

INTERNATIONAL RELATIONS BUDGET FOR FISCAL YEAR 2006

HEARING BEFORE THE COMMITTEE ON INTERNATIONAL RELATIONS HOUSE OF REPRESENTATIVES ONE HUNDRED NINTH CONGRESS

FIRST SESSION

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INTERNATIONAL RELATIONS BUDGET FOR FISCAL YEAR 2006

THURSDAY, FEBRUARY 17, 2005

HOUSE OF REPRESENTATIVES,
COMMITTEE ON INTERNATIONAL RELATIONS,
Washington, DC.

The Committee met, pursuant to call, at 2:05 p.m., in room 2172, Rayburn House Office Building, Hon. Henry J. Hyde (Chairman of the Committee) presiding.

Chairman HYDE. The Committee will come to order.

Madam Secretary, on behalf of my colleagues, I want to extend a warm welcome to you, for this, your first appearance before our Committee. We are looking forward to your testimony and to a wide-ranging discussion of the many challenges and opportunities that our country faces.

I won't address in detail the President's foreign policy priorities for the next 4 years other than to note they comprise a very ambitious agenda. I am certain that agenda will only grow with the certain emergence of unanticipated needs and the appearance of unwelcome surprises. I can assure you that our Committee will set an equally fast pace in our work, both in partnership with you and in the execution of our own extensive agenda.

Regarding that agenda, rather than list the entire range of subjects on which the Committee will focus its attention this year, I will mention but one; namely, a thorough review and reform of the United Nations and its many agencies.

Even the most steadfast of U.N. supporters must concede that after more than half a century of operation, this many-faceted, sprawling entity is very much in need of focused scrutiny and extensive reform. This fact has been dramatically revealed in the still-unfolding scandal regarding the enormous sums of the Oil-for-Food Program that we have good reason to believe were stolen or needlessly wasted.

In our ongoing investigation, each path we have gone down has branched into many others, and we have yet to see any end to the series of unwelcome discoveries. If abuses of this magnitude can occur in such a high-profile program, and over a period of years, it is impossible to conclude that this is likely to be an isolated phenomenon. We can point fingers in many directions, but the United States Government must share some of the blame. We can't avoid our responsibility to ensure that the money of the American people is used wisely, and as sparingly as possible, and that organizations perform the missions and functions for which they were brought into being.

The transgressions of this one program demonstrate the scale of abuses that can occur when no one is watching. It is our intention to ensure that no veil is ever again allowed to shield from view the activities of those who would use public resources for private gain or pervert the work of institutions with ideological missions.

For that reason, our goal is not a one-time exposure of abuses but the establishment of a lasting culture of transparency at the U.N., one that parallels that of our own Government and those throughout the advanced world. For it is only when permanent scrutiny by outside observers is assured that we can be confident that what we are told is true actually is true, and that malfeasance is not disguised as a virtue.

It is important that I stress that this endeavor is not conceived in hostility to the U.N. but instead stems from the importance we believe that it and its many agencies can play in the world, especially in areas such as the care of refugees and promoting global health. To realize that potential, however, requires that the U.N. not be allowed to become a mysterious realm governed by unaccountable international bureaucrats, but instead it remain faithful to the purposes and responsibilities for which it was created.

Those who believe in the U.N.'s capacity to do good should welcome this effort. To oppose stringent, open, and permanent examination is not to defend the organization from attack but is instead to ensure that abuses will continue to occur, protected by a neglect borne of indifference.

We would do well to remember that here and elsewhere, public accountability is neither a burden nor a punishment but an opportunity to demonstrate fidelity to the trust one has been given and an acknowledged right to the pride and admiration earned by one's accomplishments.

As I noted at the outset, this represents but one of the Committee's priorities for this year. We look forward to working in close cooperation with you, Madam Secretary, on this and the many other challenges and opportunities that our country currently faces and those yet unknown that lie in wait.

I now turn to my distinguished colleague, Tom Lantos, for such remarks as he may wish to make.

Mr. LANTOS. Mr. Chairman, I am delighted to join you in welcoming our extraordinarily distinguished new Secretary of State for her first appearance before our Committee today. I have enjoyed more than I am prepared to admit the open and cordial challenges of communication with Dr. Rice over the past 4 years when she served as National Security Advisor to the President, and I look forward to the continuation of this open and friendly dialogue as she serves as our Secretary of State.

I want to congratulate Dr. Rice in assuming this new position and wish her the very best as she continues her distinguished service to our Nation.

I also want to congratulate her, Mr. Chairman, on a highly successful trip to Europe this past week. She did a magnificent job in her meetings with European leaders. Unfortunately, it takes two to tango and I am not sure we have a dancing partner.

Senator John McCain was quoted earlier this week after his own meetings with European officials saying, "They haven't budged one

inch that I could see, not on Iran, not on Iraq, not on arms sales to China.”

We are fortunate, Mr. Chairman, to have a Secretary of State with Dr. Rice’s intelligence, persistence, and charm to undertake the task of dealing with our European “allies.”

Mr. Chairman, I have urged NATO for over 2 years to assume greater responsibility in Afghanistan and Iraq. Commitments have been made with regard to both Afghanistan and the training of Iraqi forces, but I have been profoundly disappointed with the meager contributions that have been made thus far by our NATO allies. The failure of NATO to play a more active role in these critical areas raises serious questions about the future of the Alliance.

Mr. Chairman, you mentioned the important work that our Committee is doing on the United Nations and you have called for a culture of transparency, and I join you in that call.

I agree we must actively pursue far-reaching reforms at the United Nations and that work will ultimately lead to a more effective and stronger institution, which is my hope. I am convinced that my good friend Kofi Annan is fully committed to cleaning up and reforming the United Nations. And as to the jihad which is undertaken by some against Kofi Annan, we shall defeat this jihad as we defeat other jihads.

Madam Secretary, you are doing an outstanding job in your new position. We wish you well, and we are anxious to do everything we can to support your efforts. You are facing many extremely difficult challenges, but if anyone is up to the handling of the range of difficult global issues, you certainly are. We look forward to working with you, and we look forward to seeing much more of you before this Committee.

Thank you, Mr. Chairman.

Chairman HYDE. Thank you, Mr. Lantos.

To the Members, I state anyone who has an opening statement, without objection it will be made a part of the record, and we will proceed directly to the Secretary for her testimony.

Of course I am honored to welcome Dr. Condoleezza Rice, the new Secretary of State, to the Committee on International Relations.

There is no need to elaborate on her many achievements because they are well known. Secretary Rice is highly respected both in academia and political arenas, and I have no doubt she is well up to the task of meeting the duties and challenges of her position. Without further ado, we are pleased to hear from you, Madam Secretary.

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

Secretary RICE. Mr. Chairman, I have a longer statement I would like to have entered into the record. I will excerpt from that so we may have full time for questions.

Chairman HYDE. Without objection.

Secretary RICE. Thank you, Mr. Chairman, and Congressman Lantos.

I appreciate the opportunity to address this Committee at this time of challenge and hope and opportunity for America and for the

world. I look forward to working with the Congress and with this Committee to build a strong bipartisan consensus behind America's foreign policy and to ensure that the men and women of American diplomacy have the resources and the support they need to conduct their vital missions.

In his recent State of the Union message, President Bush spoke of the unprecedented efforts we have undertaken since September 11, 2001, with allies and friends around the world, to defeat terrorism. The President spoke of the significant progress we have made in confronting the enemy abroad, in removing many of al-Qaeda's top commanders, in cutting off terrorist financing and in putting pressure on states that sponsor or harbor terrorists or seek to proliferate the world's most dangerous weapons.

But in the long term, as the President has said, the only force powerful enough to stop the rise of tyranny and terror and replace hatred with hope is the force of human freedom. President Bush has charged the men and women of the Department of State with helping to create a balance of power in this world that favors freedom, and I am privileged to lead them in this effort.

To advance our diplomatic mission of freedom, I recently traveled to Europe and to the Middle East. I spoke with European leaders about how America and Europe can best work together to serve freedom's cause worldwide. We have been in a great alliance together that has faced down tyranny before and has seen the spread of liberty and freedom. We must now mobilize that great alliance to the great causes of the 21st century to face down tyranny and terrorism again and to spread freedom to those places it has not yet found home. President Bush will continue that conversation when he arrives in Europe on February 21.

Next month in London, Prime Minister Blair will convene an important conference of major donors to help the Palestinian people advance their political and security and economic reforms and build infrastructure for self-government. Also in March, under the auspices of the broader Middle East and North Africa Initiative, Egypt will host a meeting in Cairo of the G-8 and Arab League members to broaden the base of support for peace and reform.

We understand fully that the path of democratic reform in the Middle East will be difficult and uneven. The spread of freedom is the work of generations, but it is also urgent work that can no longer be deferred. From Morocco to Jordan to Bahrain, we are seeing elections and new protections for women and minorities and the beginnings of political pluralism. These are efforts that we must support. We must support it with educational and cultural exchanges, public diplomacy, broadcasting initiatives, and support for those in these countries who want to see a different kind of future and a different kind of Middle East.

The success of freedom in Afghanistan and Iraq will give strength to reformers throughout the region and accelerate the pace of reforms underway already. Every leader with whom I spoke in Europe understands that it is now in our common interest to build on recent successes and to stabilize and advance democratic progress in Afghanistan and Iraq.

We talked about turning a page and moving on to the difficult but critical work ahead of us. We agreed that it is time to close the

book on that past and to help the Iraqi people write a new chapter in freedom's history, the history of a democratic Iraq.

Of course the process of reform in the broader Middle East is not detached from the important resolution of other political issues there. In my recent travels, I found no difference of view at all between the United States and Europe on the goal of an independent Palestinian State, living side-by-side in peace with the Jewish State of Israel. We all support the process of reform in the Palestinian Authority, the successful Palestinian elections of January 9; and the Israeli withdrawal plan from the Gaza and parts of the West Bank have created a new climate that is propitious for movement back onto the roadmap.

At their meeting in Sharm el-Sheikh, Prime Minister Sharon and President Abbas both talked about a time of opportunity, and it was interesting to me that in my meetings with them, they both started with the same line: "This is a time of opportunity and we must seize it."

And so I have returned from my travels to the Middle East and Europe, confident that these parties now have before them the best chance for advancing peace that they are likely to see for some years to come. We must support them and help them on their way.

