

U.S. POLICY IN THE MIDDLE EAST

HEARING BEFORE THE COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES

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U.S. POLICY IN THE MIDDLE EAST

WEDNESDAY, OCTOBER 24, 2007

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

The committee met, pursuant to notice, at 9:33 a.m. in room 2172, Rayburn House Office Building, Hon. Tom Lantos (chairman of the committee) presiding.

Chairman LANTOS. The committee will come to order.

We have the extraordinary honor and pleasure today of having with us our most capable and most distinguished Secretary of State, Dr. Condoleezza Rice. This is her third appearance before our committee this year; and we are deeply grateful that, despite her incredibly busy schedule, she has honored us yet again with a visit.

As always, Madam Secretary, it is a great pleasure to welcome you here today.

The topic of today's hearing, U.S. Policy in the Middle East, is broad and multi-faceted. Among other things, it includes Iraq, Lebanon, the Israeli-Palestinian peace process, particularly the upcoming Annapolis meetings, the projected sale of advanced weapons systems to nations in the Persian Gulf. It also includes Iran, a nation about which both President Bush and Vice President Cheney used some strong language in recent days.

Secretary Rice, who has just held extensive conversations both in Russia and in the Middle East, will be able to elaborate on all of these issues for us, and we all look forward to her testimony.

Given the extreme importance of today's hearing and the interest committee members have in using as much time as possible for direct questions, I will dispense today with an opening statement; and I recognize my good friend and colleague, the ranking minority member of the committee, Ms. Ileana Ros-Lehtinen.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Chairman, as always.

And, Madam Secretary, I would like to extend our warmest welcome to you today; and I praise your grace under pressure. You are a true lady.

I strongly support our efforts to deny Islamic extremists a victory in Iraq, because promoting stability in this troubled region is a central component of our United States national security strategy, and it identifies fighting terrorism and the proliferation of unconventional weapons and ballistic missiles as the overarching priorities for our Nation. We will probably, of course, ask you about Iran and its nuclear proliferation efforts. If Iran were to achieve nuclear sta-

tus, do you believe that others will consider nuclear options as part of their defense strategy and will the Gulf Security Dialogue and related arms sales be sufficient to deter further proliferation in the region? And, also, we want to hear a lot more about the United States-Middle East policy.

Obviously, some have questioned the efficacy of pursuing final status issues through the Israeli-Palestinian negotiations at this time. After all, Hamas controls the Gaza strip, and Abu Mazen remains unwilling to truly confront Palestinian terrorism for the sake of his people and long-lasting peace and security with Israel. All of these issues are interconnected. None have easy answers.

And we thank you again, Madam Secretary, for appearing before us.

Thank you, Mr. Chairman, always for your fairness.

[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

Madam Secretary, I would like to extend our warmest welcome to you today.

I praise your grace under pressure.

Promoting stability in this troubled region is a central component of U.S. security strategy.

The National Security Strategy of the U.S. identifies fighting terrorism and the proliferation of unconventional weapons and ballistic missiles as the overarching priority for our nation.

Could Iranian nuclear proliferation constitute a “tipping point” in the Middle East?

Were Iran to achieve nuclear status, do you believe that others will consider nuclear options as part of their defense strategy?

Will the Gulf Security Dialogue and related arms sales be sufficient to deter further nuclear proliferation in the region?

Do you believe that the announced pursuit of a US-Jordan nuclear cooperation agreement furthers or undermines US nonproliferation goals?

We have failed in the last decade to fully implement US law regarding Iran and we are following the same path with Syria.

On Syria, Madam Secretary, please address reports quoting unnamed US officials confirming that the Israeli raid targeted a Syrian nuclear facility which had been in existence at least 8 months and that it was built with North Korean expertise.

Fortunately, if we take action now, we have the opportunity to address the Syrian threat before it escalates further.

Finally, one of the most central problems, of course, is the decades-old conflict between Israel and those who seek to destroy it.

Madam Secretary, some have questioned the efficacy of pursuing “final status” issues through Israeli-Palestinian negotiations at this time.

After all, Hamas controls the Gaza Strip, and Abu Mazen remains unwilling to truly confront Palestinian terrorism, for the sake of his people and long-lasting peace and security with Israel.

I would greatly appreciate it if you would address the Administration’s definition of “success” for the upcoming summit in Annapolis.

All of these issues are inter-connected and none have easy answers.

Again, I thank you for appearing today before the Committee, and I welcome your remarks.

Chairman LANTOS. Secretary Rice, every single member of the committee is delighted to have you. We are honored with your presence, and the floor is yours.

**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, Congresswoman Ros-Lehtinen.

I want to thank the members of the committee for this opportunity to address this extremely important set of policy issues. I have a longer statement, Mr. Chairman, but, in order to permit full questions, I think I will just submit it for the record, if that is acceptable.

Chairman LANTOS. Without objection.

Secretary RICE. The United States has enduring national interests in the Middle East, economic, geopolitical, security, and moral values. For more than six decades, over the course of many administrations, American leaders of both parties have worked for peace and security in the region, not always perfectly but consistently. The Middle East is now and will remain one of the most strategically important parts of the world for our national interests and for international security. Therefore, the United States will never retreat from our commitments in the Middle East.

The goal we seek is a secure and peaceful region, but for that peace and security to be lasting, not false stability, it must be rooted in what President Bush calls the nonnegotiable demands of human dignity: The rule of law, limits on state power, free speech, religious liberty, equal justice, property rights, tolerance of difference, and respect for women. These values are a source of success for nations across the world, and they are the only ideals that can give people in the Middle East a future of modernity with dignity. This, we believe, will ultimately defeat the ideology of violent extremism and thus ensure our security.

I look forward, Mr. Chairman, to talking with the committee about how we pursue these goals.

[The prepared statement of Secretary Rice follows:]

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

Mr. Chairman, Congresswoman Ros-Lehtinen, members of the Committee: It is a pleasure to appear before you today to discuss United States policy toward the Middle East.

ENDURING COMMITMENT

The United States has been deeply engaged in the Middle East for more than six decades. This engagement has taken place on numerous levels, in a variety of circumstances, and throughout both Republican and Democratic administrations and Congresses. The region is of fundamental importance to U.S. national security interests, and never more so than today.

I would like to state at the outset that we will continue to be engaged—on economic, political, and security issues—in the Middle East. We are there to stay. Our interests there are enduring and whatever the challenges, we will continue to work with our friends in the region and elsewhere to address them.

We seek a Middle East which is broadly prosperous and which plays a constructive role in the world economy and political system. It is no secret that over the past several decades Middle East actors have created many challenges to prosperity and political stability, both within and beyond the region. We hope to see a Middle East whose nations trade more, invest more, talk more, and work more constructively to solve problems, both among themselves and in a global framework.

It has been our assessment—and it continues to be our assessment—that societies in the region need to be more politically and economically integrated, inclusive, and open for this to happen. Citizens need to know they have a stake in their nations' futures. We have spoken of this as expanding the agenda of freedom and democracy in the nations of the region.

This is not just a slogan and anyone who has served in my position will know how difficult this is. But continuing the status quo is not an option for success. We will continue to press for more inclusion, not less; for more freedom, not less; for more democracy, not less; and for more tolerance, not less. We will do so fully aware

that the path is not always straight and smooth, but that it is the only path that will take the region where it needs to go. We will do so fully aware that this path will be opposed by extremists who seek a radically different outcome. My message today is the same for our friends and for our common extremist opponents in the region: the United States is there to stay.

IRAQ

Nowhere is this conflict between moderation and extremism more evident than in Iraq. We overthrew the decades-long tyranny of Saddam Hussein. But the after effects of his repression have outlived his rule. He systematically destroyed all aspects of civil society, as well as all sense of cooperation and compromise which form the lasting basis for decent governance. Iraqis today are beginning to overcome that legacy. They are seeking ways to cooperate with one another and to allow political space for compromise. This is not easy. Indeed, it is perhaps more difficult than any of us would have imagined.

The great majority of Iraqis would like to live in peace, free from political persecution and free from the horrors which extremists inflict upon them. But there are forces of extremism in Iraq which seek the opposite; they seek to drive Iraqis apart from one another and to set up regimes founded in intolerance and violence.

We and our Iraqi and international partners are making progress in reducing the violence that comes from extremists in Iraq. We are continuing to press Iraqis of all parties, of all faiths, and of all regions to take advantage of this progress. We look to them to do more in the months ahead.

It is no simple matter to develop solid political institutions, functioning government ministries, and sustained economic development while security is uncertain. Nevertheless, this is what we aim to help Iraq do. The State Department is deployed in Baghdad and in 25 Provincial Reconstruction Teams (PRTs) throughout Iraq. We are working at the local as well as the national level. Doing so, of course, is inherently risky and many challenges arise daily. I should note that we continually review our processes and procedures—on security issues, on protection of our diplomats, on working with the Iraqi Government, on pressing for transparency, on managing economic assistance, and on the construction of our embassy. As we see the need to change our procedures, we do so.

IRAN

A major obstacle to the vision of the Middle East which I have sketched out is the policies of the Iranian regime. For over 20 years, the regime has been in violation of its international nuclear obligations, by pursuing technology that could be used to develop nuclear weapons. The regime's emboldened foreign policy, as demonstrated by its lethal assistance to groups in Iraq, Lebanon, Afghanistan, and the Palestinian territories, further underscores Iran's hegemonic aspirations in the region. In each of these cases, the Government of Iran has chosen to fund and to assist the forces of extremism that take the region backward.

We are pursuing a dual track strategy to address the nuclear issue—supporting negotiations, while pursuing additional sanctions should Iran not comply with the UNSC's demands. On May 31, 2006, I joined our partners from China, France, Germany, Russia, and the United Kingdom in extending an historic offer to sit down and talk to my Iranian counterpart about the nuclear issue and the host of other matters facing our two nations, but on one condition: that Iran suspend uranium enrichment and reprocessing. Alongside this offer, we presented Iran with a generous incentives package—including assistance to support the development of a peaceful civilian nuclear energy program—if Tehran took that one simple step. The offer is still on the table, but Iran has so far refused it. We are continuing to work with members of the United Nations Security Council to raise the cost to Iran of pursuing nuclear weapons and to increase pressure on Iran to change its current, confrontational course. We are also working with like-minded allies to find additional ways to raise the costs of this course for the Iranian Government outside of, but complementary to, the UNSC process. We know that the Congress, and this Committee in particular, aims to do the same through passage of several different sanctions bills. We certainly have no difference of opinion with this Committee about the goals of such legislation; we simply want to be certain that our collective efforts do not undermine our multilateral strategy, where we will have a maximum chance of success.

Beyond its nuclear program, the Government of Iran is jeopardizing the security and prosperity of its neighbors through its support of extremist groups across the region. Iran is supporting select Shia militants in Iraq who kill innocent Iraqi civilians, Iraqi security personnel, and Coalition Forces. We are determined to cut off

Iran's malignant activities in Iraq by apprehending and eliminating Qods Force members and other actors who endanger human life and overall national stability. We will defend ourselves and we will defend Iraqis against Tehran's meddling. The Government of Iran is also providing support to Hezbollah in Lebanon, Hamas in the Palestinian territories, and the Taliban in Afghanistan.

We are actively working to counter Iran's destabilizing activities across the region. In regular consultations with Gulf Cooperation Council (GCC) states, Egypt, and Jordan, I have reaffirmed the United States' commitment to protecting vital shared interests in the region. Additionally, we have had two rounds of discussions with the Iranian Government on its activities in Iraq. Ambassador Crocker has made clear that while we recognize Iran's strong cultural, political, and economic ties to Iraq, we believe that the lethal activities of the Qods Force in Iraq are inconsistent with the Iranian Government's obligations and stated commitment to support the Iraqi Government.

The Iranian Government is pursuing policies which are detrimental to the long term interests of its neighbors, of the region, and of the Iranian people themselves. It need not be this way.

Our differences with Iran lie with the illicit and dangerous ambitions of the Iranian regime—not the legitimate aspirations and interests of the Iranian people. The people of Iran are a proud, talented and capable people, who seek the same freedoms and opportunities that others around the world seek. They deserve better than the regime which governs them. We will continue to offer a hand of friendship to the people of Iran, even while condemning and opposing the Iranian regime's support for extremism.

STRENGTHENING PARTNERSHIPS

Iran's aggressive activities are a cause of concern not only for us, but especially in capitals across the Middle East. We see a new willingness to build upon and expand the partnerships we have forged with nations in the region. Our relationships with the member states of the Gulf Cooperation Council (GCC), with Egypt, and with Jordan are particularly critical to success in Iraq and other places in the region that encounter Iranian support for extremism. Our friends look to us to demonstrate our willingness to remain engaged as a reliable partner.

Obviously, the sacrifices we are making in Iraq offer very tangible proof of our continuing engagement. Working together with Congress, we also propose to move forward on the sale of select weapons to Saudi Arabia and other Gulf state allies in order to strengthen our bilateral relationships, enhance regional interoperability, and improve the ability of our GCC allies to protect their people, sovereignty, and security. We have briefed this Committee on our initial planned sales and we look to this Committee for its support. The weapons we propose to approve for sale are not intended, nor will they create, a regional arms race. To the contrary, they will assist our allies in deterring the destabilizing actions of an emboldened Iranian regime and serve to deepen our links with our friends. I ask for your support of our first proposed sales to Saudi Arabia and the UAE.

We have also recently reaffirmed our security partnerships with Israel and Egypt. In August, Under Secretary Burns signed a ten-year Foreign Military Financing memorandum of understanding with Israel for \$30 billion, to continue to ensure Israel's qualitative military edge and to give the Government of Israel the confidence it needs to pursue peace and seek better relations with others in the region. We have also agreed with the Government of Egypt on a new \$13 billion military assistance plan. Egypt is a longtime partner and plays a pivotal role in bringing continued stability to the region. Egypt's continued tactical and strategic cooperation is vital to success in the war against extremist terrorism in the region. In that regard, I would like to reiterate the message which Secretary Gates and I sent to the Hill several weeks ago, urging the Congress to provide full FMF funding of \$1.3 billion for Egypt in Fiscal Year 2008, without conditionality.

But our partnerships are not based on security cooperation alone. We are also pursuing political, economic, and cultural cooperation across the board. We look to expand trade and investments throughout the region. Regional economic engagement, such as the President's Middle East Free Trade Area (MEFTA), the Free Trade Agreements this Administration has concluded with Bahrain, Jordan, Morocco, and Oman, as well as our long-standing FTA with Israel, create new jobs in the United States and in the region and contribute to economic growth at home and abroad. Strengthening these commercial and financial ties with our friends in the Middle East will make us better, stronger allies and will bolster their readiness to pursue reform. These ties also stand to have a profound, positive, and transformative effect on the region that go well beyond the economic sphere.

The positive impact made possible by increased political engagement and economic cooperation is displayed clearly in Jordan, a country nearly half-way into implementing its two-year \$25 million Millennium Challenge Corporation Threshold program. This program is designed to strengthen democratic institutions by supporting efforts to broaden public participation in the political and electoral process and to increase government transparency and accountability. We seek similar successes across the region. Building on a climate of increasing openness, we have joined with Morocco to create a \$697 million multi-year Millennium Challenge Corporation program focusing on several sectors of its economy that are well-placed to alleviate poverty and unemployment—and the extremism they foster. We are also working with Yemen—the poorest country on the Arabian Peninsula—to advance reform efforts, to reduce the threat of extremism born of poverty, and to strengthen its ability to act against terrorist elements both unilaterally and in cooperation with the United States. In line with this, MCC’s Board has approved a \$20 million grant to help the Government of Yemen fight corruption and improve the rule of law, political rights, fiscal policy, and government effectiveness through institution building and improved systems there.

Finally, let me say a word about Libya. Since its historic 2003 decision to renounce WMD and terrorism, Libya has made positive steps toward fully rejoining the community of nations and is playing a constructive role in counterterrorism, regional stability, and Maghreb unity. As we continue the process of fully normalizing our bilateral relationship with Libya, we will strengthen and expand our cooperation in these and other important areas. A fully functioning embassy, headed by a confirmed ambassador, is important to our success in pursuing the most pressing bilateral issues. Our highest priority will be to urge the Libyan Government to resolve outstanding claims to victims of past terrorist acts and their families. We will also continue to press for greater democratic freedoms, human rights, and transparency.

PROMOTING ISRAELI–PALESTINIAN PEACE

We remain committed to the President’s vision of a two-state solution to the Israeli-Palestinian conflict. We look forward to a substantive and serious international meeting this fall which will provide diplomatic support for the parties’ own discussions and negotiations, review the progress made toward building a Palestinian institutions, and look for innovative and effective ways to support Palestinian reform.

The parties must meet their Roadmap obligations. For Palestinians, this means establishing law and order and fighting terror. Israel must stop settlement expansion and remove unauthorized outposts. U. S. leadership is essential to this process. U.S. leadership is also essential to ensure that the international community, and particularly regional states, support the Palestinian Authority government under President Abbas and Prime Minister Fayyad—a government that represents the strongest hope for a peaceful resolution of the conflict since the Oslo Accords. With the help of Congress, the United States will strengthen its political and financial commitment to the Palestinian people. The international community must do more, both to meet the day-to-day needs of the Palestinian Authority government and the Palestinian people, and to support meaningful progress on the path to a successful Palestinian state that will live side-by-side with Israel and its other neighbors in peace and security.

We will strongly support Tony Blair’s work, as Quartet representative, to coordinate international efforts to help Palestinians establish the institutions of a strong and lasting free society, including effective governing structures, a sound financial system, and the rule of law. This will enable Palestinian leaders to answer their people’s desire to live in peace. We must also respond to the critical need for budgetary support, as the Palestinian Authority will face significant cash shortfalls at the beginning of January when Israel completes its repayment of customs and revenue arrears.

SUPPORTING LEBANON

In Lebanon, we will continue our support for democracy, respect for sovereignty, and the will of the people. This includes bringing to justice before the international community those responsible for the murder of Rafik Hariri and related crimes. It also includes insistence that the Lebanese presidential election be carried out on time, in accordance with the Lebanese constitution, and free from intimidation or outside interference. We commend the Lebanese Armed Forces and their recent success in confronting Fatah al-Islam in the Nahar al-Bared camp. We will continue

to work closely with the democratically-elected Government of Lebanon as it bravely confronts terrorists and extremism.

We will also continue to confront Syria's policies of intimidation and support for terrorism. Syria's actions reflect contempt for the interests of the people of Lebanon, and the region as a whole. They include longstanding efforts to hinder the advancement of democracy in Lebanon, support for Hamas and other violent extremists, and permitting foreign terrorists to cross Syria's borders into Iraq to kill Iraqi civilians and Coalition Forces.

EXPANDING AND DEEPENING TIES

Mr. Chairman, each of these policies reinforces the others. Were we to abandon Iraq to the forces of extremism, little progress would be possible on other fronts, including progress toward Israeli-Palestinian peace or the deepening of democracy in Lebanon. Were we to turn a blind eye towards Tehran's quest for nuclear weapons capability and its support for violent interest groups, we would forfeit the hope of deepening our ties with moderate Gulf nations. Were we to abandon our efforts to support Israeli-Palestinian peace, we would lose credibility throughout the region. And were we to fail to support the brave democratic forces in Lebanon, what message would that send about our staying power in the region?

We are engaged in the Middle East in multiple ways. We will continue to be engaged. We will be a willing partner for those who seek security, for those who seek freedom, and for those who seek prosperity. As a new generation of young people assumes responsibility for their futures, they will find in the United States a natural friend and ally. We will continue to reach out to those who oppose the grim vision of extremists and terrorists for the region. We will cede nothing to extremists. We will stand with our partners.

Mr. Chairman, thank you for this opportunity to discuss our policies toward the Middle East. I would be pleased to respond to questions.

Chairman LANTOS. Madam Secretary, let me begin with Egypt. We have received very disturbing reports in recent weeks that Egypt has not only failed to stop the flow of arms into Gaza but certain Egyptian authorities are cooperating with the terrorist organization Hamas in smuggling vast amounts of modern weaponry into the Gaza strip.

You recently visited Egypt. You had meetings at the highest levels. Can you tell us whether you have raised this issue with them? What their response is? Do we accept their response? And what are policies with respect to Egypt apparently turning Gaza into a terrorist sanctuary, well equipped with modern weapons?

Secretary RICE. Thank you, Mr. Chairman.

I did indeed recently meet with the Egyptians, with President Mubarak, with their intelligence chief, with the Foreign Minister, of course; and this subject of the smuggling in Gaza and issues in the Sinai, the Philadelphia strip, was one of my highest priorities in talking with the Egyptians, because this has become a source of concern for the Israelis and a source of concern for the Palestinians. Further, because of the Hamas presence in Gaza, it is extremely important they be denied financial assistance or weapons or the like.

I believe that the Egyptians understand that it is not in their interest—their national interest—to have this smuggling take place, either. I did say that I thought they had not made enough progress. There needed to be further efforts. The situation is simply not acceptable, particularly in the context of trying to support moderate forces in the Middle East and moderate forces in the Palestinian territories.

We agreed that the United States would soon send a senior delegation to help with the Egyptians and the Israelis and the Palestinians to see what further steps might be taken to deal with the

smuggling. But it was indeed, Mr. Chairman, an extensive discussion and a very candid one with the Egyptian leadership.

