chairman. Madam Secretary, thank you for coming today.

As you know, the International Boundary and Water Commission is responsible for the construction, the repair and maintenance of over 2,000 miles of levees along the United States/Mexico border. Yet, a report submitted by the IBWC last year found that most of these levees were either too low or too weak to protect the communities living behind them, because of chronic funding shortfalls.

The IBWC needs $100 million to repair all of the levees: $50 million would allow the worst levees in the most populous areas to be repaired, yet the President's budget provides only nominal funding to the IBWC for this purpose.

Where I come from, the Rio Grande Valley in Texas is home to over 1 million people who are living behind inadequate IBWC levees. A rain event, not even a hurricane, could cause another horrible situation like New Orleans. Hidalgo County, the most populous in the Valley with 650,000 population, recently passed a bond issue and is going to give the IBWC $10 million to fix a small part of the most damaged levees in the county.

Digitized by Google

Original from PENN STATE

According to the census, Hidalgo County is one of the poorest urban counties in the country, with over half of its residents living below the national poverty level. Yet my constituents are going to have to pay higher local property taxes because the Federal Government is not living up to its responsibility.

Madam Secretary, what does the administration plan to do to address this critical situation on, A, the international levees on the Texas side; and B, on the Mexican side of the international levees, which are equally as important?

Secretary RICE. Congressman, obviously this is an area in which we do work very closely with the Mexican Government, and the IBWC is funded by the United States.

I will get a proper answer for you on the steps that are being taken to address the issue that you have raised. Let me do that so that the technical experts can give you an answer that is worthy of your question.

Mr. HINOJOSA. I want to add to my remarks that this is not a local, it is not a regional problem; it is a national problem, because we have over 300 maquiladoras on the Mexican side producing products that are then crossed over the Rio Grande River, and shipped all the way to the Great Lakes to Just In Time manufacturing companies. And it would just completely damage the trade and commerce if we were to have a crisis like the one I just described.

We have gone through that experience back in 1967 with Beulah, and we were out for over 3 or 4 months. So I ask you to please give it a high priority; that we be proactive, rather than to be reacting because we failed to do that, as they did in New Orleans.

Secretary RICE. Thank you. I will get an answer for you, Congressman.

Mr. HINOJOSA. Thank you.

Chairman LANTOS. Thank you very much. Mr. Brad Miller of North Carolina.

Mr. MILLER OF NORTH CAROLINA. Thank you, Mr. Chairman and Madam Secretary.

Madam Secretary, President Bush spoke in the State of the Union of the tragic escalation of sectarian rage and reprisal in Iraq, and said this is not the fight we entered in Iraq, but it is the fight we are in.

Madam Secretary, the Iraq War Resolution passed by Congress in 2002 gave us its reasons: The violation by the Hussein regime of the United Nations resolutions, an active weapons of mass destruction program in Iraq, and close ties to terrorist groups which raised the fear that weapons of mass destruction would be provided to terrorist groups. And he authorized the use of military force to deal with the threat posed by the Hussein regime, and to enforce United Nations resolutions.

There is a great debate over whether that was really the fight we entered in Iraq, but there is no real doubt that that is not the fight we are in.

Does the resolution adopted by Congress in October 2002 still apply to what is happening in Iraq, what our military forces are doing there now? If it does, will the time ever come that it does

Digitized by Google

Original from PENN STATE

not apply, and the administration will come back to Congress for authority for the fight we are in in Iraq?

Secretary RICE. Well, I think, Congressman, that the fight that we are in is the natural outcome of the fight that we fought to overthrow Saddam Hussein. The fact is that we also undertook certain responsibilities when we overthrew Saddam Hussein, to make sure that Iraq was a unitary state. Those are obligations to the international community to safeguard its territorial integrity, to make sure that it was a place that terrorists couldn't operate, and to help bring to it a government that could defend itself and govern.

I would make the comparison, in a sense, Congressman, that when we overthrew Adolph Hitler, I doubt that it said in the resolution "and establish a stable and democratic Germany." But I think nobody believed that it was not a part of our responsibilities to follow the overthrow of Adolph Hitler with trying to leave behind something that was more stable for the future. And indeed, that case has worked out very, very well.

In this case, I think that is what we are trying to do. We are trying to deal with the aftermath of the overthrow of Saddam Hussein.

Now, to be certain, I have said, and the President has made clear, that it is not the United States Government or the people of the United States that are going to determine what kind of country Iraq is going to be in terms of its sectarian profile. That has to be done by Iraqis.

But what the President said last month when he put forward his plan is that the Iraqis have expressed their desire, an urgent desire to bring an end to the sectarian violence, particularly in Baghdad, but that they need assistance in doing that. If it were just a matter of Iraqi will to do this, then it would make sense just to say to them, just be on your own and do whatever you can.

But we believe, and I think there is plenty of support for this view, that if they are simply left to their own, without adequate forces, without adequate support, then this situation is likely to become more violent, not less violent. And then the possibility for an Iraq that can govern itself and can sustain itself becomes even more difficult.

It is a very difficult situation in Iraq. But I don't think that the intent was ever that once we overthrew Saddam Hussein, we would simply walk away and leave the Iraqi people to their own devices. I don't think that was what was intended, either.

So we have overthrown him. I think it was the right thing to do. The world will be better off without him, and all of the instability that he brought to the region. But we do now have an obligation and a responsibility to the Iraqi people, but also to our own interests in the region, to try to help the Iraqi people to come to sustainability and govern ability.

Chairman LANTOS. Mr. Costa of California.

Mr. COSTA. Thank you very much, Mr. Chairman, and our ranking member for the time. And thank you, Madam Secretary. It is good to see you again.

Digitized by Google

Original from PENN STATE

I want to address two questions, Madam Secretary. One, I am glad that you commented on your opening statement with regards to the language gap, because I think it is very serious.

I was looking at some information that was provided, and of the 300 department personnel that are in the Embassy in Baghdad, only six were language-designated positions. And compared in Athens, there are 27; in Moscow, 95; Budapest, 28; Caracas, 45. Baghdad, which has been ground zero, in essence, for this effort over the last three and a half years, has six designated positions, of which currently only two were filled.

Now, I know there is an effort to expand it. But I mean, if we can't observe what is going on in the local newspapers on a daily basis, if we can't deal with the nuances with the various sectarian groups, why is it 3 years later we only have such a deficit of Arabic-speaking personnel in what is probably perhaps the most important effort that we are pursuing?

Secretary RICE. Well, there are certainly more than two people in Baghdad who can speak Arabic. I will have to look at the specific numbers that you are talking about.

But the fact is, it is true. We have a language deficit in critical languages like Arabic. And I need Arabic speakers in Cairo, and in Riyadh, and in Lebanon, and throughout the region.

But in Baghdad, we also have a significant core of Foreign Service Nationals who help us, and people with language skills who come in and out. But I have just said, Congressman, this country has not invested enough in people who speak Arabic.

Now, we are trying very hard to make amends for that deficit.

Mr. COSTA. You stated that.

Secretary RICE. Right. And I have got quadruple the number of people now studying Arabic that we had a couple of years ago.

Mr. COSTA. Time is limited. I want to go on to some other areas.

Secretary RICE. Yes, right. Well, I just want you to know, we are trying to make up that deficit with very aggressive programs and, by the way, trying to recruit people who are mid-level who may have the language.

Mr. COSTA. Right. I mentioned to you and to the President earlier that I was doubtful, as it was related to this effort. But I understand the reasons why. And for our sake, for our country's sake, for the Middle East's sake, I hope it is successful.

The President also indicated that it is not unended and that there were milestones that must be achieved. In your own mind and in the President's mind, what are the milestones in the next several months with regards to an agreement on sharing power and sharing the oil resources?

Secretary RICE. Well, I think that the benchmark that the Iraqis have put out, which is a benchmark we agree with, a national oil law needs to be concluded.

Mr. COSTA. Right. But when?

Secretary RICE. Well, they are going through their process. They have a draft law. They are working through it, and I would hope that they are going to do that very soon. They have got de-Baathification that they need to do; they have got provincial elections that they need to hold.

Digitized by Google

Original from PENN STATE

Mr. COSTA. Worst-case scenario. What if this effort, with our best of intentions and all of our resources, is unsuccessful? What is Plan B?

Secretary RICE. Well, Congressman, I think we have to concentrate at this point on Plan A. Obviously, we are going to have many opportunities as this plan unfolds, because it doesn't hit on one day and stop. This is something——

Mr. COSTA. No, I understand.

Secretary RICE [continuing]. That unfolds. We are going to have opportunities to assess how we are doing. We are going to have opportunities to assess how the Iraqis are doing. We are going to have opportunities to make adjustments.

And so I don't think we have a Plan A that is so fixed that if we are seeing that it is not being effective, that we have to stop and wait until we have to go to Plan B. We are going to make adjustments in this plan.

One of the most important elements of this plan—and we have all been very focused on Baghdad—but one very important element of this plan is also to increase the multiple points for success by going down to decentralize and diversify the number of people who can help to govern at the local and provincial levels, as well.

I think that this plan will be over time. We will make adjustments to it. But you are right; we have told the Iraqis that this is not open-ended. I think we don't want to try to give a date by which it is not open-ended, but I think they understand the message very clearly.

Chairman LANTOS. Thank you very much.

Mr. COSTA. Mr. Chairman, I am out of time, but I will submit the balance of my questions.

Chairman LANTOS. Very good. The gentleman from New Jersey, Mr. Sires.

Mr. SIRES. Thank you, Mr. Chairman. Madam Secretary, thank you for being here again. I have two questions, and one has to do with Cuba.

The one concern that I have is that we don't do enough, maybe in your department with this country, in pointing out to the world the brutality of this regime, and the violation of human rights. I mean, they have roving mobs where they beat up on the dissidents. And just a couple of weeks ago we had one of the more prominent dissidents just died from lack of medicine, and his family many times were brutalized. I would hope that in the future we can get this information out to the world, that this is a brutal regime. And I would hope that through your office, we can do that.

The other observation that I have is—and I agree with Congresswoman Jackson Lee regarding the cuts and investing in people in the Western Hemisphere. At a time when you have Chavez, at a time where they are making us look like the ugly American again, at a time that we need to have more money so we can do education, we can do health, we can do all the things that Chavez is filling in that we are not doing, why are we cutting this budget in these areas? To me, that just doesn't make sense. These are our neighbors, and this is a time when we should step in, and don't let them fill the void.

So I just wonder if you have a——

Digitized by Google

Original from PENN STATE

Secretary RICE. Congressman, we are stepping in. As I said, there has been a dramatic increase in aid to Latin America during this administration, from $862 million to $1.4 billion.

We are making some decisions about how to allocate resources within the resources that we allocate to the Western Hemisphere. We have made large-scale investments through the MCC to El Salvador and Honduras, and we are looking at other places to do it. We have increased assistance in a place like Uruguay. We have been focused on Peru and Colombia. We aren't trying to do it just as a region. I really ask that you look country by country at what we are trying to do.

There are some places where we are, for instance in Bolivia, where our opportunities are somewhat more limited than they have been because of the nature of the government there. So it is not just an across-the-board kind of mindless cut on Latin America. It really is targeting the assistance to the places that we think we can make the biggest impact. We are investing in consolidating democratic gains by 5 percent more.

So we are making a major investment in Latin America.

Mr. SIRES. But you are cutting investing in people in the Western Hemisphere. There is a line item on the budget that there is a cut, and that has to do with education, that has to do with health. And I would wish you would just, if I am wrong, would you please let my office know?

Secretary RICE. What I would like to do, Congressman, the top line looks a particular way, but I would like to get you an analysis of why we are doing what we are doing, when you look country by country. Because there are some places where we think we can make a big difference. A small program perhaps that we don't think is making a big difference. Let me get you an actual analysis of what we are doing.

Mr. SIRES. I guess what I am trying to say—and I am sorry to interrupt.

Secretary RICE. That is all right.

Mr. SIRES. It is just that I think the priorities are wrong. I think we win people's hearts through education; we win people's hearts with health.

Secretary RICE. I agree completely, Congressman. I agree completely. But I want to do it in places where we can make a difference with programs, where we can make a difference in places where those dollars will matter, and where they are needed. I don't think that just to look what percentage it looks like this year versus last year will give you that full sense, particularly given the very major investments that we are making in some places where we think we can make a fundamental difference. But I am happy to give you a fuller analysis.

If I may just say a word about Cuba.

Mr. SIRES. Yes.

Secretary RICE. I think the United States is really, frankly, the only country that gets word out about what is going on in Cuba. We do it through human rights resolutions; I do it in discussions with people. We try to get the word out even in Cuba. It is something that we are very attuned to. It is a brutal regime. It is a nondemocratic regime. And we have to get that message out.

Digitized by Google

Original from PENN STATE

Chairman LANTOS. Thank you very much.

Mr. SIRES. Thank you.

Chairman LANTOS. Before yielding to my colleague from California, I ask unanimous consent that the transcript of the committee's briefing by Secretary Rice, entitled "Iraq," which was held on January 11, 2007, be made part of this record.

[The information referred to precedes this hearing transcript.]

Chairman LANTOS. And I now am pleased to yield to my colleague from California, Ms. Woolsey.

Ms. WOOLSEY. Thank you, Mr. Chairman. I am going to have to kind of ask the gentleman from New Jersey to move over a little bit, so I can get a shot of the Secretary. Thank you very much. You are a big guy.

Madam Secretary, already Iraq has cost us funds approaching a-quarter-of-a-trillion dollars. I mean, it is going to, over time, if we get where we are going.

What comes after a trillion, a zillion? Yes, I believe so. That sounds like my grandchild talking: Zillions and zillions. But we better get used to talking in zillions, because that is where we are going if we keep on in this direction.

I would like to point out that 2 weeks ago, I and others of my colleagues introduced a plan to leave Iraq within 6 months—that is H.R. 508—within 6 months of passing the plan. And our plan would do three major, major things.

One. After it is passed, within that 6 months, we would escalate the training of the Iraqi security. And at that same time, we are preparing to bring our troops home safely.

Second, we would commit to work internationally with, if the Iraqis invite us to do so, to help rebuild, and with reconciliation.

And third, we fully guarantee and fund health care, not just for the Iraqi veterans, not just for physical health, physical and mental. It really makes veterans' health benefits an entitlement. And it does a few other things, and I could go into great detail.

