

TESTIMONY OF
ASSISTANT SECRETARY OF STATE JEFFREY D. FELTMAN
HOUSE FOREIGN AFFAIRS COMMITTEE
MIDDLE EAST AND SOUTH ASIA SUBCOMMITTEE
“ASSESSING U.S. FOREIGN POLICY PRIORITIES AND NEEDS IN THE MIDDLE EAST
AMIDST ECONOMIC CHALLENGES”
THURSDAY, MARCH 10, 2011

Mr. Chairman, Ranking Member Ackerman, distinguished Members of the Committee:

Thank you for inviting me to testify today regarding our nation’s foreign policy priorities in the Middle East at this critical time. The advent of transitions in Tunisia and Egypt, the tragic violence unfolding in Libya, and the unrest evident in Yemen and elsewhere are indicative of larger forces at work across the region, including unprecedented mass movements calling for democratic reforms. Notably, the genesis of these momentous events has not been anti-American, anti-Israeli, or anti-Western, rather they are inspired by domestic grievances and legitimate aspirations for certain rights and opportunities we as Americans have long recognized as universal.

A Transformational Moment

The Middle East is in the midst of a season of transformative change, the full implications of which are still taking shape. We have to respond to crises, like that in Libya, with an eye to help in resolving the immediate and longer-term challenges faced by the Libyan people and their neighbors. We must be determined and creative in support of peaceful, irreversible democratic transitions in Egypt and Tunisia. Governments across the region must open up political systems, economies and societies to bridge the gaps between people and their governments. And we know a strong and strategic response will be required of the United States if we are to protect our interests and promote stability in this crucial region.

These transitions will take different forms in different places, with the people of each country the final arbiters of what course they will take toward more open, transparent, and democratic governance. But despite the unique context in each country, the region at large is facing certain shared challenges. Daunting demographic, political, economic, and environmental challenges compound each other, threatening the stability of governments and the region, with significant consequences for U.S. interests and our friends and allies. We are seeking to act as partners, to both governments and people, to help our friends in the region counter acute threats, resolve conflicts, and build stronger democratic foundations for long-term stability and broad-based prosperity.

The people of the Middle East face some steep obstacles in meeting these challenges, and though it is they who will determine the outcomes, the United States has much at stake in their success and stands prepared to support and assist them as they grapple with these issues. Successful democratic reforms that respond to the people’s legitimate aspirations and respect people’s universal rights would discredit those who claim that violence and extremism are the only means for achieving change, while laying a more sustainable regional foundation that benefits the people and governments of the Middle East and the international community alike. Investing in

diplomacy and our relationships in the Middle East, with governments as well as people, will enable us to help shape events and address contingencies that can have a critical impact on our national security.

Matching our Policies and Assistance to our Interests

The historic changes currently underway in the region have reaffirmed our consistent message to our partners: security and stability are best achieved by governments that recognize the legitimate aspirations of their people. Our ability to realize our core interests in the region—achieving a just, comprehensive peace and lasting security between Israel and its neighbors; halting Iran’s illicit nuclear activities and countering its use of violence and terrorism in support of its regional goals; supporting a sovereign, stable, self-reliant Iraq; countering terrorist groups; and expanding trade and communications lines—is, in the long run, enhanced by our ability to partner with more representative governments. Successful democratic transitions in Egypt and Tunisia and the establishment of meaningful democratic reforms in other regional states are worthwhile in and of themselves, but will also be the most effective counter to Iranian negative influence in the region as well as the extremist ideologies that fuel terrorism. Our regional partners will be stronger partners in the long run if their power and legitimacy is based in genuine democratic support. We will continue to push leaders to engage positively with their people, with civil society, and with business, as we pursue our other interests in the region.