Chairman LANTOS. Does it appear plausible to you that the huge Egyptian military is incapable of preventing smuggling operations into Gaza?

Secretary RICE. Well, I can't make a judgment, Mr. Chairman, of what precisely is going on here, because I am not on the scene. That is one reason that we think the senior delegation is a good idea.

I will say that these are smuggling routes that have been there for many, many years, and we know that it is not easy to cut them off. But I was very clear with the Egyptians that, whatever the challenges and the difficulties of cutting off smuggling routes, they had to do more and they had to do more urgently.

Chairman LANTOS. Madam Secretary, let me turn to the upcoming Annapolis Conference. I am very supportive of the idea of the conference, and I certainly want the conference to succeed to the maximum possible extent. But there are very thoughtful and serious people who are raising questions about the timing of this conference.

Both sides are weak in some ways, not even in control of the area they presumably are speaking for. Abu Mazen has tenuous control of the West Bank, no control of Gaza. The Israeli Prime Minister is in a singularly weakened position. One would think that the historic breakthroughs that we are all hoping for, two states living side by side in peace and security, that such an undertaking would need to be approached when there is some degree of stability, strength, and control by both sides of their respective governments and peoples.

How do you answer the skeptics who feel that it is an attempt by the administration to embellish its record? You have about 14 months left in this administration, and you are reaching out for the Israeli-Palestinian issue as one faint hope to leave a positive diplomatic record for the United States for this administration, that the timing is inappropriate, that the move to convene the conference is ill-advised, that the early indications are that some of the key Arab countries might or might not attend and, if they do attend, their contribution to the success of the conference will be their mere presence. Would you care to deal with the issue that the skeptics raise?

Secretary RICE. Thank you, Mr. Chairman.

The first point that I would make is I have heard the legacy point, too; and let me just say that there are probably easier foreign policy tasks to take on than the Israeli-Palestinian conflict.

The timing comes down to what it is we need to do to give forces of moderation a boost in the region and to deal a blow to forces of extremism. We are in a different world than we were in 1973 or 1983 or even, for that matter, in 2000, the last time that this effort was tried seriously. And that is a world now in which, as much as the Palestinian-Israeli conflict needs to be resolved on its own terms and certainly needs to be resolved with due regard for and respect for Israeli security concerns and for concerns that the Palestinians have about their future, it does take place in the context

of a larger battle between extremists and moderates in the Middle East.

In that regard, our concern is growing that, without a serious political prospect for the Palestinians that gives to moderate leaders a horizon that they can show to their people that indeed there is a two-state solution that is possible, we will lose the window for a two-state solution; that you will see the further radicalization of Palestinian politics and of politics in the region.

I said to some of my Israeli counterparts when I was there that a few years ago we were not talking about Iranian support for Hamas. We always knew that Iran supported some of the more marginal terrorist groups, the FLP and so forth, but to see Iranian actual penetration now of these more radical elements of the Palestinian terrorist groups is really quite troubling. So what we are trying to do here is to give to the moderate forces a chance to demonstrate that statehood is a reality.

Now, the parties themselves I think have recognized the importance of this moment in doing precisely that, which is why the principal reason for the Annapolis Conference would be to support the bilateral track that President Abbas and Prime Minister Ohmert have themselves entered onto. They have said that they want to write down some of the understandings between them. Obviously, it is going to be very important that they not just deal with the issues that will lead to the establishment of a state but also on-the-ground issues. I am encouraging the parties to live up to their roadmap obligations, their first-phase roadmap obligations.

And clearly, Mr. Chairman, even if we were fortunate enough to see them reach agreement, no one is going to want to see a Palestinian state established that leaves a security vacuum. So the work that Tony Blair is doing on the establishment of Palestinian institutions, the work that General Dayton is doing on the establishment of legitimate security institutions for the Palestinians, the work that needs to be done by the Palestinians and others and the Israelis to fulfill their roadmap obligations is absolutely essential if the Palestinian state is to be indeed established.

But for them to work on the political horizon, the nature of the Palestinian state, we think that those discussions are extremely important; and, without them, I worry that you will never be able to do enough for moderate forces in the region to again underscore that a two-state solution is possible.

Chairman LANTOS. What commitments have you obtained, Madam Secretary, from the Saudis and from the Egyptians with respect to the successful outcome of this conference? Their failure to support a similar effort 7 years ago is a good measure behind the lack of success when President Clinton attempted to bring about reconciliation. Have the Saudis and have the Egyptians given you any positive indication that they will be forthcoming, that they will break new ground?

Secretary RICE. Yes.

Chairman LANTOS. Are they prepared, speaking of the Saudis, to sit down with the Israelis face to face and have a serious conversation? Or are they still remote, uninvolved, and passive?

Secretary RICE. Mr. Chairman, I agree completely with your analysis of one of the reasons for the failure of previous efforts. The

Arab states have to be in on this from the ground floor, and we have tried to bring them in on the ground floor. A Palestinian leader—no matter how strong, by the way—is not going to be able to make the important compromises that will be needed without the support of these Arab states.

I believe that we have some work to do still. We haven't issued any invitations, so I don't expect that any will be accepted until we have actually issued them.

Chairman LANTOS. May I stop you for a second? Do you expect the conference to take place before the end of the year?

Secretary RICE. I do, Mr. Chairman, expect it to take place before the end of the year. The Egyptian Foreign Minister was very, I thought, forthcoming when I was in Egypt, even in his public comments, about their not just desire but their willingness to work to make the conference a success. We had a similar reading from the Jordanians. The Saudis have said they are encouraged by what they have seen.

We will be pressing very hard for our allies to help in this endeavor, because it will benefit, of course, the responsible Arab states if this conference is a success. They, too, face the same forces of extremism that are making it difficult in the Palestinian territories.

Chairman LANTOS. May I turn for a minute to Iran? The replacement of the Iranian negotiator Ali Larijani, who in the Iranian context is "more of a moderate than Ahmadinajad and others," has cast a serious pall over recent attempts to continue or renew a dialogue with the Iranians, leading to their voluntary abandonment of their nuclear ambitions. The President and the Vice President have used some very strong words in recent days with respect to Iran. Could you sum up for us our current policy with respect to Tehran?

Secretary RICE. We are, of course, very concerned, Mr. Chairman, that the policies of Iran constitute perhaps the single greatest challenge for American security interests in the Middle East and possibly around the world. Because the combination of Iranian terrorism, Iranian repression at home, and the pursuit of nuclear weapons technology, technologies that could lead to a nuclear weapons, is a very dangerous mix.

We are, with our international partners, continuing to pursue a two-track approach on the nuclear issue. We reaffirmed that two-track approach when I was in New York. That means that we will, of course, pursue negotiations. Mr. Solana met with the Iranian team yesterday.

Our view is that we don't know what the personnel changes mean. We will be looking to see whether the Iranians are prepared to change their behavior; and they need to accede to the international community's demand that they stop the enrichment and reprocessing, suspend it, so that negotiations can begin.

The other track, of course, is to pursue continuous action in the U.N. Security Council. We are preparing with our colleagues a further Security Council resolution. But, Mr. Chairman, we have not been content to make those the only two tracks, which is why the President has been very determined to demonstrate inside Iraq that we will pursue Iranian agents and actors when they are engaging activities that are harming our troops and harming innocent

Iraqis. It is why we are continuing to designate Iranian entities when we find that they are trying to use the financial system for their ill-gotten gains, and it is why we are trying to strengthen the defense capacity of our traditional allies in the Gulf. Working together with them, we can be a barrier to further Iranian aggression in the region.

Chairman LANTOS. Madam Secretary, our principal interest on this committee, obviously, is policy, but we also have an oversight responsibility with respect to the Department of State. I commend you for agreeing to appear tomorrow before another committee of Congress where all of the attention will be devoted to those matters of private contractors, the Embassy time schedule, and so on. But I would be remiss as chairman of this committee in not asking you to sketch for us the steps you have taken with respect to private contractors and their behavior in Iraq, the question of corruption within the Iraqi Government, the question of corruption with contractors, and the general issue of our long-term presence vis-a-vis what will be the largest United States Embassy on the face of this planet.

The Embassy construction schedule, Secretary Negroponte advised me yesterday, is behind schedule. We don't know exactly when the Embassy will open. We will need to make changes in our plans for the Embassy, because a larger number of both civilians and military will be stationed there. Can you give us a survey of what your position is on all of these "housekeeping matters" that have come up lately?

Secretary RICE. Thank you, Mr. Chairman. I most certainly would be pleased to do so.

Let me say first that the mission in Iraq is of critical importance. It is also one of the most challenging missions that we perhaps have had as a country in quite a long time. We have many, many very dedicated men and women in uniform and also civilians serving in Iraq under extremely difficult circumstances, away from family, away from home, in danger. So I consider it an absolute and very, in fact, sacred duty to do the very best we can here in Washington to support them; and it is why I have been concerned about some of the issues that have arisen.

In the context of management, it is a very, very difficult environment in which to manage. The Department is being asked to do things in numbers and in size that are well beyond the balance of what we had been asked to do before, and so there have been some real management challenges.

I have asked Deputy Secretary Negroponte, who as the deputy can pay more attention to this, to appoint a person who will report to him and look at Iraq management issues full time for the Department. We are asking a senior diplomat to do that role for Secretary Negroponte, and I think that that will help on making certain that Washington is doing what it needs to do to support the field.

On the specific issues, let me first turn to the contractor issue. I did, upon learning of the incident in Iraq with the Blackwater security guards, appoint a senior panel of outside experts to work with Pat Kennedy, who is one of our most senior management officers—General Joulwan, former NATO commander; J. Stapleton

Roy, a very senior American diplomat, who served in several places as Ambassador; and Eric Boswell, a senior intelligence officer who used to be in diplomatic security—to go out and really take, as I called it, a probing, in-depth, 360-degree look at what we were doing. They came back with a report which I have made public, which I also believe exposes serious weaknesses in the oversight of contractors.

I want to underscore what they said. We have to say that our diplomats have been kept, thus far, thank God, safe; and that is, of course, the principal concern, is people go out in dangerous circumstances to help with ministry development, to help the local leaders develop their democracy agenda or to work on budget execution, all of the things that civilians have to do to support our counterinsurgency efforts. It is important that we keep them safe; and that has so far, thank God, been the case.

But that does not mean that there shouldn't be stronger oversight of the contracting side. What I have done is to accept the recommendations that are unilateral to the State Department, issues, for instance, of bringing with each convoy a diplomatic security officer, cameras that can track incidents, better reporting on incidents immediately after they happen, and better coordination with the military. There are a number of steps that we are taking. For example in training. We have suggestions on training, language, et cetera, for the contractors.

Secretary Gates and I talked yesterday, and we believe there may be further steps that we need to take, because it is not just State and Defense that have contractors. There are a lot of U.S. Government agencies and nongovernmental organizations that do, as well. So Secretary Gates and I have asked Deputy Secretary Negroponte and Deputy Secretary England to make recommendations to us by the middle of next week for further steps that may need to be taken.

And I don't rule out, Mr. Chairman, that there may even be other things that we must do. But I believe this is a good start, and I want to thank this panel for their excellent and expeditious work.

The new Embassy compound is quite another matter. As you might imagine, construction in the environment in Iraq is a complicated and difficult task, and it is made difficult both by the security environment and it is made difficult, frankly, by the fact that this was programmed in 2004 and there have been some changes in demand for what we do in Iraq since then.

The original program of \$592 million will be completed, General Williams tells me, on budget. Now, in terms of time, there are some delays, we hope that they are not too long, on that part of the project that has to do with issues concerning some flaws in construction. We have gone back, I am told, worked with the contractor, and they are being remediated at the expense of the contractor. We hope that that part of the program will be done relatively shortly.

We have also had to make some changes to the program. For instance, we have an additional 300-plus personnel who will be there for some transitional period as well as some locally engaged staff that will be there for the transition period. But we have decided,

Mr. Chairman, that that should be also a temporary structure, a transitional structure. So we are not building on to the existing structure. What we are going to do is to use some trailers and the like. We do have to give it proper security cover, and so it is not inexpensive, but it is transitional, it is temporary.

Additionally, and this is a decision that we made quite consciously, we believe that it would be useful to have MNF-I under General Petraeus co-located with Ambassador Crocker. I think all of the committees saw the wonderful working relationship that they have, and that will require some potential changes to the structure.

Now, for all of this, we have identified out of the 2007 supplemental about \$75 million, which is about half of what these additions will cost, and we will be requesting in the 2008 supplemental an additional \$75 million. But I am told by our management people who have gone out there that yes, there are some construction difficulties that I think are within the bounds of a big project like this that are being remediated by the contractor at the contractor's expense.

We will insist on inspections by independent groups as well as inspections by our own people to make sure that we are meeting OSHA standards, for instance; and we are working very hard to deal with any additional programmatic needs in a way that does not dramatically expand the scope of this particular project.

Chairman LANTOS. Before I turn over the questioning to my colleague, can you give us a tentative date for opening the Embassy, Madam Secretary? I realize this is not a firm date, but can you give us an idea as to when you plan to open the Embassy?

Secretary RICE. Well, I am hesitant, Mr. Chairman, only because when I am given tentative dates I treat them exactly as that, because I think we have all had experience with construction. We are going to open as soon as possible. I think we are talking about not a very long time before the building can be delivered to the Department, but the Department then has to do some work in making sure that computers are up and that people can actually move in. So I am hesitant to put forward a date, but we are pushing to get it done as soon as possible.

Chairman LANTOS. Do you plan to be around when the official opening takes place?

Secretary RICE. I certainly hope to open it.

Chairman LANTOS. Thank you very much.

Congresswoman Ileana Ros-Lehtinen.

Ms. ROS-LEHTINEN. Thank you, Mr. Chairman.

Madam Secretary, my stepson and daughter-in-law have served in Iraq, and my daughter-in-law returned just last week after deployment in Afghanistan. The way that you have carried out our policies as Secretary of State and our important mission abroad brings great honor to their service, and I thank you for that.

Secretary RICE. Thank you.

Ms. ROS-LEHTINEN. I wanted to ask a follow-up on the chairman's question regarding Iran and then a question about the upcoming Annapolis Conference. Certainly, as we have discussed, the impending threat of a nuclear armed Iran looms dangerously. Iran is a threat to us and to our allies. But Iran is very vulnerable to

economic pressure. But for such pressure to have a chance to work in time to alter the Iranians current course, it must be ratcheted up dramatically right now.

We seem to be taking a slow, deliberative course. We have moved against two Iranian banks, as you pointed out in your statement. But why only two? We hear that another bank may be added to that list, but when? We hear that the al-Quds Brigade of the Iranian Revolutionary Guard Corps may be added to the global terrorist list, but again, why just the al-Quds Brigade? Because the Corps as a whole controls more than 30 percent of the Iranian economy, yet that Brigade does not have anything to do with the economic activity. Why not put the whole Corps on the list?

We have not also sanctioned one foreign company for investing in the energy sector in Iran, as the Security Council and the EU are similarly moving very slowly on economic sanctions; and they have certainly tremendous trade leverage with regard to Iran. And I wanted to ask, where is the urgency?

And, secondly, on the upcoming summit, Madam Secretary, the press reports say that the American Government is planning to transfer \$410 million to the Palestinian Authority in an effort to strengthen its President and its Prime Minister. But another news report this morning says that the Palestinians will boycott the conference unless a deal is reached with Israel on the issues of Jerusalem, water and borders. Will we continue to pressure Israel to make concessions and allow as before the Palestinians to ignore their commitments?

And I will stop there to give others a chance to ask.

Secretary RICE. Thank you. Let me take the second question first.

We will be seeking funds to support the government of Salam Fayyad and Mahmoud Abbas because we believe, as I said, that this is the best chance for a moderate Palestinian Government. But I believe we are going to have all kinds of—let me just say, people saying all kinds of things to position themselves for upcoming negotiations or discussions.

I have been very clear with the Palestinians that they have to meet their obligations. I have been very clear that they have a number of obligations that are unmet. I have also been very clear that we have a set of understandings about how the Palestinians state will be established that includes, for instance, a serious security concept and not just the so-called Big Three: Borders, Jerusalem, and refugees. So I am not surprised that unnamed sources are saying various things.

But when I talk to President Abbas, when I talk to Salam Fayyad, they are concentrating on trying to meet their obligations. They very much want this meeting to take place, and I look forward to working with them on it.

In terms of Iran, we are looking at what further designations we should make. Because, as I have noted to the chairman, one of our best levers is a really simple proposition. Iran should not be able to use the international financial system to move its ill-gotten gains from proliferation or from terrorism around the world. We will continue to look at those, and we are working very urgently to get some of that ready.

And, secondly, on foreign companies, it has been our view that we are working hard toward a voluntary effort to get people to react to what are the very clear reputational and investment risks of investing in a country that is under a chapter 7 tool now, a chapter 7 resolution. Certainly a number of international financial concerns have left Iran and refuse to deal with their assets. The number of export credits from countries that would support investment in Iran is starting to diminish.

I believe that we need to continue to work with our allies. That is why I have preferred a voluntary effort rather than secondary sanctions on foreign companies. But I have also been very clear to our allies that this is not something that can go on endlessly, that there is urgency to this issue.

Iran continues to move along with its program, and we really need to get serious that we are committed to the diplomatic track. But diplomacy has to have teeth, and the teeth in this case are to use the unwillingness to let Iran use the financial system in this way to make it difficult for Iran to do its business.

Ms. ROS-LEHTINEN. Thank you, Madam Secretary.

Chairman LANTOS. Mr. Berman.

Mr. BERMAN. Thank you, Mr. Chairman.

Madam Secretary, it is good to have you here.

I would like you to address the issue of Iraqi refugees. It seems to me that this is a growing humanitarian and security crisis and that we have a very high obligation to try and make the situation better, given the whole nature of how this crisis developed.

I am curious about whether your feelings about both the nature of the crisis and our responsibility and, if you share my concern, what can you do to get a speedier action by us to resettle the somewhere around 10,000 Iraqi refugees who worked for the United States military, the U.S. Embassy, and diplomats, American-funded NGOs, American media organizations, and who sometimes have become refugees or whose situation is threatened by virtue of the fact that they worked for us? What can we do to speed up the resettlement process for this?

Secretary RICE. Thank you.

I do take the Iraqi refugee problem quite seriously. I think it is very challenging and difficult; and we particularly are concerned about those people of whom you last spoke, the people who may have worked with us and might therefore be in particular danger.

I appointed a coordinator for refugee matters, former Ambassador to Haiti, Ambassador Foley, who is working now with a designated point of contact for Mike Chertoff over in DHS. DHS needs to be involved because some of this pertains to the problem of terrorism screening and so we need to make sure that we are coordinated with DHS. They are working very urgently. We believe that we will make real headway on admissions of people to the country during these next several months.

We have also increased our efforts with the United Nations refugee coordinator and tried to increase our host nation support. So we are working on multiple fronts. We have encouraged the Iraqi Government to do more itself to deal with these problems. They have pledged \$25 million to the U.N. fund for Iraqi refugees.

I have been very concerned that we also pay attention to Iraqi children and their education. I learned that they were having problems with the education of some Iraqi children in these refugee circumstances. We have tried to address that problem.

And, finally, one of the things that we believe we can do is that there are parts of the country now to which people wish to return, but there are issues of destroyed housing and no place essentially for them to go back to. And in some parts of cities like Fallujah and Ramadi, the answer is also to help to get the Iraqis to pay attention to displaced people who may wish to return.

So we have tried to attack this on multiple fronts, Congressman Berman. I do believe that we will see our numbers of admitted refugees going up, and we are trying very hard especially to pay attention to the people who have worked for us.

Mr. BERMAN. Since I have another minute or so, what is the situation now with Turkey and the PKK and the concerns by the Kurds about cross-border efforts and Turkey's very understandable anger at the loss of its own troops?

Secretary RICE. It has been a very difficult 72 or so hours or more on this issue. But I spoke with Prime Minister Erdogan on Sunday as well as with the Iraqi Kurds about this. I told Prime Minister Erdogan that the United States takes this extremely seriously. We said early on that Iraq should not be a place from which PKK terrorism can hurt Turkey.

We have encouraged several things. One is that the Iraqis and the Turks should make extraordinary efforts, and indeed the Turkish Foreign Minister was in Iraq. There will be a senior delegation of Iraqis going to Turkey. They are working on some joint efforts, including the fact that the Iraqis have now said they will close PKK offices, and they will not allow movement of fighters. We have a list of things that we really believe, if they are undertaken, will help to deal with the situation.

We have a trilateral mechanism that is Turkey, Iraq, and the United States that we are activating immediately to take steps that will prevent this kind of cross-border terrorism from taking place. It is very difficult, because these people are in very remote areas of the Iraq Kurdistan. But that isn't an excuse. The Iraqis have to deal seriously with this, and so do we, and we have tried to reassure the Turks that we will do what we can to prevent that kind of attack again.

Chairman LANTOS. The gentleman from New Jersey, Mr. Smith.

Mr. SMITH OF NEW JERSEY. Thank you very much, Mr. Chairman.

Secretary Rice, thank you for being here, for your extraordinary service; and if Mr. Berman had not asked you about Iraqi refugees, I would have. There is a great deal of concern on both sides of the aisle on that issue.