It costs pennies on the dollar compared to staying in Iraq for 2 more years. So I just want to call that to your attention. Then I have a question.

Isn't there adequate funding already in the pipeline that the Congress has authorized, that the President could be funded to complete his escalation in Iraq? And then a subpart of that question is: How do we find out exactly how much money is in the pipeline?

Secretary RICE. Well, I think it is through OMB, or through—we very often report on what is being spent, and when it is being spent. When you talk about pipelines, I think you want to talk about what has actually been spent, what has been committed to specific projects, which means that contracts have been let and the like, and what has been actually put against specific needs as a matter of intending to do so.

I think if you look at the picture for Iraq, you will see that with the large-scale reconstruction plan that we did a couple of years ago, that project is largely complete. What we really now are requesting funding for, Congresswoman, has more to do with support of the provincial reconstruction teams to build local governance, to build democratic institutions, to deliver services to Iraqis, to help

Digitized by Google

Original from PENN STATE

in job creation, and to make them more capable of spending their own resources. So this is really a different phase. And it is not large-scale reconstruction projects that we are now funding.

This is a different program. And I don't think that there are adequate resources. I know that there are not adequate resources to fund the companion civilian economic political augmentation of our effort to go alongside the counter-insurgency, or as part of the counter-insurgency effort to help support our military operation. So it is a different, different approach.

Ms. WOOLSEY. Well——

Chairman LANTOS. I am sorry, the lady's time has expired.

Ms. WOOLSEY. I just wanted to say one little, tiny thing. On 508 we also talked about bringing the contractors home. Thank you.

Chairman LANTOS. Thank you very much. I am pleased to recognize my colleague from Arizona, Ms. Giffords.

Ms. GIFFORDS. Thank you, Mr. Chairman. And thank you, Secretary Rice.

Unfortunately, what is happening because of the problems in Iraq and in the Middle East is that it is sucking a lot of energy out of an issue which is really important to my district, which is Southern Arizona: Immigration, illegal immigration.

I am curious what you are doing, and whether you believe you have a real partner in Mexico to try to curb illegal immigration. With Mexico's new President and new cabinet, if you would please discuss with us what we are going to be doing to stop the hundreds of thousands of people who are now crossing our borders illegally through the Eighth Congressional District of Arizona and other parts of southern Arizona, as well.

Secretary RICE. Thank you. Well, we recognize that a part of this is an issue with Mexico, in partnership with Mexico, to work on these immigration issues; to tighten border security, to have an understanding with Mexico that they have to speak and act as if the laws of the United States must be respected as to the issue of people crossing the border. And it is a constant discussion.

I believe that the Government of Mexico does understand that. A number of months ago they put out a kind of manifesto, which they put in our newspapers, by the way, which suggested that the shared responsibility here is one that recognizes the need to enforce the laws. And that is a point that we are making all the time.

We also, in the State Department and at Homeland Security, have counterparts there, and we have increased our efforts on the border, with more people, with more technology, with efforts to actually improve our ability to monitor our border. I think these efforts have been generated, in part, in response to concerns in your part of the country about that border.

The President has said that we need a comprehensive plan on immigration that includes border security, that includes respect for our laws, that includes the respect of employers for our laws; but that also recognizes that we have a large number of people here who are doing jobs that Americans will not do, and that we need a temporary worker program that would allow us to deal with that population in a way that is humane, but also gives people an incentive to respect the law, which is why the President does not favor amnesty for illegal immigrants.

Digitized by Google

Original from PENN STATE

The final point that I would make is that in the long run, even the medium run, the development of the Mexican economy and the well-being of the Mexican economy so that people stay home is an extremely important part of this. And in that regard, the North American Free Trade Agreement has had the effect of making the northern part of Mexico more prosperous, so that people have not felt that they had to leave in order to get jobs.

So I think if we have a multi-faceted approach to this, we will be able to make a dent in this problem. But I want to be very clear that we respect both the need for a humane policy, but also the need for respect for our laws. It is something that we consistently and constantly bring up with the Mexican Government.

Ms. GIFFORDS. Secretary Rice, with all due respect, you can have a tremendous amount of respect for the laws, but the reality is people are still coming. And one of their largest economic drivers tends to be money that is returned back from the United States into Mexico. It is going to continue to happen.

I support a comprehensive immigration plan. I think that Congress needs to pass it immediately. I think it is critical.

But I also know that with our friends to the south, that there is a big economic driver here that we have to pay attention to, and we are not. I am just concerned that, again, with all of the focus on Iraq and other areas, we are not giving proper emphasis to Mexico.

Secretary RICE. Oh, we are giving a lot of emphasis to this, Congresswoman. I will be in Canada on the 23rd to meet with my Mexican and Canadian counterparts. I can assure you that this will be an issue, to secure borders, immigration policy, even that discussion. So it is something that we pay a lot of attention to, and I do personally.

Ms. GIFFORDS. Thank you.

Secretary RICE. Thank you.

Chairman LANTOS. Thank you very much. Before I recognize the last member of our panel, I want to extend my apology to you because I may have to leave to cast a vote in the Government Reform Committee.

But I am pleased now to recognize my friend from Florida, Congressman Klein.

Mr. KLEIN. Thank you very much, Mr. Chairman. Thank you, Secretary Rice, for your patience and your responses today.

I am from South Florida. And as many parts of the country, South Florida is integrated greatly with what goes on in Latin America. And I know you have had an opportunity to respond to some of the concerns. There have been expressions of support for democratization in Latin America, but at the same time, historically, and certainly even predating this administration, there has been somewhat of a hands-off effort in dealing with many aspects of issues in Latin America, from at least my perspective in reviewing and understanding the issues.

But more particularly, now there are lots of complications that have arisen. It is not just a question of dictatorships in certain parts of Latin America. It is now Mr. Chavez and his goals, and the fact that he has billions of dollars to spread around and try to

Digitized by Google

Original from PENN STATE

make friends with, and to influence others, not only in this region, but in the Middle East, and vice-versa.

Obviously Nicaragua, and there are other countries that potentially could also go in a different direction, which would not be in the United States' best interest. This plays itself out in many ways.

Number one, we have, at this present time in South Florida, and probably other parts of the country, lots of Colombian folks coming to the States because of problems that have arisen in that country, and the lack of a stable government there and other countries, of course Venezuela being one of them.

So the question is, just to say that we don't have the resources—and obviously, I happen to be one and many others who were just elected this year feel very strongly about a balanced budget. So we understand the fact that there is just not money to throw around and things. But I would suggest, and would like to get your reaction to the fact that this is no longer just a question of putting development aid because it is generally good.

But more importantly, with the Iranian Government trying to reach across and build relationships with some of these countries in our hemisphere, Mr. Chavez in Venezuela reaching into the Middle East and trying to build relationships with Iran and the Palestinians and others that do not have our interests at hand, it seems to me more of an imperative before it even gets further. And Mr. Chavez and others reaching into other countries in the hemisphere, that we do take a more active diplomatic role and development assistance role. And obviously, there is even going to be strategic military issues over time that just have to be addressed.

So if you can give me a comprehensive view of not just the fact we can't throw more money at it, but what is the view and how do we address this in a more aggressive way, so that we don't see a much larger problem developing in our back yard?

Secretary RICE. Thank you, Congressman. I just want to note we are spending $1.4 billion in fiscal year 2008 in this region. That is up from $862 million when we came into office. So there is a significant increase.

And in some places, that increase is really significant. For instance, in Central America, where we have compacts with very important countries, and where we are then working in rule of law and other areas, gang-related violence and so forth. So we have a very robust program in Latin America.

But it is not just development assistance. I do think that it is important to note that we believe we have a very positive agenda for working with governments, wherever they come from, left or right, to address the questions that they are concerned about.

For instance, they are very concerned about education and health. In some places we are taking that on very directly. In other places we are trying, through public-private partnerships and others, to address these issues.

But our positive agenda with Latin America is to recognize that this is not about left or right; it is about whether or not you are governing justly, whether or not you are governing democratically, and whether or not you are trying to deal with the needs of your people.

Digitized by Google

Original from PENN STATE

I will tell you, Congressman, I think that we got associated for a while with the belief that all we cared about was economic growth, and we didn't care about the needs of the people. In fact, if you look at the compacts that we have, if you look at the work that USAID is doing, you will see that we have an extremely positive story to tell about the projects that we are engaged in across Latin America. They are just becoming more and more concentrated. And I think that that is the right thing to do with scarce resources.

Mr. KLEIN. And I appreciate that. I mean——

Chairman LANTOS. The gentleman's time has expired.

Madam Secretary, I want to express my appreciation on behalf of all of my colleagues for this extraordinary tour-de-force, and we look forward to having you back.

Secretary RICE. Thank you very much. And thank you to members of the committee, as well.

Chairman LANTOS. Thank you. This hearing is adjourned.

[Whereupon, at 12:45 p.m., the committee was adjourned.]

Digitized by Google

Original from
PENN STATE

APPENDIX

MATERIAL SUBMITTED FOR THE RECORD

PREPARED STATEMENT OF THE HONORABLE ROBERT WEXLER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA, AND CHAIRMAN, SUBCOMMITTEE ON EUROPE

JANUARY 11, 2007

Secretary Rice you are no stranger to this committee, having testified before in your capacity as National Security Advisor and as Secretary of State. Each time you have testified with conviction and passion—vociferously defending this Administration's policies.

You did so even as Iraq spiraled out of control, Even as an insurgency, which the Administration originally denied, emerged from the ashes of a disbanded Baath party, even as a civil war, which the Administration denied, consumed Iraq, and even as thousands of brave American soldiers lost their lives and tens of thousand Iraqi civilians were slaughtered in an ongoing cycle of violence, retribution and ethnic cleansing.

Help me understand why you along with the President defended initial troop levels—against the advice of General Shinseki. Help me understand, how this Administration can somehow claim that Iraqi troops are now prepared to shoulder more of the security burden—even as the cycle of violence continues to worsen.

Just a few months ago your administration assured us that we were "winning the war." Now after four years, 3000 America military deaths, thousands of maimed service members and billions of dollars misspent, you now ask us to support a military and economic escalation of American resources in Iraq even though General Abizaid said increasing the number of American troops—is not the answer for Iraq.

Despite overwhelming evidence, you are asking the American public to put their faith in unreliable Iraqi security forces and Prime Minister al-Maliki who was severely criticized by National Security Advisor Hadley in a November memo to President Bush. The same Prime Minister al-Maliki, whose position in power is contingent on the support of a 30 vote block controlled by the radical Shiite cleric Sadr.

With all due respect many of your own military advisors did not support this escalation and even some Iraqi officials connected to Prime Minister al-Maliki have said they do not want additional troops, and we tried a surge of 12,000 American troops last summer in Baghdad and it failed to curb the violence or more importantly resolve vexing political issues.

Madame Secretary, it clear to me that the American people sent an unequivocal message to you and the President in November—No New troops.

PREPARED STATEMENT OF THE HONORABLE SHEILA JACKSON LEE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

FEBRUARY 7, 2007

Thank you Mr. Chairman. I would like to thank Chairman Lantos and Ranking Member Ros-Lehtinen for convening this critical hearing on the international affairs budget for FY 2008.

I welcome Secretary of State Condoleezza Rice. Your service to our country as the 66th United States Secretary of State is historic, much appreciated, and respected by every Member of this Committee and all Americans who understand how important it is for the United States to use its status as the world's sole superpower and its enormous assets—diplomatic, economic, political, military, and moral—in the cause of global leadership for peace, justice, and security. I look forward to your tes-

Digitized by Google

Original from PENN STATE

timony and having the opportunity to probe your views in depth. Thank you again for being here.

The FY 2008 international affairs budget seeks to provide the resources required by The State Department to reorient the Department towards transformational diplomacy and to serve new national purposes. Secretary Rice, you define transformational diplomacy as, "work(ing) with our many partners around the world to build and sustain democratic, well-governed states that will respond to the needs of their people—and conduct themselves responsibly in the international system . . . Transformational diplomacy is rooted in partnership, not paternalism—in doing things *with* other people, not *for* them."

Truly moving towards transformational diplomacy is important for our nation because for too long under the Bush Administration we have acted unilaterally in military efforts such as the Iraq War. I have long opposed how the Bush administration has unilaterally and on faulty intelligence launched a war that a majority of the American people do not want. We Democrats have repeatedly spoken truth to power. We predicted before the war that "the outcome after the conflict is actually going to be the hardest part, and it is far less certain." We made the point that it was essential for the Administration to develop a plan for rebuilding the Iraqi government and society, and unfortunately we have not met our responsibility As my colleague, Mr. Skelton, now the Chairman of the Armed Services Committee wrote to President Bush, "I have no doubt that our military would decisively defeat Iraq's forces and remove Saddam. But like the proverbial dog chasing the car down the road, we must consider what we would do after we caught it."

We warned of the postwar challenges, particularly the fact that there is no history of democratic government in Iraq, that its economy and infrastructure are in ruins after years of war and sanctions, and that rebuilding would take a great deal of money. I am pleased that President Bush has finally attempted to regularize the budget and funding process for Iraq by incorporating it into his FY 2008 budget proposal.

The funds are aimed at supporting the President's recently announced strategy for Iraq-troop surges. In support of this effort, the Iraqi government has pledged $10 billion for reconstruction programs, however there is no way to guarantee that we will have that money in use. If we do not receive these funds, the need will still be there and America may have to pay the bill.

In the request for Iraq Reconstruction, there has been a decrease in ESF in FY 2008 from FY 2007 with $2.072 billion proposed in supplemental for FY 2007 while only $298 million is proposed for FY 2008 with $772 million available for Global War on Terrorism emergency funding.

On the contrary, the U.S. acted multilaterally in Afghanistan in a direct response to the September 11, 2001, attacks. With the Afghan Northern Alliance, we launched Operation Enduring Freedom with the goal of destroying the Al-Qaeda terrorist network operating in Afghanistan and their host, the Taliban government. With the onset of a new year, the situation in Afghanistan continues to worsen as the Taliban grows in strength, and we continue to be distracted by the war in Iraq. I am glad that the President's budget request of $1 billion for Afghanistan represents an increase of 12.5% from FY 2006 levels. Approximately 43% of the South and Central Asia region's FY 2008 request will go towards programs in Afghanistan.