We have some good tools to build stronger partnerships with governments, businesses, and societies that are on the path to progress, prosperity, broader inclusion in the political process, and long-term stability in the region. The Middle East Partnership Initiative (MEPI) and our Public Diplomacy programs, along with programs sponsored by the Bureau of Democracy, Human Rights and Labor (DRL) and USAID, represent our most effective tools for engaging civil society groups while also having the flexibility to respond to changing events on the ground. We will continue to use USAID, MEPI, and DRL programs to help citizens in the region build more participatory, prosperous, and pluralistic societies to strengthen good governance and promote and defend human rights. Our embassy Public Diplomacy sections have for years been reaching out to youth and activists in the Middle East through their Facebook pages and blogs, and they will continue to send hundreds of political, economic and civil society leaders to the United States each year to learn about how to be most effective in a democracy through the State Department’s various exchange programs.

In order to achieve these objectives, the Department’s judicious foreign assistance request of \$8.84 billion in Fiscal Year 2012 for the Near Eastern Affairs Bureau reflects our commitment to working with our regional partners to ensure a better future for the peoples of the Middle East and North Africa. Funding in this request will be applied toward efforts critical to our national interests, including advancing a comprehensive regional peace and securing our friends and allies. In fact, approximately 85 percent of our fiscal year 2012 foreign assistance request consists of bilateral assistance to Israel, Egypt, and Jordan, as well as to the Palestinians. The request not only provides more than \$3 billion provided to Israel, which in tandem with our policy of guaranteeing Israel’s Qualitative Military Edge ensures that Israel is able to meet any combination of threats it might face, but also enables the Palestinian Authority to continue building the institutions of statehood necessary to realize a secure and viable two-state solution. Our request also will help support Egypt in its democratic transition and continue to build our strategic bilateral relationship. Our request further provides critical, region-wide assistance on

democratic governance, economic opportunity, confidence-building, and counterterrorism programs through MEPI, the Near East Regional Democracy (NERD) program, the Middle East Multilaterals, the Middle East Regional Cooperation (MERC) program, and the Trans-Sahara Counterterrorism Partnership (TSCTP).

In this tight fiscal environment, we are mindful that we need to be sure that every foreign assistance dollar is well-spent. We are convinced that providing the resources necessary for effective U.S. engagement in this region during this critical time passes this important test. We will need your help in providing us with sufficient and flexible funding so that we can meet the challenges and seize the opportunities as they arise.

Let me now turn to some of the specific critical issues the Administration's fiscal year 2012 budget request will help to advance.

Promoting Democracy and Universal Rights

The status quo of stagnant political orders and skewed economies in the region is untenable. The dichotomy between democratic political reform and stability is a false choice. As Secretary Clinton has noted, "the challenge is to help our partners take systematic steps to usher in a better future where people's voices are heard, their rights respected, and their aspirations met. This is not simply a matter of idealism. It is a strategic necessity."

Accordingly, our Ambassadors and Embassy officials, as well as interagency interlocutors are engaging in active outreach to governments and longstanding partners in civil society, as well as emerging actors, across the region, encouraging meaningful political and economic reform, and stronger commitments to respect the rights of all men, women, and children. We are also using the expertise, leverage, and partnerships developed by democracy assistance programs, through MEPI and DRL, to provide support to individuals and organizations throughout the region as they strive to create more pluralistic, participatory, and prosperous societies. This work enables our diplomats to nurture and support locally-led change. That is exactly the type of diplomacy that we will need more of if we are to support peaceful political reform across the region and help democratic transitions to succeed.

In the past few weeks, we have heard Egyptians demand reforms from their government, and we have seen the government respond with a new cabinet, proposed constitutional changes, and other steps. We are encouraged by these measures, and we must stand by Egypt's people and institutions as they consolidate their historic gains, including through implementing steps that will be essential for allowing free and fair elections and real reform. We will consult with an ever wider variety of actors to ensure we are providing the appropriate assistance to help Egypt cope with economic issues attendant to transition, and to facilitate a genuine and lasting transition to democracy. We know our longstanding relationship with Egypt, as well as with all our traditional allies, will remain vital, as we continue to work together toward peace, stability, and greater prosperity in the region. While we will continue to underscore the importance of these relationships, we nevertheless will not hesitate to share frank assessments of what steps are necessary to promote individual rights, prosperous societies, and stable states.