Secretary Rice, as I think you know, since 1979, China's one-child-per-couple policy, with its heavy reliance on forced abortion, has actually murdered more children than all of the mass killings of Joseph Stalin and Mao Zedong. The one-child-per-couple policy has made brothers and sisters illegal and is being used today as genocide against the people of Tibet and the Uighurs and has resulted in little girls being targeted for extermination and killed by

the tens of millions simply because they are little girls. The systemic destruction of those girls is gendercide.

As a direct consequence, the imbalance of boys and girls in the Peoples Republic of China today is so alarming, some put it as high as 100 million girls. One demographer said that, by the year 2020, 40 million men will be unable to find wives because they have been aborted, a cruel outcome that will make China a magnet for traffickers. And there is also a book called *Barren Branches*, which posits as its theory that it could also lead to war.

In addition to withholding funds from the UNFPA because of their support for this policy, what are we doing to defend women and girls from this predatory policy? And would you consider raising this issue at the U.N. genocide implementation body? Obviously, births or targeting births is part of the U.N. Genocide Convention and the Human Rights Council.

And, secondly, this week I plan on introducing a bill, the International Megan's Law, named after a little girl of my hometown of Hamilton, Megan Kanka, who was brutally murdered by a convicted pedophile who lived next door. Over the last decade, State after State has passed, as we all know, Megan's Laws to notice local neighborhoods, Boy Scouts, Girl Scouts, schools and the like about the existence of that person in their neighborhood.

Using FBI databases, the bill would require noticing destination countries when a convicted sex offender or a convicted sex trafficker was about to travel to that country and would also bar entry into this country of convicted sex offenders and convicted sex traffickers.

I know of your very deep commitment to combating human trafficking and violence against women and violence against children. On that bill, I would ask your personal help in trying to get that enacted into law.

Secretary RICE. Thank you very much, and thank you for your continued dedication to these issues and to concern about really the most vulnerable of people in the world.

Certainly on China's policies, we have always voiced our concern about those policies. As you say, we have denied funds because of policies of that kind.

On the question of where one raises or how one raises it, I would be happy to have a dialogue with you. I have not really thought it through, but it would be useful to do that.

And, as you said, we have tried to address many of these issues through our work on human trafficking; and the President's, I think, global human trafficking operation, GTIP, is now renowned for having put this on the agenda of every country in the world. And countries don't like to be designated in Tier 3, and so we are very often able to get responses. We don't always get responses; and, when we don't, we have been willing to really expose trafficking procedures and trafficking policies in countries.

So I agree. I think this trafficking is a modern form of slavery and we have tried to act accordingly. I have not looked at your bill, Congressman, but of course I will be happy to review it.

Mr. SMITH OF NEW JERSEY. I would deeply appreciate that.

The idea emanated from a meeting I had with the TIP office from Thailand in which they were expressing great consternation that

our pedophiles fly to Bangkok, abuse their little children, and then fly back, and they don't even know they are coming in the door. And it seems to me, if they are noticed, they can put a great big stop sign and prevent their entry and, if they do get in, monitor their activities and vice versa. We don't want these pedophiles and convicted sex offenders and sex traffickers coming here as well. So it seems to me an idea that will help advance this cause significantly.

Secretary RICE. Thank you.

Mr. SMITH OF NEW JERSEY. Thank you, Mr. Chairman.

Chairman LANTOS. The gentleman from New York, Mr. Ackerman.

Mr. ACKERMAN. Thank you, Mr. Chairman.

Madam Secretary, thank you. Welcome.

For a moment, I would like to focus your attention on the presidential succession crisis in Lebanon. Support for the Cedar Revolution may be the President's biggest potential within the Middle East, and right now that success is just four dead men away from disappearing. That is the remaining number of parliamentarians that Syria and Iran and their terrorist proxies need to kill in order to destroy the majority and return Lebanon to its status as a fiefdom. If losing Gaza was a disaster, try losing Lebanon. Our response here has been, frankly, inadequate; and I would like to suggest the following steps to be considered urgently: First, America's commitment to Lebanon's sovereignty and independence needs to be reiterated by the President in a specific major address. Damascus and Tehran and the entire Middle East need to hear explicitly that the United States will not accept resumption of foreign domination of Lebanon, that we insist and mean it that foreign states refrain from interfering in Lebanon's constitutional process, that we consider the assassination of Lebanese parliamentarians as acts of international aggression, that we will never sacrifice the special tribunal for Lebanon to appease other states, and that we will push for the special tribunal to include all assassinations since Rafik Hariri and its purview. If a presidential statement was important for Burma, it is equally important for Lebanon.

Second, the President should immediately impose economic and political sanctions against the Syrian regime, specifically, President Assad and his family and his cadre of close associates. Their assets in the United States should be frozen, and their travel to this country should be barred. The very same steps should be taken against their proxies in Lebanon. The President has expansive sanctioning powers under United States law that are not even close to being exhausted with regard to Syria.

Third, the United States needs to raise the profile of this crisis much higher. Security Council resolutions are not enough. A formal international contact group should be established, with the explicit mission of protecting Lebanon's sovereignty and independence. Further, I believe the President should appoint a single figure in the United States Government to be responsible for managing this crisis.

Fourth and last, the House has twice and the Senate once passed resolutions supporting Lebanon and pledging our continued readiness to put our money where our mouth is. Currently, we are get-

ting outbid in Lebanon by two countries whose combined GDP is just a third of our national defense budget. If you believe we need more resources to prevent disaster, Madam Secretary, you have to ask for them. That support is here.

Madam Secretary, I know that you and the President have more than enough to handle. Your plate is full. But there is not going to be another chance to save Lebanon. We have to act now.

I have summarized these points in a letter that I will give to you, but in the remaining time I would like to hear your initial response.

Secretary RICE. Thank you very much, Congressman.

First of all, I think that there are a number of ideas that you have cited that we have been looking at and others that may very well be worth doing. So thank you for your letter, and we will examine it very closely.

I am a very firm believer in the point that Lebanon is really one of the key elements in getting a policy that will promote moderation and be able to resist extremism, and we have tried to be very active in Lebanon.

I would say to you that the diplomacy in Lebanon is extremely active right now. I was with my French counterpart just a few weeks ago on this issue, with my British counterpart on it just a couple of days ago. We are working also on the premise or on the basis that there should be no effort to make Lebanon in any way set aside constitutional processes that would lead to a President that the United States of America would consider illegitimate in some fashion.

Now, the Lebanese are having their discussions, but we know who our allies are in Lebanon, and we are in very close contact with them about what is acceptable to them and what is not. The President, for instance, met with Saad Hariri just I think about 10 days ago; and Walid Jumblatt was just here and met with Mr. Hadley. I was unfortunately out in the Middle East. But we have been very active with the March 14th group, and we are going to stay active with them.

We are trying to call attention to the fact that the Syrian and Syrian-backed forces are trying to either intimidate or literally destroy the very people who would be able to bring about a democratic solution in Lebanon. So we are very focused on this issue, Congressman.

We are trying as well to make sure that the tribunal is fully funded so that it can go ahead and begin its work. Mr. Brammertz is about to make a report soon. The tribunal needs to be ready to go.

As to resources, we requested and received \$770 million in the last supplemental. We believe that is the appropriate amount for now. It includes budget support. It includes security support.

I would just note that if you talk to most Lebanese, when they faced this challenge up in the Palestinian camps against that sort of al-Qaeda look-alike operation, they recognize that it was really American help in terms of ammunition and support that arrived with unaccustomed speed that helped the Lebanese military to carry out that task. Further, Admiral Fallon was just there, Under Secretary of Defense Eric Edelman was just there, and so we are

pressing very hard ahead with our allies in Lebanon. But I am very much where you are. We need to do as much as we can, because this is a crucial moment for Lebanon, and I welcome very much looking at your ideas.

Chairman LANTOS. The gentleman from California, Mr. Rohrabacher.

Mr. ROHRABACHER. Thank you very much, and I would like to thank the Secretary of State for all of her hard work.

We watch you on television all over the world. I am so surprised to see you here today when, just a few days ago, I saw you overseas. I could not function that way, and we are very proud that we have a Secretary of State that seems to have the not only mental but personal physical strength of Margaret Thatcher.

Secretary RICE. That is high praise. Thank you.

Mr. ROHRABACHER. Who is a very strong lady, as we all know.

At this point, it appears that we have got irreconcilable on both sides of the Israeli-Palestinian situation, as well as we have got voices of moderation and compromise on both sides. It appears from your testimony and from what we have heard today that the voices of moderation and compromise we are doing our best to back them up, but they are in a very—how do you say—weakened position and we are trying to strengthen that position. Is that is not a correct summary?

Secretary RICE. Yes. I wouldn't say they are in a weak position, because I think they really do represent the great majority of the Palestinian population. But the other side, the extremists, is getting very strong support from countries like Iran and to a certain extent Syria.

Mr. ROHRABACHER. Well, there are reconcilables, like I say, on both sides of this issue. And one of the issues that I think needs to be addressed before those voices of moderation can actually hold, carry the day, is the issue of water. And I think that that is an issue that quite often we miss. And the fact is that I believe that, for example, Israel, I understand, receives a significant amount of its water from the Aquafirst under the West Bank, which makes them, of course, less willing to compromise on territory because they need the water. And I also understand the Palestinians have a significant water consumption problem in that they don't consume as much water as ordinary people in different places consume because they just don't have it. Would you think that perhaps some concepts like the Red Sea to Dead Sea project, if we could promise them support for that, which would dramatically increase the water supply in that part of the world, could play a role in finding peace?

Secretary RICE. Well, you are right that water has been an issue. As a matter of fact, it is named as one of the final status issues because it is so important to both sides. They are talking about that in the Olmert-Abbas channel. There may be opportunities to help with various technical measures with various economic projects. Desalinization has helped a lot. And as you know, the Israelis are probably the world leaders in the ability to do desalinization. So, there probably is a solution to it. But you are right, Congressman, there has to be a solution because that is one of the issues that continues to divide.

Mr. ROHRABACHER. I am glad to hear that that is on your radar screen because I believe that once we really put some effort in it we can prove some good will to both sides in that issue and underscore in the moderates. About the vote that we had here a few, a week ago or so, 2 weeks ago, on the Armenian question that has officially enraged the Turks, I think that people should understand, and I would like your opinion on this, is just that the Turks, that vote in no way was an anti-Turkish vote. And I think I speak for my colleagues here. That vote was a human rights vote and a recognition of a violation of human rights. But the Turks should understand it. And the Kurds should understand that that, in no way, would mean that we would tolerate attacks by Kurdish guerillas on Turkish soldiers and Turkish civilians. And quite frankly, Kurds should understand that we will support the Turks' right to retaliate if, indeed, Kurdish terrorists go across the border and murder Turkish citizens and soldiers. Is that our position?

Secretary RICE. Well, clearly, we have said the PKK terrorist organization and we clearly said that the Turks should not have to sustain attacks from havens across that border in Iraq. We have cautioned that retaliation of cross-border raids and the like of cross-border operations would have a destabilizing effect, and that has been the course of our conversation. We have encouraged everyone to work together toward a solution that does deal with the terrorist problem, but doesn't destabilize Northern Iraq. If I may, though, Congressman, on the Armenian resolution. I recognize that it was a difficult vote for some who supported the administration position on this, because I know it is difficult. However, there was a reason that we felt very strongly that this resolution should not go forward.

This is a very delicate time with Turkey. It is a time when it is going through a major transformation internally. We have extremely important strategic interests with the Turks. This is something that was a horrible event in the mass killings that took place. But at the time of the Ottoman Empire, these are not the Ottomans. And what we have tried to do instead is to get the Turks and the Armenians to work together to look to their future.

I had the Armenian Prime Minister in yesterday. And I said to him, you have to understand that Americans who are always accused of being too forward looking, not looking back enough, really do believe that it is important that Armenia and Turkey move forward. And I encouraged him to reach out to the Turks at the civil society level and the like. But I continue to believe that the passage of such a resolution of the Armenian genocide resolution would severely harm our relationships with Turkey.

Chairman LANTOS. The gentleman's time has expired. Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you Mr. Chairman. At the outset Madam Secretary, I want to commend you and Assistant Secretary Chris Hill for your work in the Six-Party Talks with North Korea trying to prevent the dangers of a nuclear confrontation in the Korean peninsula. And you succeeded in bringing the North Koreans to negotiate. And some credit also should be given to the People's Republic of China and its leaders in doing this.

According to media reports, Madam Secretary, you have been very persistent within the administration to give diplomacy and true statesmanship a chance to work its way through resolving some of most difficult issues facing our Nation in the world today. And again, I commend you for doing this. I have learned from experience, Madam Secretary, that I need to present you my questions in a way that you can then choose how you may want to respond.

My first question is that Vice President Cheney, in his recent statements, made comments to the effect of there will be very serious consequences if Iran continues on its present course to develop a nuclear weapon which Iran flatly denies. We are struggling now with the two wars we are engaged in now in Iraq and Afghanistan. Our military force structure stretched thin. It seems to me that this is the same similar rhetoric that led us to war against Saddam Hussein. My question on this particular phase, would the administration seek new authority from the Congress to wage war against Iran or does the administration feel it doesn't need permission from Congress to do this or would it be just to shoot first and then to ask questions later?

The next question is I note that in your statement that the need for more democracy, more freedom and more tolerance among countries in the Middle East noted with interest that we are about to provide an arms sales, a \$13 billion arms sales to Egypt, and I suspect probably a multi-billion-dollar arms sale also to Saudi Arabia. Israel being the only true democracy in the Middle East I can see how we can justify and accept a \$30 billion arms deal also with Israel.

My point here is that Russia and China are also selling arms to Iran, is my understanding. And I am taking it that the administration's position that this is not creating a regional arms race. And I have to respectfully disagree that we are going to create an arms race if our Government intends to provide arms to these various countries that are nondemocratic in the Middle East. The third question—

Chairman LANTOS. I want to caution my friend that if he wants an answer from the Secretary during the course of the hearing he better stop now because I don't think we can go beyond and ask more questions or you can ask more questions and then the responses will be in writing. But I don't wish to see my colleague use up his 5 minutes and then the Secretary take additional time to respond.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman. Madam Secretary, could you respond to those questions.

Secretary RICE. Thank you. First, on Iran, the President has been very clear that while he doesn't take any of his options off the table, he is committed to a diplomatic course on Iran. And I think that that is where we are focused. I would just say that when one speaks of serious consequences, there also have to be serious consequences in diplomacy. I am not one who believes that diplomacy in the absence of disincentives for states really works. So in this case, we are trying to impose consequences on the Iranians for their refusal to adhere to two Security Council resolutions.

We have sanctioned a number of entities, we have encouraged states not to put investment credits into Iran. Hank Paulson has

talked about the investment risk of dealing with Iran, as well as the reputational risk, and so we are trying to marry our diplomatic efforts with consequences if Iran does not accede. As to the package of arm sales that we are pursuing, and the details of many of these are still being negotiated, Congressman, and so I would not jump to any conclusions about specific numbers in some cases. But the issue here is a security environment in the Gulf and in the Middle East proper that we cannot allow to turn against our strategic allies in the region. It is the case that the Iranians have significantly increased their own defense capabilities. It is not an issue of causing an arms race. It is an issue of being able to respond to what are serious security challenges and potential threats to our long-term allies. And it is nothing new in fact. We have had these security relationships in the Gulf for decades.

So this is to help our allies to deal with emerging security threats. It does not mean that we don't continue to have very candid discussions about democracy, about reform. I just recently had those discussions again in Egypt. But it does mean that we have to be attentive to not creating a security environment in which the Iranians have the upper hand.

Chairman LANTOS. The gentleman from Indiana, Mr. Pence.

Mr. PENCE. Welcome, Madam Secretary. Good to see you here before the committee. The last time we spoke I was in a pickup truck in Indiana.

Secretary RICE. Yes.

Mr. PENCE. And I will always be more comfortable there than here. But thank you for coming. Thank you for your leadership. And tangentially, since the administration gets no credit for good news in Iraq, let me call to your attention today's Associated Press story that reads, "October is on course to record the second consecutive decline in U.S. military and Iraqi civilian deaths in a row. An American commander said do you know why? The U.S. troop increase in an Iraqi groundswell against al-Qaeda and Shi'ite militia extremists" is the cause.

Thank you for your diplomatic work on the ground in Iraq. Thank you for the progress that it is making reported or unreported. I want to speak to you about Annapolis and get your sense of things. I admire your statement earlier that the objective is a secured stable piece in the region. The President said that was preconditioned on the "nonnegotiable demands of human dignity." As an unapologetic champion of Israel, let me say I am very interested to know going into Annapolis what the substance of that means. Specifically, you may recall, I think it was a week after September 11th when the word of the creation of a Palestinian state first was rumored in the newspapers. We met shortly thereafter on Capitol Hill to speak about it in your prior role. What was a rumor a week after 9/11 has been reported to be the stated objective of administration policy. I heard it driving in this morning; that the goal of Annapolis is to create a Palestinian state. I am troubled by that. Shouldn't the goal, first and foremost, be a secure stable and permanent Israel as a Jewish state and then a just settlement for other people in the region?

Israel is our ally, America was instrumental in a rebirth in 1948. And I would just ask you very sincerely, because I think I know

your heart on this, I think I know the President's heart, I don't question that at all. But do we put ourselves tactically at a disadvantage when we state that the objective of these negotiations is the establishment of a Palestinian state, as opposed to saying the objective is the cessation of violence, the objective is that all parties would recognize the right of each party to exist, the objective is a humane solution, and then if that leads us to the creation of a Palestinian state, then so be it.

But I would love to know what your definition of success is. Can you speak specifically to those reported accounts that the objective of this conference is the creation of the Palestinian state and what your mentality and the President's mentality going into this conference is?

Secretary RICE. Thank you. First Congressman, let me just note you mentioned September 11th. I think that after September 11th, one way that the United States and the Israeli leadership actually got closer was in our joint belief that terrorism was a significant, indeed existential threat not just to Israel, but also to the United States. And the President made very clear early on that you could not with the one hand condemn al-Qaeda, and on the other hand hug Hamas. It was the President who said, in effect, that there could be no such thing as a freedom fighter in that context. This was that a Palestinian state could not be borne of terror. It was why we rejected the leadership of Yasser Arafat, it is why the President then called for a democratic leadership in the Palestinian territories to lead their people to statehood.

You now have in the Palestinian territories a democratic leadership and one that we believe is really trying to fight terror. They don't have all the capability that they need. But one of the things that was very encouraging for me when I was in the region recently is there isn't much argument that these are people who want to do the right thing.

So I think the circumstances have changed very much. I would say that the conference will try to lay a foundation for the parties to come to the establishment of a Palestinian state. Perhaps it was put best by Ariel Sharon when he talked about in his Herzilya speech the need to divide the land and the need to make painful compromises because a Palestinian state was in Israel's interest. I think that what people have come to recognize is that the way that you will ultimately secure a democratic Jewish state called Israel is to have living side by side in peace a Palestinian democratic state.

And so the goal is the establishment of a Palestinian state, not one born of terror, as I think it would have been in early times, not one that is unable to carry out its security responsibilities, not one that is not democratic and delivering for its people. But I would defend the statement that there needs to be the establishment of a Palestinian state in order for there to be in the long-run a stable and secure Jewish state.

And I think that was the reason that the father of the settlement movement, Ariel Sharon moved from the concept of a greater Israel to the concept of dividing the land and having two states, one for the Palestinian people and one for the Israel people.

Chairman LANTOS. The gentleman from New Jersey, Mr. Payne.

Mr. PAYNE. Thank you very much. It is good to see you again, Secretary. As we know, this is about the Middle East, but the war on terror, I think, includes other areas. And Africa, as you know, is one of the areas we are concerned about. And I have three quick questions about three countries involved in the old war on terror, so to speak. The Government of South Sudan suspended its participation with the Government of Sudan because of the obstacles that the Government of Sudan, Bashir's government, has put in as relates to the comprehensive peace agreement.

As you know, Senator Danforth, I think is one of the President Bush's greatest achievements at least in Africa with the Comprehensive Peace Accord. And so I wonder whether the administration is urging the Government of Sudan to implement the CPA. Secondly, about the U.N. peacekeepers and AU Bashir has still been putting in road blocks to bring the peacekeepers into Darfur, and I wonder if you can comment on that very quickly.

Secondly, the Ethiopia-Eritrea situation in Badme, the demarcation of the borders have not been accepted by Ethiopia, our big ally in Africa, and I wonder if our administration is urging Ethiopia to accept the agreement that they said they would accept from The Hague as relates to the border dispute between Eritrea and Ethiopia. Finally the question of the 193 people that were killed. I have legislation that finally passed this House, and this committee on the House support from the chairman and the ranking member, the chairman anyway. Are we putting pressure on our friends in Ethiopia to do the right thing?

And finally Somalia, we have the Ethiopians and Somalia Transitional Federal Government just arrested the head of the United Nations food program just a few days ago. The areas are continuing to deteriorate. What are we doing to try to include the ICU (Islamic Courts Union) with the Transitional Federal Government in Somalia so that we can bring peace to that region?