I am also pleased that a new plan is recognized by the Bush Administration and proposed is a move towards a transformational diplomacy agenda. For the first time in history, all $20.3 billion of U.S. foreign assistance under authority of the Department of State and USAID, as well as resources provided by Millennium Challenge Account (MCA), are being applied to the achievement of a single overarching goal-transformational diplomacy.

I am eager to see how the United States Foreign Assistance in the budget will help to invest in transformational diplomacy. The changes in leadership with the creation of a Director of United States Foreign Assistance who also serves concurrently as the Administrator of the United States Agency for International Development brings hope for a new strategic framework for U.S. However, I am curious to see how the idealistic strategy will fully implement the new transformational diplomacy plan.

The Strategic Framework in FY 2008 for U.S. foreign assistance categorizes each country receiving U.S. foreign assistance based on common traits, such as regions and presents the portion of the budget that will be allocated for that region.

The FY 2008 request regional strategy for South and Central Asia represents only a slight increase of 6% over the FY 2006 budget. A concentration on Afghanistan and Pakistan dominate the region's request with 84% allocated towards supporting the GWOT through security, reconstruction, development, and democracy efforts.

Digitized by Google

Original from
PENN STATE

It is noted in the report that success in these countries is critical to achieving peace, stability, and development progress throughout South and Central Asia. However, the 21% increase to counterterrorism and counter narcotics programs and the abysmal 11% increase to funding under the peace and security objective from FY 2006 are not enough.

There is a notable nexus between poverty and terrorism. If we want to truly have a Global War on Terror, then we must alleviate the terrorist attacks by bolstering our peace and security programs.

Afghanistan is in a desperate humanitarian crisis. It has been left an extremely impoverished nation and is one of the world's poorest and least developed nations. The country has suffered tremendously: military unrest from Soviet invasion in 1979, subsequent conflicts thereafter coupled with severe drought in 1998–2001 and more recently, growing Taliban strength which led the US to consider longer tours and even a troop surge.

It is important as we balance the budget to focus and pay special attention to the desperate situation in this region and allocate the necessary resources to strengthen the Global War on Terror and implement the necessary strategies to reach our goal of transformational diplomacy.

While the proposed transformational strategy is ever optimistic, the goal of "helping to build and sustain democratic, well-governed states that respond to the needs of their people, reduce widespread poverty, and conduct themselves responsibly in the international system" will be severely undermined if the U.S. does not meet the obligations that it committed to in nations such as: Iraq, Darfur, Lebanon, Haiti and a host of global hot spots. While the President's overall request in FY2008 provides for an increase in the 150 Account over the FY2007 House-passed Continuing Resolution, it contains severe cuts to the core development and humanitarian assistance accounts (excluding the Millennium Challenge Account (MCA) and funds directed to combat HIV/AIDS across the world), and it badly underfunds the Contributions to International Organizations (CIO) and Contributions to International Peacekeeping Activities (CIPA) accounts, which fund U.S. dues for the United Nations regular budget and for United Nations peacekeeping missions. I find this of serious concern.

I endorse the sentiments of Chairman Lantos of the Committee on Foreign Affairs regarding our multinational efforts with one of our major partners, the United Nations, that our federal budget request short-changes them. The United Nations furthers the core values and interests of the U.S. and it is imperative that the Administration does not reduce the deficit by under-paying for our national security in this fragile area.

With the United States $400 million short of the obligations to the peacekeeping account, it is absurd that the Administration is budgeting for hundreds of millions of dollars less than we need to fund critical U.N. peacekeeping operations. As Chairman Lantos noted, "for the first time since the historic Helms-Biden agreement to pay off old U.S. debt the United Nations, we will once again be in arrears." America must not shirk its pledged responsibilities The Bush Administration must step up, fulfill our promises to these fragile nations and fund these initiatives.

Thank you Mr. Chairman, I yield back the balance of my time.

PREPARED STATEMENT OF THE HONORABLE EDWARD R. ROYCE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

FEBRUARY 7, 2007

Madam Secretary—
Welcome back to the Committee.

In opening, I'd like to recognize and lend my support to the large increase in resources in this budget request—to $44.7 million—that are dedicated to either securing or destroying shoulder-fired missiles that may otherwise fall into the hands of terrorists. As you know, the Terrorism and Nonproliferation Subcommittee held hearings on this issue last year. Many Members were concerned about the funding levels, given the threat these weapons pose to our troops and civilian aviation. I introduced successful legislation to address this critical area. So thank you for this request. I hope it is honored.

I look forward to your testimony.

Digitized by Google

Original from
PENN STATE

WRITTEN RESPONSES FROM THE HONORABLE CONDOLEEZZA RICE, SECRETARY OF STATE, U.S. DEPARTMENT OF STATE, TO QUESTIONS SUBMITTED FOR THE FEBRUARY 7, 2007, HEARING RECORD BY THE MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

QUESTIONS SUBMITTED BY THE HONORABLE TOM LANTOS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA, AND CHAIRMAN, COMMITTEE ON FOREIGN AFFAIRS

Question:

Iranian influence: *We remain concerned about Iran's influence with the major Shiite players in Iraq, many of whom were supported by and took refuge in Iran while seeking shelter from the regime of Saddam Hussein. What is the prospect of the Shiite-dominated Iraqi government colluding with Iran to the detriment of our interests in the region? Is Iraq likely to slip into Iran's sphere of influence? How far along is this process already? How would you describe the current state of Iranian-Iraqi government-to-government relations? In your view, how much influence does Iran have in Iraq and how does it exercise it? What explains the exceptionally harsh criticism by Masoud Barzani's Kurdistan Regional Government (KRG) in reaction to the U.S. military's raid on the Iranian installation in Irbil last month? What was the U.S. response to the KRG statement?*

Response:

We share your concern that Iraq should not fall under Iranian domination. While Iran has longstanding cultural and religious ties with Iraq, Iraq's leaders are sensitive to this issue. As you noted, some Iraqi leaders who were persecuted under Saddam Hussein's regime lived in exile in Iran and developed close ties. While Iraq seeks peaceful relations with its neighbors, including Iran, Prime Minister Maliki has made it clear that Iraq will not subject itself to Iranian control or sphere of influence. That said, Iran's actions in Iraq continue to be destabilizing, and we have raised these concerns both publicly and privately with Iran and with Iraqi officials. Iran has supplied resources, weaponry and training to sectarian militias that threaten the security and unity of Iraq.

We will not characterize or speculate on what motivated KRG officials' remarks following the detention of Iranian Revolutionary Guard Corps (IRGC) officials on January 11 in Irbil, except to say that the United States has close relations with the Kurdistan Regional Government (KRG) on all matters, including security issues, and will continue to do so. Senior U.S. diplomatic and military officials have consulted closely with KRG and Iraqi officials about this issue, as well as other issues of common interest. The Government of Iraq has said definitively that the IRGC Irbil facility was not an Iranian consulate.

Question:

Coordination of Iraq Reconstruction Funding: *You recently announced the appointment of Ambassador Timothy Carney as Coordinator for Economic Transition in Iraq. Given the request for additional U.S. funding for Iraq reconstruction, what authority will Ambassador Carney have in coordinating this money? To whom will Ambassador Carney report?*

Response:

On January 10, I named Ambassador Carney as the Coordinator for Economic Transition in Iraq. Ambassador Carney, who is based in Baghdad, reports directly to the Ambassador and works closely with Iraqi officials to ensure that Iraq's considerable resources are brought to bear on the task of rebuilding Iraq. One of the issues on which he will focus is helping the Iraqis better execute their budgets, particularly on capital spending for investments to improve essential services and promote economic development. Ambassador Carney will also help Iraq meet its commitments under the International Compact with Iraq. In this regard, Ambassador Carney's primary focus will be on liaison with Iraqi officials on expenditure of Iraqi funds, while other senior USG officials, such as the Director of IRMO and the USAID Mission Director, coordinate the design and execution of U.S. assistance.

Question:

Labor: *Based on discussions with the AFL–CIO's Solidarity Center, we understand that Iraqi workers and their unions have been working without the proper legal framework, social security, or the basic rights to which any worker is entitled. Saddam's 1987 labor law, which drastically limits the right of workers to organize, remains the law of the land. Moreover, in August 2005, the Iraqi government froze the assets of all labor unions, effectively preventing the emergence of an active labor*

Digitized by Google

Original from PENN STATE

movement? Can you explain why that is the case? Why has the Iraqi government not established a new labor code that fully recognizes the core International Labor Organization (ILO) Conventions?

Response:

The 1987 labor code remains in force until the government of Iraq replaces it. The status of industrial relations and workplace democracy, therefore, remains ambiguous. We are actively encouraging the Government of Iraq's efforts to revise the labor code, providing support and technical assistance through our mission in Baghdad.

In the spring of 2004, the Iraq Minister of Labor and Social Affairs (MOLSA) and the International Labor Organization (ILO) signed a cooperative agreement under which the ILO agreed to assist MOLSA in drafting a new labor law conforming to international labor standards.

The current Government of Iraq is working on a new draft labor law in cooperation with ILO. MOLSA has submitted the draft law to the Council of Ministers. The Council of Ministers and legal officials have approved it. However, we understand that some unspecified amendments are required before the Council of Ministers will submit it to the Council of Representatives.

In an effort to prevent the financing of terrorism, on August 7, 2005 the Transitional Government of Iraq issued Decree 8750, which froze the assets of all trade unions in Iraq, many of which were Ba'athist-controlled. As a consequence, unions are not operating through formal financial systems like banks, and fear seizure of their remaining resources. The Ministry of Labor and Social Affairs sent Prime Minister Nuri al-Maliki a letter last month recommending a shift in policy that would include new elections for trade union leaders, but has not yet received a reply.

Question:

Meddling in Arab world—*What is Iran's policy toward Shiite communities throughout the Arab world? Does Iran seek to use these communities to destabilize Sunni-dominated Arab regimes? If so, which regimes is it most intensely targeting.*

Response:

Religious and cultural commonalities naturally link Iran with Shi'a communities in neighboring countries, though while some Shi'a look to Iranian clerics for religious guidance, others look to Iraq and elsewhere.

The USG recognizes that Iran has legitimate national interests in Iraq and, since the end of Saddam Hussein's regime, Iran has not surprisingly worked to expand its influence in Shi'a-dominated areas of Iraq. However, although some of Iran's involvement has been positive (e.g. reconstruction efforts), other activities have been lethal to Iraqis and the Coalition. Elements of the regime in Tehran have also provided material support and training to Shi'a militias and other groups, resulting in the deaths of U.S. troops, Coalition and Iraqi forces, and civilians. Iranian involvement with Shi'a Arab groups elsewhere in the region, especially Lebanon and the Palestinian Territories, suggests that the Iranians use local surrogates to advance Iranian agendas at the expense of legitimate local interests. However, by no means are all Shi'a populations surrogates for Iran, nor does Iran only use Shi'a groups as surrogates.

We would refer you to the intelligence community for a more detailed assessment of Iran's activities targeting Shi'a communities in neighboring states.

Question:

Use of force—*Is it the position of this Administration that it possesses the authority to take unilateral action against Iran, in the absence of a direct threat, without congressional approval?*

Response:

The Administration believes that there is clear authority for U.S. operations within the territory of Iraq to prevent further Iranian-supported attacks against U.S. forces operating as part of the Multinational Force—Iraq (MNF–I) or against civilian targets. Such attacks directly threaten both the security and stability of Iraq and the safety of our personnel; they also continue to threaten the region's security and stability. U.S. military operations in Iraq are conducted under the President's constitutional authority and the Authorization for Use of Military Force Against Iraq Resolution of 2002 (P.L. 107–243), which authorized the use of armed force to defend the national security of the United States against the continuing threat posed by Iraq and to enforce all relevant United Nations Security Council resolutions regarding Iraq. The United Nations Security Council has authorized all necessary measures to contribute to the maintenance of Iraq's security and stability,

Digitized by Google

Original from PENN STATE

which encompasses MNF–I conducting military operations against any forces that carry out attacks against MNF–I or Iraqi civilian and military targets.

As President Bush, Secretary Gates and I have reiterated many times, we are committed to seeking a diplomatic solution to our problems with Iran. We do not believe that military action against Iran is either desirable or inevitable. The debate underway within Iranian regime circles suggests our comprehensive strategy of targeted diplomatic pressure is working. The P5+1 incentives offer, as well as our historic commitment to engage alongside our European partners in direct talks with Iran if it completely, verifiably suspends its enrichment activities, remains on the table.

Of course, the Constitution charges the President to protect the United States and the American people. As Commander in Chief, he must be able to defend the United States if U.S. forces come under attack. Whether and how to do so in any specific situation would depend on the facts and circumstances at that time. Administration officials communicate regularly with the leadership and other Members of Congress with regard to the deployment of U.S. forces and the measures that may be necessary to protect the security interests of the United States and will continue to do so.

Question:

U.S.-Iranian engagement—*You have said you would be willing to meet with the Iranian foreign minister if Iran suspends its nuclear enrichment program. What would you discuss with him? Would the agenda be open or limited to certain issues, such as the nuclear issue and Iraq?*

Response:

On May 31, 2006, I invited the Iranians to participate in direct discussions with the P5 + 1 "at any place and at any time." This discussion would be limited in scope to the nuclear issue.

This invitation was conditioned upon Iran's complete suspension of all of its uranium enrichment-related and reprocessing activities, as verified by the International Atomic Energy Agency. This condition remains and is required under UN Security Council Resolution 1737. We remain committed to resolving our concerns with Iran's nuclear program through diplomatic means, but such action can not progress unless changes occur in Iranian policies.

Question:

Saudi Arabia/peace process—*Former Special Middle East Coordinator Dennis Ross has urged that Saudi Arabia step up to the plate and provide some political cover for Abu Mazen by acknowledging the necessity of key concessions on refugees and Jerusalem in any final status agreement. Do you anticipate bold action of this sort by the Saudis?*

Response:

Saudi Arabia has taken an increasingly prominent role with the Arab world in working to address regional issues of concern. Saudi Arabia has publicly supported the peaceful resolution of the Israeli-Palestinian conflict. At the 2002 Arab League summit in Beirut, then-Crown Prince Abdullah made a proposal for Arab-Israeli peace that served as the basis of the consensus Arab League position on Israeli-Palestinian peace.