Even as we work with allies and friends to meet the great challenges of advancing freedom and peace in the broader Middle East and North Africa, we will seize other important opportunities to build a world of peace and hope and prosperity. We will work to strengthen the community of democracy so that free nations are equal to the work before us and before them. We must do all that we can to ensure that nations which made the hard choices and do the hard work to join the free world deliver on the high hopes of their citizens.

In much of Africa and Latin America, we face the twin challenges of helping to bolster democratic ideals and institutions while alleviating poverty. We will insist that leaders who are elected democratically have an obligation to govern democratically, and we will work in partnership with developing nations to fight corruption, instill the rule of law and create a culture of transparency that will attract the trade and investment crucial to poverty reduction.

In this regard I would like to mention one very high, important Presidential priority, and that is the Millenium Challenge Corporation, a bold, growth-promoting approach to development which helps countries that govern justly and adopt sound economic policies and invest in the welfare of their people.

This is a new way to approach the issue of development, recognizing that development is a two-way street; that yes, it is important to make resources available, but it is also important to have recipient nations that will use those resources well. That means good governance and transparency and rule of law and investment in the health and education of people and fundamental attention to anti-corruption efforts.

We will also help countries to enhance their capabilities to protect their citizens from traffickers and terrorists. We are engaging our partners in fighting drugs in Latin American through the Andean Counterdrug Initiative, and we are giving assistance to our

partners in the global war on terror because we cannot fight terrorism alone.

I am sure that we all agree when they engage effectively, multi-lateral institutions can multiply the strength of freedom-loving nations, and so you will see that the President has asked for adequate resources to meet our obligations to important international organizations and to pay our projected costs for peacekeeping missions around the world.

We are particularly concerned that we respond to crises that have emerged since the 2005 budget in places like the Ivory Coast and Haiti and Burundi, and especially Sudan/Darfur where peacekeeping missions will hopefully in Sudan and Darfur begin to alleviate that very difficult crisis.

Moreover, we have seen how states, where chaos and corruption and cruelty reign, can pose threats not only to their own people and to their regions, but to us. And so we are working to strengthen international capacities to address conditions in failed and failing and post-conflict states.

And in this regard, I would like to call to the Committee's attention that the President has charged us at the State Department with coordinating our Nation's post-conflict and stabilization efforts, and we have developed a new Office of the Coordinator for Reconstruction and Stabilization, housed in the Department to help us do that job.

The United States must stay at the forefront of the global fight against HIV/AIDS. The United States must support the efforts to show us as a compassionate country. And, therefore, in addition to the funding that the President is seeking on HIV/AIDS, we are seeking food aid and famine relief and nonfood humanitarian assistance.

We are responding to the tremendous tragedy that the tsunami brought to southeast Asia, and the President has requested funding both to replenish funds that were used on an emergency basis so we could respond quickly, and also for further funding so we can deal with the immediate reconstruction and reconstitution requirements of that great disaster.

In all of these endeavors, the primary instrument of American diplomacy will be the Department of State and the dedicated men and women of the Foreign and Civil Services and the Foreign Service Nationals who serve us so well. Together, we will apply the tools of diplomacy to protect our homeland and advance the values for which it stands, and to strengthen the community of democracies in the work of freedom's spread.

We are continuing to recruit new personnel. We are continuing to give them the very best tools and technology to do their work. In this regard, we will also be ever cognizant of the need to have Foreign and Civil Service personnel who reflect the great diversity of America. What a wonderful message it sends to the rest of the world to have our Foreign and Civil Service broadly diverse so that places in which difference is still a license to kill will understand what it means to truly be a multiethnic democracy.

We can do this so much more effectively by the people we send than by any words that we can possibly speak. Public diplomacy is a top priority for me, and the President has requested increased

funding for our activities to engage and inform and influence foreign publics and to open our doors through educational and cultural exchanges to tomorrow's leaders from around the world. And of course we will continue our efforts to make America not just open, but secure, and therefore there is significant funding requested for border security and enhancements to our efforts there.

Mr. Chairman, Members of the Committee, this is a time of global transformation that calls for transformational diplomacy. More than ever, America's diplomats will need to be active in spreading democracy, reducing poverty, in fighting terror, and in doing our part to protect our homeland. And more than ever, we will need your support if we are to succeed in this vital mission for the American people.

Thank you. I would be pleased to answer any questions that you or the other distinguished Members of the Committee might have.

Chairman HYDE. Thank you, Madam Secretary.

[The prepared statement of Secretary Rice follows:]

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

Thank you, Mr. Chairman. This is a time of challenge, hope and opportunity for America, and for the world. I look forward to working with you and Ranking Member Lantos to build a strong bipartisan consensus behind America's foreign policy and to ensure that the men and women of American diplomacy have the resources they need to conduct their vital mission.

The President's FY 2006 International Affairs Budget for the Department of State, USAID and other foreign affairs agencies totals \$33.6 billion. On Monday, President Bush submitted an FY 2005 supplemental request, including \$6.3 billion for international affairs activities, of which \$701 million is for tsunami relief funding for the Department of State and USAID.

If I may, Mr. Chairman, I will begin with an overview of President Bush's foreign policy mission, which we seek this Committee's support to advance.

In his recent State of the Union Message, President Bush spoke of the unprecedented efforts we have undertaken since September 11, 2001 with allies and friends around the world to defeat terrorism. The President spoke of the significant progress we have made confronting the enemy abroad, removing many of al-Qaida's top commanders, cutting off terrorist finances, and putting pressure on states that sponsor or harbor terrorists or seek to proliferate weapons of mass destruction. But in the long term, as President Bush said, "The only force powerful enough to stop the rise of tyranny and terror, and replace hatred with hope, is the force of human freedom."

President Bush has charged the men and women of the Department of State with helping to create a balance of power in the world that favors freedom, and I feel privileged to lead them in this effort.

To advance our diplomatic mission of freedom, I recently traveled, as you know, to Europe and the Middle East. I spoke with European leaders about how America and Europe can best work together to serve freedom's cause worldwide. President Bush will continue that conversation when he arrives in Europe on February 21.

Our European allies and we must put the power of our partnership to work to meet the challenges of a changing world—particularly in the Broader Middle East and North Africa. Efforts to encourage political pluralism, economic openness and the growth of civil society are critical to the future of this strategically important region. Recognizing this, through the G-8 we have established the Forum for the Future—a new partnership of progress between the democratic world and the nations of a vast region extending from Morocco to Pakistan. The first meeting of the Forum in Rabat last December was a success. We must now follow up on that success and we are committed to assisting the Forum to play a central role in advancing reform in the region.

Next month in London, Prime Minister Blair will convene an important conference of major donors to help the Palestinian people advance their political, security and economic reforms and build infrastructure for self-government. Also in March, under the auspices of the Broader Middle East and North Africa Initiative,

Egypt will host a meeting in Cairo of G-8 and Arab League members to broaden the base of support for peace and reform.

The path of democratic reform in the Middle East will be difficult and uneven. The spread of freedom is the work of generations, but it is also urgent work that cannot be deferred.

From Morocco to Jordan to Bahrain, we are seeing elections and new protections for women and minorities, and the beginnings of political pluralism. In support of these hopeful trends, the FY 2006 budget request proposes enhanced funding for diplomatic and assistance activities in the Middle East, North Africa and other majority Muslim countries. The request includes \$120 million for the Middle East Partnership Initiative for reform, \$40 million for the National Endowment for Democracy to support the Broader Middle East and North Africa Initiative, \$180 million for Muslim outreach through educational and cultural exchanges, and increases for a wide range of other public diplomacy and broadcasting initiatives geared toward Muslim publics, particularly populations not typically reached by other programs including women and young people. The success of freedom in Afghanistan and Iraq will give strength to reformers throughout the region, and accelerate the pace of reforms already underway.

Every leader in Europe I spoke to understands our common interest in building on recent successes and stabilizing and advancing democratic progress in Afghanistan and Iraq. For our part, to build on the momentum in Afghanistan following last October's elections, President Bush has requested nearly \$1.1 billion. This money will be used to invest in health, education, clean water and free market infrastructure that create conditions for sustained growth and stability. The \$1.1 billion includes funds for operations to continue the fight against drugs. The FY 2005 supplemental seeks \$2 billion for expanding police and counter-narcotics programs and accelerating reconstruction and democracy and governance activities. The supplemental also includes \$60 million for Embassy security and operational costs.

The European leaders I spoke with agree that it is time to close the book on our past differences over Iraq, and time for all of us to help the Iraqi people write a new book—the history of a democratic Iraq. To help the advance of democracy in Iraq, President Bush has requested \$360 million for economic assistance to continue work already begun under the IRRF and targeted towards helping the Iraqi government to create a functioning democracy and a justice system governed by the rule of law, to deliver basic services to its people, to collect revenues, to generate jobs and to develop a free market system capable of joining the global economy. The FY 2005 supplemental includes \$690 million to continue U.S. mission operations and \$658 million to construct a new embassy compound in Baghdad.

Of course, the process of reform in the Muslim world is not detached from the resolution of important political issues. In my recent travels I found no difference of view, at all, between the United States and Europe on the goal of an independent Palestinian state living side-by-side in peace with the Jewish State of Israel. We all support the process of reform in the Palestinian Authority. The successful Palestinian elections of January 9, and the Israeli withdrawal plan for Gaza and parts of the West Bank, have created a new climate that is propitious for movement back to the Roadmap.

At their meeting in Sharm el-Sheikh with President Mubarak and King Abdullah, both Prime Minister Sharon and President Abbas called this a time of opportunity that must not be lost. And President Bush has invited both leaders to Washington in the spring. President Bush also has announced an additional \$350 million to help the Palestinians build infrastructure and sustain the reform process over the next two years. Of the \$350 million, \$150 million is included in the FY 2006 budget request and \$200 million is included in the FY 2005 supplemental.

And so I have returned from my travels to the Middle East and Europe confident that the parties now have before them the best chance for advancing peace that they are likely to see for some years to come.

Even as we work with allies and friends to meet the great challenge of advancing freedom and peace in the broader Middle East and North Africa, we will seize other important opportunities to build a world of peace and hope.

We will work to strengthen the community of democracies, so that all free nations are equal to the work before us. We must do all we can to ensure that nations which make the hard choices and do the hard work to join the free world deliver on the high hopes of their citizens for a better life. In much of Africa and Latin America, we face the twin challenges of helping to bolster democratic ideals and institutions, and alleviating poverty. We will insist that leaders who are elected democratically have an obligation to govern democratically. We will work in partnership with developing nations to fight corruption, instill the rule of law, and create a culture of transparency that will attract the trade and investment crucial to poverty reduction.