Secretary RICE. Thank you Congressman Payne. And let me begin with Southern Sudan. Yes, we are. I am personally very concerned about the CPA which, of course, the United States took the lead in getting negotiated at the end of the civil war that cost 2 million lives. It is something that we really must make work. We have requested, you might notice in the supplemental, \$70 million for Southern Sudan because we believe that we need to make a more active effort on some of the reconstruction efforts in Southern Sudan and to help strengthen that government.

We are very concerned about the behavior of the north, about Khartoum, in dealing with Southern Sudan about, obviously, their behavior in Darfur and Eastern Sudan, but, again, their behavior with the CPA has also not been good. I have just recently received a report from Andrew Natsios, who has been spending some time in Sudan also working with Juba, and I will be looking at what policy we can undertake, because this is something that cannot be lost, the CPA. While we all do need to deal with Darfur, we also don't want the Southern Sudan piece of this to unravel. On Eritrea-Ethiopia, yes, we do encourage and urge the acceptance of the U.N. effort there. It has been difficult to talk to Eritrea frankly. We have had trouble getting them to talk to us. I sent the Assistant Sec-

retary for African Affairs to talk with Mr. Isaias and he didn't see her.

So while we are saying to the Ethiopians that certain things need to be done, it would be very helpful if the Eritreans would show a little bit more interest in what the United States has to say. In terms of Ethiopia and the current situation in Somalia, yes, we are encouraging, and Ethiopia is encouraging the transitional administration there—the government there—to reach out as broadly as possible to the clans, to members of the ICU who are not engaged in terrorism.

It is a complicated situation. As you know, there are some people who are in Somalia that we really believe have strong al-Qaeda ties, and obviously they need to be kept as far away from any further government there. But, yes, we are working very closely. I don't think there is any doubt that the Ethiopians don't want to stay in Somalia. And one of the things that we are trying to do is to work with the African Union to get that security force, the peacekeeping force ready for Somalia. The AU has its challenges because they are trying simultaneously to raise forces for Sudan, for Somalia, and to keep efforts going in other places. So it is a challenge. But we are very attentive to what needs to be done in Somalia.

Chairman LANTOS. The gentleman from South Carolina, Mr. Wilson.

Mr. WILSON. Thank you, Mr. Chairman, and thank you, Madam Secretary for being here. I appreciate your extraordinary successful efforts of promoting democracy, opportunity and peace around the world. I, last month, was in Iraq. I saw the tremendous progress being made. But all of us are concerned. What is the State Department doing to reduce corruption in Iraq?

Secretary RICE. Thank you. First of all, we fully acknowledge that there is a serious corruption issue in Iraq. Not all of it is a new issue. I would just note that some of these problems have been endemic. Even under dictatorship there were problems with corruption. But it is now our responsibility to press the Iraqi Government as hard as possible to deal with corruption. We have spent about \$46 million—almost \$47 million—on anti-corruption programs and measures. We have supported Iraq's own anti-corruption panel. We have supported judges who carry out these corruption trials. One of the problems that we have is we very much have to protect the identity of people who will come forward and report corruption. Because as you might imagine in these circumstances, it could be dangerous for people to report corruption. If we want to keep a steady stream of people who are going to report it, we are going to have to show that we don't play fast and loose with the information that they give us, that in fact, we protect them and protect the information.

So we are working very hard on it. We have not been shy about saying publicly and saying to the Iraqis that corruption is a pervasive and serious problem and that we intend to help them deal with it. But it is something that we are very concerned about.

Mr. WILSON. And also I have the perspective. My oldest son served for you in Iraq. I am very proud of his service there. What

do you see as the most recent achievements in terms of infrastructure development for the people of Iraq?

Secretary RICE. I think the most recent is that—just let me say, electricity is finally up in Iraq and that is a good sign. But I look at what has happened, Congressman, is that we have found a formula that puts the reconstruction efforts more at the local level where it can get to the people. Some might say we, the United States of America, should have understood this one.

If we are sitting in Cincinnati or you are sitting in Baltimore you would look not to Washington, DC, to deliver certain kinds of projects, but to local government. Thus, we have been really working hard on local responses to infrastructure and reconstruction. It has helped also, it is an iterative process, it has helped us to get local people engaged in security. So in a place like Anbar, in fact when we were out in Anbar, one of the interesting parts of that whole discussion was that the Anbari sheikhs were clearly quite proud of what they had done in terms of helping to expel al-Qaeda and being our ally. But they were hammering their central government about getting resources out to Anbar so that they can deliver for their people.

And that kind of development of local responsible government, that close to the people, can provide infrastructure support I think is extremely important. We have provided clean water for Iraqis; we have provided a lot of the infrastructure that will lead to more energy production. But probably, the real breakthrough, and it goes also to how the American military is operating, is operating in a classic counterinsurgency mode where you have to expel the bad people but you also have to work with healthy forces in the region. We have developed with the military 10 embedded PRTs—provincial reconstruction teams. These are where our diplomats and USAID people and civilian experts are literally embedded with brigade command teams and can both clear areas and then help in infrastructure development.

Mr. WILSON. Thank you so much for your service. And I am so grateful for your backing up our troops and the cooperative and partnership efforts on behalf of our country. Thank you very much.

Secretary RICE. Thank you. Thank you for the service of your son too.

Chairman LANTOS. Before recognizing my next colleague, I ask security to remove two people from the audience who are disrupting the proceedings. And I want to caution all members of the audience I will not allow the holding up of signs or making hand signals. So the two individuals will now be removed.

That man needs to be removed without delay. And the woman across the aisle.

The gentleman from New York, Mr. Engel.

Mr. ENGEL. Thank you Mr. Chairman. Madam Secretary, reports in the paper that Iraq has agreed to award \$1.1 billion in contracts to Iranian and Chinese companies to build a pair of enormous power plants is very disconcerting. The Iraqi Electricity Minister said this. To me the expansion of ties between Iraq and Iran makes no sense at all at a time when young Americans are dying in Iraq and we are spending billions and billions of dollars. I am won-

dering if you could tell us about this and what have we said to the Iraqis about this.

Obviously, any expansion of Iranian interest is a concern for the military, a concern for the United States. And while we are clashing with Iran on nuclear issues and Iranian support for arm groups in Iraq, to me, this makes no sense at all. It is almost as if the Iraqi officials are really sticking it to us.

Secretary RICE. Thank you, Congressman. On Iran, we do not believe that the expansion of Iranian ties in this way is a good thing and we have made that clear. I would note Iran is an Iraqi neighbor. They have had economic interest in Iraq going back a very long time. But the Iraqi Government itself has talked about the influences of Iran in the region. And so we have raised it with them.

In terms of China, I don't think it is quite the same situation. This is a country that I expect will invest in many, many different parts of the world and has any number of economic relationships with our friends, with our allies and, in fact, with us. But on Iran we have raised the issue. Iraq is an independent government with its independent decision-making, but I can't disagree with you.

Mr. ENGEL. Thank you. As we have discussed many times before, and you know I was the author of the Syria Accountability Act, we know that Israel recently bombed inside of Syria. I am wondering if you could shed any light on that. I am very concerned about the recent Syrian build-up. I would like your comments on that. Have we expressed to Russia our concern over military sales to Syria? And in light of Syria's negative behavior, why has the administration not taken further action to sanction the Syrian regime as outlined in the Syria Accountability Act?

Secretary RICE. Well, I want to thank you again, Congressman, for the Syrian Accountability Act, which we have used. We are often looking for the right timing to do certain things. I think earlier we were talking about the upcoming elections in Lebanon and the ability to send signals there. So I assure you we continue to believe that that is an important part of our toolbox.

As to Syrian arms transfers from Russia, yes I did raise it. And, in fact, I said to the Russians who went out of their way to say well, there was nothing illegal, that not everything that is legal is smart. And that when you are dealing with an area of the world that is this complex and where the Syrians are engaged in the negative ways that they are, this is a destabilizing policy and we will continue to make that point. As to the reports that have been in the newspapers, I can't comment. I can only say that we have continued to be concerned about proliferation, concerned about proliferation from a number of countries. And we are going to continue to try to make sure that the President's pledge that these terrible weapons will not end up in the hands of the most terrible people can be met.

Mr. ENGEL. Can I ask you about Israel's qualitative military edge? I am very concerned, obviously, that Israel keep its qualitative military edge and there is some concern about the sale to Saudi Arabia. Can you assure us that that will not affect Israel's qualitative military edge?

Secretary RICE. We are absolutely committed to Israel's qualitative military edge. Defense Minister Barak was just here and we

had discussions with him. We have also noted that the Israelis have said that they understand why these arm sales need to be made. But we are absolutely attentive to it and have no intention of allowing it to erode.

Mr. ENGEL. Madam Secretary, all the reports indicate that Hezbollah has restocked and rearmed, that weapons are coming in through Syria from Iran. Why are we not insisting that the Hezbollah, arms to Hezbollah be stopped? This, to me, is a very, very serious provocation and obviously could prompt another conflict in the region.

Secretary RICE. Well, we are insisting that that border be better manned and guarded and technical assistance. The Germans are trying to help the Lebanese with technical measures to prevent arms transfers across that border. We are looking at what U.N. resolutions might have been violated, not just in regards to 1701 but also 1747, that have to do with Iran. We are looking very hard at how to do this.

I think it goes without saying that the Siniora government is our best ally in this regard, but that they have their plates a bit full these days in what they are trying to do. And part of this is to be measured in what we ask them to do at any particular given point in time. They were brave enough to go to the U.N. and ask for the tribunal. They were brave enough through the Lebanese army to fight those terrorists in those Palestinian camps. They are trying to face down Hezbollah. They are trying to face down those who are intimidating their legislators.

So it is, in part, a judgment about how we deal with them in requiring certain things of them. But I want you to make sure that we agree with your assessment that it is a very serious matter and we are trying to get them help.

Mr. ENGEL. Thank you, Madam Secretary.

Chairman LANTOS. The gentleman from Arkansas, Mr. Boozman.

Mr. BOOZMAN. Thank you, Mr. Chairman. When Ambassador Crocker was here not too long ago I asked him about a concern that I have had really for quite a while about the quality of the information that we are trying to put out the equivalent of Voice of America in the past. And I know in traveling with the region you really get mixed results when you visit with the leaders of the country. Some of it seems to be very, very good, some of it seems to be, as they would term, silly or inappropriate or whatever. I mean very, very mixed reviews. I guess my frustration is a little bit, you know, we are dealing with some problems that are very, very difficult. That seems like that is one that we could fix. And in visiting with Ambassador Crocker when he was testifying, he shared concern that we were still maybe lacking a little bit in that area. Could you comment on that?

Secretary RICE. Yes. First of all, we have gone as you know to great lengths to reorganize under Karen Hughes public diplomacy to make it possible for our Ambassadors around the world to respond. And we are working very hard to try to make sure that our messages get out. Now, in Iraq, frankly, we are doing better, but it has been insufficient. One of the things that Ambassador Crocker asked for was a really first rate Arabic speaker as his public affairs officer who can go on television and in good Arabic defend our poli-

cies. One of the problems that we have, and it is really not so much with Iraqi TV, it is that everybody in the Middle East watches Al Arabiya or Aljazeera. If you are not a part of that mix you are not a part of the dialogue.

And so Ambassador Crocker requested that qualification. I think we have identified the right person for him. We are going to beef up that operation because when we have breakthroughs like we have in Anbar, it is important that the Iraqi people know and it is important that the region knows. One of the things that I have been encouraged by is that the Iraqis who are new at being politicians in some ways are showing a willingness to get out more, go out among the population, and have that covered by television. It is an extremely important part of the effort. But we have responded to Ambassador Crocker's desire to have a more active public affairs operation.

Mr. BOOZMAN. Thank you Mr. Chairman.

Chairman LANTOS. The gentleman from Massachusetts Mr. Delahunt.

Mr. DELAHUNT. Madam Secretary, you have made reference to Syria and the concerns that you have expressed about Syria and their behavior in the region. The President at one point cited their legacy of misery and torture. I would like to ask you a specific question about a Canadian citizen by the name of Maher Arar. I know that you are obviously familiar with our treaty obligations and Federal statutes against torture. The record of Syria on torture is expressed in the State Department's annual country reports can only be described as horrific. The report references 38 varieties of torture that they utilize, particularly when they are in the process of securing information. My question is given their record, why did the United States render Maher Arar, a Canadian citizen over his objections to Syria without informing the Canadian Government.

Secretary RICE. Well, this is a case in which I think there were some concerns expressed. Some of them were frankly appropriate, not about our desire to make somebody go to a place where we thought they might be tortured. That is not the point. We absolutely try to ensure that that will not happen. But our communication with the Canadian Government about this was by no means perfect; in fact, it was quite imperfect. Our efforts to untangle what happened here took some time. I think we and the Canadians do not have exactly the same understanding of what is possible in the future of Mr. Arar in terms of travel and the like. But we have told the Canadian Government that we did not think that this was handled particularly well in terms of our own relationship and that we will try to do better in the future.

Mr. DELAHUNT. You are aware of the fact that he was tortured for a year?

Secretary RICE. I am aware of claims that were made, Congressman.

Mr. DELAHUNT. Are you aware of the—

Secretary RICE. I am aware of claims that were—

Mr. DELAHUNT [continuing]. The commission?

Secretary RICE. I am aware of the Canadian—

Mr. DELAHUNT. Inquiry Commission?

Secretary RICE [continuing]. Inquiry, of course.

Mr. DELAHUNT. Right. By Justice O'Connor.

Secretary RICE. I am aware of the inquiry. And as I said, we do not think that this case was handled as it should have been. We do absolutely not wish to transfer anyone to any place in which they might be tortured.

Mr. DELAHUNT. Did you rely on diplomatic assurances from Syria that he would not be tortured.

Secretary RICE. Congressman, I will get you a full accounting of this because frankly, at this point, my own memory of some of the details of this case has faded a bit. But let me get back to you.

Mr. DELAHUNT. I will be looking forward to that communication, Madam Secretary.

Secretary RICE. I will be very happy to get it to you.

[The information referred to follows:]



United States Department of State

Washington, D.C. 20520

NOV 20 2007

Dear Mr. Delahunt:

This letter is in response to your question concerning Mr. Maher Arar at Secretary Rice's October 24 testimony before the House Committee on Foreign Affairs.

Mr. Arar, a Syrian and Canadian dual national, was denied entry to the United States in September 2002 and removed to Syria in October 2002. He was released from a Syrian prison in October 2003 and returned to Canada. Mr. Arar alleges that he was tortured while in Syria and filed suit against the United States. He appealed the dismissal of his case by a federal district court; the Second Circuit heard oral argument in the case last week.

Secretary Rice has expressed her view that communications with the Canadian government on this matter were not handled as well as they should have been. The uniqueness of Mr. Arar's case led to an exchange of letters in January 2004 between Foreign Minister Graham of Canada and Secretary Powell that established a mechanism for U.S.-Canadian consultations to allow for better communication in cases where deportation is proposed for a U.S. or Canadian national to a third country.

I hope this information has been useful in addressing your concern. If I may be of further assistance on this matter, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script that reads "Jeffrey T. Bergner".

Jeffrey T. Bergner
Assistant Secretary
Legislative Affairs

The Honorable
William D. Delahunt,
House of Representatives.

Mr. DELAHUNT. Thank you.

Chairman LANTOS. The gentleman from South Carolina, Mr. Barrett.

Mr. BARRETT. Thank you, Mr. Chairman. Madam Secretary what an honor to have you in front of the committee today. I agree with your assessment in the Middle East about Iran. In my personal opinion, the most dangerous thing in the entire region is a nuclear Iran. And I know that they have a lot of ties into Iraq, especially with Shi'a militants who are trying to halt a lot of the progress there. In a recent speech to the Washington Institute for Near East Policy, Vice President Cheney stated, "The Iranian regime needs to know that if it stays on the President's course, the international community is prepared to impose serious consequences."

Now, when Congressman Hamilton was here talking about the Iraqi report, I asked him the question if we knew for a fact that Iran had led attacks on American soldiers and had been involved in killing American soldiers, I asked him, isn't that an act of war? Which he basically said well, yes Congressman, it is, but what are you willing to do about it? And I guess that is my question today, Madam Secretary. I know we have sanctions and I know that options have been talked about, and I know that we are taking this very seriously because it scares me to death. Are our sanctions working, what are we doing to increase our sanctions, what sanctions are the best. And if sanctions don't work, kind of tell me what the next option is please.

Secretary RICE. Thank you. Well, we believe that an enhanced diplomatic effort that really does now draw everybody, who in the international financial system, into a posture that really will not allow Iran easy access to the international financial system can have a quite important effect. I would just note that there have been many banks that have left Iran and that refuse to take their assets. They are losing investment. They need investment in every sector, including in their oil and gas sector. We are working very hard diplomatically. As I said, we have not been limited to what happens in the U.N. Security Council.

We have also ourselves sanctioned a number of entities and we are going to continue to look at ways that we can do that because that gives us additional leverage. I would just note too that inside Iraq, the President has told our military to be very active against their agents who are engaged in activities that harm our people or that might harm innocent Iraqis or support for militias, particularly in the south. Some of the stories that you see are because we see these links. Some of the people who have been picked up are fairly high-ranking Iranians, so it is important to let Iran know.

As Ambassador Crocker told the Iranian Ambassador, that their people aren't going to be safe anywhere in Iraq if they keep up this kind of activity. Now, occasionally, there will be some people who have no further intelligence value and can be simply thrown out of the country. But we are making an active effort and we get good value from learning about their activities from picking up some of these operatives. And I think that while I have emphasized the sanctions piece and the U.N. track for the nuclear piece, I don't want to leave the impression that we aren't very actively pursuing

them when we catch them engaged in some of these hostile activities.

Mr. BARRETT. Is it truly a sense of urgency in implementing stronger sanctions that are going to be affected, Madam Secretary?

Secretary RICE. There is a sense of urgency. One reason that we have continued to pursue the track outside of the U.N. Security Council is that the Security Council track to the degree that we can keep that moving in unanimity it is a good thing. Because the Iranians then can't claim that it is just the United States that is sanctioning them, but rather that it is Russia and China. And I know for a fact that after the last Security Council resolution they were stunned that it was 15-0. It set off a debate inside of Iran with some voices saying we are being isolated by the policies of President Ahmadinejad.

We want to keep that debate and that clash going on inside of Iran. So it is important to keep this track in the U.N. moving in unanimity if we can. But it is also important for the United States to have its own policies that deny Iran access to the international financial system. My colleague Hank Paulson and I work extremely closely together on these designations. It is important, as has been the discussion now in the European Union, that others consider what further steps they can do. In this regard I would just note that the French and the British have been particularly helpful.

Chairman LANTOS. The gentleman's time has expired. The gentlelady from California, Ms. Watson.

Ms. WATSON. Madam Secretary, welcome and thank you for the time you are spending. We have been in Iraq occupying that country for 4½ years, and we keep asking the Iraqis to step up and reach a political compromise while our troops are present on their soil. And our troops have served with courage and valiancy, but military heroism cannot deliver political success. And continuing to sacrifice at heroism with no promise to political success is, to me, a waste of American resources and life.

So my question is what are your expectations for the current government in Iraq to step up to the plate and create a truly viable government that can successfully engage the Sunnis, the Shi'as and the Kurdish elements? And let me attach my second question, and you can respond with the rest of the time. I just got a clipping from the press. And I think this was in the Sacramento Press. That the Turkish war planes and helicopter gun ships attacked positions of Kurdish rebels doing its rugged barter with Iraq on Wednesday as Turkey's military stepped up to its anti-rebel operations.

So we now see that Turkey is wrapping up its efforts to dislodge Kurdish rebels. And how serious do you see that. And will it mean that Turkey will enter into the fray in Iraq and what is the Department doing to stave off?

Secretary RICE. Thank you, Congresswoman. First of all, let me take the Turkey piece of this first. We have been very actively engaged for quite a long time on this, but we have stepped up our activities after the recent attack of the PKK that killed 17 Turkish soldiers. As I said I was personally involved in this in talking to Prime Minister Erdogan. We don't see that any effort across that border by the Turks is going to help with the situation. These people live in very remote parts of Kurdistan. But we do see that the

Iraqis have an obligation to do everything that they can to prevent these attacks from taking place. I can't comment about the specific report that you have because I don't know of this alleged attack.

Ms. WATSON. I will share it with you.

Secretary RICE. Thank you. There is activity back and forth across that border unfortunately—quite a lot and very often. But we have said to the Turks that a major—that some kind of incursion into Iraq is only going to cause further instability. What we have encouraged is joint work by the Turks, the Iraqis, the Kurds to deal with the PKK, all of whom by the way consider the PKK to be a terrorist organization. So this is not the Iraqis saying to the Turks well, you don't have a problem. The Iraqis agree that there is a problem. It is a question of how to deal with these PKK terrorists, and we are working very actively on that. The Turkish Foreign Minister was in Iraq yesterday.

The Iraqis will send a senior delegation to Turkey. They have agreed that there are some actions that should be taken, so that is a very active front for us. In terms of our own presence in Iraq, which, of course, is under a Security Council resolution and is under the request by the legitimate Government of Iraq for the multi-national forces to be there including American forces, we agree, I agree with you completely, this can't be won by military means alone. What the military has been able to do is to create a somewhat improved security environment in which the Iraqis can turn to political matters. And we have, frankly, not been very pleased, we have been disappointed, with the national reconciliation efforts at the national level, the passage of legislation like de-Baathification laws or the oil law. We continue to press that. But I think it would be a mistake to believe that nothing is going on politically in the country because they have been unable to pass these laws.