After the March 4 meeting of Arab League Foreign Ministers in Cairo, Arab League Secretary General Amre Moussa re-affirmed that the Arab Peace Initiative remains the consensus policy of the Arab League. Saudi Foreign Minister Saud al-Faisal commented that the Initiative is "the property of the Arabs, not Saudi Arabia," adding that Saudi Arabia would support "any Arab decision to change or develop the Arab peace plan." Saudi Arabia, as one of the most influential Arab states, has a special role to play in advancing Middle East peace. We will continue to encourage Saudi Arabia to take constructive steps to advance Israeli-Palestinian peace, and to muster broader Arab support for efforts to achieve a just and lasting peace.

Question:

Saudi Arabia/economic support—*Over the past four years Saudi Arabia and other Gulf states have earned tens of billions of dollars in windfall profits thanks to unexpectedly high oil prices. Why have these states been so stingy in their support of Iraqi reconstruction and of the Palestinians?*

Digitized by Google

Original from
PENN STATE

Response:

Saudi Arabia and other Gulf Cooperation Council (GCC) states have played an important role in supporting the Iraqi political process and reconstruction. Saudi Arabia has supported efforts to build an inclusive government in Baghdad, and in October 2006 Saudi Arabia hosted an Organization of the Islamic Conference meeting in Mecca to bring together representatives from different sectarian traditions in Iraq to promote reconciliation and end sectarian violence.

Saudi Arabia, Kuwait, and the United Arab Emirates also are important participants in the International Compact for Iraq, which ties technical and financial assistance to a comprehensive economic reform program in Iraq. As we look toward the future, we are counting on our GCC partners to reduce the debts Iraq owes from the Saddam-era and provide generous financial and political support to Iraq, which will help ensure a peaceful, stable and democratic future for the Iraqi people.

With regard to the Palestinians, Saudi Arabia and other Gulf partners have provided budgetary, humanitarian, and security assistance. The Saudis have traditionally provided more than $90 million annually to the PA government through their Arab League (AL) contribution, but shifted support to President Abbas after Hamas took power in March 2006. In addition to the AL's annual budget support quotas, Saudi Arabia, Kuwait and Qatar committed $133 million to the PA between July and November, 2006. We encourage Arab financial and political support for the Palestinian people, President Abbas, and moderate Palestinian leadership.

Question:

Egypt/ human rights—*Has the U.S. altered its democracy- and human-rights-promotion policies in Egypt, as encapsulated in your eloquent remarks in Egypt in 2005? Why did you choose not to raise these issues publicly on your most recent trip to Egypt? What is the United States doing to persuade Egypt to release Ayman Nour, the reformer and former Presidential candidate who is serving a five-year sentence on highly questionable charges?*

Response:

Democracy and human rights promotion remain key elements of our policy with regard to Egypt. We consistently press for political reform and respect for human rights in the context of our bilateral relationship with Egypt—and we will continue to do so. Often this is more effective when done privately.

We have consistently urged the Egyptian Government at the highest levels to release Mr. Nour consistent with Egyptian law. We are deeply troubled by the Dec. 24, 2005 Egyptian court decision convicting Ayman Nour. We would also note that his trial was marred by irregularities and inconsistencies, and the trial failed to meet the international standards of transparency and respect for the rule of law that the Egyptian Government has publicly espoused. We are also concerned that Mr. Nour's health continues to deteriorate.

The continued detention of Mr. Nour as well as Egypt's lack of progress on political reform raises serious concerns about the path of democratic political reform in Egypt and is inconsistent with the Egyptian Government's professed commitment to increased political openness and dialogue within Egyptian society. Again, we will continue to press the Government of Egypt to adhere to internationally accepted human rights standards and norms.

QUESTIONS SUBMITTED BY THE HONORABLE JIM COSTA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Question:

Foreign Language Capability Shortfalls: One of the biggest problems we face in dealing with the Middle East is the lack of understanding about the language and culture which has a 1000 year history. Clearly in hindsight, many of our mistakes were due to our inability to understand the nuances of the language, history and culture of Iraq's secretarian groups.

According to an August 2006 Government Accountability Office (GAO) report, Department pf State, Staffing and Foreign Language Shortfalls Persist Despite Initiatives to Address Gaps, the State Department has significant gaps in language capabilities, especially in Arabic.

According to the GAO report, as of September 30, 2005, out of the over 300 State Department personnel in Baghdad, only 6 were language-designated positions. In comparison, Athens had 27 language-designated positions, Moscow had 95, Budapest had 28, and Caracas had 45. Yet in Baghdad, the center of the United States Foreign Affairs agenda, the State Department had only 6 language-designated positions.

Digitized by Google

Original from PENN STATE

Further, the GAO reported that 38 percent of all Arabic designated positions were filled by officers that did not meet the language requirement. In Baghdad, only 2 of 6 of designated positions were then filled by officers who met the requirement, just 33 percent. In comparison, in South and Central America , 96 percent of Spanish language-designated positions in were filled by employees who met designated Spanish proficiency requirement.

Has the number of language-designated positions changed in Iraq since the September 2005 report and if so, what is the current number of language designated positions? How many of these positions are filled by officers who fully meet the language requirement? How is the amount of language designated-positions determined, especially in critical foreign policy posts such as Baghdad?

Response:

There are currently 12 language-designated positions within Embassy Baghdad. Of these positions, five are filled by officers who fully meet the language requirement. An additional six officers within the Embassy, and 14 officers assigned to Regional Embassy offices or Provincial Reconstruction Teams (PRTs), speak Arabic at the 2/2 level or higher, although their positions are not language designated.

The number of language designated positions is determined at each Foreign Service post, including Baghdad, by the specific work requirements of a position. In addition, post management reviews the overall language capabilities required for a particular section, and the Mission as a whole. In Iraq, Mission language capabilities are bolstered by four American citizen employees who are native speakers of Arabic, as well as by the expert assistance of our professional interpreters.

At times, decisions must be made to waive the language requirements in order to fill a critical position on a timely basis. If other officers in the section have the required language abilities, even if their positions are not language designated, it is more likely that a language waiver may be requested by the regional bureau.

Question:

In Afghanistan, the GAO report stated only 16 language designated-positions with only 33 percent of those positions filled by individuals that met the requirement. What is the current situation in Afghanistan in regards to meeting our Arabic language needs?

Response:

It will take two to three years to develop a full cadre of Dari and/or Pashto speakers, and we have made progress over the past year to meet this goal. We have both increased the number of language-designated positions and the number of employees studying to attain proficiency.

For the September 2006—August 2007 assignment cycle, 34 of 133 total positions in Afghanistan were language designated. 12 of these 34 positions (35%) are filled by an employee who tested language proficient or higher.

For the September 2007—August 2008 assignment cycle, we have added an additional 16 language designated positions for a total of 50 positions. 44% of these positions will be filled with a language proficient employee.

In the 2007–2008 language training cycle, 32 employees will be enrolled to study Pashto and/or Dari. After attaining language proficiency, these employees will fill positions beginning in summer 2008 and will raise the percentage of language designated positions being filled with language proficient employees to 64%.

Question:

What actions has State taken to address these Arabic language shortfalls? What funding in the FY2008 State Department budget is dedicated to this goal and how much has that amount increased throughout the War on Terror? When will these shortfalls be fully addressed?

Response:

The State Department is addressing the shortage of Arabic speakers by expanding our capacity to train students in Arabic, focusing recruiting efforts on Arabic and other critical needs language speakers, and giving bonus points in the Foreign Service hiring process to candidates with demonstrated Arabic proficiency.

State enrollments in Arabic language training at our Foreign Service Institute (FSI) have nearly quadrupled since 2001, with roughly 450 in FY 2006. Given world events and our focus in the region, we anticipate this upward trend will continue, predominantly in distance learning and similar delivery methods as alternatives to traditional classroom based training. We expect higher enrollments in FY 2007 and FY 2008, though it is not possible to definitively predict future training requirements.

Digitized by Google

Original from
PENN STATE

Arabic Training Enrollments*	FY01	FY02	FY03	FY04	FY05	FY06
Staff	109	156	223	323	406	454
Eligible Family Members	12	17	21	18	20	14

*Includes enrollments in all types of Arabic training (full-time FSI courses, Tunis field training, online distance learning courses, early morning language courses, etc.)

The Department's recruiters specifically target schools and organizations with language programs to increase our recruitment of critical needs language speakers. Since 2004, the Department has given bonus points in the hiring process to Foreign Service candidates with demonstrated proficiency in languages such as Arabic, Urdu, and Farsi, among others. These bonus points materially increase the chance of receiving a job offer for candidates who have passed the written examination and oral assessment. In addition, our Diplomats in Residence and recruiters hold individual counseling sessions with speakers of Arabic, Farsi, Urdu, Dari, Chinese, Korean and other critical needs languages.

The FY2008 State Department budget request includes $20,821,000 to enhance the Department's ability to provide developmental training, including foreign language training enhancement, and 48 new positions to improve the language proficiency of current and incoming Foreign Service employees. These new positions are required to increase the number of critical needs language speakers and to increase the level of foreign language proficiency among current speakers. The request would also be used to fund special programs such as Arab media workshops and internships in the field and additional overseas immersion training opportunities.

It is difficult to predict if and when we will close the gap between the number of Arabic language-designated positions and the number of Foreign Service members who meet the language proficiency requirements to fill those positions. Though the Department will continue its robust efforts to recruit Arabic speakers and to increase the number taking Arabic training, we expect the number of Arabic language-designated positions and the required level of proficiency of already language-designated positions to continue to increase in response to current and expected future events.

The length of time that it takes to learn Arabic—on average it takes two years of full-time training to attain a level of General Professional Proficiency in speaking and reading—also creates staffing challenges for the Department. Employees assigned to long-term language training are not available for other assignments. Absent a "training float," the Department does not have enough personnel to fill all of its critical overseas and domestic positions and simultaneously allow for large numbers of long-term language students. The 48 new positions requested in the Department's FY2008 budget request could help to create an initial training float and support the Department's efforts to strengthen the size and proficiency of its Arabic speaking corps.

Question:

Unfortunately, the genocide in Darfur has gone on for over three years. While our government has been extremely responsive to the humanitarian crisis, the total international effort has failed to stop the genocide. In fact, in recent months, the government in Khartoum has resumed aerial bombing and Janjaweed attacks on villages which are the very actions that alarmed the world to the genocide in the first place.

Madam Secretary, how do you explain the lack of results from our efforts to end the genocide in Darfur? What is your plan to stop the Genocide?

Response:

The U.S. is the clear leader in the international efforts to end the genocide in Darfur. We were instrumental in creating the Darfur Peace Agreement (DPA), a framework for ending the violence and for addressing the root causes of the conflict. Unfortunately, only one of the rebel movements signed the agreement. Since then, we have been working to broaden DPA support and have tirelessly pushed for deployment of UN forces into Darfur to bring stability and create the conditions needed for proper DPA implementation. We are currently working with our international partners to support the AU/UN-led process to bring rebel groups into the DPA, and we are leading the efforts to accelerate deployment of an AU/UN hybrid force, which Sudan accepted last November. We are strongly encouraging Sudan's major allies to press for the same goals. We are also developing a range of more coercive options to be used in concert with our allies if Sudan further hinders deployment of the AU/

Digitized by Google

Original from PENN STATE

UN hybrid force, continues to block humanitarian access, or interferes with the ongoing political process.

Question:

We understand that much of the Taliban leadership is directing attacks in Afghanistan are based in Quetta, Peshawar and other cities. If this is true, I find it hard to believe that President Musharaff's vaunted "ISI" intelligence service and secret police cannot locate and arrest these high-ranking Taliban officials in their midst.

What prevents Pakistan from arresting these officials? At what point do we acknowledge that despite the overwhelming support the U.S. is providing to Pakistan in the form of economic, humanitarian, and military assistance, we are not getting results from the Pakistan Government?

Response:

We are getting results from the Pakistani Government. Hundreds of suspected Al-Qaida operatives have been killed or captured by Pakistani authorities since September 2001, and Pakistan has arrested or killed hundreds of terrorist suspects and taken military action against terrorists and other violent extremists operating within its borders, including the recent reported capture of Taliban Defense Minister Mullah Obaidullah in Quetta.

The U.S. provides economic and military assistance to Pakistan as a long-term strategic partner and as a staunch ally in the War on Terror. We believe that Pakistan is very cooperative and engaged in this fight. As Ambassador Crocker has said, "We face a determined, resilient enemy, an enemy who is not ready to give up its fight. There are no easy answers, no quick solutions."

Question:

Is the Pakistan so-called "truce" with tribal elders and Taliban in North Waziristan working to the satisfaction of the United States Government? Do you want to see this model replicated in other provinces in Pakistan Frontier areas?

Response:

The intent of the North Waziristan Peace Agreement signed in September 2006 was to restore peace in the region through a series of social and political measures, recognizing that extensive military operations had not sufficed. The Agreement aims to engage traditional tribal elders in enforcing an end to militancy in the region. The Agreement contains several excellent points, among them the prohibition of cross-border attacks into Afghanistan, or tolerating the presence of violent extremists in their communities. The challenges with the Agreement are not with the concept, but with implementation. The Pakistan Government agrees that this is the case and is determined to improve the enforcement and implementation of this Agreement to render it more effective. We would like to see future arrangements that continue to embrace the concept of engagement with traditional tribal elders in securing cooperation in enforcing an end to militancy in the tribal areas that are being exploited by violent extremists.

QUESTIONS SUBMITTED BY THE HONORABLE STEVE CHABOT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

Question:

Madam Secretary, I am deeply concerned about the Special Inspector General for Iraq Reconstruction's recent reports of widespread waste and fraud in Iraqi reconstruction efforts. With a reported 80 active investigations of potential criminal activity in Iraq, what steps is the State Department taking to ensure that taxpayer dollars are spent wisely, both in terms of quality workmanship—and for its intended purposes?

Response:

Oversight and accountability are among our highest priorities. We continue to work closely with the Special Inspector General for Iraq Reconstruction (SIGIR) and have benefited from SIGIR's observations of how we can do better. In fact, the State Department's Office of the Inspector General (OIG) has issued several joint audit reports with SIGIR in recent months. We are working hard to ensure that U.S. tax dollars appropriated for Iraq are used to the greatest benefit of the Iraqi people.