We seek \$3 billion for the third year of the Millennium Challenge Corporation, our bold, growth-promoting approach to development, which helps countries that govern justly, adopt sound economic policies and invest in the welfare of their people. We also seek \$2.4 billion in development, child survival and health assistance. This Budget exceeds the President's 2002 commitment for overall growth in core development assistance by requesting a total of \$19.8 billion, \$8.2 billion more than in 2002.

We will help countries enhance their capabilities to protect their citizens from traffickers and terrorists.

Our FY 2006 request includes \$734.5 million for the Andean Counter Drug Initiative to consolidate gains made in recent years in eradication, interdiction and alternative development.

We are requesting \$5.8 billion in assistance to our partners in the global war on terror. And the FY 2005 supplemental proposes \$750 million to support our coalition partners, including those standing steadfastly with us in Afghanistan and Iraq.

When they engage effectively, multilateral institutions can multiply the strength of freedom-loving nations. We are requesting nearly \$1.2 billion for U.S. obligations to international organizations, including the United Nations, and a little over \$1 billion to pay projected U.S. assessments for UN peacekeeping missions. We are seeking \$114 million to enhance the peacekeeping capabilities of non-UN forces, with a particular focus on Africa. The FY 2005 supplemental request seeks \$780 million to fund the UN-assessed costs of new and planned peacekeeping missions in the Ivory Coast, Haiti, Burundi, and Sudan/Darfur, and includes \$55 million for a possible Sudan tribunal. In addition, the supplemental seeks \$100 million to support the North-South peace agreement and \$242 million to address urgent humanitarian needs arising from the ongoing Darfur crisis.

We have seen how states where chaos, corruption and cruelty reign can pose threats to their neighbors, to their regions, and to the entire world. And so we are working to strengthen international capacities to address conditions in failed, failing and post-conflict states. We know that this is an issue of special interest to you, Mr. Chairman, and President Bush already has charged us at the State Department with coordinating our nation's post-conflict and stabilization efforts. We are asking for \$24 million for the new Office of the Coordinator for Reconstruction and Stabilization housed in the Department. The FY 2005 supplemental seeks \$17 million for start-up and personnel costs for the Coordinator's Office. And the FY 2006 budget proposes a \$100 million Conflict Response Fund to quickly address emerging needs and help deploy trained and experienced civilian personnel immediately to an unstable region. We appreciate your support, Mr. Chairman, and that of the Committee, for this funding and look forward to working with you closely on reconstruction and stabilization issues.

The United States must stay at the forefront of the global fight against HIV/AIDS. We are requesting \$3.2 billion in total U.S. funding for care, treatment and prevention efforts. We will demonstrate the compassion of the American people in other ways as well. Through our continued support of international and non-governmental organizations, we will ensure that America remains the world's most generous food and non-food humanitarian assistance provider. We are requesting \$2.59 billion in food aid and famine relief and non-food humanitarian assistance. The FY 2005 supplemental seeks \$950 million for relief, rehabilitation and reconstruction of areas devastated by the Indian Ocean tsunami and for tsunami early warning and mitigation, including the \$350 million initially pledged by President Bush. \$701 million of the supplemental is for State and USAID, including for coverage of USAID's expenditures for relief efforts to date.

In all of these endeavors, the primary instrument of American diplomacy will be the Department of State, and the dedicated men and women of its Foreign and Civil Services and Foreign Service Nationals. Together, we will apply the tools of diplomacy to protect our homeland and advance the values for which it stands and to strengthen the community of democracies for the work of freedom worldwide.

I welcome this Committee's help in ensuring that the men and women of American diplomacy are well equipped for the challenges ahead in terms of training, technologies and safe workplaces. Secretary Powell and his team made important progress in these areas and we must build on the foundation they established.

We are requesting \$1.5 billion for security-related construction and physical security and rehabilitation of U.S. embassies and consulates, and \$690 million to increase security for diplomatic personnel and facilities. We have a solemn obligation to protect the people of our diplomatic missions and their families, who serve at our far-flung posts in the face of an ever-changing global terrorist threat.

We must strengthen the recruitment of new personnel. We are seeking \$57 million for 221 new positions to meet core staffing and training requirements. And as

we seek out new talent, we also seek to further diversify our workforce in the process. We send an important signal to the rest of the world about our values and what they mean in practice when we are represented abroad by people of all cultures, races, and religions. Of course, we also must cultivate the people we already have in place—by rewarding achievement, encouraging initiative, and offering a full range of training opportunities. That includes the training and support needed to make full use of new technologies and tools, and we are asking for \$249 million from appropriations and fee revenues for investment in information technology.

Public diplomacy will be a top priority for me, as I know it is for this Committee, and the FY 2006 request includes \$328 million for activities to engage, inform and influence foreign publics. America and all free nations are facing a generational struggle against a new and deadly ideology of hatred. We must do a better job of reaching hard to reach populations, confronting hostile propaganda, dispelling dangerous myths, and proactively telling a positive story about America. In some cases, that may mean we need to do more of what we are already doing, and in other cases, it may mean we need new ways of doing business.

If our public diplomacy efforts are to succeed, we cannot close ourselves off from the world. We are asking for \$931 million to improve border security and for an increase of \$74 million over FY 2005 for educational and cultural exchange programs, bringing the total to \$430 million in FY 2006. We will continue to work closely with the Department of Homeland Security to identify and prevent terrorists and other adversaries from doing harm, even as we maintain the fundamental openness that gives our democracy its dynamism and makes our country a beacon for international tourists, students, immigrants, and businesspeople. We will keep America's doors open and our borders secure.

Mr. Chairman, Members of the Committee, this time of global transformation calls for transformational diplomacy. More than ever, America's diplomats will need to be active in spreading democracy, reducing poverty, fighting terror and doing our part to protect our homeland. And more than ever, we will need your support if we are to succeed in our vital mission for the American people.

Thank you, Mr. Chairman. I would be pleased to answer any questions that you and the other distinguished Committee Members may have.

Chairman HYDE. We will proceed under the 5-minute rule. I implore Members to be succinct. We will call the roll in the order in which people appeared. So first, Mr. Lantos.

Mr. LANTOS. Thank you, Mr. Chairman.

Madam Secretary, again let me welcome you to the Committee and compliment you on an excellent statement. We are all proud to have you be the face of America to the rest of the world.

Madam Secretary, the Syrian Government's recent actions are simply beyond the pale, and they demand a strong and forceful response from the President. While only time will tell if the Syrian Government or its proxies in Lebanon will be formally implicated in the tragic and brutal assassination of former Prime Minister Hariri, at a minimum, the Syrians have created an environment in Lebanon which allowed for this despicable act to occur.

I strongly favor an international investigation of this crime because we cannot trust the Syrian-dominated Lebanese Government to conduct a credible inquiry.

On the peace process, I am encouraged by recent steps taken by both Israel and the Palestinians, but at the same time, I think we must avoid euphoria. Mahmoud Abbas may have good intentions, but they will not be good enough. They will barely be enough to get him started.

Because of the positive beginning, I would like to support the President's request for \$350 million of aid for the Palestinians, but I am inclined to support this request only if proper safeguards are in place with respect to corruption, and only if the Palestinian Authority is fighting terrorism and terrorists.

I was stunned earlier this week to read a newspaper report claiming that the Palestinian Authority had unfrozen certain blocked Hamas funds. About an hour ago, I phoned President Abbas and I spoke with him on this subject. He assured me that the Palestinian Authority has not yet released any funds, and I told him I hope this is a permanent state of affairs. He must understand that you cannot appease terrorists; you must either destroy them or they will destroy you.

I would like to make one more point about the funding issue and ask you to react to it. Unless Saudi Arabia and other oil-rich Arab States which have enjoyed absurdly high windfall oil profits do their part, we simply cannot ask our constituents to cough up more money for this process. There is also a \$400 million figure in arrears that Arab countries have pledged to the Palestinian Authority and have not yet delivered. I hope you will use your good offices to see to it that both the past commitments and future commitments will be forthcoming.

Finally, Madam Secretary, as you know, I just returned from North Korea a couple of weeks ago. After 3 days of extensive discussions with North Korean officials, I believe that the latest announcement is just a bargaining move on the part of Pyongyang, and that the six-party talks will resume if all sides keep their cool.

We must also urge the North Koreans to carefully study the Libyan model which is clearly the one for them to learn from. Libya is now accepted by the community of civilized nations. We are moving toward normalization of relations, and I salute you for your efforts in that regard.

I would be grateful for your comments on these items.

Secretary RICE. Thank you, Congressman Lantos.

First of all on Syria, we are in complete agreement that while we do not know the origin of what happened to Prime Minister Hariri, Syria has created conditions in Lebanon and those conditions are codified in Resolution 1559 which calls on the Syrians to do some things. We have recalled our Ambassador, and we have, unfortunately, a growing list of difficulties with the Syrian Government. I hope they will take this opportunity to return to a better path with the United States.

As to aid to the Palestinians, I agree that this is a time of hope and opportunity, but nothing is assured. We must work with the Palestinian leadership to create institutions and security forces that can actually be a part of the solution, not the problem. But that is going to require hard work on the part of the Palestinian leadership as well. It requires a will to fight terrorism, it requires a will to have security forces that are capable. It requires a will to take on anti-corruption measures and to have transparency measures that will make sure that money is well spent.

We have done a good deal of work with the Palestinian Finance Ministry on transparency measures. I think we can make use of those, but I also want to assure you that we will consult with Members of Congress as we move forward on any funding for the Palestinians. Much of this will be in project support. Some of it will go through nongovernmental organizations that we have worked with in the past. But we will insist on transparency, because we know the history of the Palestinian Authority in this regard.

Let me say, I could not agree more on the commitments that are due the Palestinian from the Gulf States. I said this publicly when I was in Europe, that we cannot have a situation in which people call all of the time for peace between Israel and the Palestinians, and then do not meet their pledges to help the Palestinians govern. We will use our good offices to encourage those pledges to be met and further pledges to be made, because we do have a chance, an opportunity. The neighbors, more than anyone, should be able and willing to put forward some funding for that.