First of all, they have passed a lot of laws, including just recently a pension law that will allow all Iraqis, regardless to who they worked for, or under what circumstances they worked, unless they are the worst of war criminals, to receive a pension. That is reaching out to a population that is disaffected. They have improved their budget execution to the point that money, which is mostly oil revenue, by the way, even though they don't have an oil distribution law, but money is starting to get to the provinces so that people in Ramadi and people in Fallujah have resources to spend on their populations. The local governance that is coming up in the country is to me an extremely important sign of political development in the country.

So I would not, by any means, underestimate the importance of getting the national reconciliation to where we want. But it would be a mistake for any of us to ignore the significant local developments that are emerging and the relationship between the central government and those local developments. There are some 60,000 Iraqi citizens in and around Baghdad in the security region in the Sunni areas who have volunteered for community protection as a part, and many of them as a part of the security services. So a lot is happening politically in this country. Still, I think it is worth recognizing that we are continuing to press very hard on the Iraqi Government to pass the right laws.

Chairman LANTOS. The gentleman from Nebraska, Mr. Fortenberry.

Mr. FORTENBERRY. I thank you so much, Madam Secretary, for joining us today. We are very grateful to have you. Of late we have made very good military progress in Iraq as a result of this new strategy led by General Petraeus, but clearly, the situation is very complex, dangerous and very fragile. My following comments are not meant in any way to diminish your exhaustive efforts of diplomacy in the Middle East.

But I wonder, given the security gains, if now may be an opportunity to create a new spirit of diplomacy in the region, diplomatic surge if you will, that engages responsible international stakeholders, particularly Arab states, to help undergird peace and stability in Iraq, particularly given the recent gains. We tend to have a lot of very good and helpful conversations as we have seen today about the complexities of situations in individual countries. But to create, again, a spirit in which the ideal of a collective security arrangement becomes the new governing paradigm, particularly given the opportunity coming up in Istanbul with the meeting of the Ministers. I would just encourage and like to hear your thoughts on any potential developments that that meeting could produce in terms of creating this new spirit diplomacy in the region.

Secretary RICE. Thank you very much. And I am very glad that you mentioned this neighbors conference. We have had one, of course, in Sharm el-Sheikh, and now we will have one in Istanbul. I think it could play exactly the role that you have suggested. It will take some work, though. It is not a region that is actually accustomed to thinking in collective political and security terms. It has with us been completely bilateral for decades. There are two institutions that we are trying to use. The Gulf Cooperation Council, plus Egypt and Jordan has been one that has been much more active really for about the last year. It started at the UNGA a year ago, and has been very active to try to bring about that kind of collective mentality about security in the region.

And we talk in that group not just about the Palestinian-Israeli issue, not just about Iraq but about Lebanon, about Somalia, about Sudan. It is a place where we and our Arab allies frankly can have a common security vision of what we need to achieve. There is also a Gulf Cooperation Security Dialogue that we have. None of these are yet at the stage of institutionalization that they probably need to be. But as you undoubtedly recognize and suggested in your comments, one has to kind of lay the groundwork and start people thinking in those terms and it becomes more institutionalized over time.

One of the things that we are doing that Ban Ki-Moon, the Secretary General of the U.N., has agreed to do is to put an office in Baghdad that would be a permanent structure, almost permanent secretariat for this neighbors conference so that it can have a kind of ongoing character, recurring character, rather than just being a meeting here and a meeting there.

So those are some of the things that we are doing. We do have a common view of many of these issues, particularly given the

threat from Iran. And I think we need to make the best of it to get a kind of more institutionalized response.

Mr. FORTENBERRY. That is an excellent point as well. The threat of geopolitical ambitions of Iran is forcing in some ways a new paradigm of thinking collectively in the region, so thank you for your comments.

Secretary RICE. Thank you.

Chairman LANTOS. The gentleman from Missouri, Mr. Carnahan.

Mr. CARNAHAN. Thank you, Mr. Chairman. Thank you, Madam Secretary for being with us again. I really appreciated your comments about focusing on the division within the power structure in Iran and how we can take advantage of that situation. I think that, obviously, is key to part of our overall strategy. Also, coordinating international sanctions has to be part of this diplomatic surge in the area.

I am, though, concerned about part of our strategy that appears to be counterproductive. And that is with regard to some of the diplomatic preconditions that have been set for having engagement with Iran. I am also concerned about the escalating rhetoric that the President has used talking about World War III and other kind of inflammatory rhetoric. I am also concerned about the press reports about the request for the \$88 million for the B-2 bombers to be retrofitted to carry the mob bomb designed for deep penetration in the earth. And most experts believe that is something that would be potentially used in Iran.

I guess the administration and you have talked about diplomacy as our first course of action. But I am concerned about the rhetoric, about the limits that harm those diplomatic efforts. And I would like you to talk about how in the context of that we can really, again, push this diplomatic surge and not get to that slippery slope.

Secretary RICE. Well, I have said to my colleagues many times that we do not want to be in a situation in which we are choosing among unpalatable alternatives vis-a-vis Iran. That means that we have to have the strongest possible diplomatic effort. But a strong diplomatic effort doesn't mean just sitting and talking with the Iranians. It really means showing that there are diplomatic, and, indeed, financial consequences, if Iran does not adhere to what are conditions of the international community, Congressman. I think as you know, it is not the United States that has simply said that they need to suspend their enrichment or reprocessing, it is the U.N. Security Council that has said that. And there is a reason for that. That is that it is very good to have talks with the Iranians if they are going to go someplace. If they are going to be used as a smokescreen for Iran to continue improving its capability to enrich and ultimately to have the technologies that lead to a nuclear weapon, that is not a proposition to which we ought to subscribe.

I think we have won that argument with our allies, even with countries like China. And that is why you are getting Security Council resolutions that demand that Iran stop enriching and reprocessing. Actually, suspend, we have only said suspend. It is really, frankly, not that tough a condition. They could do it tomorrow. And I have said that if they are prepared to suspend, we will change 28 years of American policy and sit down and we can talk about whatever they want to talk about.

So I said when I was in Moscow, I think the question isn't, Why won't we talk to Tehran?, it is, Why won't Tehran talk to us? I suspect that we do need to continue, as you have suggested, to press forward in ways that will get the attention of those who want a better way. And there are, I do believe, differences inside Iran. You see them in even their newspapers where people criticize some of the more aggressive policies of Ahmadinejad. We are on a diplomatic track. The President doesn't take his options off the table. But the President has made it very clear that he believes this can be resolved diplomatically. But frankly, the international community has got to get a lot tougher if it is going to get resolved diplomatically. The Iranians are not a state, I think, that will change its behavior just through talking to them. There do need to be disincentives to their continued activities. And that is what we are trying to do with the Security Council resolutions, as well as the kind of designations that we sometimes do.

Mr. CARNAHAN. Thank you, Madam Secretary.

Chairman LANTOS. The gentleman from Florida, Mr. Bilirakis.

Mr. BILIRAKIS. Thank you, Mr. Chairman. Secretary Rice, thank you for your upstanding and dedicated service to this Nation. You have served with distinction and honor. We are privileged to have you testify before us today. I, too, have a particular concern about the Iranian regime's role as a destabilizing factor in the Middle East. Recent bipartisan polls conducted this summer in Iran show that 80 percent of Iranians favor the Iranian regime offering full international nuclear inspections and a guarantee not to develop or possess nuclear weapons in return for outside aid.

Do you believe that there is a direct relationship between the state of freedom and democracy in Iran and the regime's quest to acquire nuclear weapons and the long-term success of our global war on terrorism? If so, would you further agree that it would behoove the United States to support a transition to democracy in Iran, much like President Bush has talked about? Are we doing anything to support the prodemocracy labor and student movements, as well as supporting women's and minority rights in Iran? If so, what are we doing? Thank you.

Secretary RICE. Thank you very much. As you suggest, the Iranian people deserve the same freedoms that people anywhere do. The President has been very clear that that is the nonnegotiable demand of human dignity. At the same time that we are concentrating on changing the regime's behavior concerning its nuclear weapons program or terrorism, we also try to support forces that want to be for change in Iran. We have funds for democracy support. I know that there has been some controversy about them, but I can tell you that because of the way that we handle them, we think that we are helping people who wish to carry out democracy programs through nongovernmental organizations. We don't expect people like that to want to be in direct relationship with the United States Government for all kinds of reasons, but we certainly can support nongovernmental organizations here and in other places that are working with the Iranians to push forward with their freedom.

We also need to very, very actively continue to speak out for the people who want a free Iran. If we can get messages through to the

Iranian people that we respect their great culture, we respect them as people; we don't want the United States, the people of the United States and the people of Iran to be isolated from one another. We should be friends. It is the policies of the regime in Tehran that are preventing that from happening. We have even said that we don't want to deny Iran civil nuclear power. The President is a major proponent of civil nuclear power around the world as a way to deal with energy needs, to deal with clean energy supplies so that we can be good environmental stewards.

What we don't want Iran to have is nuclear weapons technology. So we have supported efforts that would give them civil nuclear technology but without the proliferation risks of the fuel cycle. It is sometimes hard to get that message through the Iranian Government filter, because I think the Iranian Government wants their people to believe that the United States is trying to deny them technology. So those are some of the things that we are doing.

I was really pleased to welcome a group of Iranian artists here during the summer in a completely nonpolitical event, one that showed young Iranian artists under 40 that we value them. The American wrestling team went to Iran. They were wildly cheered where they went. Somehow we are going to break through that Iranian Government filter that is trying to convince their people that the United States of America is their enemy. We are not.

Chairman LANTOS. Before recognizing my next colleague, I want to mention to all of us, after the questioning by the gentleman from Texas we shall take a very brief break to cast our votes, and then immediately we will resume.

The gentleman from Texas, Mr. Green.

Mr. GREEN. Thank you, Mr. Chairman. I would like to ask unanimous consent to place my statement into the record.

Chairman LANTOS. Without objection.

[The prepared statement of Mr. Green follows:]

PREPARED STATEMENT OF THE HONORABLE GENE GREEN, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF TEXAS

Thank you Mr. Chairman for holding this hearing, and I want to thank Secretary Rice for being here to discuss U.S. policy in the Middle East.

From Iraq, to Iran, to the Annapolis summit, to Lebanon there are a numerous moving parts right now that are critical to long-term stability and peace in the Middle East, and I look forward to hearing from Secretary Rice on each of these issues.

The biggest issue facing our nation and this Congress is Iraq. Conditions on the ground have not improved over the last year and elected leaders in that country have not made the political decisions necessary to move their country forward, but we have again been sent an enormous funding request—nearly \$200 billion—to continue down the same path in Iraq.

The President stated, when he announced the troop surge, that it would give the Iraqi government the breathing space it needs to make progress in other critical areas—to this point, that has not happened.

We continue to see the Sunni-led insurgency inciting sectarian violence, as well as intra-Shiite fighting across southern Iraq, especially in places like Basra, and al Qaeda in Iraq continues to operate carrying out a large majority of the suicide bombings.

No one expected Iraq to become a stable, democratic state overnight, but we are fast approaching 5 years since we entered Iraq and overthrew Saddam Hussein's government.

Last month we heard from General Petraeus and Ambassador Crocker on the military and diplomatic efforts taking place in Iraq.

I hope the Secretary can elaborate on the diplomatic efforts taking place to stabilize the country and what the Iraqis are doing to take responsibility for controlling their own nation.

As Congress moves forward on the supplemental war request, it is getting harder and harder to justify handing over these amounts of money, putting future generations further in debt, and wearing thin our military and their resources for a country with leaders who do not appear to appreciate our sacrifice or committed to take make the necessary decision required on their part to move their country forward.

Iran also continues to present significant problems in the Middle East, from continuing to develop nuclear weapons to creating instability in Iraq, and funneling weapons and funding to Hezbollah and Hamas.

It is my hope that we continue to put pressure on Iran, by tightening down sanctions on anyone that does business with the regime, and I think the Iran Counterproliferation Act, H.R. 1400, passed last month by the House makes significant steps in the right direction.

Just yesterday the vice president of Russia's second-largest oil company, Lukoil, cited American sanctions on foreign oil companies that invest more than \$20 million in the Iranian economy for the reason the company suspended development of the Anaran oil field in western Iran.

H.R. 1400 could expand the scope of those sanctions, particularly if the president acts on section 4 of the bill and designates of Iran's Islamic Revolutionary Guard Corps (IRGC) as a "Specially Designated Global Terrorist" organization.

This would be a critical step in economically isolating the Iranian regime and increasing pressure on Iran to end its illicit nuclear program.

With numerous business interests throughout the country and a decades-long history of terrorism and pursuing nuclear weapons capability, the IRGC is much more than a military unit.

Designating the IRGC would be a key element of U.S. efforts to ratchet up the economic pressure on Iran as part of a wide-ranging sanctions campaign.

Mr. Chairman, I again thank you for calling this hearing, and thank the Secretary for being here today.

I just touched on a few of the problems we face in the Middle East and look forward to your testimony on these and other issues in the region.

Mr. GREEN. Welcome, Madam Secretary. I have a district in Texas and it is in Houston, so energy is a big issue. But the Government Accountability Office released a report last month about some challenges we face with the capacity in Iraqi ministry's partisan influence, militia infiltration, corruption, and poor security. The GAO recommended the State Department in consultation with the Iraqi Government complete an overhaul of integrated strategy for United States capacity to development efforts, and that Congress should consider conditioning future appropriations on the completion of such a strategy. Do you agree with those recommendations? Or what steps do you think we should take so it would be the carrot and the stick, both, knowing some of the problems that is wildly reported?

Secretary RICE. Yes. Well, Congressman, we have a strategy to try to support the development of reliable ministries in Iraq. We have a strategy to try to help them train proper civil servants, both at the regional level and at the national level.

I would just note that this is not an easy or short-term task, because this is a country that effectively ministries didn't matter under Saddam Hussein; they were nothing but instruments of the power of the dictator. And now you are asking them to do all of the things that I think we sometimes take for granted in governing, to construct budgets and to be able to get the money out to the field, and to have civil servants who are not going to be subject to corruption. And, by the way, as difficult a circumstance as Iraq is, we know that we have also had to fight corruption in many places around the world.

It is not just in Iraq that we are fighting corruption in ministries. I would note some of the efforts the World Bank is making in that regard. So I am tempted to say I have become convinced that governing is not a natural act; that this is something that has to be taught and developed over time.

We have a strategy for working with them. We have ministry assistance teams that work out of the Embassy to go in, both to help them develop their own capacity and to actually help them resolve problems. You know, sir, since you are from an energy state, that one of the big problems is to get all of the various elements to work together so that an investment can be made, so that production can be carried out, so that transportation can occur. They have had really quite a fragmented system—a little piece of the problem is in the ministry of oil and gas, a little piece of the problem is in the ministry of transportation. They just put together a task force to try to do better on that. We are trying multiple ways to help them be more capable.

Now, the one pledge we have insisted on from the Maliki government is that these ministries are going to be staffed by people who are not there for political favoritism, they are there for competence, and we have had some good results and some not good results. But I assure you that on that one, we are absolutely candid with the Maliki government about who we expect. Frankly, in some of the early incarnations, hiring was via patronage. Somebody got put in a ministry because they were a friend of somebody who was in one of the parties. And so we are working really hard with them on the professionalization of the civil service and the ministries.

We do have a strategy. We are putting a good deal—almost all of the resources we are requesting these days are either for the increase of local or national capability. It is not now the big reconstruction projects that you were accustomed to when we initially helped the Iraqis. Rather it is now this kind of capacity building that we are trying to do with our money. It is frankly hard, but I think we have a strategy to do it.

Mr. GREEN. Do you think we ought to condition future appropriations for some type of strategy to success in smaller steps so we can see that?

Secretary RICE. Well, I think that conditioning appropriations doesn't give us the flexibility we need. I would tell you that I tell the Iraqis all the time that one of the ways that I can continue to request this kind of support from Congress is, first of all, they live up to the obligations that they have made to us, but also that they spend their own money.

The Iraqis are in an unusual position. They do have resources. They don't have enough resources. I still think it is enormously important that we spend resources in that country. But it ought to be a plan of partnering with them. For instance, the work that we are doing in Anbar, they have made the more than \$2 billion commitment to the Anbaries for reconstruction assistance and housing and the like. I feel much sounder coming to you to say, "All right, then, U.S. resources can be X amount if the Iraqis are putting that money in."

Chairman LANTOS. Thank you very much. The committee stands in recess.

[Recess.]

Chairman LANTOS. The committee will resume with Mr. Wu.

Mr. WU. Thank you, Mr. Chairman.

Madam Secretary, there must be some days that being provost at Stanford looks good in the rearview mirror. Thank you very much for your public service to our Nation.

In September 2002, I was invited to a White House briefing on Iraq and you were one of our briefers in your capacity as National Security Adviser. Mr. Tenet was to have been the other briefer. He was unavailable. His Deputy stood in his stead. I will not get into the substance of the information that we discussed, but I think the policy views which were discussed there are fair game and should, in fact, are very important and we should discuss them. You brief a lot of Members of Congress. There is no reason why you would remember this particular one.

We exchanged some pleasantries about Tyrone Willingham's wonderful season at Notre Dame. And we also discussed your dissertation, I believe, on the Czech Army and the Red Army just a little bit. And then we got into a serious discussion about the data and proper interpretation. And let me just say that, in my view, the CIA briefer presented data and then laid out best-case scenario, worst-case scenario, medium scenario. And in that briefing, you consistently argued for the worst-case scenario interpretation of the data, and one of your principle arguments was that the American intelligence community had been late or insufficiently pessimistic with respect to Russia back after the World War II. That there was a prediction about when they would have the atomic bomb and they had that bomb sooner. There was a prediction about when they would have the hydrogen bomb; they had the hydrogen bomb sooner. And that was one of your principle arguments about why we should have a first strike doctrine, if you will, vis-a-vis Iraq, because of their potential weapons of mass destruction.

We went on to other things, and then toward the end of the meeting as we were breaking up, I circled back. And in a colloquy, my comment to you was that your rationale for a first strike doctrine against Iraq would have justified an American first strike in 1946 against Russia. And I want to be very careful in this, but I believe your answer after several exchanges was, in view of the subsequent subjugation of Central and Eastern Europe, perhaps that is something we should have done.

I have three questions. Do you continue to believe that we won the Cold War and we did not get into a hot war? Do you continue to believe that perhaps a hot war in 1946 might have been the right thing to do with respect to Russia?

Secondly, in terms of our current situation, given that the war in Iraq is now the second longest war in American history and the second most expensive in American history, given what you knew in 2002, do you continue to believe that a first strike in Iraq was the right thing to do?

And third, and most importantly for this committee's consideration and for this Congress's consideration, what other nations or organizations are out there that you and the administration you represent might consider within the circle of potential first strike, so that we and others can consider alternatives to hot wars, can

consider alternatives to war, and can consider a range of options other than the first strike doctrine that you were laying out at the time?

Chairman LANTOS. The Secretary will have 40 seconds to answer, and the rest will be in writing.

Secretary RICE. I will do it very quickly.

First of all, I probably said although I don't remember specifically, I am an historian, and I do believe that there were those who said that at the time that given subsequent events in Russia we should have considered extension of the war. I think it is well known that there were people who believed that. I don't remember expressing that as my personal view.

Secondly, as to Iraq, let's remember that, and I guess I am just—the concept of first strike here I think is perhaps a little out of place with Iraq, given that we were in a state at that time with Iraq of an end to the war but not a suspension of hostilities. We had been in war with Iraq in 1991. However, they were continuing to shoot at our aircraft in no fly zones. We, in fact, had to attack their facilities in 1998 because they expelled inspectors. So we were in a state of hostilities with Iraq.

To the question of whether or not after 17 Security Council resolutions and the continued behavior of Saddam Hussein it was right to consider a policy to finally deal with him, I believe that that was the right policy.

As to other states, obviously I think speculation about what we might do under what circumstances isn't really appropriate. I do think that the President has made very clear that he doesn't take any of his options off the table whenever American security interests are threatened. But obviously as we did with Iraq where 12 years of diplomacy was pursued, I think we always want to try to have a diplomatic course. We have been doing that now in a number of circumstances. We have talked a lot about Iran. We obviously, with North Korea, are pursuing a diplomatic path with our Five Party colleagues in the Six-Party Talks. We are making some progress. But, frankly, on North Korea, we are also using what I would call the teeth of diplomacy, not just the carrots of diplomacy.

Chairman LANTOS. The gentleman from Colorado, Mr. Tancredo.

Mr. TANCREDO. Thank you, Mr. Chairman.

Along those lines, Madam Secretary, the teeth in the policy with regard to North Korea, I would really like to know specifically what those teeth might be. And especially in light of the fact that on September 6, when the Israelis reportedly conducted an air strike in Syria to take out a facility that was developing and was developing with the aid of the North Koreans. The facility was reportedly one that was being prepared for the purpose of using nuclear weapons, or there was some nuclear weapon activity going on there. We don't know of course any specifics.

In light of that, do you not think that it was premature to release the \$25 million to the North Koreans, especially when we have such a history with them where they agree to a variety of things, only, of course, to get what they want from the west and from whomever will help them with both military and domestic aid, and then back off or back away and do in this case what they appear to be doing, proliferating nuclear weaponry? What do you think

that we should do as a result of that? Do you think it was premature to release the \$25 million?