Enabling our Civilian Mission to Secure the Gains Made in Iraq

In the frontline states of Iraq, Afghanistan, and Pakistan, American civilians are carrying out missions vital to our national security. We are engaged in sustained diplomacy in support of a strategic partnership between the United States and Iraq, in line with the President's goal of supporting an Iraq that is sovereign, stable, and self-reliant. Our military's drawdown in Iraq is a critical part of the transition to full Iraqi responsibility. The Administration's request is designed to provide us with the resources necessary to implement and operate the diplomatic platform that will enable us to advance U.S. interests in Iraq, including consolidation of Iraq's democratic transition, Iraq's reintegration into the global economy, and ensuring Iraq is not a safe-haven for terrorist groups. This platform will also make possible an American partnership with Iraq that will contribute to peace and security in the region. Despite generating an increase in the Administration's FY 2012 budget request for the State Department, shifting responsibilities from soldiers to civilians actually saves taxpayers a great deal of money overall. As the Secretary has noted, the military's total FY 2012 Overseas Contingency Operations (OCO) request worldwide will drop by \$45 billion from FY 2010, while OCO costs in the State Department and USAID will increase by less than \$4 billion in FY 2012.

The Administration's request will enable our diplomats to directly engage in Iraq's provinces, where unresolved issues such as ethnic and sectarian tensions and disputed internal boundaries threaten stability. We will streamline our 16 Provincial Reconstruction Teams (PRTs) to two consulates and two embassy branch offices (EBOs) by the end of September 2011. These offices, located in strategic cities, will provide platforms for us to continue building Iraqi institutions and work with Iraqi leaders, citizens, and civil society outside of Baghdad, as well as react to sudden events and work as an honest broker to reduce frictions and crises.

Preventing and Resolving Conflicts

The Middle East has long played host to endemic conflict, which, too often, has cost innocent lives, including Americans, and destabilized the global economy. Our leadership and support is critical to reducing tensions and finding peaceful solutions to the sources of conflict.

The Arab-Israeli conflict continues to pose a grave threat to Israel's future as a Jewish and democratic state; it inhibits the legitimate aspirations of the Palestinian people; and fuels tensions across the region. Of course, we know that resolving the Israeli-Palestinian conflict will not itself guarantee stability in the region, but it is clear that an absence of peace will guarantee continued conflict and instability, which is harmful to the United States, to Israel, and to all the people in the region. It is no secret that recent efforts to resolve the conflict have been stalled, but we are working hard to find a way to bridge gaps and resume critical, meaningful, and substantive discussions between the parties. We remain committed to reaching a negotiated solution that establishes a viable and contiguous state of Palestine alongside a secure Israel with recognized borders, a vital step toward our goal of a comprehensive peace between Israel and all its neighbors. Achieving this outcome could have particularly important effects on the region in the context of popular movements calling for democratic change.

Our diplomatic efforts aim not just at promoting peace, but also at countering grave threats from antagonistic states and non-state actors. Iran's refusal to meet its international obligations, particularly regarding its nuclear program, is dangerous and unacceptable. Our diplomatic missions in the region, in various multilateral forums, and around the world have built and maintained momentum on behalf of an unprecedented sanctions regime against Iran's leaders.

The Government of Iran's denial of rights to its own people, including resorting to brute force against protestors, has greatly eroded its legitimacy at home as well as abroad. Iran's hypocrisy was clear when it applauded the rights of Egyptian protestors seeking political reforms and accountability while violently preventing its own citizens from exercising the same rights. We are working with a broad group of countries to create a UN Special Rapporteur on the human rights situation in Iran to draw attention to ongoing abuses and bolster the international response. There can be no mistaking the message of the international community: Tehran has a choice, embrace and live up to its international obligations and reap the benefits of reintegrating into the global order, or else face only mounting isolation and pressure.