Finally as to North Korea, the North Koreans are succeeding in further isolating themselves by this behavior, and we have called on them, as have the other members of the six-party talks and the other members of the international community, to return to the talks and to take the path that has been given to them if they are prepared to make a strategic choice about their nuclear weapons programs. There is a path for them to better relations with the international community, and they should return to the talks, which is really the only place that path will be available.

Mr. LANTOS. Thank you very much.

Chairman HYDE. Mr. Leach of Iowa.

Mr. LEACH. Thank you, Madam Secretary. I was going to address the North Korean issue; but with your response, I don't think that there is any need to go further. I don't think there is much more you can say.

Let me just indicate one particular concern I have, and it is in addition to the Israeli/Palestinian situation. And everybody understands the opportunity that exists. My concern is the mortality issue. By this I mean if one were to make a bet on whether Mr. Abbas and Mr. Sharon would both be alive 2 years from now, it is not a great bet. And if that is the circumstance and that there is opportunity today, the United States cannot be timid. By that, I mean all of the preconditions that we have always wanted are unlikely to be perfectly in place at any time, especially not 3 years from now.

So my sense is the greater the acceleration of movement, the better off we are, and that the greater the delay, the more jeopardized the potential of peace is. So I just raise this by perspective because we have gone through a period in which we have talked about a roadmap of steps, and now I think we have to think of it in terms of stages. And it is my view, and it was articulated well in a hearing this week by former Secretary Kissinger, that it is pretty hard to consider anything like a conclusion to the problem without outlining the final outcome; and that can be staged, but it can't be stepped. If it is stepped without a view of the final outcome, we just have continuing problems that will be exacerbated.

If I were to give your Department any advice, it is acceleration and it is finality in the shortest possible time period. I relate this to both events as well as to mortality. I think there is just so much danger—that we have these two individuals that are perfectly positioned, and let us take advantage of it and recognize that.

If you care to comment, you are welcome.

Secretary RICE. Congressman Leach, I agree with you, this is an extraordinary opportunity, but one can always lose even extraordinary opportunities. I had a sense from the parties that they un-

derstand that this time. There are some fundamental differences from in the past: New leadership on the Palestinian side has made a difference; a leader that is prepared to say, without reservation, that the armed Intifada really is over; and the disengagement plan of the Israelis, which means that the Likud Prime Minister of Israel is prepared to dismantle the settlements in the Gaza. These are major issues.

I hope we can do the work that is before us in terms of Palestinian reform and a peaceful and successful disengagement from the Gaza and West Bank for the Israelis as smoothly and quickly as possible. And then the roadmap does provide a reliable guide to how to get to final status, but we are in fact accelerating this entire process, in any case, by the fact that some of these fundamentals have changed. I will commit to you that we will look for opportunities to make not just steps but larger leaps if we possibly can.

Mr. LEACH. Thank you.

Chairman HYDE. Mr. Berman.

Mr. BERMAN. Just on this last point, I would like to, with great respect to my friend, Mr. Leach, I would like to offer a cautionary warning. In the *Los Angeles Times* yesterday, Aaron Miller, who is involved in a process that—notwithstanding the tremendous intentions and dedications of the people from the United States who were involved in that—collapsed in a way because it wasn't ready, and has suggested at this particular time the following steps: Pocket what we can get now; build the institutions; play the role to re-establish the security forces; show the Palestinians there is a better life ahead through more economic help; and don't rush so fast that this thing collapses and spirals out of control, as it did in 2000.

A real quick observation, and then a question. Congratulations on the 150 account. There is a 13 percent increase in there. I would like it to be more, but I am conscious of what it must have taken to get that kind of an increase out of the Administration.

The one thing I know, and it will not come from this side of the aisle, I am not even sure it will come from this Committee, but whether it is in the Budget Committee or when the cardinals get together, their natural inclination will be to decimate this account, and only your strenuous efforts and I think the President's strenuous efforts will salvage the kind of increase that we need to do the things that you referred to in terms of the challenges around the world. You are going to have an enormous battle on your hands to preserve anything near that number, and you are going to have to do it with some of the President's own party to win that battle.

My question is this: On the issue of democratization, there is a very understandable and legitimate countervoice that essentially says be careful what you wish for. In the context of Iraq, this is a realist school. A lot of people on my side of the aisle feel strongly about this. In the context of Iraq, we have now had an election. The United Iraqi Alliance has won that election, has the majority of the seats in the national assembly. The fear is based on the leaders of that slate's background, their positions, that we are going to end up with a radical Shiite theocracy that is going to lead to even more bloodshed than we now have in Iraq—civil war—and massively increase Iran's influence in the Middle East.

I would like to give you this opportunity to present the evidence that you have why that won't be the case.

Secretary RICE. Thank you very much. If I may say one word about the Palestinians and then go to the Iraqi issue, I agree, and we have cautioned the parties that what we need to do is complete the work that is before us, and we have hard work before us. If we do that, then we increase the chances that we can move more quickly beyond that. But unless the Palestinian security forces are reformed, and unless the institutions of democracy are beginning to emerge, and unless life gets better for the Palestinian people, and unless the Israeli withdrawal is peaceful and successful, we are going to lose the opportunity of going forward, and so we are very focused on the work ahead of us right now to get that done in effective ways. I wanted to just take the opportunity to say that.

All of the indications are that the Iraqis have taken this opportunity before them, after the liberation from Saddam Hussein, to be responsible about what their future is going to look like. The United Iraqi Alliance was heavily a Shia alliance. They are the majority in the country. But all of the leaders in that Alliance have talked very convincingly about their new responsibility to build a unified Iraq in which all Iraqis are both represented and respected.

They make the point when you talk with them that the Shia have suffered at the hands of Saddam Hussein's repression, that ethnic differences and religious differences were exploited by the regime in the way that totalitarian regimes often exploit ethnic and religious differences, and that they have no intention of doing the same—having been liberated from that oppression—to other Iraqis. And I believe them.

The process that they are engaged in now is an intensively political process of trying to create a Constitution and democratic institutions that will help them to overcome the divisions and differences that have been there for years. That is what democratic institutions do. That is what Constitutions do; they protect minority rights, they protect women, they protect religious differences.

I think we and the international community will want to work with them in this intensely political period. But these are people who suffered tremendously, and all of the indications are that they do not want to impose that suffering on others, but, rather, want to see a single Iraq that overcomes those differences.

Iran and Iraq have a history, and it is not a very good history. And most Iraqis, whether Shia or Sunni, remember that history with Iran. There is no evidence I can see that Iraq has any tradition of the kind of theocratic mullah-based rule that the Iranians have. In fact, the senior Iraqi clerics tend to speak in just the opposite direction, that clerics should not be involved and hold governmental positions.

They will have relations with Iran. It is their neighbor. But we need to make certain that the Iranians understand that the international community expects those relations to be transparent and good-neighbor relations, not relations that are trying artificially to effect the internal development of Iraq.

I think the Iraqis, left to their own devices, will not create the kind of State that you have in Iran. Left to their own devices, there will be a unified Iraq in which all are welcomed and respected.

I have met and talked with Mr. Jafaree and some of the other Shia leaders, and they make very clear that is their intention.

Chairman HYDE. Mr. Smith of New Jersey.

Mr. SMITH OF NEW JERSEY. First of all, Madam Secretary, welcome. It is great to see you here. We deeply appreciate your great work in the past, and what we know will be fine work in the future.

I would like to note at the outset that Brian Gunderson, your chief of staff, is well known on both sides of the aisle, having been the chief of staff for the former Majority Leader. Brian is an unsung hero on two historic laws: The Trafficking Victims Protection Act, which I was the prime sponsor of, and which was referred to 11 Subcommittees and 4 Full Committees, usually the kiss of death. He helped honcho that bill through all of those Committees, and he did the same thing with Frank Wolf's International Religious Freedom Act. They would not be law today if he did not do that work. I want to publicly thank him for that extraordinary work. He is quiet, but he gets the job done.

I also want to note that Harry Wu is in the audience today. Harry Wu, as you know, spent 19 years in the Chinese Laogai, was tortured and suffered unspeakable cruelties at the hands of the Chinese dictatorship. He wrote a book called *Better Ten Graves Than One Extra Birth*, which is a family-planning slogan used in China. I recommend this book to anybody who wants to know what is really going on in China, where the human rights abuses against women, the cruelty of the one-child-per-couple policy, and forced abortions and draconian fines is unconscionable. Brothers and sisters are illegal in China. My wife and I have four children. In China, only Melissa would have been here today.

Five hundred women commit suicide each and every day in China attributable in whole or in part to this horrible intrusion into their lives as part of this one-child-per-couple policy. Any thoughts you have on that?

We had a hearing in December, courtesy of our Chairman, and Mr. Lantos and I and others participated, with Mrs. Mao Hengfeng. Mrs. Mao is in the gulag right now, serving an 18-month sentence, has been tortured and is an Amnesty International political prisoner of conscience because of her opposition to this cruel policy. And she is not the only one.

I would also like to ask you very briefly about the tsunami relief. I chair the Africa, Global Human Rights and International Operations Subcommittee, and while we are all very, very grateful for the good work the Administration has done on tsunami relief, many of us are concerned about the diversion of funds for food aid from Africa and elsewhere, where there are some 16 million people at risk of starvation.

We have been told the money will be put back into the accounts, but many of the NGOs believe, rather than \$150 million, the number needed is \$650 million to truly replenish those food storages or the caches of food that will be needed to feed those hungry people.

Finally in Belarus, the Belarus Democracy Act was signed by the President. I was a sponsor of it. Lukashenko is the last remaining dictator in that part of the world, although we are all worried about Putin and where he is taking Russia. There is \$7 million in

the budget for Belarus. Many of us thought at least \$20 million would be needed to support the NGOs and all of the good work being done there.

Secretary RICE. Thank you. First of all on China, we have been outspoken with the Chinese about this terrible practice. Of course, as Secretary of State, I will enforce the Kemp-Kasten to make certain we are not funding anything that remotely is related to these policies. And we are very concerned that the Chinese on the human rights side have not been as responsive in recent years. Last year we tried to introduce to the U.N. Human Rights Commission a resolution on China. It did not succeed.

We have said to the Chinese this year we will do it again if we are unable to get some progress on human rights issues. I might just add that I know the interest of the Congressman on religious freedom issues as well, and this is an area that we take up frequently. You can be certain that we will continue to do so, and do so forcefully.

On the tsunami, the supplemental does replace the USAID funding that was used on an emergency basis to allow us to respond quickly to the tsunami, but it is funding that we do need to replace and intend to replace fully, based on the supplemental.