Secretary RICE. Well, I really can't comment about the press reports concerning action that might have been taken by the Israelis. I can't comment on that. I can say that the President has made very clear that North Korean or Syrian or anybody else's proliferation is of deep concern to the United States, and that we have had policies to try to prevent that proliferation, including the proliferation security initiative, the taking down of the A.Q. Kahn network, et cetera.

As to the teeth that we have used with North Korea, of course we have a Security Council Resolution, Chapter 7, and China and Russia, in agreement with what is probably the toughest resolution that has ever been taken against any state, given the nuclear tests that North Korea conducted. Shortly after that, we were able to re-enter the Six-Party Talks. But the Six-Party framework agreement that was agreed on February 13 is one in which it is very clear that the United States only delivers on certain obligations when the North Koreans have delivered on theirs. And it is in phases. The first phase was for the verifiable shutdown of the Yongbyong nuclear reactor. That took place, which is why the release of a small amount of energy supply made sense.

Now, for the North Koreans to receive any further benefits, they have to carry through with the next phase obligations which include the disabling of their nuclear reactor and other nuclear programs associated with it, and to have a full accounting of their nuclear programs. We include proliferation activities which we take as seriously as indigenous activities.

Mr. TANCREDO. So if, in fact, it turns out to be the case that they provide weaponry or some form of nuclear materials to Syria, then that would put them in violation of the agreement?

Secretary RICE. The agreement is that they will fully disclose, and that we will be able to act on anything that they disclose. I am again not going to speak to the specific issue here, but we have been very clear that the North Koreans are not supposed to be engaged in nuclear activities at home; in other words, they are shutting down those nuclear activities, and we don't expect them to be engaged in proliferation activities. We believe that the best place to handle such concerns is in the Six-Party Talks where we have the power not just of the United States but of China, South Korea and others. I would note that South Korea—you asked about teeth—the South Koreans withheld at one point \$300 million in assistance to North Korea. That gives us a certain power to get results.

But if we are going to deal with North Korean behavior, frankly we need to shut down the program. We need to know what they did with the plutonium that they made, and we need to destroy the product of their weapons program that goes back 30 years. So, the United States is finally in a position to perhaps do something about the North Korean program, and I think we want to keep that capability.

Mr. TANCREDO. Mr. Chairman, would it be appropriate if I ask for unanimous consent to submit other questions in writing?

Chairman LANTOS. Yes.

Mr. TANCREDO. And I do so.

Chairman LANTOS. The gentleman from Washington, Mr. Smith. Mr. SMITH OF WASHINGTON. Thank you, Mr. Chairman.

Madam Speaker, you have an extraordinarily difficult job, and I thank you for your service to our country. I want to focus on Iran. I know some others have asked some questions about that, and I may have missed a couple of them. And I completely agree with the arguments that have been made by some, that economic pressure is the key on the nuclear issue, and I want to offer this committee's strongest support to put as much pressure as possible economically.

But in terms of Iran's other interests, and the real question is, what is our diplomatic strategy for containing Iran? And just a couple pieces of context. Iran certainly has regional interests, but they also fear us, with clear reason. We made it clear that we, at a minimum, rather have a different regime there, and here we are with substantial military presence with both of their borders. And that makes it hard to sort of get them to stop the violent actions that they are doing to destabilize us in Iraq, because the more stable and secure that our troops are there and in Afghanistan, without question, the greater threat that Iran will feel.

The second piece of context is there is clearly an opportunity here with the Sunni states who also fear Iran to work with them on the strategy of containment. But given that that first challenge in particular, trying to get Iran to tone down their efforts to directly attack us in Iraq, there is considerable evidence they are doing some of the same things in Afghanistan, what is our diplomatic strategy? Understanding there is a huge military component to this as well. But just in your area, what is our diplomatic strategy for trying to contain Iran in Lebanon, with Israel and Iraq and elsewhere?

Secretary RICE. Thank you. We are working very closely with allies in all of those cases. In Lebanon, we work very closely with the French; we work very closely with the Saudis who have a great interest in a sovereign Lebanon that can defend itself. And we work with the Gulf Cooperation Council states. As I said, this forum of the Gulf Cooperation Council has given us a place to pursue common interests in Lebanon and in the Palestinian-Israeli conflict. By the way, one of the goals has to be to take away troubled waters in which Iran can play. To the degree that you make it harder for Iran to see benefit or to see places in which they can make gains, it is easier to manage the Iranian challenge.

We also, as a part of the diplomatic strategy, have authorized Ryan Crocker from time to time to meet with his Iranian counterpart. I think he spent time twice now with his counterpart. He delivers a strong message which is that we don't have in effect hostile policies toward Iran; Iran has hostile policies toward us.

Mr. SMITH OF WASHINGTON. Iran doesn't see it that way.

Secretary RICE. I understand.

Mr. SMITH OF WASHINGTON. And there are reasons why they might not see it that way.

Secretary RICE. I understand. But I think that they would find that if they were not threatening our forces in Iraq, if they were not arming Shi'a militia in the south, if they were not engaged in arming Hezbollah to try and destabilize Lebanon, if they were not

involved with the Hamas in the Gaza, that they would find a United States that was more than prepared to look at common interests.

Mr. SMITH OF WASHINGTON. Is there any level in which that conversation—I know there have been some preliminary conversations with Iran—that that message has been communicated to them? Is there any possibility of that being better received than it is right now?

Secretary RICE. Well, it is a good question, Congressman. I would hope that Iran can suspend its nuclear enrichment capabilities, which are dangerous because enrichment and reprocessing is not a scientific problem, it is an engineering problem. You have to learn to do it for long periods of time in order to be able to enrich material to a level where you can build a nuclear weapon. If they will stop trying to do that, I have said we can have a discussion about everything. It doesn't just have to be about the nuclear program. I think that is the best circumstance in which we could have those discussions.

Chairman LANTOS. Before recognizing my next colleague, and to complete the record, let me state that while the administration at this moment is not in favor of a dialogue with Iran, some of us are. And the reason we are incapable of engaging in a dialogue with Iran is because the Iranian Government refuses to issue a visa for purposes of a dialogue to any Member of Congress. I have been attempting for years with the assistance of first Kofi Annan and now Ban Ki-Moon to obtain a visa, and so far, all these attempts have been unsuccessful. So the record must show that while the administration does not now favor a dialogue with Iran, those of us who do are incapable of engaging in a dialogue with Iran because Iran refuses to have a dialogue with us.

The gentleman from Texas, Mr. McCaul.

Mr. MCCAUL. I thank the chairman.

Madam Secretary, welcome. It is good to see you again. I think you are doing a fantastic job. I fully support also your diplomatic surge, if you will. I think it is time we focus on that. I wish you all the success in the upcoming regional meeting in Istanbul. I hope it is a very substantive meeting. I know sometimes these meetings are somewhat lofty, and I hope that you are able to get something done in the region.

I want to focus on an issue that we have talked a lot about diplomacy, we have talked a lot about Iran, but I want to focus on something that hasn't been raised. Iran is working toward nuclear capability, but there is another Muslim state that already has it that, in my view, poses a potential threat to our interests, and that is Pakistan. Through the A.Q. Kahn network, they achieved that capability. Pakistan, after all, has given us people like Ramsey Youssef, Khalid Sheikh Mohammed. They continue to recruit and train terrorists, al-Qaeda specifically, in their country. The Saudis continue to finance this operation.

Prime Minister, former Prime Minister Bhutto was almost assassinated and many people were killed, as you know. President Musharraf is literally a bullet away from Pakistan being turned over to these extremist forces. This is yet another challenge that I know you have on your plate, but it is a real concern of mine of

that country being one bullet away, being turned over to the extremists, and then they have that capability in the region. And I just want to, in light of the recent killings in Pakistan, I just wanted to get your comments on the situation there.

Secretary RICE. Well, Pakistan has its challenges. I think everybody can see that this is a country that was really at the brink of extremism, had close relations with the Taliban, and one of the few countries in the world that actually recognized the Taliban government in Afghanistan during that period of time, and we effectively had no relationship with Pakistan. And I think one of the lessons is that we effectively didn't maintain our relationship with Pakistan after the Soviet Union left Afghanistan and we paid for that. We paid for it in not having the contacts; we paid for it in the rise of extremism.

We have a good partner in President Musharraf. We are encouraging him to broaden his contacts with moderates, other moderates who can be of Pakistani bulwark against extremism, which is why we have been supportive of his efforts with Mrs. Bhutto, and hope that there will be an effort of all moderates to be prepared for fully democratic elections to take place in the Parliament in December so that Pakistan can take that next step toward a more stable democratic environment. It is obviously very difficult.

One of the problems that we have tried to help them with is on, for instance, education through supporting their own programs to reform madrassas and to reform some of the very basics where this extremism is growing. We have tried to help with economic development. We have tried to help with economic development in the federally administered tribal regions, while saying to them that they have to fight up there against the extremists.

So it is a broad scale program to try to help Pakistan, but I think we have to recognize that it was at a very, very dangerous point a few years ago. It is still really challenged. But the point that I would take from the past is that when we did not maintain those ties, when we cut off Pakistan, we got a worse outcome. And so our deep engagement with Pakistan at this time and with moderate forces there I think is well worth doing.

Chairman LANTOS. The gentlelady from Texas, Ms. Sheila Jackson Lee.

Ms. JACKSON LEE. Madam Secretary, let me quickly thank you for your service, and quickly as well acknowledge our fellow Americans who are suffering in California and offer our deepest concern. And I raise that because the headlines today talk about \$2.4 billion for the wars in Afghanistan, I think is a distinctive war and I won't question you at this time.

But I think what I would like to ask very quickly is: When will our soldiers come home from Iraq? Based upon legislation that I am writing that really chronicles the success of the military. That is my first question.

The second question is—whenever Vice President Cheney, and this is my opinion, is engaged in foreign policy it is dangerous. His comments this week were dangerous. And I would like your response to how we build the civilian resistance that you mentioned in Iran, and whether or not the administration will participate in a unilateral attack on Iran.

My other question is simply this issue of the fraud, waste, and abuse in the Iraqi security contracts. I would ask the State Department to consider putting a 5-year penalty on denying those contractors the ability to contract with the State Department, and high penalties, because I believe it is the worst offense.

With that, let me yield to the distinguished Secretary for her response.

Secretary RICE. Thank you very much, Congresswoman Jackson Lee. And also, I am a Californian and watching with dread what is happening to our fellow Californians, my fellow Californians.

Ms. JACKSON LEE. Would you pardon me to add congratulations for Annapolis. And I would like to know whether Members of Congress could have observer status at Annapolis, and I would like to engage you on that issue.

Secretary RICE. I would be happy to talk about that.

Let me just, on the issue of troops in Iraq, I think the President has made it clear that General Petraeus and Ambassador Crocker believe that if we continue to make some of the progress that we have, that we are going to start to see American forces come home. And that is something that we all look forward to. Our military is performing very brilliantly there. We are engaged with them on the diplomatic and civilian side, actually embedded with them in places where I think some of that progress is coming, like in the Sunni areas of Anbar, which were thought to be lost just a year ago and now one of the areas of the most progress in Iraq. And I think what that shows us is that engaging local people in their own fight is absolutely essential to the success of getting to a more stable and ultimately democratic Iraq, and our policies have been very much aimed at that.

Ms. JACKSON LEE. Iran.

Secretary RICE. And on Iran, we are pursuing a diplomatic course. The President believes in that. I sit with the Vice President. He believes in pursuing this diplomatic course. The key is that the Iranians do have to know that the international community is going to be tough to prevent an unpalatable decision later on about an Iran armed with a nuclear weapon. And when we say consequences, we do mean that we also, while the President doesn't take any options off the table, we do have economic ways that we can go after that this, and we are doing precisely that.

Ms. JACKSON LEE. If you would stay the course for Pakistan for fair elections supporting Former Prime Minister Bhutto and Musharraf. We cannot abandon Pakistan. And I hope the administration will pursue that policy.

Secretary RICE. Thank you. I am in complete agreement with you.

Chairman LANTOS. Madam Secretary, I know I speak for every member of this committee in expressing our deep appreciation to you. We all stand in awe of the depth and breadth of your knowledge, and we look forward to your next appearance. This hearing is adjourned.

Secretary RICE. Thank you very much, Mr. Chairman, and members of committee.

[Whereupon, at 12:33 p.m., the committee was adjourned.]

A P P E N D I X

MATERIAL SUBMITTED FOR THE HEARING RECORD

PREPARED STATEMENT OF THE HONORABLE DIANE E. WATSON, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF CALIFORNIA

Secretary Rice, thank you for appearing before the Committee today. I believe that from the beginning of our military invasion of Iraq, there has been a failure of our nation's leadership to acknowledge that our key challenge in Iraq is not military, but political. Security is only one portion of the equation. Even if we provide security for the Iraqi political leaders, if they fail to exploit that space to make political compromises, we are left with the same disorder.

As I see it, Iraq's political leaders have had the opportunity to find a political solution with American armed forces present. They have found it either impossible or distasteful to do that while we are present. What leads us to believe that our continued presence there is helping the situation? In fact, our presence may be exacerbating the situation.

We have been in Iraq, occupying that country for four and a half long years. We keep asking the Iraqis to step up and reach a political compromise while our troops are present on their soil. They have not done so. Yet we continue our occupation, make small tweaks to our tactics, and expect radically different results.

Our troops have served selflessly and valiantly. But military heroism cannot deliver political success. And continuing to sacrifice that heroism with no promise of political success is, to me, a waste of American resources and lives. It is time that we seriously revisit our strategy in Iraq and ask ourselves if our troop presence there is really helpful. I believe that if we are willing to seriously ask ourselves that question, we will find that our occupation is a hindrance to political success.

PREPARED STATEMENT OF THE HONORABLE SHEILA JACKSON LEE, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF TEXAS

Thank you, Mr. Chairman, for convening today's important hearing. U.S. policy in the Middle East continues to be a difficult and contentious issue, but one which we must discuss because of its ramifications throughout our nation and the world. Let me also thank the Ranking Member, and welcome our very distinguished witness today, the Honorable Condoleezza Rice, Secretary of State. I look forward to your informative testimony.

With the end of the Cold War's global divisions and the new realities of economic globalization and international terrorism, our nation has entered a new era of promise, possibility, and uncertainty. This means that the United States, the world's only superpower, has an especially heavy responsibility and vital interest in restoring its reputation in the international community and remaining engaged in all regions of the world.

Madam Secretary, I share your commitment to using diplomacy to transform our world. Truly moving towards transformational diplomacy is critical to restoring our nation's international reputation as a beacon of democracy, humanity, and multilateralism.

Today's hearing, entitled U.S. Policy in the Middle East, offers us the opportunity to discuss a wide range of important issues. I believe that all Members, on both sides of the aisle, can agree on the desirability of a peaceful Middle East; a Middle East where fundamental human rights are respected; a Middle East where nations fully participating in the international order; and a all Middle East where citizens enjoy an open political system.

However, we continue to differ on how we *could* or *should* help to achieve this shared goal. No where has this difference of opinion been more visible in recent months than on the issue of Iraq. When the American people went to the polls last November, they clearly stated their desire for a new strategy in Iraq, and this Congress has listened. From the first days of the 110th Congress, the majority has worked to move U.S. foreign policy in a new direction. We made it clear that this Congress will not, as the previous Republican Congress did, continue to rubber stamp what we believe to be an ill-conceived war. As we continue to receive reports on the situation in Iraq, it is important that we continue to look forward, to the future of Iraq beyond a U.S. military occupation.

Despite the multitude of mistakes perpetrated by President Bush and former Defense Secretary Rumsfeld, our troops have achieved a military success in ousting Saddam Hussein and assisting the Iraqis in administering a democratic election and electing a democratic government. However, only the Iraqi government can secure a lasting peace. Time and time again, the Iraqi government has demonstrated an inability to deliver on the political benchmarks that they themselves agreed were essential to achieving national reconciliation. Continuing to put the lives of our soldiers and our national treasury in the hands of what by most informed accounts, even by members of the Bush Administration, is an ineffective central Iraqi government is irresponsible and contrary to the wishes of the overwhelming majority of the American people.

Our nation has already paid a heavy price in Iraq. Over 3770 American soldiers have died. In addition, more than 27,660 have been wounded in the Iraq war since it began in March 2003. June, July, and August have marked the bloodiest months yet in the conflict, and U.S. casualties in Iraq are 62 percent higher this year than at this time in 2006. This misguided, mismanaged, and misrepresented war has claimed too many lives of our brave servicemen; its depth, breadth, and scope are without precedent in American history. In addition, the U.S. is spending an estimated \$10 billion per month in Iraq. This \$10 billion a month translates into \$329,670,330 per day, \$13,736,264 per hour, \$228,938 per minute, and \$3,816 per second.

Mr. Chairman, our soldiers achieved what we sent them to Iraq to do, and yet instability and insecurity remain endemic in Iraq. According to the report this Committee recently received from the General Accountability Office (GAO), the Iraqi government has met only three of the eighteen legislative, economic, and security benchmarks. Despite the surge, despite increasing U.S. military involvement, the Iraqi government has not made substantial progress toward stabilizing their country.

President Bush rationalized his surge, over opposition by myself and other House Democrats, by arguing it would give the Iraqi government "the breathing space it needs to make progress in other critical areas," bringing about reconciliation between warring factions, Sunni and Shia. However, non-partisan assessments continue to illustrate that escalating U.S. military involvement in Iraq is instead hindering that nation's ability to move beyond the devastation of war and death, to build a successful new government, and to create a stable and secure environment. In the months since the surge began, increased American military presence has not been able to end the relentless cycles of sectarian violence that continue to plague Iraq. Nor have larger numbers of U.S. troops been successful in unifying and strengthening the Iraqi government.

Instead, the security situation continues to deteriorate. Sectarian violence remains high, and even the Bush Administration has noted the unsatisfactory progress toward political reconciliation. The Sunni-led insurgency continues, with insurgents conducting increasingly complex and well-coordinated attacks. The August 2007 National Intelligence Estimate cited ongoing violence, stating, "the level of overall violence, including attacks on and casualties among civilians, remain high; Iraq's sectarian groups remain unreconciled." The report went on to note that al-Qaeda in Iraq (AQI) "retains the ability to conduct high-profile attacks," and "Iraqi political leaders remain unable to govern effectively."

The ever-increasing sectarian violence is causing immense daily challenges for Iraqis. Millions have been displaced, and an Iraqi Red Crescent Organization has reported an increase of nearly 630,000 internally displaced persons from February 2007 to July 2007. The same organization predicts an additional 80,000 to 100,000 persons are displaced each month. The UN High Commissioner for Refugees has estimated that 1.8 million Iraqis are now refugees, with an additional 40,000 to 50,000 fleeing to neighboring countries each month. Iraq has become a humanitarian disaster, and one that continues to get worse every day.

Mr. Chairman, though the Honorable witness and I disagree on many points relating to U.S. policy in Iraq, I was extremely pleased to learn that earlier this week, the Secretary ordered increased measures to improve government oversight of private security contractors used in Iraq. These steps, I understand, include bringing the State Department's rules of engagement into line with the military's. This decision came following a review by an independent panel intended to clarify the rules of engagement for private contractors. I know my colleagues on this Committee shared my serious concern about the incident last month, involving the security firm Blackwater, in which 17 Iraqi civilians died.

Madam Secretary, I want to know when our soldiers are going to come home. I want to know when our American sons and daughters, who have fought bravely and achieved the military success that we sought, will be able to come home safely to their families.

IRAN

Mr. Chairman, Iraq is not the only nation in the region to present a serious challenge to U.S. foreign policy, but I fear it continues to hamper our ability to address these other serious threats. Chief among our concerns must be Iran. I find Iran's support of terrorist organizations, pursuit of nuclear weapons, and dismal human rights record to be extremely worrisome. However, I am also concerned by what appears to be movement by this Administration toward yet another war in the Gulf region, without having first exhausted diplomatic means of addressing any conflicts.

I have long been an advocate of a free, independent, and democratic Iran. I believe in an Iran that holds free elections, follows the rule of law, and is home to a vibrant civil society; an Iran that is a responsible member of the region and the international community, particularly with respect to the proliferation of nuclear weapons. An Iran that, unfortunately, we do not see today.

The only effective way to achieve lasting peace and prosperity in the region, along with bringing about reforms in Iran's polity, is to assist the Iranian people in their quest to achieve political, social, and religious liberty. Every government can be judged with the way in which it treats its ethnic and religious minorities, and the current Iranian government gets a failing grade for its treatment of its many and diverse minorities.

The controversy surrounding Iran's procurement of nuclear energy is cause for great concern. However, the administration's avoidance of any and all diplomatic relations with Iran are cause for greater alarm. Moreover, the current rhetoric from the Bush Administration regarding war with Iran is both counter productive and highly inflammatory. While full diplomatic, political, and economic relations between the U.S. and Iran cannot be normalized unless and until enforceable safeguards are put in place to prevent the weaponization of Iran's nuclear program, these policy objectives should not constitute pre-conditions for any diplomatic dialogue.