Although there have been no allegations to date of fraud or abuse with the Iraq Relief and Reconstruction Fund (IRRF) or other foreign assistance funds, we are aware of problems in managing some of the projects under IRRF. We have not met all of our original reconstruction goals for a variety of reasons, mostly because of

Digitized by Google

Original from PENN STATE

the security situation. For example, insurgent attacks on critical infrastructure prompted us to shift $2 billion from water projects in 2004 to increase to $5 billion support for the Iraqi Security Forces and police training under IRRF. Overall, the increased cost of providing security for reconstruction projects has accounted for between 16–22% and just under 10% for technical assistance programs. We have taken steps to address this issue by shifting construction contracts away from large foreign design-build contractors towards Iraqi contractors who are often better able to deal with security issues and are less expensive.

Our Iraq Reconstruction Management Office (IRMO) works closely with implementing agencies such as USAID and the Army Corps of Engineers to monitor each IRRF contract and to verify that the scope of work for each contract is clearly defined and followed closely. We remain committed to transparency and accountability for all of our efforts in Iraq and look forward to continuing our work with SIGIR, the State Department OIG, and the Government Accountability Office to ensure that U.S. funds for Iraq are managed wisely.

Question:

Madam Secretary, from the beginning of our military operations in Iraq, I have consistently stressed the importance of quickly training Iraqi police and soldiers. Yet recent reports suggest that Iraqi units arriving in Baghdad have only 55 to 65 percent of their intended troops. What more needs to be done to get this training back on track so we can bring our troops home?

Response:

For the most part, under strength battalions are the result of logistic support challenges with units forward deploying for the first time rather than insufficient numbers of trained personnel. Three Iraqi Army brigades are in various stages of deployment to Baghdad to reinforce the six Iraqi Army brigades and nine National Police brigades already there. Two brigades and 7 battalions have arrived in Baghdad, and are currently conducting operations across the 10 Security Focus Areas. It is expected to take several months to deploy all of the additional Iraqi and Coalition forces required to fully implement the Baghdad Security Plan, named Operation Fardh al-Qanun. Over 2,000 Iraqi troops have arrived and more continue to flow in. The Iraqi Military Commander for Baghdad is working closely with Coalition and Iraqi commanders to adjust force strength to offset unplanned shortages. The Ministry of Defense has resolved many of these challenges, we anticipate follow-on units will deploy to Baghdad at or above 90%.

Question:

Madam Secretary, this past weekend we saw the single worst suicide bombing of this war. In your opinion, how do we address the challenge of quelling increasing sectarian violence between Shiites and Sunnis, while at the same time training Iraqi security forces to take over the security of their country?

Response:

As the President has stated, quelling sectarian violence and establishing security will take time and determination. It will not be accomplished overnight, nor can we expect to eliminate all violence from Iraq. The Baghdad Security Plan, named Operation Fardh al-Qanun, is critical to securing an environment in which equally important efforts in political reconciliation and economic development can proceed. Success will require the unwavering commitment of the Government of Iraq, sustained support of MNF–I, and patience from the people of Iraq. MNF–I is increasing the number of troops in the least secure areas and significantly increasing the number of embedded trainers with Iraqi Security Forces, a force multiplier. The Iraqis must step up to the plate and take the lead as they have said they would. They must deploy their own military surge. They must actively pursue their political reconciliation and apply the law in an even-handed manner so that all religious and ethnic groups are subject to the same enforcement and held to the same standards. To better engage Iraqi moderates, we will double the number of Provincial Reconstruction Teams (PRTs), putting an early emphasis on Baghdad and Anbar to accompany the surge in military forces with a political and economic surge as well. We look forward to the passage of the supplemental so that we can fund and increase staffing for the PRTs.

Digitized by Google

Original from PENN STATE

QUESTIONS SUBMITTED BY THE HONORABLE ELIOT L. ENGEL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Question:

I have serious concerns about overall reductions in development assistance to Latin America and the Caribbean. While I am pleased that Nicaragua, Honduras and El Salvador will receive large disbursements from the Millennium Challenge Corporation, I am concerned that overall development assistance for the region is down over $70 million from FY 2006. At a time when anti-Americanism in the region is on the rise, we need to show our commitment to all of our neighbors in Latin America, not just to a few. Outside of those three CAFTA countries, how do you explain the administration's decision to reduce development assistance funding for the region?

Response:

The Americas remain an important priority for the Administration. Overall foreign assistance to the region has nearly doubled since the start of this Administration, from $862 million in FY 2001 to $1.47 billion in FY 2008 (requested). This amount does not include MCA compacts.

When you consider the Administration's request for the traditional development accounts of Development Assistance (DA), Child Survival & Health (CSH), and Economic Support Funds (ESF) together, there is a 5% decrease from FY 2006 to FY 2008(not including the transfer of alternative development from ACI to ESF). Though funding in these traditional development accounts has declined slightly, we remain committed to assisting governments to address the needs of their peoples, and are now taking advantage of non-traditional ways to do so.

For example, in addition to traditional foreign assistance programs, the United States contributes to the Americas through innovative mechanisms such as the Millennium Challenge Account, debt relief programs, and trade-capacity building programs. The Millennium Challenge Corporation (MCC) has approved five-year compacts for Nicaragua ($175 million), Honduras ($215 million), and El Salvador ($461 million), and a Threshold Country program for Paraguay ($35 million). Guyana ($7.2 million proposed) and Peru (amount TBD) are also eligible for Threshold programs and hope to seek approval for funding in the near future.

In his March 5 speech to the Hispanic Chamber of Commerce, the Presiden announced several additional development initiatives for Latin America, including a $385 million expansion of a $100 million OPIC program that helps underwrite mortgages to families in Mexico, Brazil, Chile, and the countries of Central America, and an agreement with the IDB to extend debt relief to the most highly indebted countries in the region (Bolivia and Guyana and Haiti and Honduras and Nicaragua) by $3.4 billion. The latter would be in addition to an earlier agreement with the Group of 8 industrialized nations to reduce the debt of Latin America and Caribbean nations by $4.8 billion. That works out to about $110 for every man, woman and child in these countries, monies that their government should use to invest in the education and health of their citizens.

Question:

With a strong mandate to govern, President Rene Preval is in a unique position to reduce poverty and rebuild Haiti's fragile democratic institutions. For the first time in years, there is a window of opportunity. But that window is small and we must act quickly. I am pleased by the overall increase in foreign assistance to Haiti in the President's budget, particularly the $36 million increase in HIV/AIDS funding. I also want to emphasize the importance of combating drug trafficking in Haiti. In a recent speech to the Haitian Parliament, President Preval called drug trafficking the main cause of instability. He said that failed efforts by the U.S. and other countries to stop the drug trade had made Haiti a victim. Could you please address President Preval's concerns and the administration's plans to deal with the drug issue in Haiti?

Response:

The United States is concerned about the flow of illegal drugs and its impact on crime and violence in Haiti. We are making significant efforts and working closely with the Haitian Government to improve the capacity of its law enforcement authorities to better respond to drug trafficking and its resultant destabilizing effects. To ensure that our efforts take root, we are working to address issues such as a weak judiciary system and rampant corruption which make Haiti such an attractive point of transit for drug smugglers.

Improving the integrity and capacity of the Haitian National Police (HNP) and the Haitian Coast Guard (HCG) to serve as responsible and effective law enforcement bodies, and to patrol and protect Haiti's borders and respond to smugglers will

Digitized by Google

Original from PENN STATE

remain key to addressing this issue. The United States has provided over $40 million to train and equip the HNP and HCG since 2004, including providing boats, fuel, and maritime interdiction training for the Haitian Coast Guard, and refurbishing the Haitian Coast Guard base in Cap Haitien.

Most recently, we funded advanced counter-narcotics training for 11 members of the HNP counter-narcotics unit (French acronym BLTS) at the Drug Enforcement Administration's (DEA) Academy in Virginia in January.

In addition, the DEA will conduct two operations starting in March to augment the capacity of the HNP to respond to illicit smuggling. Operation "Rum Punch" is an island-wide effort involving stationing helicopters and fixed wing aircraft in Haiti to help the GOH respond to and deter incoming smuggling aircraft. In addition, the DEA will conduct the Northern Plateau Initiative—a surge operation to reinforce and augment HNP and BLTS with DEA manpower and technical assistance to extend GOH counter-narcotics operations in the Northern part of Haiti.

We are working to support the Government of Haiti's justice system reform plans. U.S. Agency for International Development (USAID) justice programs include training judges and court personnel on court management and administration; improving coordination among justice sector actors; supporting the creation of a judicial council; and designing an improved judicial inspection and disciplinary unit. These programs also support facilities' improvements and public advocate legal assistance. USAID will launch a new justice reform program in 2007 that will continue training in investigative techniques, case management and administration.

We will continue to identify opportunities to work with the Government of Haiti and Haitian law enforcement to improve their ability to interdict and deter drug smugglers.

Question:

In a letter dated October 25, 2006, Assistant Secretary of State Jeffrey Bergner wrote to me, "In support of our counter-narcotics programs, the Drug Enforcement Agency maintains a country attaché and a special agent at the embassy in Port-au-Prince. Three more special agents will soon join them. In addition the Department is recruiting an officer to serve in the newly created position of Director of the Embassy Narcotics Affairs Section (NAS)." Please update me on these and other anti-drug efforts in Haiti.

Response:

A Department of State TDY employee will manage Embassy Port-au-Prince's Narcotics Affairs Section (NAS) through summer 2007. A Foreign Service Officer then will assume the permanent NAS Director position. Previously a Santo Domingo-based regional director supervised the Port-au-Prince NAS. However, a medical emergency necessitated the director's evacuation from Santo Domingo in October 2006.

The Drug Enforcement Agency (DEA) will increase its presence in Haiti to five personnel in Port-au-Prince by March 31. Currently, there are two DEA agents in Port au Prince. During February 2007, a medical emergency forced the departure of DEA's Special Agent in Charge.

DEA will launch two operations starting in March to augment the Haitian National Police's (HNP) capacity to respond to illicit smuggling. Operation "Rum Punch" includes an island-wide effort involving stationing helicopters and fixed wing aircraft in Haiti to help the Haitian authorities to track, interdict and respond to aircraft bringing drugs into Hispaniola. In addition, DEA will begin the "Northern Plateau Initiative"—a surge operation to reinforce and augment the HNP and their counter-narcotics units (French acronym BLTS) with DEA manpower and technical assistance. This initiative will extend GOH counter-narcotics operations in the Northern part of Haiti.

In April, U.S. Treasury financial investigation advisers will resume their mentoring activities with the staff of Haiti's Central Financial Intelligence Unit and its Financial Crimes Task Force. In addition, the Embassy NAS and the U.S. Coast Guard will work with the Haitian Coast Guard to expand its patrol and port security operations from its bases in Port-au-Prince and Cap Haitien.

Question:

I want to bring your attention to the prohibitions on foreign assistance that have been imposed on foreign countries that have not signed Article 98 agreements with the United States. I appreciate your support in eliminating some of these restrictions. As you may know, I, along with then-Chairman Burton, successfully led a bipartisan group of Committee members urging Armed Services conferees to strike restrictions on IMET in the Defense Authorization Act. I was also pleased by the President's waiver of Article 98 restrictions on Economic Support Funds to 14 countries includ-

Digitized by Google

Original from
PENN STATE

ing Bolivia, Costa Rica, Ecuador, Mexico, Paraguay, and Peru. But we are still unnecessarily tying our hands as only Colombia and El Salvador receive FMF in the President's 2008 budget. As you once said, we are "cutting off our nose, to spite our face." I will be reintroducing legislation to strike all of the sanctions against countries which have not signed an article 98 agreement. Does the administration plan to continue to work with Congress in removing FMF restrictions in the coming year? And, is the Administration ready to support legislation to eliminate the rest of these self-defeating sanctions?

Response:

Last year, during consultations with Congress concerning the possible waiver of International Criminal Court-related prohibitions of the provision of training pursuant to the International Military Education and Training program and to the use of Fiscal Year 2006 Economic Support Funds, Executive branch representatives stated that, after considering the impact of the relevant prohibitions, a waiver of only those two forms of assistance would be appropriate. In reaching this conclusion, the Executive branch considered factors such as the effect of the prohibitions on the countries subject to them, the potential effect of any change in U.S. policy on those countries that have entered into Article 98 agreements, and the continuing U.S. concerns with the International Criminal Court. Should a determination be made that further changes are warranted, we will consult with Congress.

Question:

Remittances sent from the U.S. to Latin America can help in reducing poverty, especially in low-income households and communities. In fact, at $50 billion per year, remittances from immigrants in the U.S. to countries in the Western Hemisphere represent substantial portions of our neighbors' GDPs. A number of Mexican hometown associations in the United States have sent money back home for specific development projects. I believe that if these transfers can be regularized and sent through banks in the U.S. and in the recipient country, transaction costs can be minimized and the monies can be leveraged by families to finance homes, small businesses, or other projects. What is the Administration doing to help facilitate the quick, easy, transfer and receipt of remittances to Latin America and the Caribbean? Is any particular attention being given to leveraging remittances in order to expand their impact upon economic development in the region?

Response:

The USG is working to enhance the development impact of remittances to the region, estimated at $45 billion in 2006. The USG's global remittance strategy focuses on four key areas. First, we are improving cost efficiency. At the January 2004 Special Summit of the Americas, leaders pledged to facilitate a cut by half in the cost of sending remittances by 2008 by promoting competition and enhancing market infrastructure. So far, the average transactional costs for remittance have been reduced from 7.7% in 2003 to 5.6%, according to the Inter-American Development Bank. Second, we are improving access to the full range of financial services. USAID has supported the World Council of Credit Unions, which has facilitated over 353,000 transactions in six Latin American countries. Third, we are broadening financial literacy. The U.S. Federal Deposit Insurance Corporation's Money Smart has extended financial training to over 35,000 Mexican immigrants in the United States. Finally, we are promoting financial soundness and integrity. Based on the 2004 G7 Sea Island remittances initiative, the U.S. Federal Reserve was a key participant in drafting principles to assist countries that seek to reform their payment systems.