Yes, Belarus is a sore thumb in the middle of Europe. Given all that has happened around it—and we are trying to be supportive of civil society, supportive of nongovernmental operations—it is not easy for those people to operate in conditions in Belarus. The only thing I will say is that I was even myself taken aback at the strength of civil society in Ukraine underneath, and I think it was testament to a lot of hard work by nongovernmental organizations, not just ours but the Europeans and others, and really to the triumph of the human spirit, which, despite the difficulty of those years in the Ukraine, remained alive. I think it has to be our hope and effort to see if the same is true in Belarus.

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

Mr. ACKERMAN. Madam Secretary, congratulations on your new position.

First, I congratulate you and the Administration for stepping up to the plate and expressing a willingness to be supportive of the Palestinian Authority in their expressed quest to reform the behavior that they have exhibited in the past. I think carrots are a very decent approach, and when they demonstrate success, I believe they should be rewarded even more.

A suggestion: I think we look at what is successful on TV. I would suggest, because you need to show to the Palestinian people a change on the ground, as they say, to go into two, three, four different villages, in consultation with them and the Israelis—who should also step up to the plate—go into those small villages or towns and do an extreme makeover. Go in, take the whole pot of money, divide it into four different places, rebuild houses and schools and water supply, a factory, employment, roads, et cetera, to demonstrate there is a reward for good behavior and to indicate to others that maybe their village could be next.

I am very interested in the Administration's overall policy direction, and I was left a bit confused after the original Bush doctrine that I believe said we will not tolerate rogue nations going into nu-

clear programs. After Iraq, we are now faced with real nuclear programs in both North Korea and Iran. Does the Bush doctrine still apply? North Korea has found a loophole and said, "We are not developing a program, we have one."

Secondly, I listened very intently to the President's inaugural address in which he talked very much about freedom, a very noble notion of which we all approve, and a policy reinforced by your eloquent remarks as you began your statement.

I am not sure what it means when the President says to the nations or the peoples of the world that if you stand up for freedom, we will stand with you. What does that mean? The President's assertion, we are going to spread freedom all over the world, and I like the notion of seeing George Bush as a Johnny Freedom Seed or something and going around trying to convert all of these dictatorships, or what have you. How do you do it? Wishing or hoping doesn't make it so, and we can't have a faith-based foreign policy. There has to be an actual plan.

Standing up; if you stand up for yourself, we are going to stand up for you. What does that mean? If they saddle up, we will saddle up with them? Does it mean we are going to stand by and just applaud? Does it mean we are going to send them a Hallmark card wishing them well? What does "stand up with you" actually mean?

In specific cases, if the people of Taiwan declare that they want freedom, do we send the 7th Fleet into the Strait of Taiwan? And what if there are revolutions in China for more freedom and human rights; do we take up arms against China? Saudi Arabia; sometimes the devil that you know is better than the devil that you don't know. And I think we know the devil that we don't know.

The President singled out Egypt, and what do we do about that if political reforms are a lot slower and people demonstrate that they want to stand up for more political rights? Do we help them overthrow the Government of Egypt? This is all very confusing. Maybe you can straighten us out.

Secretary RICE. Thank you very much. Let me take the nuclear question first.

North Korea, actually since the mid-1990s, we believe that the assessment has been that they probably were capable or maybe even had developed a nuclear weapon, so it is not new in that sense. We have been trying to deal with that North Korean problem ever since. We tried through the agreed framework. The North Koreans violated it. The South and North signed an agreement in 1992 that they would both forgo nuclear weapons, there should be no nuclear weapons on the Korean peninsula, and they violated that. So we are trying a different way, which is to do it through six parties, so they are not facing just us but also China, Russia, Japan, and South Korea. A different path is open to them, and it is our hope that they will take it.

But there are different ways to deal with the weapons of mass destruction threat and problem in different states. Not all of them can look exactly alike. Iraq was a unique situation, given Saddam Hussein's long history of use of weapons of mass destruction and his defiance of the international community. So we are going about these in different ways and looking for international support and multilateral support to help solve the problems.

When it comes to the President's remarks about standing with people who wish freedom, I think there are several basic points. First of all, if one believes really that these values are universal, then you don't believe that democracy has to be imposed. I have heard people say, "You are going to impose democracy." Tyranny has to be imposed, not democracy.

Mr. ACKERMAN. But how do you depose tyrants?

Secretary RICE. Do you want to be able to speak freely and be free from not just the secret police? People will say yes. I understand this is the work of generations, and we are not going to go around the world deposing tyrants all over the world, but there are a lot of things working in our favor. If you look at how, for instance, we ultimately defeated tyranny in the Soviet Union, a State that was, after all, armed with 5 million men under arms and 30,000 nuclear weapons, we did advise continuing to broadcast the truth through Voice of America and Radio Free Europe, by supporting civil society through the Helsinki Process so that human rights advocates got a chance to come out and deal with human rights advocates from around the world. We have a similar way of dealing with educational and cultural exchanges to give people a place to adhere, and we have stayed strong with those fighting for those values. And despite the power of the Soviet Union, tyranny came down.

Looking at the last several months, who could have predicted in Georgia the Rose Revolution would have happened? Or in the Ukraine, the Orange Revolution? Or that Afghans and Iraqis would have voted in the numbers that they did? Or that the Palestinians would have voted for a man who talks about ending the armed Intifada?

I know sometimes when you look out and say, "What is the way that one brings an end to tyranny and brings about freedom?" that it is easy to look at many very difficult cases, but I can't think of more difficult cases than some of the ones that we have already seen.

You are seeing, even in the Middle East, the stirrings of freedom in places like Jordan and Bahrain and Morocco. We are going to help that process through the broader Middle East Initiative which again allows civil society groups and women's groups and business groups to come out and to have discussion, and help from similar groups from G-8 countries and from other international countries.

We have many arrows in our quiver that help in the spread of democracy and liberty, because, since these are universal values, we are not pushing on a closed door, we are pushing on an open door. It is going to take a generation or more, perhaps, just as it did in defeating tyranny in the Soviet Union and Eastern Europe, but if the President of the United States does not speak out for this, if the President of the United States does not put this on the agenda, then nobody else will; and the people in places that are still suffering in tyranny will think that they are friendless.

The most important thing that the President of the United States can do, as Presidents have done for the last 50 years of the Cold War and must continue to do, is to let these people know that they are not friendless, that the United States of America stands with them.

Chairman HYDE. Ms. Ros-Lehtinen.

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

Madam Secretary, it is a pleasure to have you in front of our Committee. Please do not let anyone belittle the President's call for freedom and hope and democracy. I know in my native homeland of Cuba, the President's message was received very warmly by the 11 million political prisoners on that enslaved Island. We congratulate the President for what has been called moral clarity, the clarity to see that we have a responsibility as a superpower to help oppressed people be free everywhere. Please congratulate the President for that. I know you will be leading his charge in the cause for freedom worldwide.

At a hearing on Iranian terrorism that our Subcommittee on the Middle East held yesterday, there was a recurring theme from our former hostages in Iran, from the relatives of the Americans who were killed in the Marine barracks attack in Beirut several years ago, by the United States and global terrorism experts. And the theme throughout every testimony was that Iran is convinced that it will not face any punitive measures or any action by the international community, and they underscored that the lack of action has emboldened Iran.

Now, the European Union and Japan continue with their policy of constructive dialogue of assistance, investments, and now even nuclear cooperation with Iran, and this continues a policy of appeasement while Iran inches closer and closer to a nuclear capability. There is also Japan's investments as well as Russia's and China's assistance in Iran's missile program, the EU's refusal to put Hezbollah on the terrorist list, so it is an ongoing problem.

What are we doing to make it more expensive for Iran to engage in terrorism and develop unconventional weapons, and what is the Department of State's strategy to secure support from our international allies, and will we see a renewed effort to use our economic leverage to induce such a cooperation? And tied to that, we have heard the recent reports these days about the linkage between Iran and Syria and their declaration that they had formed a mutual self-defense pact to confront the threats that they are facing. I welcome your comments on that as well.

Secretary RICE. Thank you. We have been pretty clear that Iran is a country that is out of step with the direction that we and others are trying to promote in the Middle East, a State that, in its internal and external behavior, is out of step. And we are working with the international community to try and deal with those elements of Iranian policy that are so troubling. First of all, on the nuclear issue. While the Europeans are, in fact, talking to the Iranians about two tracks, as they call it, we have been in very close contact with them about what it is Iran would have to do to live up to its international obligations. That is, that they should not have uranium enriching processes. They should not use their civilian nuclear program to mask what really might be a component development for nuclear weapons. And we are getting some cooperation even from, for instance, the Russians who finally, with their civilian nuclear power development, Bushehr, have said to the Iranians they would have to return to the fuel and have the additional protocol. So we are working to try and put together with the Euro-

peans, with the Russians, with the IAEA, ways that we could have a verifiable means by which to halt these Iranian activities.

On terrorism, you make a very good point. We have just been talking about hopes for a Palestinian-Israeli, some resolution of the Palestinian-Israeli conflict. Well, you can't have it both ways. You can't both say that you want peace, and not be very hard on the states that are supporting the terrorists who would literally blow up that peace. And so we have been talking to our allies about the activities of Hezbollah, we have been talking to our allies about the activities of the Iranians who support the Palestinian rejectionists. And there has to be a concerted effort to say to these states that support rejectionists that that is simply unacceptable.

Finally, in terms of their internal behavior, the President has been very clear that we do stand with the Iranian people, who, after all, have—when they have been given a chance, have demonstrated that they want a different kind of government and a different kind of life. And it is important to make that statement. We would hope that some of the efforts that we have been broadcasting and the like, Radio Farda, which is very popular, will get the truth to the Iranian people.

But the most important element here is to recognize that this is a broad problem with Iran, that there are several elements here. And the United States has put this on the agenda and put a spotlight on Iran in ways that I think has helped very much in recent years.

Chairman HYDE. The gentleman from American Samoa, Mr. Faleomavaega.

Mr. FALEOMAVAEGA. Thank you, Mr. Chairman. And I thank also our Senior Ranking Member, Mr. Lantos, for holding this hearing. And I want to also offer my personal welcome, Madam Secretary, and for your new appointment as our Secretary of State. There is nothing like hearing from 540 Secretaries of State on Capitol Hill directing traffic here, but truly Madam Secretary, in response to President Bush's State of the Union Address in which he talked about "our generational commitment to the advance of freedom," and in which the President further said:

"America will stand with the allies of freedom to support democratic movements of the Middle East and beyond, with the ultimate goal of ending tyranny in our world."