Establishing a diplomatic dialogue with the Government of Iran and deepening relationships with the Iranian people would help foster greater understanding between the people of Iran and the people of the United States and would enhance the stability the security of the Persian Gulf region. Doing so would reduce of the threat of the proliferation or use of nuclear weapons in the region, while advancing other U.S. foreign policy objectives in the region. The significance of establishing and sustaining diplomatic relations with Iran cannot be over-emphasized. Avoidance and military intervention cannot be the means through which we resolve this looming crisis.

Only yesterday, the Subcommittee on the Middle East and South Asia, of which I am a member, heard testimony that the United States has not done enough to exploit Iran's economic weaknesses. We have not adequately enforced the sanctions that we have in place, and we have failed to engage multilaterally with our friends in the region and throughout the world. I would be very interested to hear your comments on this analysis, and on the idea that we have a number of remaining tools to use to contain the threat posed by Iran.

I am very concerned about what appears to be a drumbeat toward war with Iran. I am concerned about an apparent lack of commitment by this Administration to solving our current disputes with Iran by diplomatic means. I would like to inquire of the Secretary whether the United States is moving towards a unilateral strike on Iran, or whether this Administration will continue to exhaust the wide range of diplomatic and economic tools that we continue to have at our disposal.

ISRAELI-PALESTINIAN PEACE PROCESS

Mr. Chairman, at the beginning of this year, we heard testimony from the Honorable Lee Hamilton, on the recommendations of the Iraq Study Group. He reported that the best way to create stability in Iraq is to create stability in the Middle East. The conflict in Israel/Palestine is key to our success in doing so. He stated:

“You cannot get anything done in the Middle East without addressing the Arab-Israeli issue. We want these other countries, especially the Sunni Arab countries, to help us. When we go to talk to them about Iraq, they will want to talk to us about the Arab-Israeli conflict.”

I continue to believe that successfully addressing this tragic and persistent conflict will be a key component of peace in the Middle East.

The issue of refugees continues to haunt efforts to bring peace to troubled regions of the Middle East. It is at the center of most Palestinian-Israeli negotiations, and remains a sensitive and emotional issue for millions around the world. With hundreds of thousands of Palestinians displaced by the 1948 war and subsequent conflicts, and significant Jewish populations escaping an uneasy existence and escalating persecution in Arab countries, any successful peace deal will have to address the issue of refugees. Having traveled extensively in the region, and I have witnessed first-hand the promise of the Holy Land, as well as the destitution of long-term strife, and I remain committed to working toward peace in the Middle East.

By any measure, the Palestinian refugee situation is truly tragic. Dating from the 1948 Arab-Israeli war, when hundreds of thousands of Palestinian Arabs fled or were forced from their homes, it has been labeled by the United Nations the most protracted refugee situation of our day. Most international assistance to Palestinian refugees falls under the UN Relief and Works Agency in the Near East (UNRWA). This agency, originally intended to be only a short-term solution, has repeatedly seen its mandate extended, most recently to June 2008.

There is a serious need for the UN and other members of the international community to turn their attention to a long term solution. Refugee camps are crucial, but they are not the ultimate answer. They may be able to provide some services to those displaced from their homes, but they will never become a new home. As subsequent generations are born and raised in these camps, new fears, including that the camps are being used as military training grounds or bases for terrorist activities, arise.

Additionally, a solution to the Palestinian refugee crisis requires the active engagement and support of Israel's Arab neighbors. Long opposed to resettlement or naturalization for a variety of reasons, these states, including Egypt, Lebanon, Syria, and Iraq, have feared the political and economic implications of assimilation. Providing secure residency status, as well as the ability to own property, to work freely, and to access government services, would assist the refugees escape from humanitarian catastrophe and begin rebuilding a life. Palestinian refugees have become a political tool; we must remember that these are human beings who have been condemned to a life of suffering and insecurity.

In July, the Bush Administration announced its intention to launch an effort to conclude a final status agreement between Israel and the Palestinians. This agreement, to be negotiated at a meeting between Israelis, Palestinians, and other Arab states, would lead to the establishment of a Palestinian state. According to media reports, the meeting is to be held in the second half of November in Annapolis, under the chairmanship of Secretary Rice.

Though Israeli and Palestinian negotiating teams are attempting to finalize a document to be signed in Annapolis, laying the framework of the peace agreement, the two sides continue to differ on how far this document should go. We all remember too well how the last set of Israeli-Palestinian talks broke off in early January 2001, amidst the violence of the second intifada.

Madam Secretary, I welcome any comments you can offer about these talks.

LEBANON

Mr. Chairman, I would also like to draw attention to the issue of Lebanon, where the threat of violence has become omnipresent for leaders committed to democracy. In a tragic terrorist attack on February 14, 2005, a bomb killed the widely admired former Lebanese Prime Minister Rafik Hariri, as well as 22 other individuals. Overcoming their immense shock and sadness, the Lebanese people bravely rallied, and gathered to protest in Beirut's Martyr's Square in what became known as the "Cedar Revolution."

With President Emile Lahoud's term of office set to expire on November 24th of this year, Lebanon's political future is presently uncertain. No clear successor has

emerged, and the political scene is complicated by the specter of the Hariri murder. With Lebanon's unique system of distributing senior posts and parliament seats between members of the nation's major religious groups, recent years have seen significant political deadlock. In late 2006 and early 2007, this situation led to the resignation of six cabinet ministers, followed by massive demonstrations and a general strike.

Lebanon continues to face the influence of Syria on domestic politics. Many blame the Syrians directly for the murder of Hariri, and many pro-Syrian groups have had an active role in delaying the establishment of an international tribunal to prosecute this crime. However, supporters of the tribunal have ultimately been successful, reaching an agreement through the United Nations to hold the tribunal in the Netherlands.

BEYOND THE MIDDLE EAST

With U.S. foreign policy dominated by Middle East issues, I believe it is crucial that we do not neglect other regions currently experiencing significant upheaval. I recently returned from leading a Congressional Delegation (CODEL) to several African nations, including Sudan, where I visited the western region of Darfur. While I commend the Administration for taking the important step in 2004 of recognizing the killings and abuses in Darfur for what they are—genocide—I also believe that we must do much, much more for the people of Darfur.

Recognizing the near-collapse of the brave but out-manned AU Mission, in July 2007 the United Nations approved a UN–AU hybrid peacekeeping mission, to be known as UNAMID, which is meant to take over from AMIS shortly. The United States must take a leading role in encouraging the immediate and full deployment of this vitally important peacekeeping force. I would very much like to know what the United States is currently doing to support this mission, and when you, Madam Secretary, expect to see it fully deployed to Darfur.

In addition, I have, in recent weeks, been particularly concerned by the situation unfolding in Burma, where an oppressive government has, once again, stifled the peaceful protest of the nation's monks. Mr. Chairman, recent weeks have seen spectacular protests against Burma's oppressive military regime. The people of Burma continue to display a yearning for democracy, demonstrating their great spirit and bravery in the face of years of persecution and oppression. Despite international pressure, including the announcement last Tuesday that Japan would suspend \$4.7 million of funding for a human resources center, Burma continues to demonstrate that it has no intention of changing course.

Finally, I would like to raise the issue of our ally Pakistan. Last week, I was extremely distressed to see the attacks on former Pakistani Prime Minister, as she returned to her country. I continue to be extremely concerned about the security situation in Pakistan, one of our most valuable allies in the fight against terrorism. I would like to hear from the Secretary what is being done to ensure the safety of Pakistan's leaders, including Ms. Bhutto and President Musharraf. How can we better support Pakistan's efforts to fight extremism within its borders, and to secure the tribal border region with Afghanistan? I continue to believe that a stable and secure Pakistan is crucial to our global efforts to eradicate terrorism.

I call upon my fellow Committee Members, and on the distinguished Secretary of State, continue to strengthen U.S. involvement in combating these serious human rights issues throughout the world. Though the Middle East is undeniably a crucial sector of the world, and one in which we must be increasingly engaged, I believe it is similarly vital that we do not neglect our other international commitments.

CONCLUSION

Mr. Chairman, I look forward to today's important discussion of U.S. policy in the Middle East. As we remain embroiled in Iraq, contemplate armed conflict in Iran, and work to negotiate peace between Israel and the Palestinian people, I believe it is crucial that we continually reassess and evaluate our policy toward the region. We must work with regional partners, foreign allies, and the entire international community toward achieving a stable, peaceful, and prosperous Middle East.

I very much look forward to the testimony of our distinguished witness. Thank you, Mr. Chairman. I yield back the balance of my time.

WRITTEN RESPONSES FROM THE HONORABLE CONDOLEEZZA RICE, SECRETARY OF STATE, U.S. DEPARTMENT OF STATE, TO QUESTIONS SUBMITTED FOR THE RECORD BY THE HONORABLE TOM LANTOS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA, AND CHAIRMAN, COMMITTEE ON FOREIGN AFFAIRS

Question:

After the failure of the 2000 Camp David Summit, President Clinton was criticized in some quarters for calling a summit without a prior agreement. Why call an international meeting on such short notice without prior agreement on issues that have vexed peace-makers for nearly 60 years?

Response:

President Bush announced July 16 that the United States would organize an international meeting to support progress on the bilateral Israeli-Palestinian track. The Annapolis meeting was meant to be a significant milestone in a longer process that the President envisions will lead to a two-state solution with the creation of a democratic Palestinian state that will be a source of stability and security in the region.

Question:

On April 14, 2004, President Bush gave Prime Minister Sharon a letter stating, "It is unrealistic to expect that the outcome of final-status negotiations will be a full and complete return to the armistice lines of 1949." Little more than a year later, on May 26, 2005, President Bush reassured President Abbas that "(c)hanges to the 1949 Armistice lines must be mutually agreed [between the Palestinians and Israel]." How do you reconcile these two pledges? Is the Administration still committed to both of those propositions?

Response:

The U.S. Government has consistently maintained that final status issues, including refugees, Jerusalem, and borders, must be negotiated by the parties.

Question:

So far the parties seem to be negotiating only directly. What, in fact, is the current role of the United States in nurturing an agreement?

Response:

This is the most serious political engagement the Israelis and the Palestinians have had in some time. The U.S. fully supports these bilateral efforts and looks forward to the resumption of serious negotiations between both parties, negotiations that we hope will ultimately lead to the establishment of a Palestinian state living side by side with Israel in peace and security. I have traveled to the region eight times since the start of the year to support progress between Israel and the Palestinians. While the parties are indeed conducting bilateral discussions, we have made clear to them that the U.S. is prepared to assist them more directly should they so desire.

Question:

Has the U.S. offered bridging proposals to the sides? Will it do so in the future?

Response:

The United States remains committed to supporting the parties' efforts to resolve their differences and we stand ready to help. I have had serious and substantive discussions with the parties during my eight visits to the region so far this year, and will continue to do so. If the parties should reach a stalemate, we will try to help them find a way around it. We believe that we can play a supportive and constructive role, helping the parties make progress towards our shared two-state vision.

Question:

The U.S. has provided \$80 million this year in support of Palestinian security forces. How do you assess the effectiveness of our programs in that regard? Why were President Abbas's Fatah and Palestinian Authority (PA) forces, which reportedly had a significant numerical advantage, routed by Hamas in Gaza this past June?

Response:

We are in the process of rolling out our security assistance program to the Palestinians to equip them so that they are prepared to take over some of their security responsibilities. Our program focuses on training and equipping the Palestinian Authority Security Forces (PASF), promoting capacity building within those forces and

providing the necessary infrastructure to support them. In that context, nearly 200 officers from the Presidential Guard (PG) have graduated from our training programs, which include course work and practical exercises to enhance the ability of the PG to carry out its primary function—VIP protection. In January, we will begin training programs for the National Security Forces, the largest Palestinian security force. We are also working with the Minister of Interior's office to establish long-term accountability in order to effectively manage and maintain oversight of the security forces, and promote security sector reform. The team, headed by United States Security Coordinator LTG Dayton, has been actively working with the Palestinian Minister of Interior Abd al-Raziq al-Yahya, and the Department's Bureau of International Narcotics and Law Enforcement Affairs (INL) has established an office in Jerusalem to implement the program. It will take some time to build up the Palestinian security forces and enhance existing training, but rule of law and security are necessary to a functioning government that can provide basic services and opportunities for Palestinians. And this is first and foremost so that the PA can provide security to the Palestinian people, as well as regional security.

The violent extremism of Hamas in June stood in stark contrast to the leadership of Mahmud Abbas and the security forces that reported to him. The leaders of Hamas, unfortunately chose the path of violence. However, the international community has remained united around the only responsible approach: isolating Hamas until it is ready to choose peace. We need more training for the PASF to be able to counteract Hamas forces who are better organized and have better communication systems at their disposal. This program attempts to level the playing field between the PASF and Hamas so that PASF gain the capability over time to successfully confront the militant extremism of Hamas.

Question:

How do you assess the overall quality of PA security forces and the rate of their progress?

Response:

Prime Minister Salam Fayyad announced when he assumed office in June that reforming and professionalizing the Palestinian security forces was one of his highest priorities. While we are putting a comprehensive \$80 million assistance program in place—consisting of training, equipping, capacity-building, and infrastructure development—successful Palestinian security sector reform will require significant resources that can be implemented over a multi-year effort. In this context, LTG Dayton has been spearheading the international effort, in close coordination with the Blair Mission, to raise sufficient funds to meet these ambitious goals.

Question:

What is your assessment of Egypt's performance in policing its Gaza border?

Response:

The Gaza border presents complicated security and diplomatic challenges. Egypt has taken steps to improve security along the border since Israel withdrew from Gaza in 2005, including deployment of a dedicated border guard force (BGF), establishment of a buffer zone between the border and settled areas, and cooperation with the USG on assessments of the border area. Most recently, Egypt invited the U.S. Army Corps of Engineers to assess the border area and recommend means of tunnel detection and destruction while committing to purchase recommended equipment with Foreign Military Financing.

Despite these efforts, the smuggling of weapons, money, personnel, and commercial goods from Egypt into Gaza continues. While Egypt could do more to curb smuggling, including altering BGF tactics, the problem should be viewed in the larger economic context. Smuggling tunnels will remain active until commercial crossings into Gaza are opened.

Egypt insists that more BGF troops are required to secure the border. Egypt has requested—and Israel has denied—permission to deploy an additional BGF unit. We support the Egyptian request and are working with both governments to explore ways to increase troop levels within the framework of the 2005 Egypt-Israel Agreed Arrangements for the Deployment of a Dedicated BGF. Meanwhile, we continue to press Egypt to make more effective use of their existing BGF troops and all available technical means of detecting and destroying tunnels.

Question:

Has smuggling increased since Hamas took over Gaza in June, as the head of the Israeli Shin Bet recently said?

Response:

We have no independent confirmation that weapons smuggling from Egypt has increased since Hamas took over Gaza in June 2007.

Question:

According to the October 22, 2007, Haaretz, the Israeli government believes Egypt is forging "closer ties" with the Hamas government and "turning a blind eye to continued smuggling" of arms from the Sinai into Gaza. Do you share those concerns?

Response:

Egypt understands the risks to regional, Israeli, and its own security and stability posed by Hamas in Gaza. We do not believe that Egypt is forming closer ties with Hamas. On the contrary, Egypt has cooperated with the international community to diplomatically and economically isolate Hamas until it accepts the Quartet principles: recognition of Israel, renunciation of violence, and acceptance of previous agreements. As part of these efforts, we have seen concrete steps by Egypt to curb weapons smuggling from Egypt into Gaza. We, Egypt, and the international community are concerned that weapons smuggling continues despite these steps, and are cooperating on efforts to build Egyptian capacity to combat it.

Question:

What is your understanding of the September 30 incident in which 85 Palestinians—reportedly including several known terrorists—crossed from Gaza into Egypt?

Response:

On September 30, 85 Palestinians crossed from Egypt into Gaza. Egypt's official accounting of that incident states that the Palestinians rushed the border en masse and that Egyptian border guards withheld fire to avoid killing civilians. We have discussed the matter at length and expressed our concerns to the Egyptians, who insist they had no choice but to allow the Palestinians to return to Gaza. Israel strongly condemned the incident and has suggested official Egyptian complicity. We continue to work with both Egypt and Israel to establish a procedure for avoiding similar incidents in the future.

Question:

Did Egypt permit this crossing to take place, as has been widely reported?

Response:

Egypt's official accounting of the incident states that the Palestinians rushed the border en masse and that Egyptian border guards withheld fire. We have expressed our concerns to the Egyptians that stronger security measures were not in place at the time of the incident. We continue to work with both Egypt and Israel to establish a procedure for avoiding similar incidents in the future.

Question:

If so, why did they do so?

Response:

Egypt's official accounting of the incident states that the Palestinians rushed the border en masse and that Egyptian border guards withheld fire. We are not in a position to speculate on the reasoning behind Egypt's response to the incident, but in the past, Egypt has noted concerns that Hamas affiliates transiting Egypt would make contact with members of the Egyptian Muslim Brotherhood and that, by denying Palestinians return passage to Gaza, Egypt would be viewed as "Gaza's jailer." We believe it is important for Egypt to increase its security efforts at the border, and have communicated this to the Egyptian Government. We continue to work with both the Israelis and Egyptians to implement effective border security measures. We welcome Egypt's recent agreement to use Foreign Military Financing funds to purchase equipment to aid in the detection and destruction of smuggling tunnels and are working to support Egypt's request to deploy additional border guards to the Gaza area of operations.

Question:

Has the U.S. raised this matter with them?

Response:

The United States has registered its displeasure with the September 30 crossing of 85 Palestinians from Egypt into Gaza repeatedly and at the highest levels of the Egyptian government. We have communicated to Egypt that the crossing not only threatened Egyptian and regional security, but threatened to undermine Egypt's re-

lations with the United States and Israel as well as the ongoing negotiations between Israel and the Palestinian Authority in preparation for the Annapolis meeting.

Question:

To what extent is Syria still interfering in Lebanon? What was the Syrian role in the Fatah al-Islam uprising in the Nahr al-Bared camp? Is Syria behind the spate of murders of leading pro-independence personalities, including parliamentarians?

Response:

Syria continues to undermine Lebanon's sovereignty by using proxies within Lebanon to advance Syrian interests. At the moment, Lebanon's pro-Syrian opposition is blocking the election of a new Lebanese president to replace current pro-Syrian president Emile Lahoud before the end of his mandate on November 23. Pro-Syrian opposition members of Parliament have refused to attend parliamentary electoral sessions, thereby denying the pro-democracy March 14 majority the quorum it needs to hold elections that will be deemed legitimate by the Lebanese people.

Syria also continues to facilitate the transfer of weapons across the Lebanese/Syrian border in direct violation of an embargo established under UNSCR 1701. These weapons are being used to rearm Hizballah and other groups that destabilize Lebanon.

In his most recent report on the implementation of Security Council resolution 1559, UN Secretary General Ban Ki-moon reported that, according to Lebanese Prime Minister Siniora, members of FAI had come from Syria illegally. According to Siniora, information gained from interrogations of FAI members is "consistent with the suspicion that Syrian Intelligence has used Fatah al Islam to serve its political and security objectives in Lebanon." Syria denies these allegations.

The United Nations International Independent Investigation Commission (UNIIC) continues its assistance to the Lebanese in their investigation into the assassination of numerous anti-Syrian Lebanese leaders. To date, the UNIIC staff has kept certain details of its investigation confidential so as not to prejudice future prosecutions. However, one cannot ignore that no pro-Syrian Lebanese leaders have been targeted by these terrible attacks.

The United States remains committed to promoting a sovereign, democratic, and prosperous Lebanon without Syrian interference. Since 2005, much progress has been made, including the withdrawal of Syrian troops from Lebanon, the creation of the Special Tribunal for Lebanon and advancements in getting the Tribunal up and running, and the deployment of the Lebanese Armed Forces to the Lebanon/Syrian border and to the South of Lebanon. Clearly much still needs to be done, and we will continue to support Lebanon's legitimate government as it further consolidates its sovereignty.

Question:

One of the intended recipients of U.S. arms is Qatar, which has been widely criticized by many U.S.-friendly Arab states for its sponsorship of al-Jazeera and for other reasons. Senior officials of one friendly Arab country also told staff that Qatar is providing tens of millions of dollars in assistance to Hamas. What is your assessment of this claim? What is your assessment of Qatar's overall regional policy?

Response:

Qatar is an important partner in the war on terror, and our strategic partnership is vital to achieving U.S. goals in the region. Qatar hosts U.S. forces at Al Udeid airbase, including CENTCOM's Combined Air Operations Center which is vital to our military operations in Iraq, the Persian Gulf, Horn of Africa, and Afghanistan. We have differences with some aspects of Qatar's regional policy, and discuss those differences frankly with Qatari officials. We are aware of allegations regarding Qatari support for Hamas, though have not yet seen conclusive evidence to substantiate these claims.

Qatar is a moderate Arab government. The Government of Qatar quietly allows direct trade with Israel, is one of the only Arab governments to host an Israeli government trade office, and maintains high-level bilateral diplomatic contact with Israeli government leaders. Qatar is pursuing a highly progressive domestic agenda that embraces a modern U.S. model of education, including a commitment to the rule of law, and women's empowerment. We speak regularly with the Government of Qatar about the need for Al Jazeera to adopt responsible journalistic practices, and are pleased with the progress made.