Question:

I am very pleased to learn that President Bush will travel to Brazil, Uruguay, Colombia, Guatemala, and Mexico from March 8—14. What are the issues that the President plans to raise with his counterparts in each country?

Response:

The President's visit to the region will reaffirm his commitment to furthering political, economic, and social advancement in these countries and will provide him the opportunity to emphasize progress on hemispheric goals of making democracy serve every citizen more effectively and justly, generating broad-based growth through freer trade and sound economic policies, investing in people, and protecting the democratic state.

In Brazil, the President plans talk to President Lula about energy, particularly biofuels, and will praise Brazil's regional leadership role in UN peacekeeping efforts.

Digitized by Google

Original from
PENN STATE

He will also raise key hemispheric issues such as regional stability, democratic consolidation, counternarcotics, counterterrorism and non-proliferation.

In Uruguay, Presidents Bush and Vazquez will likely discuss strengthening our excellent economic relations further, as well as development of renewable energy sources, counterterrorism efforts, and combating trafficking in persons. President Bush will also note Uruguay's exemplary peacekeeping efforts in Haiti.

In Colombia, the President will stress U.S. commitment to the success of Plan Colombia and our support for President Uribe's efforts to consolidate those gains through his "Strategy to Strengthen Democracy and Social Development," announced January 26. Along with counterterrorism and counternarcotics efforts, this strategy will focus on respect for human rights, consolidation of democratic institutions and economic and social development.

President Berger has made substantial efforts to fight drug trafficking, corruption and impunity in Guatemala. The benefits of CAFTA will also likely be discussed between the two leaders as Guatemalan exports to the United States over the second half of 2006 increased 8.5 percent from the same period in 2005.

Finally, in Mexico, President Bush will stress to President Calderón that the United States values Mexico as a key partner on law enforcement, economic and foreign policy. He also plans to discuss issues of immigration, drug trafficking, and job creation, particularly in rural areas.

Question:

I am particularly interested in learning more about efforts in the Andean region—specifically in Peru—to replace coca with ethanol-producing crops. This process is beneficial in multiple ways. First, it reduces the amount of coca cultivated in the region. Second, it helps improve the livelihood of poor farmers. Finally, it undermines the power of large oil suppliers in the region and elsewhere by promoting alternative forms of energy. Can you please expand on this initiative in the Andean region and tell me what the U.S. is doing to promote this process?

Response:

A key pillar of U.S. energy policy is diversification of supply, which includes the promotion of alternative fuels such as biofuels. The United States encourages all countries to increase local production and consumption of renewable energy and improve energy efficiency in order to reduce their dependence on oil and improve the environment.

U.S. alternative development assistance in the Andes supports biofuels. In Peru, our alternative development assistance supports the transition of poor farmers from coca production to African Palm oil (covering 3,300 hectares) and other licit crops. The Government of Peru is increasingly interested in the biofuels industry, encouraging private investment in local processing and considering legal measures to promote domestic consumption of biofuels. In Colombia, we facilitate private sector initiatives in ethanol and African Palm oil projects (covering 4400 hectares) as an alternative to illicit crop cultivation. The Colombian Government has mandated usage of biofuels in large cities and seeks to reintegrate demobilized persons into society through jobs in the biofuels industry. Current production in Colombia satisfies local demand and we expect Peru's interest in producing biofuels to also meet Peruvian local demand.

QUESTION SUBMITTED BY THE HONORABLE RUBÉN HINOJOSA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Question:

Madam Secretary, thank you for coming today. As you know, the International Boundary and Water Commission is responsible for the construction, repair and maintenance of over 2,000 miles of levees along the U.S.-Mexico border. Yet a report submitted by the IBWC last year found that most of these levees were either too low or too weak to protect the communities living behind them because of chronic funding shortfalls. The IBWC needs $100 million to repair all the levees. $50 million would allow the worst levees in the most populous areas to be repaired, yet the President's budget provides only nominal funding to the IBWC for this purpose.

The Rio Grande Valley in Texas is home to over 1 million people who are living behind inadequate IBWC levees. A rain event, not even a hurricane, could cause another horrible situation like New Orleans. Hidalgo County, the most populous in the Valley with 650,000 population, recently passed a bond issue and is going to just give the IBWC $10 million to fix a small part of the most damaged levees in the county. According to the U.S. Census, Hidalgo County is one of the poorest urban county in

Digitized by Google

Original from PENN STATE

the country with over half of its residents living below the poverty level. Yet my constituents are going to have to pay higher local property taxes because the federal government is not living up to its responsibility. What does the Administration plan to do to address this critical situation?

on (a) International Levees on the Texas side?
and on (b) Mexican side of the International Levees?

Response:

The Administration has doubled its funding request for the U.S. Section of the International Boundary and Water Commission from $2.5 to $5 million to enable it to proceed more rapidly with rehabilitation efforts on the U.S. side of the border. The USIBWC intends to address areas that it has identified as having the highest priority in what is envisioned as a multi-year program. The levees on the Mexican side of the border are the responsibility of the Mexican Section of the IBWC, with whom the USIBWC is working in close coordination. Any funding for work in Mexico would be covered by the Mexican Government.

QUESTIONS SUBMITTED BY THE HONORABLE CONNIE MACK, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Question:

Madam Secretary, last week, Venezuela's self-proclaimed communist President Hugo Chavez was granted free rein to accelerate changes in all areas of society by presidential decree.

This action, granted to him by the National Assembly which is completely under his control, is putting Venezuela on a rapid path toward dictatorship.

Venezuelan lawmakers unanimously gave President Chavez sweeping powers to legislate by decree and impose his radical vision of a socialist state in the mold of Castro's Cuba.

The new law gives Chavez more power than he has ever had in eight years as president.

And, based upon his own words and statements, he plans to use this power to nationalize many privately held companies, snuff out political dissent and freedom of the press, and remove term limits thereby allowing him to serve indefinitely as president.

You and I have discussed President Chavez in the past and I know that you are very concerned about this gathering storm in our own backyard.

Venezuela with Chavez at the helm is on a glidepath towards a dictatorship disguised as a democracy.

We should all be concerned about the direction President Chavez is taking his country. Any leader who tries to tighten his grip on power by destroying the institutions of democracy, curtailing press freedom, and using his office to intimidate pro-democracy opponents is setting in motion a dangerous process with potentially ominous consequences.

Madam Secretary, it's time to realize Chavez must be taken seriously. We must refocus our efforts in Latin America and defeat this gathering storm.

What is our plan for dealing with President Chavez's growing influence in the region?

Response:

The emergence of democratic governance in the Hemisphere has brought with it an increase in expectations, a legitimate desire in people to see democracy deliver the goods the benefits of good governance to the citizens of the Hemisphere. We offer a positive vision based on the benefits of representative democracy, economic integration, and faith in the transformative power of freedom in individual lives. Our policy engagement, our diplomacy, and our foreign assistance are aimed at drawing the link between democracy and development, and showing that democracy can indeed produce a better quality of life.

The Bolivarian Republic of Venezuela offers a competing vision of authoritarian leadership and commodity-driven economies. This model is neither sustainable nor replicable in other parts of the region. In fact, a poll released late last year suggested that, in most countries in the region, people were pleased to accept Venezuelan petro-dollar aid while largely rejecting Venezuela's political and economic message.

We see no benefit in engaging in rhetorical arguments with Venezuela. We have responded firmly to Venezuela's actions or inactions on global issues, specifically:

Digitized by Google

Original from
PENN STATE

On May 15, 2006, the President declared Venezuela "not fully cooperating" in U.S. anti-terrorism efforts;

Since August 2006, we have denied all applications for licenses to export defense articles and services to Venezuela and closed Venezuela's military purchasing office in Miami;

We have informed key arms supplier countries of our policy and its rationale and encouraged them not to contribute to the Venezuelan military build-up;

For the past two years, the President has determined that Venezuela "failed demonstrably" to take actions in fulfillment of international counter-narcotics agreements and to stem the growing flow of drugs through the country;

In addition, due to the deteriorating investment climate and regulatory policies, Venezuela is not eligible for OPIC or EXIM financing.

Question:

Secretary Rice, we're at a precarious time for private media in Venezuela.

Chavez, who won re-election in December, has expanded government-backed media like the cable network Telesur and the state-run Bolivarian News Agency.

His recent decision not to renew the broadcasting license of the opposition-aligned Radio Caracas Television network also has media owners worried about the future.

This, coupled with the many other new laws and intimidating statements made against journalists and the media can be interpreted as nothing more than an attack on free speech.

Many Venezuelans have asked for a U.S.-financed, Radio Marti-style station for their country.

I support this idea because a free and open democracy cannot exist without freedom of speech.

Secretary Rice, can you please discuss what the United States government is doing in order to encourage a free and open press in Venezuela. Can you discuss what programming we are broadcasting in Venezuela?

Response:

As the President said January 31, we are concerned about the "diminution of democratic institutions" in Venezuela, which includes the free press. The Administration is working persistently both bilaterally and multilaterally (through the OAS and EU), encouraging Hemispheric and European partners to support press freedom, and civil society in general, and urge the Government of Venezuela to adhere to its obligations under the Inter American Democratic Charter, which cites a free press as an essential component of the exercise of democracy. In particular, we have focused on the government's decision to shut down the country's oldest independent television station. We also applaud the efforts of many NGOs such as the Inter American Press Association in vigorously defending the Venezuelan press. As a result, there is increasing criticism in the international media of Chávez's efforts to restrict freedom of the media.

Each year, our international visitors program gives Venezuelan journalists the opportunity to interact with and receive support from their U.S. counterparts. Our embassy in Caracas sponsors U.S. professionals who speak to Venezuelan audiences about the importance of a free press and international protections for free speech. Broadcasts in English and Spanish by the Voice of America are heard in Venezuela, and their radio and television programs are transmitted through a strong network of local Venezuelan affiliates.

QUESTION SUBMITTED BY THE HONORABLE TED POE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Question:

Madam Secretary, considering the state of our relationship with Cuba, why are we offering that country foreign aid?

Response:

We do not offer aid to the Cuban government, in accordance with U.S. law and Administration policy. Pursuant to specific statutory authority, the United States does provide limited assistance to individuals and NGOs for democracy-building efforts in Cuba.

Digitized by Google

Original from PENN STATE

QUESTIONS SUBMITTED BY THE HONORABLE EDWARD R. ROYCE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Question:

Madam Secretary—As you know, Congress has been extremely supportive of the Special Court for Sierra Leone. It has been supportive because assistance establishing the rule of law is key if the African continent is to escape from its conflicts. The last time you appeared before this Committee for a budget presentation, former President Charles Taylor was still in exile. Now, thankfully, that has changed—and Charles Taylor will soon begin his trial before the Special Court. This is a credit to the Administration and many in Congress. Yet, the Administration's Budget does not specifically include a funding request for the U.S. contribution to the Special Court for Sierra Leone. In contrast, contributions to the Yugoslavian and Rwandan tribunals are detailed. It concerns me that the Special Court for Sierra Leone doesn't receive a specific line-item. Last year the Court received $13 million in U.S. support. Can you assure this Committee that the Administration will continue to support the Court with approximately one-third of its annual budget so that it can conduct the trial of Charles Taylor and others charged with war crimes?

Response:

Given the increases in the Court's 2007 budget and the recent passing of the Continuing Resolution, at this time the Department cannot guarantee that the USG contribution to the Court will be one-third of the Court's total budget. However, the Administration intends to continue support of the Special Court for Sierra Leone and hopes to provide the Court with an appropriate 2007 contribution within the parameters of the recently passed Continuing Resolution and our other foreign policy priorities. Ideally, we would like to do so without using the funds planned for other important assistance. Unfortunately, the $13 million USG contribution to the Court in FY 2006 came at the expense of funding priority peace building programs in Sierra Leone.

Later this month, the Court is expected to present the Management Committee with a larger-than-expected $37 million budget for 2007 in addition to a revised completion strategy and budgets for 2008 and 2009. At nearly $15 million more than the Court has raised in any previous year, we are troubled that the large 2007 budget will present a serious fundraising challenge for the Court and the Management Committee. We are concerned, as well, that the Court has not demonstrated that it is drawing down its operations. The delays in completing the Court's work and the costs associated with those delays are also worrisome. The Department is closely monitoring the Court's progress, particularly with respect to the recommendations of an independent expert, Judge Antonio Cassese, to improve efficiency at the Court and to ensure that the Court completes the three Freetown trials and appeals by the end of 2008, and the Charles Taylor trial and appeals at The Hague by the end of 2009, if not sooner.

Question:

Madam Secretary—As you know, Special Agents of the Bureau of Diplomatic Security are on the frontlines of combating terrorist travel—working abroad with partner nations to target document fraud rings and working at home to prosecute document fraud violators. A fraudulent passport or visa in the wrong hands could support devastating destruction. Unfortunately, the magnitude of the problem confronting our Diplomatic Security Agents is too large for any of us to rest easy. In submitting the Department's Visa and Passport Security Strategic Plan recently, Assistant Secretary Griffin wrote that implementation of this plan "will be dependent upon significant new resources." How does the FY08 Budget request fulfill the needs of this new strategic plan?

Response:

The State Department budget request for FY 2008 was submitted before the program requirements of the Visa and Passport Security Strategic Plan were finalized. However, the State Department and the Bureau of Diplomatic Security recognize the urgency in immediately supporting as many elements of the Strategic Plan as possible. At this time, Diplomatic Security is aggressively re-positioning Special Agents overseas utilizing existing bureau resources and revenue from work-visa (H/L) fees. Subsequent program and resource requirements will be a significant part of the FY 2009 budget request.

Question:

Madam Secretary—You told the 9/11 Commission (in 2004) that the U.S. "for reasons of history and culture and therefore law, had an allergy to the notion of domes-

Digitized by Google

Original from PENN STATE

tic intelligence . . .” You went on and cited some of the changes that we've made, including the creation of DHS and the Patriot Act. What more could be done to improve our understanding of the enemy: its intentions and capabilities, and does the U.S. remain allergic to domestic intelligence?

Response:

The Department defers to the Department of Homeland Security which has jurisdiction over this matter.