He also said:

"Our aim is to build and preserve the community of free and independent nations, with governments in answer to their citizens and reflect their own cultures."

Madam Secretary, I want to bring to your attention the plight and the current colonial legacy of some 800,000 people of West Papua New Guinea in the South Pacific.

There is consensus among many that the island of Papua New Guinea was settled from the people of West Africa. In 1883, the island of Papua New Guinea came under colonial rule, and it was partitioned by three Western powers. The Dutch claimed the western half, while the British and the Germans divided the eastern half. In 1949, the Dutch granted independence to the colonies of

former Dutch East Indies including the Republic of Indonesia, but the Dutch retained West Papua New Guinea, and in 1950 prepared West Papua New Guinea supposedly for eventual independence. Indonesia, however, upon achieving independence, demanded that the Dutch colony of West Papua New Guinea and the Portuguese colony of East Timor then come under the rule of the leadership and control of military dictator Sukarno, who sent military troops to the two colonies, thereby slaughtering and murdering some 100,000 West Papuans and over 200,000 East Timorese.

In 1962, the United States mediated an agreement between the Dutch and Indonesia, but without any representation from the West Papuan people. Under the terms of the agreement, the Dutch were to leave West Papua, and New Guinea transfer sovereignty to the United Nations Temporary Executive Authority known as UNTEA.

Madam Secretary, in 1969, Indonesia orchestrated an election that many regarded as an example of a brutal military operation. In what became known as an act of no choice, the Indonesian military selected 1,000 West Papuan elders, and under barrel of gun, forced them literally to accept Indonesian rule in West Papua. The U.N. representative sent to observe the election process produced a report which outlined very serious violations of even the United Nations charter.

Madam Secretary, despite testimonials in the media and opposition, some 15 countries, and the cries of help from the Papuans themselves, West Papua New Guinea was handed over to Indonesia in 1969 in November.

Since the Indonesian Government seized control of West Papua New Guinea, the Papuans have suffered blatant human rights abuses, including extrajudicial execution, imprisonment, and torture. It might be fair at this point to note that West Papua New Guineans differ racially and ethnically from the majority of Indonesians. West Papuans are Melanesian and believed to be of African descent. And it might be also fair to point out that the United States rendered no assistance to West Papua, New Guinea. In fact, as early as 1961 Mr. Johnson wrote to Mr. Bundy, the President's special assistant to the United National Security, and said our policy was to give up West Papua New Guinea under the sovereignty of Indonesia.

In other words, Madam Secretary, it was our national policy to sacrifice the lives and future of some 800,000 West Papua New Guineans to the Indonesian military in exchange, supposedly, for dictators Sukarno and Suharto to become our friends; and yet these two dictators organized the most repressive military regime ever known in the history of Indonesia. And now it is the year 2005, and it is the policy of our Government that we intend to provide training programs for Indonesia's military forces.

Madam Secretary our President also said: "As you stand for your own liberty, America stands with you." And I am hopeful that this means the Administration will support West Papua New Guinea's right to self-determination through a referendum or a plebiscite to be sanctioned by the United Nations as it was done for East Timor, not by a barrel of a gun, but by the casting of a vote, for, as Mahatma Ghandi said, "Till we are fully free, we are slaves."

Madam Secretary, I would like to hear your views about the people of West Papua New Guinea and their struggles to be free, and whether or not there is a commitment on the part of our Nation to help them live not as slaves but in freedom as envisioned by our President. I do take my President's views very seriously of what he has said at his inauguration and also his statement at the State of the Union speech before the American people.

Madam Secretary, I would be honored to hear your response.

Secretary RICE. Thank you, Congressman. Of course we are committed to human dignity, human rights for people all over the world. We are committed to a unified Indonesia. There is a democratically-elected Government now in Indonesia that we believe will be more accountable for the conditions of the many peoples that live in the Indonesian Archipelago.

We have been strong defenders of the principle that when, even if there is territorial integrity and respect for sovereignty, that all peoples ought to be treated well within it, and that cultural and ethnic and historical traditions ought to be respected. And so I can only say that we will work very hard with this new Government to make certain that what is obviously a very complex ethnic mix and quilt in this area, that all people are respected. I think the Indonesian Government understands our position on that, and we will continue to press that case.

I do think we have a new opportunity with this second election in Indonesia and this time one that I think is widely viewed as, was widely viewed as free and fair. The new President of Indonesia was himself a graduate of the international military educational training program of the United States, and so I believe we have with him someone that will understand. He ran on a program of democracy and support for all the peoples of Indonesia. And so I take the point, and we will make certain to raise that all the peoples of the Archipelago need to be treated with dignity.

Mr. FALCOMA. Thank you, Mr. Chairman. Thank you, Madam Secretary.

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

Mr. ROHRABACHER. Thank you very much, Mr. Chairman.

I apologize. I have this cough that has been plaguing me now for about a month. It could have something to do with my three little babies that keep me up all night long. I am not sure. No sympathy at all around here.

Well, anyway. Madam Secretary, I would like to congratulate you and the Administration for the historic role you have played since 9/11 in turning around what was a horrible situation for our country. We were clearly vulnerable. You know, after a few months in office, the President found a mass slaughter of Americans in New York, and the Pentagon under attack, and this incredible threat that didn't seem to catch anybody's attention in the years prior to the President's Administration.

But since then, the strength and the courage and sense of purpose that the Administration has had, I think, has turned around what was going in such a horrible direction. And in Afghanistan, we have taken what was a center of operations for people who wanted to kill Americans in an organized fashion, and organize the

Islamic world against us, and driven them from power and put the leadership on the run. In Iraq, the President had the courage to stand strong when other people were calling for him not to have the elections or to postpone the elections.

And we all know now, if the President and himself, your advisor, wouldn't have had the strength and purpose, what a catastrophe it would have been in terms of where we would be right now. It would have been a horrible situation. So thank you for what you have accomplished. But I am going to ask a question that is a bit, let us say, more negative than that positive analysis.

While in Afghanistan we have done a tremendous job. During this time, as we know, the production of poppies has tremendously expanded. And the two of us have had personal discussion on this issue several times. Isn't it about time that we eliminate this poppy production? I mean, we have got—the poppy production in Afghanistan is financing the terrorist movements in different parts of the world, and we haven't touched it yet, thinking it would create instability in Afghanistan. But we have got to come to grips with this. We have the means of eliminating that poppy production. Should we not proceed and eliminate it, and then offer some help to the Afghan people economically to offset that dislocation of their economy?

Secretary RICE. Thank you very much, Congressman. Absolutely we have to help the Afghans get their hands around this narcotics problem, because it does have the potential to destabilize the country, and we are working very hard. We have a five-part strategy for doing that. The British have been in the lead. They are doubling their commitment to this. We feel that we need to work on eradication, on interdiction. Law enforcement is a major part of this. And President Karzai will tell you it has to be delegitimized. After 25 years of civil war, people don't see the growing of poppy as illegitimate. So he has a public education campaign. And, of course, we are working for an alternative-livelihood approach, as you just suggested.

There is new funding for this effort in the supplemental to try to really put a major push behind this effort on counternarcotics. We had the plan and we have actually accelerated some funding from other programs that we now need to replenish so we would have a quick start on trying to deal with this problem. But we are very committed to trying to deal with the counternarcotics problem. The good news is the Karzai Government also appears to be very serious about it. He spent a good deal of his inaugural address saying how important it was. And we will work with him.

Mr. ROHRABACHER. I am working on a piece of legislation that is called the Afghan Prosperity and Poppy Eradication Act. And basically it would require the United States Government to use any means available to us to rapidly eliminate the opium production, while at the same time, authorizing the spending of up to a billion dollars a year for 2 years in providing a work program. Basically, any Afghan that will work for \$10 a day in construction or whatever, would then infuse that money into their economy. But it seems to me that a billion dollars is less than it would cost us to interdict all of this opium that is being grown in Afghanistan and being used to fund terrorists, et cetera.

Secretary RICE. Well, I think we have a good program in place. And as you go over the supplemental and then the 2006 budget request, I think you will see that we have structured a program that we believe will work. We have to work very closely with the Karzai Government on this, and to remember that it is indeed a sovereign Government. We have tried to take to them some of our experiences in Latin America, to demonstrate to them that some of the things that we might do are not harmful. But we want to work very closely with the Karzai Government. I think it is a committed Government and—

Mr. ROHRABACHER. Turkey is a good example, too, Madam Secretary. Turkey was a—that is what they did, they produced opium in the 1960s, and they have totally eliminated that and their economy did well despite that. Thank you very much, Madam Secretary.

Secretary RICE. Thank you.

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

Mr. PAYNE. Thank you very much, Mr. Chairman.

And, Ms. Secretary, good to see you. As we know, Tony Blair, our close ally in Iraq, is heading up the G-8 Summit in July and he will be chairing that. And his main interest is eradicating extreme poverty in Africa. He has won endorsements from European leaders, Schroeder and Chirac. And the British are seeking an international finance facility which would add \$50 billion annually to the fund, 100-percent debt relief for the poorest countries, and elimination of trade-distorting subsidies that discriminate against African exports. I am interested in—up to now, the U.S. has not been supportive of the IFF. I wonder how supportive the U.S. will be to Tony Blair's initiatives.

Secondly, as you know, he is supportive of the Millennium Development Goals which have goals of having, by 2015, universal education, having the poorest of people living on less than a dollar a day. And I wonder to what extent will the U.S. be supportive of them. Then the goals, finally in that area that we do see a tremendous increase or some increase in the fighting of the pandemic of HIV and AIDS. However, we have seen a decrease then in the general aid programs, of child survival and health programs. Therefore, abandoning to some degree, reducing illiteracy and expanding educational opportunities, and ending hunger and improving agriculture. And I wonder how these things are going to work.

Lastly, Sudan is a tremendous issue. We do know that the north-south agreement has occurred. There is \$342 million in the supplemental, \$100 million for the north-south peace accord, and about \$242 million for Darfur. However, we insist that we still have a focus on Darfur, even though there has been a peace accord between the north and the south. And finally, the peacekeepers in the north-south accord are China, India, Pakistan, Malaysia, and Jordan. All of these Governments have specific involved relations with the current Government of Sudan. And I wonder how impartial they are going to be in a north-south accord where China, Malaysia, and India own the oil rights, Malaysia, Jordan, and Pakistan. Pakistan opposed any of the United States's Security Council proposals. So how can we see that there would be a fairer U.N. presence in Sudan?