Under the auspices of the Gulf Security Dialogue, the U.S. has proposed several defensive weapons systems that would help meet Qatar's security needs. To date,

the Qatari Government has not expressed interest in purchasing any of the proposed systems.

Question:

The Government Accountability Office (GAO) released a report earlier this month on the serious challenges confronting U.S. efforts to build the capacity of Iraqi ministries. The GAO found that U.S. efforts to develop Iraqi ministerial capacity face four key challenges that pose risks to their success and long-term sustainability. These include significant shortages of Iraqi ministry employees with the necessary skills to conduct key tasks, partisan influence over and militia infiltration of some ministries, corruption within the ministries, and poor security conditions that endanger employees and cause skilled workers to leave the country. The GAO recommended that the State Department, in consultation with the Iraqi government, complete an overall integrated strategy for U.S. capacity development efforts and that Congress should consider conditioning future appropriations on the completion of such a strategy. Do you agree with these recommendations?

Response:

The Department has carefully crafted a strategy with the Government of Iraq over the last two years. This strategy is already producing important results. Based on this success, we do not support either of the two GAO recommendations.

Working with the Iraqi government, in September 2005, the U.S. began to formulate a concentrated ministerial capacity development (CD) program based on our findings and Iraqi-identified priorities that would address ministry-wide problems as well as specific difficulties faced by individual ministries.

The U.S. CD programs are tailored to address short term capacity issues, such as improving computer and technical skills, as well as long term programs, such as budget execution, fighting corruption and personnel development. These short term programs are overseen by the Iraq Transition Assistance Office (ITAO). The long term program, *Tatweer*, is administered by USAID and is designed to develop the skills and qualifications of public servants through public management and administration training, strengthen the systems and processes within 11 key ministries through dedicated expatriate and local Iraqi ministerial advisors, and strengthen GOI's professional training capabilities and outreach, specifically focusing on the management of executive government institutions. In order not to replicate efforts, the short term programs are designed to fit in with ongoing long term initiatives. The strategic objective that guides U.S. CD in civilian ministries has remained the same. Regardless of the duration to implement the project, U.S. CD programs are developed to assist Iraq's transition to self-sufficiency by enabling the government to provide security, ensure rule of law, deliver essential services to the Iraqi people, and develop a market-based economy through democratic processes.

In May 2007 the Iraqi government, in cooperation the United Nations, launched the International Compact with Iraq (ICI). The ICI is a framework through which the Iraqi government agrees to undertake economic and government reforms. Capacity development of the nation's ministries was identified as a top priority. As the GOI undertakes these reforms, the international community will support these efforts with technical assistance. At the launch of the ICI, 74 countries agreed to support Iraq. We will continue to work with the GOI and ministry and provincial leadership to implement our CD programs as well as work with international partners who contribute to this effort.

Question:

What steps are being taken to address the GAO's findings?

Response:

The challenges identified by the GAO in their report accurately portray the situation in Iraq. It is these very challenges that make it all the more important that we continue our capacity development initiatives at the national and provincial levels, the latter through our Provincial Reconstruction Teams. These challenges also mean that we must maintain flexibility to adapt our approach to the circumstances of each ministry and provincial government setting where we are implementing our programs.

The Iraqi government acknowledges that it is working to address these challenges. The Iraqi government supports three main anticorruption bodies—the Commission for Public Integrity (CPI), the Board of Supreme Audit (BSA), and the Inspectors General assigned to each ministry. Shortages in trained Ministry employees impacts the Iraqi government at all levels and the Government of Iraq is working on measures to counter these problems.

The U.S. has pursued a number of joint activities with the Iraqi government to improve capacity at the national and local levels. The State Department expanded its existing anti-corruption efforts with the creation of the Office of Accountability and Transparency (OAT) and provided a grant to the OECD to include Iraq in its regional program to promote transparency in government. The U.S. and Iraq are working jointly towards developing a national anticorruption strategy, identify capacity development needs and combat money laundering.

USAID's long term capacity development program *Tatweer* trains Iraqi civil servants on anti-corruption. *Tatweer* has already conducted six sessions specifically on anti-corruption in Baghdad and Erbil over three months. As of June, anti-corruption elements have been fully integrated into all subject matter courses. The *Tatweer* Anti-Corruption program is expanding to provide more direct training and technical assistance to Inspectors General and the major anti-corruption institutions. At the provincial level, the Local Governance Program (LGP), also administered by USAID, works with officials in the provincial councils to combat corruption by creating processes of transparency and tracking resource flows and progress towards capital project completion.

Question:

Do you truly believe that the Iraqis have the capacity and willingness to govern and sustain ongoing reconstruction programs?

Response:

The Government of Iraq (GOI) has demonstrated the willingness to govern and assume responsibility for Iraq's development. The Iraqi government recognizes the need to strengthen its own capacity to better meet the basic needs of its citizens and hasten the transition to Iraqi self reliance. Iraqi ability at the local and national level to execute their budgets directly impacts their ability to continue and sustain ongoing reconstruction programs. Iraqis increasingly participate in U.S. government funded training programs and in groups such as the Capacity Development Working Group, the Budget Implementation Task Force and the Budget Execution Monitoring Board.

From the national to the provincial levels, the U.S. Embassy, USAID and Multi National Security Transition Command-Iraq (MNSTC-I) initiatives focus on training efforts to build Iraqi capacity to spend Iraq's own substantial resources. In 2006, the GOI spent roughly 15% of its \$5.67 billion non-provincial capital budget. According to Ministry of Finance data through mid-July 2007, GOI ministries had already spent approximately 24% of their 2007 total capital budgets. Additionally, our Provincial Reconstruction Teams (PRTs) report that provincial governments have committed approximately 61% of their 2007 capital budgets through November 10, while simultaneously committing and disbursing a majority of their 2006 budgets that were carried over into 2007. This substantial progress indicates a significant improvement in both ministerial and provincial capacity development in the area of budget execution.

Additionally, in May 2007 the Iraqi government launched the International Compact with Iraq (ICI). The ICI is a framework through which the Iraqi government agrees to undertake economic and government reforms, including sustained improvements in the essential services delivered across Iraq. Capacity development of central ministries is a top priority. As the GOI undertakes these reforms, the international community will support these efforts with financial and technical assistance. At the launch of the ICI, 74 countries agreed to support Iraq. We, in coordination with our international partners, will continue to work with the GOI and ministry and provincial leadership to implement the ICI.

Question:

What has the State Department done this year to respond to the life threatening conditions that Iraqi employees of the U.S. Government and its contractors are facing? What have you done administratively to speed up processing and make the refugee program or the special immigrant program quickly and widely available to Iraqi employees whose lives are at risk?

Response:

We have implemented a robust refugee admissions program that is already addressing thousands of cases referred to us by UNHCR. Either UNHCR or a U.S. Embassy can refer Iraqi refugees with ties to the U.S. Government to the U.S. Refugee Admissions Program (USRAP) for resettlement consideration. The worldwide average refugee processing time from referral to arrival in the United States is eight to ten months. We have expedited processing for Iraqi refugees and cut that time nearly in half for those who arrived in FY 2007. Embassy Baghdad is referring

Iraqis to USRAP if they are under threat due to their association with the USG. In addition, we have a direct access program in Jordan and Egypt, by which former interpreters for the USG in Iraq and USG direct-hires can apply directly to the USRAP for refugee status without a UNHCR referral. Embassy Baghdad recently recommended that we commence in-country processing for a limited number of cases of Locally Employed Staff (LES) and their family members. DHS has agreed to the proposal and we will begin processing a small number of cases soon.

The Bureau of Consular Affairs and U.S. Citizenship and Immigration Services expedited processing of all the 500 Special Immigrant Visas Congress authorized for Iraqi and Afghan translators in FY 2007. We issued a total of 429 visas to Iraqi principal applicants and 392 visas to their dependents. Processing of the 500 authorized for FY 2008 is proceeding rapidly at CA's National Visa Center and at Embassies abroad.

Should Congress authorize more Special Immigrant Visas for translators and other employees, both agencies will make every effort to again process as many eligible applicants as promptly as possible.

Question:

Who is the highest ranked U.S. official with responsibility for the Iraqi refugee issue in the region?

Response:

Ambassador James Foley is my Senior Coordinator for Iraqi Refugee Issues.

Question:

Is that person coordinating our response to both refugees and IDPs throughout the region?

Response:

Ambassador Foley is working together with our domestic and international partners to remove any obstacles that remain in the Iraqi refugee processing operation. The unique security and political situation in the region, where most Iraqi refugees are located, presents huge challenges to U.S. refugee processing. Ambassador Foley is working to address these challenges in order to expedite processing cases of vulnerable Iraqis who have been referred to the U.S. refugee admissions program for resettlement to the United States.

OFDA has the USG mandate for developing IDP policy inside Iraq. The Department's Bureau of Population, Refugees, and Migration (PRM) and OFDA coordinate closely on policy development and program implementation. OFDA participates in a weekly Iraq coordination meeting with PRM and other State Department bureaus. OFDA and PRM officials meet regularly in Baghdad and both participate in the Iraq IDP Coordination Committee.

Question:

Does every embassy in the neighboring countries have a senior official responsible for this issue and is their regular coordination between them, political officials and Department of Homeland Security officials involved in resettlement?

Response:

In addition to State Department officers in Washington working on Iraqi refugee issues, one full-time Refugee Coordinator is based in the region to monitor the operations of Overseas Processing Entities (OPE), which handle refugee resettlement processing, one full-time Refugee Coordinator is based in Baghdad, and one full-time Refugee Coordinator is based in the region to cover refugee assistance issues. The State Department also sends supplemental officers to the region on a temporary basis. State Department officers in Washington and those based in the region all coordinate activities with the various actors involved in resettlement.

Question:

Do the embassies have enough capacity to handle the visa requests and refugee admissions requests from the full range of vulnerable Iraqis?

Response:

U.S. Embassies do not handle refugee admissions requests. The State Department enters into cooperative agreements with international organizations or NGOs to serve as Overseas Processing Entities (OPEs) and conduct refugee processing activities for the USG. OPE's pre-screen applicants and prepare all materials necessary for DHS to adjudicate cases. Many Iraqi refugees are located in countries where refugee processing infrastructure did not exist until last spring. The necessary facilities and personnel are now in place to handle the caseload.

Embassy Baghdad hopes to expand its visa operations when it moves to the new embassy compound. Other Embassies in the region have assisted and will continue to assist with visa information and applications.

Question:

Are there legal authorities, personnel increases or additional resources you need to better respond to this crisis, so that next year we are not looking at unmet visa and refugee slots, but we are admitting as many qualifying applicants as our laws allow?

Response:

We hope to admit some 12,000 Iraqi refugees to the United States during FY 2008 and we have the necessary legal authorities, personnel and resources to do so. Should Congress authorize more Special Immigrant Visas for translators and other employees, we will make every effort to again process as many eligible applicants as promptly as possible. Additional resources would be helpful to offset the backlogs this would create in other consular work.

Question:

How are Administration funds designated for democracy promotion in Iran actually creating change inside the country?

Response:

Since December 2006, the Department of State has obligated \$31.15 million for Iran democracy programs. Of this amount, the Bureau of Near Eastern Affairs (NEA) obligated \$27 million and the Bureau of Democracy, Human Rights and Labor (DRL) obligated \$4.15 million. NEA made 26 different awards; the average grant size was \$715,000. DRL made five awards; the average grant size was \$800,000. The Department awarded the funds to a diverse group of grantees for activities that promote free and open participation in the political process, greater access to unbiased information, and increased respect for basic human rights. Grantees also provide training on organizational development and civic advocacy. Many of the programs are already seeing success in assisting those inside Iran who desire basic liberties such as freedom of expression, a more transparent political process, and broader freedom of press. All programs align with the Department's strategic goals for Iran programming: 1) to promote greater understanding of Western values and cultures, 2) to support civil society, 3) to advance human rights, and 4) to present alternatives to Tehran's ideology.

Question:

Given the high-profile Iranian democracy activists who have spoken out against our program to fund democracy activists in Iran, should the program be continued?

Response:

The United States remains committed to supporting Iranian civil society. We are concerned by Tehran's campaign to stifle voices that call for greater freedoms. While repression and the use of violence against dissent has been a hallmark of the Islamic Republic, the regime in the late 1990s began one of its worst crackdowns on dissent, beginning with a series of state-sponsored murders of journalists and intellectuals known as the "chain murders." The regime repressed students in 1999, closed about 100 newspapers in 2000, arrested and imprisoned hundreds of activists, intellectuals and clerics key to the reformist movement, and manipulated the 2004 Majles elections to ensure a conservative victory. Now we are witnessing the latest chapter, in which the regime is repressing students, women, labor unions, journalists, academics, and the average citizen. We should not be surprised by these crackdowns or the pretexts that are intended to provide a veneer of credibility to the regime's use of violence. Nor should we accept the notion that it is the "fault of the United States" when the Iranian leadership attempts to cut off contact between civil society actors and their partners abroad. Our allies share also see the need for continued support of the Iranian people.

Question:

Are there any indications that Europe is willing to force its industries to stop investing and doing business in Iran?

Response:

The European countries continue to take action to support UNSCRs 1737 and 1747 and explore the possibility of implementing autonomous European Union sanctions. President Sarkozy told press in October that the French government was encouraging French energy companies to forgo new business with Iran. Media report the UK has requested the same of its own companies. Chancellor Merkel recently

told President Bush that Germany will further restrict its trade with Iran. A few days later, Merkel stated after a meeting with Sarkozy that they had discussed, with other European countries, reducing trade with Iran until it complies with international requirements. Media also report the UK, Italy and France are reducing official export credit to Iran; the German government has told us they are undertaking similar reductions. All of these actions hint that Europe is developing the political will to use its economic strength as a way to influence Iranian behavior.

Question:

Have you raised this issue with the European Commission and with European national governments?

Response:

We raise this issue with the EU and European national governments at every opportunity. Treasury and State have briefed multiple European governments and banks on the dangers of financial links to Iran, a message which was strengthened by the October 25, 2007, U.S. designations of Iranian banks; many European banks have reduced or ceased their business with Iran. We are working with the UK and French governments to support their efforts to introduce additional EU-wide sanctions.

WRITTEN RESPONSES FROM THE HONORABLE CONDOLEEZZA RICE, SECRETARY OF STATE, U.S. DEPARTMENT OF STATE, TO QUESTIONS SUBMITTED FOR THE RECORD BY THE HONORABLE ELIOT L. ENGEL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Question:

Madam Secretary, there have been reports that a religious minority known as the Mandeans, often known as Iraqi "Marsh people," who have lived and practiced a Gnostic religion in Iraq for more than two thousand years, have been forced from their homes by the war. Now scattered in small groups throughout Iraq and nearby countries, it appears that unless they are able to live together in numbers large enough to maintain a community identity, the Mandeans and their ancient religion may in effect become another casualty of this terrible war.

Does the State Department have any plans to preserve the Mandaean culture; including the possibility of giving Iraqi Mandeans privileged status in order to enter the U.S. in numbers large enough to provide continuity of their culture for future generations?

Response:

We are aware of the situation confronting the Sabean-Mandaeans in Iraq and are concerned about the preservation of this community. Sabean-Mandaeans are actually distinct from the Iraqis who live in the marshes; Sabean-Mandaeans are concentrated in pockets along the eastern part of the country. Department officials, both in Washington and in Iraq, have met with the spiritual leader of the Sabean-Mandaeans to discuss his community's concerns. He and other leaders of the community have indicated their willingness to work with State Department officials and U.S. representatives in Iraq to determine the best path for ensuring the continued viability of this important community in Iraq.

The best long-term solution for the Sabean-Mandaeans and other ethnic and religious minority groups is a safe and stable Iraq. The U.S. Government is working with the Government of Iraq to build the capacity of Iraq's security forces to protect the safety of all of Iraq's citizens.

Question:

Defense News recently reported that "Lebanese Armed Forces (LAF) officials are lamenting that Washington is declining to supply all of the weapons they asked for, saying the arms are key to defeating insurgent groups." What weapons systems have the Lebanese requested during calendar year 2007? What have we supplied to the Lebanese armed forces during calendar year 2007?

Response:

We delivered more than 40 plane loads of ammunition, small arms, and light weapons as to assist the Lebanese Armed Forces (LAF) during their battle with Fatah al-Islam militants in the Nahr al-Barid refugee camp. Much of this assistance was funded with foreign donations via Lebanon's Acquisition Cross-Servicing Agreement.

In addition to this emergency assistance, the LAF has requested and received weapons systems via its 1206 Authority and FMF assistance. Delivered weapons systems include M4 and M16 rifles, M107 and M24 sniper rifles, Mk19 automatic grenade launchers, AT-4 rockets, and SMAW-D shoulder-fired bunker-busting weapons.

We have also provided the LAF with significant amount of helicopter and vehicle spare parts, 2.5 and 5-ton trucks, HMMWVs, body armor, secure communications gear, and personal equipment.

The Office of Defense Cooperation at Embassy Beirut has received Letters of Request for coastal patrol boats and refurbishment of the LAF's helicopter fleet in addition to ongoing programs to refurbish the LAF existing vehicles and provide new HMMWVs. While these systems are not armed, and therefore not technically considered "weapons systems," they may be mounted with weapons by the LAF or via future USG assistance.

Question:

Did the Lebanese request any weapons to fight the recent uprising in the Palestinian refugee camp which we didn't provide?

Response:

While we did not receive official Letters of Request for these systems, the Lebanese Armed Forces (LAF) requested a small number of attack helicopters (the LAF later modified its UH-1 Huey helicopters to carry light weapons and bombs) and new TOW missiles to replace old TOW missiles supplied by the USG in the 1980s. We did not provide either of these systems.

Question:

Did any other nations rush weapons to the LAF to respond to the uprising in the Palestinian refugee camp? If so, which nations?

Response:

Egypt and Jordan rushed shipments of small and large caliber ammunition to the Lebanese Armed Forces (LAF) and Saudi Arabia provided significant amounts of funding to support the LAF's response to the uprising in the Nahr al-Barid refugee camp. Greece and Belgium also provided ammunition in response to USG requests on behalf of the LAF, but their shipments did not arrive before the end of hostilities.

WRITTEN RESPONSES FROM THE HONORABLE CONDOLEEZZA RICE, SECRETARY OF STATE, U.S. DEPARTMENT OF STATE, TO QUESTIONS SUBMITTED FOR THE RECORD BY THE HONORABLE JIM COSTA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Question:

Madame Secretary, I applaud your efforts and discussions with Russian President Putin. I believe the Russia is a key part in maintaining stability in the Middle East, and in our diplomatic efforts around the world.

In your discussions and meetings with President Putin, what are his thoughts in regard to Iran's status in the world, and does he have the same fears of a nuclear Iran as we do?

Response:

Moscow judges that Iran is an important neighbor that plays an influential role in regional affairs. While President Putin has stated Iran's right to utilize peaceful nuclear energy, he continues to share U.S. concerns about the prospects of a nuclear-armed Iran.

Question:

In light of President Putin's visit to Iran, is he now using Iran and his relationship with President Mahmoud Ahmadinejad to leverage the United States?

Response:

While we do not always agree on tactics, Russia and the United States share the same concern about Iran's nuclear activity. Russia has played an important role in the P5+1 process, working to encourage Iran to cooperate with the IAEA in resolving unanswered questions about its nuclear program and complying with UN Security Council resolutions. We have an ongoing dialogue with Russia on the issue of Iran, both bilaterally and through the P5+1 process.

Question:

Have his public comments about Iran been different than his private conversations with you?

Response:

President Putin has been forthright in public and in private about the need to address Iran's nuclear issue through diplomacy, both in the framework of the IAEA and the UN Security Council. We share President Putin's commitment to resolve the Iran nuclear issue through diplomacy. Even as the Security Council moves towards a third sanctions resolution, the U.S. and its P5+1 partners, including Russia, remain committed to offer negotiations to Iran based on a balanced approach: suspension of sanctions for suspension of enrichment and a negotiated settlement that would give Iran access to nuclear energy while assuring the world of its peaceful intent.

Question:

Secondly, does this Administration plan to partner with President Putin to deal with Iran?

Response:

The U.S. is working on Iran in partnership with Russia and other members of the P5+1. Iran has not suspended its proliferation sensitive nuclear activities as required by the UN Security Council, has not made full disclosure to the International Atomic Energy Agency (IAEA), and has not implemented the IAEA Additional Protocol. The UN Security Council has made it clear that, absent Iran's suspending its nuclear proliferation sensitive nuclear activities, the international community can have no confidence that Iran's aims are peaceful. Suspension is a legally-binding UNSC requirement. We continue to work with our partners in the P5+1 process to move forward with a new third resolution.

Question:

What are the Administration's plans with President Putin should he remain in power as Prime Minister?

Response:

President Putin has said he will step down next year as president. However, he has also reiterated that he would like to remain influential in Russian politics. There has been speculation about how he might do this, ranging from heading up United Russia to serving as Prime Minister. There is also speculation that there might be a third presidential term. Regardless of these scenarios, the United States and Russia face serious challenges in the years ahead, such as countering terrorism, proliferation of weapons of mass destruction, promoting regional stability in the Balkans, and working to promote peace in the Middle East. We will continue to work with the Russian government on these issues, regardless of whether President Putin remains in the government. We will also maintain our ongoing dialogue with Russia on human rights and democracy.