Question:

Historically, there has been an agreement between the Administration and Congress to continue to ensure military parity between Armenia and Azerbaijan. As such, could you explain the reasoning behind your request that favors Azerbaijan over Armenia in the critical areas of Foreign Military Financing (FMF) and International Military Education and Training (IMET)? Specifically, in FMF you are requesting $4.3 for Azerbaijan and $3 million for Armenia and calling for $1 million for Azerbaijan compared to $300,000 for Armenia in IMET assistance in FY08. Given the dynamics of the South Caucasus region, is this the correct approach?

Response:

Our goal is to help Armenia and Azerbaijan achieve a peaceful resolution of the Nagorno-Karabakh conflict and increase regional security. Military assistance to both countries in light of that ongoing conflict is carefully considered and calibrated to ensure that it does not hamper ongoing efforts to negotiate a peaceful settlement between Armenia and Azerbaijan and to also ensure that it does not increase the capabilities of one country against the other. Specific increases for Azerbaijan are linked to U.S. priorities in fighting terror, peacekeeping, and maritime security. The Administration believes that building the capacity of Azerbaijan and other Caspian Sea littoral states is important to prevent the transit of dangerous materials, to deter and prevent terrorist activity, and to secure reliable supplies of oil and gas that are critical to U.S. national security interests.

While we do not have a policy that security assistance funding levels for Armenia and Azerbaijan should be identical, we work to ensure that assistance does not adversely affect the military balance between the two states. We do not believe that the differences in security assistance in the FY 2008 budget requests undermine prospects for peace or send the wrong message.

Question:

I am very pleased to learn that President Bush will travel to Brazil, Uruguay, Colombia Guatemala and Mexico from March 8–14. What are the issues that the President plans to raise with his counterparts in each country?

Response:

The President's visit to the region will reaffirm his commitment to furthering political, economic, and social advancement in these countries and will provide him the opportunity to emphasize progress on hemispheric goals of making democracy serve every citizen more effectively and justly, generating broad-based growth through freer trade and sound economic policies, investing in people, and protecting the democratic state.

In Brazil, the President plans talk to President Lula about energy, particularly biofuels, and will praise Brazil's regional leadership role in UN peacekeeping efforts. He will also raise key hemispheric issues such as regional stability, democratic consolidation, counternarcotics, counterterrorism and non-proliferation.

In Uruguay, Presidents Bush and Vazquez will likely discuss strengthening our excellent economic relations further, as well as development of renewable energy sources, counterterrorism efforts, and combating trafficking in persons. President Bush will also note Uruguay's exemplary peacekeeping efforts in Haiti.

In Colombia, the President will stress U.S. commitment to the success of Plan Colombia and our support for President Uribe's efforts to consolidate those gains through his “Strategy to Strengthen Democracy and Social Development,” announced January 26. Along with counterterrorism and counternarcotics efforts, this strategy will focus on respect for human rights, consolidation of democratic institutions and economic and social development.

President Berger has made substantial efforts to fight drug trafficking, corruption and impunity in Guatemala. The benefits of CAFTA will also likely be discussed between the two leaders as Guatemalan exports to the United States over the second half of 2006 increased 8.5 percent from the same period in 2005.

Finally, in Mexico, President Bush will stress to President Calderón that the United States values Mexico as a key partner on law enforcement, economic and for-

Digitized by Google

Original from PENN STATE

eign policy. He also plans to discuss issues of immigration, drug trafficking, and job creation, particularly in rural areas.

QUESTIONS SUBMITTED BY THE HONORABLE BRAD SHERMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Question:

Since Armenia's independence in 1991, some $1.6 billion in bilateral assistance has been allocated to Armenia to encourage sustained reform, to recognize Armenia's consistent results in market reform and democratization, and to counter the devastating effect of Azerbaijan's and Turkey's blockades against this landlocked republic in violation of U.S. and international law.

In December 2005, Armenia was granted $236 million in aid over a five year period through the performance-based Millennium Challenge Account (MCA). Previously allocated levels of bilateral assistance to Armenia played a significant role in accelerating reforms that enabled it to be competitive in the Millennium Challenge Corporation (MCC) process.

Given Armenia's successful performance and the mutually beneficial U.S.-Armenia relationship, why is the Administration calling for nearly a 50 percent cut in regular assistance to Armenia over the previously allocated level in its Fiscal Year 2008 budget request? Is it the Administration's intention to reduce regular foreign assistance levels to those countries which receive MCC assistance? If so, how are decisions made on reductions in regular aid for such countries?

Response:

The FY 2008 budget request for Armenia decreased by 48% (over $35 million) from FY 2006. This decline reflects in part Armenia's significant MCC Compact and Armenia's good indicators and performance, particularly in promoting economic growth and addressing rural poverty. The Administration considers the totality of U.S. assistance resources available when formulating its bilateral budget requests. If estimated MCC disbursements (over $60 million) for FY 2008 are taken into account, the actual FY 2008 funding level for Armenia increases by 34% to more than $98 million.

While Armenia's economic growth and standard of living surpass most developing category countries, the sustainability of this performance is placed in doubt by the government's inconsistent approach to implementing democratic reforms. In line with the MCC Compact signed in 2006 and Armenia's good indicators and performance, investments in economic growth and investing in people have lessened in favor of increasing focus on governing justly and democratically to promote the sustainability of reform. Armenia's MCC Compact is focused on economic development, agriculture, and infrastructure projects. Development funding in this sector is therefore targeted to providing support for small and medium-sized enterprise development, financial sector development, and regulatory reform to complement the MCC program and maximize its impact.

Question:

In the aftermath of September 11, Congress granted the President limited and conditional authority to waive Section 907 of the Freedom Support Act. As part of that waiver, there was an agreement made between the Administration and Congress to continue ensuring military parity between Armenia and Azerbaijan.

Moreover, Azerbaijan continues its land blockade against Armenia and Nagorno Karabakh, its exclusion of Armenia from East/West commercial corridors, and continues threats of a second war against its neighbor. The intent of these policies is to retard Armenia's economic growth in hopes of forcing capitulation in the dispute over Nagorno Karabakh.

How does the Administration justify another asymmetrical military assistance plan in favor of Azerbaijan by requesting $4.3 million for Azerbaijan and only $3 million for Armenia in Foreign Military Financing (FMF), and calling for $1 million for Azerbaijan compared to $300,000 for Armenia in International Military Education and Training (IMET) funding in FY 08?

Response:

Our goal is to help Armenia and Azerbaijan achieve a peaceful resolution of the Nagorno-Karabakh conflict and increase regional security. Military assistance to both countries in light of that ongoing conflict is carefully considered and calibrated to ensure that it does not hamper ongoing efforts to negotiate a peaceful settlement between Armenia and Azerbaijan and to also ensure that it does not increase the capabilities of one country against the other. Specific increases for Azerbaijan are

Digitized by Google

Original from PENN STATE

linked to U.S. priorities in fighting terror, peacekeeping, and maritime security. The Administration believes that building the capacity of Azerbaijan and other Caspian Sea littoral states is important to prevent the transit of dangerous materials, to deter and prevent terrorist activity, and to secure reliable supplies of oil and gas that are critical to U.S. national security interests.

While we do not have a policy that security assistance funding levels for Armenia and Azerbaijan should be identical, we work to ensure that assistance does not adversely affect the military balance between the two states. We do not believe that the differences in security assistance in the FY 2008 budget requests undermine prospects for peace or send the wrong message.

QUESTIONS SUBMITTED BY THE HONORABLE DIANE E. WATSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Question:

Madame Secretary, thank you for coming. Mr. Royce and I sent you a letter in September regarding Liberia. You responded at that time—and thank you for that response—but I wanted to follow-up on the three specific points in the letter to find out what more has been done and what more needs to be done.

What is State doing to assist with President Sirleaf's personal security?

What are you doing to help support the justice system and the rule of law in Liberia?

And what is your long-term strategy to support Liberia's rebuilding, security and development?

Response:

The personal security of President Ellen Johnson Sirleaf remains a top priority of the U.S. Government. In 2006, the State Department committed nearly $5 million toward efforts to reform, train, and equip the Liberian Special Security Service (SSS). We have now begun a new program to embed five contracted advisors in the SSS to assist in the professional development of senior SSS personnel; to mentor mid-level SSS managers; to develop systems and standard operating procedures for the SSS; and to assist in identifying promising SSS officers for advancement to mid and senior ranks after appropriate training. The team of advisors has already arrived in Liberia and will spend at least a year on this project. We are committing $2 million in FY 2006 funding to this new effort, and we are requesting additional funds in FY 2007 and FY 2008 to continue the program.

The reform of the Liberian justice system is another major U.S. priority. With over $7 million in FY 2006 funds, we are supporting programs to provide technical support to Liberian police, prosecutors, defense attorneys, and court administrators. We are establishing legal aid centers and victim support centers. We are supporting the University of Liberia law school to increase the number of qualified public defenders. We are supporting a large-scale reform effort carried out by the Liberian law reform commission. We also sponsored and participated in the launch of a youth-oriented campaign to assist the Truth and Reconciliation Commission, which is responsible for determining the root causes of the civil war. We will continue our efforts through fiscal years 2007 and 2008.

Our long-term strategy for Liberia supports the top U.S. priorities in Liberia: enhancing security, rebuilding the economy, promoting good governance, delivering basic services, and reintegrating those uprooted by war. We are pursuing a broad-based post-conflict strategy in Liberia.

USG-funded security sector programs are rebuilding Liberia's armed forces, strengthening its police, and helping ensure the safety of top Liberian leaders. We are rebuilding Liberia's economy by creating infrastructure, developing markets to encourage private-sector investment, promoting transparent economic management, and supporting sustainable use of Liberia's national resources. Capacity building in the executive branch, judicial reform, support for rule of law, and anti-corruption programs are helping to rebuild Liberia on a foundation of good governance. Education, primary health care, and other basic services programs complement community-focused rehabilitation and reconstruction activities. Refugee programs are helping to return Liberian refugees and other conflict victims and to rebuild their communities.

Question:

Your request for international basic education for Fiscal Year 2008 is $535 million. Basic Education plays a critically important role in reducing widespread poverty as

Digitized by Google

Original from PENN STATE

well as advancing your transformational diplomacy goals. And I am encouraged by the significant increase in total funding for basic education in the budget request.

But why are you seeking to shift a significant portion of basic education funds from the Development Assistance (DA) account into the Economic Support Fund (ESF) account?

Response:

The intent in shifting funds from DA to ESF is to draw cleaner lines around their use, as identified by country characteristics. The shift is in no way reflective of a reduced prioritization of development activities and certainly will not restrict activities in basic education.

ESF funding allows funding for a wider definition of basic education program activities than does DA. These additional ESF-funded programs are very useful in responding to the unique opportunities and needs found in many countries of special policy interest to the USG. Many of these countries have large out of school youth populations whose basic education needs exceed the traditional literacy and numeracy programs, and extend to inter-personal, citizenship and work-related activities that cannot be addressed under DA funding. Politically sensitive target countries include those emerging from conflict and crisis where work-study, reintegration and counseling support are important parts of the basic education processes that cannot be funded through the DA account. For these reasons, ESF has consistently been used to fund education programs in politically sensitive countries in the past, and this practice will certainly continue.

Question:

How will the funding cuts to DA impact U.S. assistance for basic education? Specifically, which countries will no longer receive basic education funds in the DA account, which countries will see cuts to basic education from the DA account, and will any of these cuts to basic education programs in the DA account be covered by EFS funds? What countries will receive basic education funds from the ESF account? Will the ESF account retain its historical flexibility for funding diversions?

Response:

The planned allocation of basic education funds from the DA and ESF accounts is intended to strengthen U.S. assistance for basic education by supporting more strategic and focused interventions. While there are clearly basic education needs in numerous countries, the U.S. maximizes available funding by supporting education programs that represent demand driven interventions wherein education is a critical gap in moving the country forward, and focusing on those countries which are critical to long term stability and prosperity.

There are thirteen countries that received DA basic education funds in FY 2006 for which we are not requesting basic education funds in the DA account in 2008: Democratic Republic of Congo, Guinea, Liberia, Madagascar, South Africa, Sudan, Afghanistan, India, Nepal, Pakistan, Bolivia, Haiti, and Mexico. However, six of these countries will receive funding from the ESF account: Democratic Republic of Congo, Liberia, Sudan, Afghanistan, Pakistan, and Haiti. Three of the countries (Liberia, Sudan, and Afghanistan) will have their cuts to basic education programs in the DA account covered by ESF funds and they will actually see increases. The remaining three countries, Democratic Republic of Congo and Haiti, will receive ESF funds but they will see a decrease between FY 06 and FY 08 levels.

Overall, the FY 2008 DA basic education request for 29 countries is less than FY 2006; one will be at the same funding level, and twelve are requesting increases in funding from the DA account.

Seventeen countries are requesting FY 2008 basic education funds from the ESF account: Democratic Republic of Congo, Ethiopia, Liberia, Sudan, Tanzania, Burma, China, Philippines, Egypt, Jordan, Lebanon, West Bank and Gaza, Yemen, Afghanistan, Pakistan, Guatemala, and Haiti.

These seventeen countries are key focus countries for U.S. foreign assistance. The idea is to provide increased funding—across sectors—on a more finite number of strategic countries rather than spreading our resources so thin that we are not able to leverage or achieve significant development outcomes. In general, education programs may continue as planned, but it may also be helpful to take advantage of the flexibility in the ESF account to build on new opportunities for synergy arising from increased resources in target countries.

Question:

What are the Administration's priorities for basic education funding?

Digitized by Google

Original from PENN STATE

Response:

The goal of basic education programming is to promote equitable access to quality basic education, which serves as the foundation for individuals and institutions to build stable and prosperous lives and democratic states. It reflects an ongoing commitment to improve education quality and access, especially among girls, orphans and vulnerable children, and in countries in crisis.

The United States is committed to aligning its assistance with that of other donors in support of the Education for All (EFA) initiative's objective of full primary school enrolment by 2015, and the related Fast Track Initiative (FTI). This alignment includes support to country-driven education strategies consistent with transformational development objectives.

Thus, in all regions, the first priority is to support activities which will help ensure equitable access to relevant and quality educational opportunities for all students in basic education. The second priority is to respond to serious educational shortcomings that impede economic growth and democratic progress.