Secretary RICE. Thank you. On the north-south agreement and the peacekeeping, I think we believe that there is considerably more unity on the north-south issue than on the Darfur issue, and that it is less of a problem that needs—not necessarily peacekeepers issues on the Darfur situation.

However, I take the point. And we also believe that there should be contributions from African States to those peacekeeping efforts and are seeking them. And one of the reasons that there is funding in the supplemental is to try to deal with all of the elements of the north-south agreement, which we hope gives an incentive to Khartoum to want to resolve the Darfur issue as well and to put its full weight behind resolving the Darfur issue.

Darfur can't continue to go unresolved. It is a terrible humanitarian crisis, a terrible political crisis, a terrible conflict. Internally displaced people. It really must be resolved. And we would like very much to see the Government at least start with allowing the full complement of AU monitors in. Right now, I think there are about 1,400 or 1,500 in, it could be as many as 3,300 who are prepared. So we have a lot of work to do with Darfur, with the Sudanese Government, and hopefully the north-south issue or resolution gives us some leverage to do that.

We are, of course, supportive of the Prime Minister's efforts to put emphasis on the millennium goals, on development in Africa. We don't support the international financing facility because we don't think it is a cost-effective way to deliver what is trying to be delivered here. We believe very strongly that it is very important to have a mechanism to make sure also the development aid is well spent. That is why we think the Millennium Challenge Corporation approach that the President has put forward, which requires good governance, and that there be attention to health and education, that anticorruption measures be taken. The Millennium goals were not just to get more money into development, although that was important, but also to have a recipient on the other side that understood that there were responsibilities of the recipient countries for good governance, and for corruption to get out—to have anticorruption measures and the like. And so we are more than prepared to work with the international community to advance those goals, but we think they need to be advanced in the right way.

We are committed to 100-percent debt reduction for the HIPC countries. We were very active in the first round of HIPC. We will be active in the second. I believe that it is important that countries not continue to be more and more indebted, which is why we were the promoters of grants rather than loans from the world banks and the international development banks for the poorest countries. And, indeed, that has become a part of what the World Bank and others are doing, because if you relieve debt and then countries become more indebted, you just are in a vicious circle.

And, of course, the United States has done a great deal, much of it with the support of people like yourself, Congressman Payne. GOA, the MCC, the billion dollar famine relief fund. What we have done with HIV/AIDS. It would be very helpful, and I would like to say publicly, the United States is still contributing actively to the Global Fund for AIDS, but we need contributions from others. Be-

cause since the United States can only be 33 percent of that fund, we don't want to be in a position again this coming year where the United States cannot make a full contribution because others have not contributed.

So there is a lot that the world could do and that we can do to help achieve these goals, but it is—the degree to which we don't support the financing facility is not a reflection on the fact that we don't support the goals, just that we believe that this particular tactic is not cost efficient.

Mr. SMITH [presiding]. Thank you, Mr. Payne.
Chairman Royce.

Mr. ROYCE. Welcome, Madam Secretary. Again, on the issue of genocide in Sudan. I led a delegation to Chad and to Darfur, Sudan a few weeks ago, and several Members of this Committee were on that delegation, including Congresswomen Diane Watson and Lee and McCollum. One of the things that we saw in Darfur in Tine—a town that used to have 30,000 people, now has less than 200—were the results of aerial bombardment by the Sudanese Government on that town. We talked with survivors of Janjaweed attacks and got their accounts of what was happening. The situation within Sudan; you have 800,000 people driven out of their homes now wandering through the countryside in Darfur. We can't access those people because the Government of Sudan won't allow it.

I know that the Administration is doing more than any country in the world. The United States has had a finding of genocide, and the Administration is funding the effort there and trying to bring the parties together. But we are being blocked in the Security Council by China and by Russia. In the meantime we are trying to bring along this north-south peace agreement, as you mentioned.

There is a complex dynamic here at work. You have got to work with the Sudanese Government on trying to make that north-south agreement work while pressuring Khartoum to stop this genocide in the west. I was going to ask, How do we assure that any peace dividend from the north-south peace agreement doesn't end up encouraging or even rewarding those responsible for this genocide? What other pressure are we prepared to put on Sudan?

My other question goes to a different subject. That is public diplomacy. What have we learned over the last few years? Under President Reagan, expats from Eastern Europe got the pulse right when they figured out how to transmit a message about political pluralism and tolerance and market economy, and it reached a very receptive audience in the former East Bloc. But we are having trouble connecting up with the audience in the Middle East. I wanted to ask you for your thoughts on that as well. Thank you.

Secretary RICE. Thank you very much, Congressman.

On Sudan, we have tried very hard, as you know, as you have just acknowledged, in the U.N. Security Council, to get tough resolutions against the Khartoum Government to get their attention about what is going on there. We will keep trying. We do have a good report out of the U.N. about what is going on there. Even if they don't call it genocide, whatever you want to call it, it is pretty awful. And so we are going to continue to press on that.

And, in fact, we have made pretty clear to the Government of Sudan that they are not—that they are not going to see the bene-

fits of the north-south agreement if they can't deal with the situation in Darfur. That we are not going to have a situation in which they benefit on the one hand, and then continue the problems in Darfur.

Now, the south—the southern Sudanese who have suffered over the last many years during the civil war—we do want very actively to try to improve their situation as quickly as possible. But the Sudanese Government, Khartoum needs to understand that they risk the benefits of the north-south peace agreement if they do not respond more effectively on Sudan—on Darfur.

The public diplomacy is extremely important. We did have, very well actually, during the Cold War, and public diplomacy was not somehow propaganda. Public diplomacy meant opening ourselves up and showing the best and the difficult sides of America. When people came here, they saw America at its best and they saw things about America that were not very good. But they saw a vibrant and multi-ethnic society that was struggling with all of that. And it had an indelible impression on people who were part of those educational and cultural exchanges. We also had effective broadcasting efforts through Voice of America and Radio Free Europe which were just getting the truth to people who otherwise couldn't get the truth. And so we have to look at that experience and update it to the modern era, and recognize that it is a different population in the Muslim world, a younger population, a population that has been subjected to a lot of propaganda about the United States and the West for a very, very long time.

We have asked for, in the 2006 budget, increased funding for public diplomacy and for educational and cultural affairs, because I believe very strongly that the war on terror, just like the Cold War, is not principally going to be won by military force; it is going to be won by replacing the ideology of hatred with freedom, and it is going to be won by winning hearts and minds. And you do that by getting the truth to people who wouldn't otherwise get it, by putting them in contact with America and what we are.

And that is a very, very high priority for me. And it has got to be not a monologue but a conversation, because we have to not only have them hear us, we have to hear them, too.

Mr. ROYCE. Thank you, Madam Secretary.

Mr. SMITH. The Chair recognizes Mr. Menendez, the gentleman from New Jersey.

Mr. MENENDEZ. Thank you, Mr. Chair.

Madam Secretary, congratulations on your appointment. I look forward to working with you.

You know, for those of us who did not support the invasion of Iraq, we however want our country to succeed there. So my first question goes toward that issue. And that is, we see the Administration did not put in their fiscal year 2006 budget anything as it relates to Iraq, and then submits a supplemental that has nearly \$75 billion for the Defense Department almost completely for Iraq and Afghanistan. And we are constantly being asked, as Members of Congress who have a fiduciary responsibility to the American people, to vote on these funds.

And certainly we want to support the troops in the theater, but there is almost an open-ended check here. And so my question goes

to, What are the success standards that we are applying here so that, as Members of Congress, we can have benchmarks along with the Administration to understand where it is that we are headed here? And as we are getting asked to vote for very significant amounts of money that are being asked in supplementals, even though we are entering a third year of war, so it is not that it is a surprise that we have men and women in the theater and there is a cost which goes directly to the debt.

What are the success elements? Could you define for the Committee dealing with the counter-insurgency, dealing with the Constitution, dealing with the elections, dealing with the territorial integrity: What are these elements of success that we can all know so that we can have benchmarks that we approach as we vote on these monies? That is my first question.

The second question goes to A.Q. Khan. He holds some of the most important information in the world on Iran and North Korea's nuclear program, since he ran the nuclear supermarket where they purchased their goods. We didn't protest when the Pakistanis pardoned him in exchange for information on his activities, but we also have not pressed for direct access to him, which I personally think is incredulous since we are getting filtered information. And the question is, he certainly has the most accurate information about what he sold or didn't sell to the Iranians and North Koreans.

For example, if he sold a bomb design to the Iranians, as he did with the Libyans, we have to have even more heightened concern than we already have as it relates to Iran. Isn't it time for our Government to directly seek an interrogation of Mr. Khan so that we don't have filtered information here?

And, lastly, as the Ranking Democrat on the Subcommittee on the Western Hemisphere, I must say that once again we are looking at a budget that, in essence, cuts by approximately 12 percent development funding to the region. And, you know, we can't look at it in the context of the Millennium Challenge Accounts because we haven't even—as I understand it, we haven't even finalized the compacts with a handful of countries that were qualified in 2004. And for those countries lucky enough to be qualified for 2006, they are likely not to receive funds until 2008. And that is a very small number in Latin America anyhow.

So the MCA is not really doing the job. We took money out of the Haiti transitional development fund because we said development accounts in such a fragile country like Haiti doesn't work. And the fiscal year 2005 request was already a cut from the fiscal year 2004-enacted levels as it relates to development assistance.

So I don't understand, right here in our Hemisphere, when we are concerned about security, when we are concerned about the instability that is taking place in various countries in the Hemisphere and conflict between Venezuela and Colombia, what is happening in Bolivia, what has happened in other parts of the Hemisphere, that we are not as engaged as we should be. So I would appreciate your responses to those questions.

Secretary RICE. Thank you very much. Let me take them a little bit out of order, if you don't mind.

On A.Q Khan, I think we would all agree that the best thing about A.Q Khan is that he is out of business. And we are working very actively with other countries to make sure that the tentacles of that network are in fact destroyed.

We are working with the Pakistanis on getting information, the most important information about what he knows and what he is doing. And I would just say that I think we continue to work on that. It is a sensitive matter, but we continue to work on it. And the Pakistanis are trying to cooperate. And so we are able to say that at least this network is out of business, and we are working with the Pakistanis on further information.