Beyond Iran and the Arab-Israeli conflict, certain states act as flashpoints and sources of instability. One such source is Yemen, where terrorist violence from al-Qa'ida in the Arabian Peninsula (AQAP) has been directed inside and outside of Yemen, threatening the security and well-being of the Yemeni people, the broader Arabian Peninsula, and the United States, our friends, and allies. Yemen also faces an array of other challenges, including a fractured political system that many Yemenis no longer trust, as evidenced by the increasing number of protests calling for change from the entire political establishment. Declining water and petroleum resources exacerbate the Government of Yemen's struggles to provide good governance, delivery of services, and basic security.

Given the interlinked nature of Yemen's challenges, and the implications for U.S. interests, we are adopting a comprehensive and sustained approach that takes into account political, cultural, socio-economic, and security factors. But our principles remain, as in all of these transformations in the region: we support universal human rights, including the freedom of expression and peaceful assembly; reforms that are lasting and answer legitimate aspirations; and we strongly condemn violent responses to peaceful protestors. Our strategy has two main prongs – helping the government confront the immediate security threat from AQAP, and mitigating the serious political, economic, and governance issues that the country faces over the long term. To help meet immediate security concerns, we will continue to train and equip particular units of the Yemeni security forces with counterterrorist and border control responsibilities through a combination of Foreign Military Financing (FMF), International Military Education and Training (IMET), and Non Proliferation, Anti-Terrorism, and Demining (NADR) assistance, complemented by the Department of Defense's investments to train and equip Yemeni security forces. Our strategy marshals U.S. assistance resources – through Economic Support Funds and Development and Humanitarian assistance funds – to improve Yemen's macroeconomic stability, increase the sustainable and equitable delivery of services, and improve local governance and civic participation. Over time, as the Government of Yemen grows more transparent and responsive to the needs of its citizens, the seeds of extremism and violence will find less fertile ground and a more positive and productive dynamic will begin to prevail.

Lebanon has also been a historical flashpoint. We are closely following the government formation process there, and have let Prime Minister-designate Mikati know that we expect the next government to live up all of to Lebanon's international obligations, including UNSCRs 1559, 1680, and 1701, as well as uphold Lebanon's commitment to the Special Tribunal for Lebanon. We believe it is important to stay engaged with Lebanon in our efforts to support its people and its armed forces in order to strengthen its sovereignty and independence. Without sustained U.S. support, moderate voices that support democratic principles and stability could be

weakened and the Government of Lebanon could choose to look to other sources for support that are inimical to U.S. interests.

Platforms and People that Make the Above Possible

The FY 2012 budget request allows us to sustain diplomatic relations with every country in the Middle East, except Iran, and with the Palestinians. In the Near Eastern Affairs Bureau, we oversee 22 posts, including the largest U.S. Embassy in the world in Embassy Baghdad. We provide support services for over 50 other U.S. government agencies and Defense Department elements that have a presence at our posts.

Several of you have asked the State Department about the safety of your constituents in the Middle East. Well, the overall State Department budget also helps fund the consular officers who evacuated over 2,600 people from Egypt and Libya. They serve as our first line of defense against would-be terrorists seeking visas to enter our country.

Conclusion

As Secretary Clinton testified before the full Committee on March 1:

The world has never been in greater need of the qualities that distinguish us – our openness and innovation, our determination, our devotion to universal values. Everywhere I travel, I see people looking to us for leadership. This is a source of strength, a point of pride and a great opportunity for the American people. But it is an achievement, not a birthright. It requires resolve—and it requires resources.

This statement applies nowhere more clearly than America's engagement with the Middle East. I look forward to continuing to work with this Committee and the Congress to ensure that America maintains the leadership role in the region that will be critical to securing our nation, today and for future generations.