Regional differences result in more specific targeting of resources. In the Latin America and Caribbean (LAC) area, the focus will be on improving teachers' skills, curricula and teaching materials, and increasing accountability through student testing and national report cards. In the Europe and Eurasia region, the focus will be on identifying needed education system reforms and implementing them; an objective also shared by LAC. In Africa, a large number of children are not in school due to the impact of HIV/AIDS and other crises. In that region we are emphasizing increased access to quality education and teacher training. In the Asia and Near East (ANE) region, programs will include knowledge and skills applied to development needs in areas with high youth unemployment and underdevelopment, and in crisis or conflict-affected areas.

These priorities will be supported in part by the Centers for Excellence in Teaching and Training and the African Educational Presidential Initiatives. The priorities will be coordinated with support provided under the Middle East Partnership Initiative, the Millennium Challenge Account and the Trafficking in Persons Initiative. The school fees reform activities in the Democratic Republic of the Congo and in Malawi will continue to be a priority.

Question:

With more funding for basic education going to the ESF account than the DA account, what on-the-ground changes to the implementation of education programs by USAID do you foresee?

Response:

The United States continues to be committed to aligning its assistance with that of other donors in support of country-driven education strategies. The collective decision-making process used to determine the FY 2008 funding request for basic education involved core teams in Washington and country teams in the field. These groups considered what programs and activities would be required to stimulate and sustain transformational development.

ESF funding permits a greater range of basic education program activities in countries which represent unique strategic needs to the USG. Many of these countries have been embroiled in crisis. Shifting from DA to ESF will require management support at an appropriate level to match the size of the education program and level of funding involved.

Question:

State Department officials have told us that their FY08 request provides all development funding for Rebuilding and Restrictive countries through the ESF account. You appear to be altering the purpose of the ESF account which traditionally and under the law provides assistance for countries which could not justify a certain level of development assistance. Under the President's request ESF funds will be used for an expanded scope of countries which are in dire need of substantial amounts of development assistance. Could you comment on my assessment?

Response:

In the FY 2008 budget request, we sought to maximize the use of account authorities and establish clear priorities in support of effective implementation of foreign assistance programs. We, therefore, matched accounts with country circumstances and the priorities the county categories are designed to address.

This means that, overall, funding for Development Assistance (DA), which has traditionally supported poor countries that demonstrate performance or a commitment to development, has been prioritized to Developing and Transforming countries. The Economic Support Fund (ESF), which focuses primarily on providing eco-

Digitized by Google

Original from
PENN STATE

nomic support under special economic, political, or security conditions, has been prioritized to support activities in the Rebuilding and Restrictive Country Categories.

Under the Foreign Assistance Act of 1961, as amended, Congress established the Economic Support Fund to provide "assistance to countries and organizations, on such terms and conditions as [the President] may determine, in order to promote economic and political stability." We are committed to working within current statutory authorities to use ESF and all other funds in a responsible, accountable manner that is consistent with the Secretary's transformational diplomacy goal and Congress' authorization.

The intent in shifting funds from DA to ESF is to draw cleaner lines around their use, as identified by country characteristics. These cleaner lines allow us to justify to Congress why we have requested amounts for each account. I cannot overemphasize that the shift is in no way reflective of a reduced prioritization of development activities. You will find that, to the contrary, total funding in the three objectives supporting long-term development (Governing Justly and Democratically, Investing in People, and Economic Growth) increased by approximately $100 million from FY 2006 levels in the FY 2008 budget request.

Question:

It is my understanding that the Administration is reevaluating the visa waiver program. At last year's NATO summit, the President indicated that he would consider the admission of a number of Eastern European countries who are NATO allies. I am supportive of this effort, but I also hope that our friends and partners in other parts of the world are not forgotten.

One country that deserves strong consideration is the Republic of Korea. My congressional district has a large Korean-American constituency. They have a special understanding of the importance of this issue, of its resonance both in the U.S. as well as Korea.

Could you provide with an update on this process? When does the Administration intend to make its decision public?

Response:

We value Korea as a close and important ally, and recognize its interest in participating in the Visa Waiver Program (VWP). Korea is in the VWP "Roadmap" process and has been aggressively addressing key law enforcement and border security issues that match our objectives. Though the U.S. visa refusal rate for Koreans worldwide has been below 4 percent for the last four years, it still remains slightly above the legislatively-mandated 3 percent requirement.

The Administration is working with Congress to make changes to current VWP legislation that will strengthen the security of the program and allow for flexibility on the 3 percent visa refusal rate requirement for countries that meet enhanced security requirements. Obviously, we will keep the Government of Korea apprised of action on that front and how it may affect their eligibility.

Question:

What provisions would the President's budget make to aid the 1.7 million internally displaced in Iraq and the over two million that fled to neighboring countries?

Response:

Our overall request for Iraq will address the underlying causes of Iraqi displacement by supporting the government of Iraq's efforts to stabilize the country, bolster the economy and achieve national reconciliation.

The President's FY07 supplemental budget request includes $45 million for USAID (Office of U.S. Foreign Disaster Assistance—OFDA) to assist internally displaced persons in Iraq.

An additional $15 million for the State Department Bureau of Population, Refugees, and Migration (PRM) is also requested to assist refugees in neighboring countries and conflict victims inside Iraq.

To support Iraqi refugees and conflict victims, PRM plans to use $20 million in Migration and Refugee Assistance (MRA) from the FY07 Continuing Resolution appropriation.

The President's FY08 budget includes $35 million in MRA for protection and assistance programs for Iraqi refugees in neighboring countries and conflict victims inside Iraq.

Question:

What are we proposing to do to assist Iraq's neighbors, who are now sheltering and bearing the strain on their economies to deal with some 2 million refugees from

Digitized by Google

Original from PENN STATE

Iraq—750,000 in Jordan; 750,000 in Syria and growing numbers in Lebanon, Egypt, Yemen and Turkey (—estimates by UNHCR, Refugees International, Intl Organization for Migration and others.)

Response:

We recognize the increasing demands Iraqis are placing on host countries. Our goal is to minimize the burden that Iraqis place on the public services of host countries by ensuring adequate humanitarian assistance so that these countries can continue to offer refuge to Iraqi asylum seekers.

The Department plans to make a significant contribution to UNHCR's $60 million appeal for Iraq. Our contribution will help UNHCR meet the protection and assistance needs of vulnerable Iraqi refugees in Jordan, Syria, Lebanon, Turkey and Egypt as well as supporting UNHCR's activities inside Iraq.

The Department's Bureau of Population, Refugees and Migration (PRM) will issue NGO Guidelines in February for NGOs providing emergency assistance and other services to Iraqi refugees in Syria, Lebanon and Jordan. PRM hopes to fund at least $10 million to NGOs in 2007 to support Iraqi refugees (vice $3.3 million in 2006) pending availability of funds.

The USG will also take a leadership role in the April 17–18 international conference on Iraq's displaced called by UNHCR. The conference will seek international commitments to help ease the strain on host countries.

Question:

Do you think action by the US and possibly bilateral and multilateral (UN, ICRC, etc) assistance to these countries and direct humanitarian assistance to the refugees in need would encourage these neighboring countries to keep their doors open to sheltering Iraqis and to supporting the effort to stabilize Iraq?

Response:

Our overall request for Iraq will address the underlying causes of Iraqi displacement by supporting the government of Iraq's efforts to stabilize the country, bolster the economy and achieve national reconciliation.

The Department intends to make a significant contribution to UNHCR's $60 million 2007 Iraq appeal as well as to almost triple our support to NGOs providing assistance to Iraqi refugees in host countries. We believe by expanding our support to UNHCR and NGOs we will help ease the burden Iraqi refugees are placing on host country resources.

The Department is also planning to request that the governments of Syria and Jordan continue to permitting Iraqis to enter, remain and access services. These governments will also be informed that the USG intends to increase its funding to UNHCR to support Iraqi refugees in their countries.

The Department will take a leadership role in a proposed international conference on Iraq's displaced being planned by UNHCR for later this year.

Question:

What steps has the US taken to protect and aid particularly vulnerable Iraqis who are displaced or refugees? Can the US and coalition forces protect the displaced? Is there money for protection of the displaced by the forces? For legal and physical protection in neighboring countries? How long will it take the US to resettle particularly vulnerable refugees? How much have we given UNHCR, UNICEF, WFP, UNDP, ICRC to deal with these needs? Does this year's budget include full funding for needed assistance and resettlement programs? How quickly can we get the programs going? If not why not?

Response:

Our overall request for Iraq will address the underlying causes of Iraqi displacement by supporting the government of Iraq's efforts to stabilize the country, bolster the economy and achieve national reconciliation.

Two of the Department's humanitarian accounts in the foreign assistance budget, IDFA and MRA, will have a total of $80 million available to assist displaced Iraqis if Congress passes the Administration's FY07 Supplemental request for these two accounts. The $80 million would address the needs that we have identified to date for protection and assistance to Iraqi IDPs and refugees.

The Department plans to significantly increase its contribution to UNHCR's $60 million 2007 Iraq appeal. UNHCR's 2007 Iraq appeal will greatly expand UNHCR's protection and assistance programs for displaced Iraqis inside the country as well as for Iraqi refugees in Syria, Jordan, Lebanon, Egypt and Turkey. UNHCR has already begun ramping up its programs in Jordan, Syria and Lebanon to meet the

Digitized by Google

Original from PENN STATE

needs of Iraqi refugees. The Department also expects to meet about 20% of ICRC's $46 million 2007 Iraq appeal.

The Department plans to request the governments of Syria and Jordan to continue to permit Iraqis to enter their countries and to remain and access services until they can return home. We will also inform the two countries of our plan to increase USG assistance for Iraqi refuges.

MNF/I and Embassy Baghdad closely coordinate to meet the protection and assistance needs of displaced Iraqis.

The Department has already begun working with UNHCR, embassies in the region and NGOs to begin processing vulnerable Iraqi refugees to the US Refugee Admissions Program (USRAP). We expect UNHCR to refer at least 7,000 Iraqi refugees to the USRAP this year.

PENN STATE UNIVERSITY LIBRARIES

A000061495852

Digitized by Google

Original from
PENN STATE

CONTENTS

Page

DATES

Briefing: January 11, 2007 1
Hearing: February 7, 2007 47

BRIEFER/WITNESS

The Honorable Condoleezza Rice, Secretary of State, U.S. Department of State:
January 11, 2007 2
Prepared statement 5
February 7, 2007 51
Prepared statement 54

LETTERS, STATEMENTS, ETC., SUBMITTED FOR THE RECORD

The Honorable Ileana Ros-Lehtinen, a Representative in Congress from the State of Florida: Prepared statement 49

APPENDIX

The Honorable Robert Wexler, a Representative in Congress from the State of Florida: Prepared statement, January 11, 2007 103
The Honorable Sheila Jackson Lee, a Representative in Congress from the State of Texas: Prepared statement, February 7, 2007 103
The Honorable Edward R. Royce, a Representative in Congress from the State of California: Prepared statement, February 7, 2007 105
Written responses from the Honorable Condoleezza Rice to questions submitted for the record by the members of the Committee on Foreign Affairs: February 7, 2007 106

Digitized by Google

Original from
PENN STATE

CONTENTS

Page

DATES

Briefing: January 11, 2007 1
Hearing: February 7, 2007 47

BRIEFER/WITNESS

The Honorable Condoleezza Rice, Secretary of State, U.S. Department of State:
January 11, 2007 2
Prepared statement 5
February 7, 2007 51
Prepared statement 54

LETTERS, STATEMENTS, ETC., SUBMITTED FOR THE RECORD

The Honorable Ileana Ros-Lehtinen, a Representative in Congress from the State of Florida: Prepared statement 49

APPENDIX

The Honorable Robert Wexler, a Representative in Congress from the State of Florida: Prepared statement, January 11, 2007 103
The Honorable Sheila Jackson Lee, a Representative in Congress from the State of Texas: Prepared statement, February 7, 2007 103
The Honorable Edward R. Royce, a Representative in Congress from the State of California: Prepared statement, February 7, 2007 105
Written responses from the Honorable Condoleezza Rice to questions submitted for the record by the members of the Committee on Foreign Affairs: February 7, 2007 106

Digitized by Google

Original from
PENN STATE

CONTENTS

Page

DATES

Briefing: January 11, 2007 1
Hearing: February 7, 2007 47

BRIEFER/WITNESS

The Honorable Condoleezza Rice, Secretary of State, U.S. Department of State:
January 11, 2007 2
Prepared statement 5
February 7, 2007 51
Prepared statement 54

LETTERS, STATEMENTS, ETC., SUBMITTED FOR THE RECORD

The Honorable Ileana Ros-Lehtinen, a Representative in Congress from the State of Florida: Prepared statement 49

APPENDIX

The Honorable Robert Wexler, a Representative in Congress from the State of Florida: Prepared statement, January 11, 2007 103
The Honorable Sheila Jackson Lee, a Representative in Congress from the State of Texas: Prepared statement, February 7, 2007 103
The Honorable Edward R. Royce, a Representative in Congress from the State of California: Prepared statement, February 7, 2007 105
Written responses from the Honorable Condoleezza Rice to questions submitted for the record by the members of the Committee on Foreign Affairs: February 7, 2007 106

Digitized by Google

Original from
PENN STATE

CONTENTS

Page

DATES

Briefing: January 11, 2007 1
Hearing: February 7, 2007 47

BRIEFER/WITNESS

The Honorable Condoleezza Rice, Secretary of State, U.S. Department of State:
January 11, 2007 2
Prepared statement 5
February 7, 2007 51
Prepared statement 54

LETTERS, STATEMENTS, ETC., SUBMITTED FOR THE RECORD

The Honorable Ileana Ros-Lehtinen, a Representative in Congress from the State of Florida: Prepared statement 49

APPENDIX

The Honorable Robert Wexler, a Representative in Congress from the State of Florida: Prepared statement, January 11, 2007 103
The Honorable Sheila Jackson Lee, a Representative in Congress from the State of Texas: Prepared statement, February 7, 2007 103
The Honorable Edward R. Royce, a Representative in Congress from the State of California: Prepared statement, February 7, 2007 105
Written responses from the Honorable Condoleezza Rice to questions submitted for the record by the members of the Committee on Foreign Affairs: February 7, 2007 106

Digitized by Google

Original from
PENN STATE