Secondly, on Iraq. The turbulent changes of this kind, Congressman, as you will well recognize, have their ups and downs. It is not going to be a straight line toward success. But I do think we are seeing emerging now, if you look at the line that the Iraqis are on, that they have met just about every milestone that we could have hoped they would meet, and they met them well.

There were those that didn't think that they would be able to get a transitional administrative law. They did. They then didn't think we could transfer sovereignty. We did. They didn't think that they could form a government. With the help of Lakhdar Brahimi, they did. Then it was a question of could they hold elections on time. They did. They now are going to form a government and they are going to have a Constitution and they are going to have elections in December 2005. That is the most important timeline that one ought to look at or phases that one ought to look at in seeing the success that this is beginning to show. Because as long as people see their interests as served by this political path that has been laid out ahead of them, even if you have and you will continue to have the insurgents with car bombings and kidnappings and assassinations, the political framework and the political foundation for a new Iraq is being laid step by step. And so that is the success, that is the timeline, that is the phasing that I watch most closely myself.

We are trying, alongside that, to improve the capacity of the Iraqi Government to govern through helping them in the structure of their ministries, through helping in the reconstruction of the country. The reconstruction has frankly gone more slowly than we would have hoped largely because of the security situation, but it is continuing and picking up. That is another line that I think we want to watch in terms of success.

Third, we want to watch the building of their security forces. And while there may be disagreement about what the numbers are, the fact is that we are more concerned also with quality than with quantity. And we have seen a steady progression of success in building Iraqi security forces that are capable. Frankly, back in April, when we had the first events prior to sovereignty they didn't perform very well, the Iraqi security forces. But subsequent to that, after sovereignty, when there was the insurgency, the Shia insurgency of Muqtada al-Sadr in Najif, they performed very well. When we went into Fallujah to clean out the insurgency associated with Zarqawi, they performed very well. And they performed really well in support of their own elections, so much so that General Casey

was able to say that he couldn't think of very many cases, if any, where coalition forces had to step in for them.

So we are seeing a steady progression in the capabilities of those forces. There is a lot of work still to do in terms of leadership for them, in terms of training and equipping of them that is active. But that is another line to watch in terms of success.

The final one is their general acceptance in the international community and their relations with their neighbors. And that too is a story of increasing success of integrating Iraq into the international community. Everything from the Paris Club being willing to forgive 80 percent of their debt, to the training that is taking place in NATO, to the training that others are doing outside of NATO in their neighborhood, to the many fora and conferences to which the Iraqis have been invited.

So if you put those four lines together, you see the Iraqis taking responsibility politically for their future, you see increasing success in rebuilding an Iraqi infrastructure that can unleash what should be a fairly powerful Iraqi domestic and indigenous capability for growth. You see security forces that are becoming more capable in supporting those other two elements, and you see their increasing integration into and acceptance in the international community. By December 2005, I think you will see that they have achieved a great deal along those four lines of success. Now, they will need our help. There is a multinational force there under U.N. mandate, because they are not able to protect all of that progress yet. And they have a tough insurgency. But they will have an insurgency for a while. The issue is, Are they capable of dealing with that insurgency in a way that does not threaten to destabilize the country or to throw them back to the regime of Saddam Hussein? And I think in that regard they are also making progress.

Chairman HYDE. The gentleman from New York, Mr. King.

Secretary RICE. I am sorry, Mr. Chairman. I did not respond to Congressman Menendez's question on Latin America. May I do that very briefly?

Chairman HYDE. Surely.

Secretary RICE. On Latin America, we of course have significant aid programs, for instance, with Colombia through Plan Colombia, through the Andean Regional Initiative, through our trade initiatives, which are considerable. The Millennium Challenge, it took a year to get it set up. We are starting to make real progress with those compacts, and I think that will accelerate.

And as to Haiti, the transfer of Haiti into the transitions initiative was not to cut funding for Haiti but to simply put it into an account that might more flexibly respond to what are changing circumstances to Haiti as Haiti moves toward democratic elections and the establishment of a government.

Chairman HYDE. Mr. King.

Mr. KING. Thank you, Mr. Chairman.

Secretary Rice, I want to join with everyone in commending you for the terrific job you are doing as Secretary of State, the many years of service you have given to our country. And you really make us all proud. And I would like to think that at least some of that skill was perfected at the institution where you got your Master's Degree.

Secretary RICE. Absolutely. No, that would be Notre Dame. DU was undergraduate and Ph.D.

Mr. KING. I would like to ask three questions. One was on Russia. As President Putin seems to be moving in some areas away from democracy, how do you expect the Administration to deal with that, and how will that interface with the support that we are getting from Russia in the war against terrorism?

The second question would be on Afghanistan. I know that Congressman Rohrabacher asked you about the drug dealing. I would ask, How much control does the Karzai Government have extending beyond Kabul? And is there a real threat of resurgent Taliban?

And the third question would be on what seems to be the European Unions' decision to lift the arms embargo on China. Thank you very much.

Secretary RICE. Thank you.

On the final of those, the European Union's decision or their consideration of the decision to lift the arms embargo: I was very clear when I was in Europe that we have deep concerns about this from the point of view of military balance, from the point of view of human rights. I will say I found them open to listening to those concerns, and I hope that any decision that they take, that they will fully consider our concerns about it.

In Afghanistan, the news is, I think, pretty good in terms of the ability of the Karzai Government to extend its influence. Some of the most powerful warlords are no longer active in Afghanistan. They are—in effect, those are governors now in places like Kandahar that are directly related to the Karzai Government. That is a real improvement from even a year ago. And the Provincial Reconstruction Teams, the PRTs that have been combining civilian and military help for these regions has been a part of that success story, of extending the Government's reach out to these areas. Sometimes in places like Afghanistan, it is even the matter of a road between Kandahar and Kabul which the United States built along with the Japanese and with the Saudis.

So a lot has happened. There is still a lot to do. It is always going to be a pretty decentralized place. But I think you would say that Karzai is clearly the President of all Afghanistan after this election in a way that it could not have been said before.

I am sorry you had one other question.

Mr. KING. Russia, about Putin.

Secretary RICE. Russia, of course. Well, the President will meet with President Putin in Slovakia very shortly. We have been very clear with Russia that we have concerns about the internal developments there and the course of democratic development. We have also been clear that we think that the isolation of Russia would be a mistake; that, rather, the continued engagement of Russia—because it is after all only recently emerging from the Soviet Union.

But the concentration of power in the Kremlin is a problem, and the absence of an independent media is a problem. And we have also tried to keep alive and keep working our nongovernmental organization programs there, which may help the development of Russian civil society, the development of parties, the development of business groups that can be effective forces for change and effec-

tive checks on the power of the Kremlin. But it is indeed troubling. It was a matter of discussion throughout Europe when I was there, and so probably the Russian Government should understand that the kind of deep integration of Russia into the European space, into the community of democracies that had been hoped for will be at risk if Russia cannot return to a more democratic path.

Mr. KING. Thank you, Secretary Rice. Thank you.

Chairman HYDE. Mr. Brown of Ohio.

Mr. BROWN. Thank you, Madam Secretary. Congratulations. I had a great relationship with your predecessor at these hearings; I hope we can continue that.

On Monday, President Bush asked Congress and United States taxpayers for the fourth time in 2 years for more money to fight the Iraq war. It is turning into a predictable event, and I hope the Administration will include this money in, as Mr. Menendez said, its regular annual budget in the future rather than pretending it doesn't have some permanence to it and some predictability.

What I found particularly interesting in the supplemental was the money provided for the United States Embassy in Iraq, some \$658 million, the largest, most expensive Embassy anywhere, anyplace. Then there is the \$690 million for Embassy security, bringing the Embassy total to \$1.3 billion. We are spending \$900 million in tsunami relief for the entire affected Asia region, a generous amount but dwarfed by the cost of that single building. And when you look closer at the tsunami numbers, you find out that much of the money is being used to repay DoD for services already rendered. In other words, already spent.

I just came from a hearing, I apologize for not hearing all of this. I came from a hearing with Secretary Leavitt in the Commerce Committee, and he is trying to defend a \$60 billion cut in Medicaid. And one of the things several of us mentioned is that our budget is a statement of our moral values and a reflection of what we hold important. And when I look at that kind of money for the Embassy and this kind of money for the Iraq war and that amount for tsunami relief.

Then there is Haiti, the 2006 request asks just \$30 million in the transition initiative account for a nation that is right next door. Given that the Administration played such a significant role in the removal of a democratically-elected President, and given that Haiti doesn't have a standing army due to the gross human rights violations and corruption and other abuses of the country's past armed forces, could you assure us that the increased military assistance won't create more problems? And can you promise to do more, and tell us what you plan specifically to do, to provide more assistance for that country?

Secretary RICE. Thank you. On Haiti, I believe that we responded effectively and quickly to what was a growing political crisis in Haiti that was turning very violent. And one of the things that we have since then is a transitional Government that is committed to elections and an effort internationally, and we have a lead role in that, to build police forces in Haiti that are accountable and professional. And indeed, we have put a great emphasis on police forces. There will be an army as well, but we have put a great emphasis on police forces because we believe that police forces will

play that civilian role in a way that will take the Army out of that business hopefully once and for all.

The support for Haiti, as I said, has been put in this transition initiative so that we can be responsive to the changing circumstances in Haiti. But for the first time in a long time, I do believe the Haitian people have a chance and we are going to try to help them to take advantage of that chance.

As to the money for the Embassy, I feel very strongly about that request and I really ask you to look at it favorably. We are talking here about the security of our men and women in a very difficult circumstance in Baghdad. There is a reason that this is an Embassy that has extraordinary measures. There is a reason that the operating costs are high in Iraq. And that is because it is a very dangerous place. And when we send men and women to very dangerous places, we ought to be sure that we are taking care of their security. And, frankly, the quarters in which they are currently housed, which we have promised to give back to the Iraqi Government because it is their Presidential Palace, for instance, are not adequate.

We are doing everything we can to protect them in those places. But when you look at security measures like setbacks for, in terms of territory and space, we are just not able to do it where we are now. We have better setbacks in places that are not nearly as dangerous.

And so I would hope that the Committee would look favorably on this request for the Embassy, because I would not be responsible if I told you that staying in the buildings that we have now is a good solution for our men and women in Baghdad.

And while it is indeed a very expensive proposition in Iraq, Afghanistan and Iraq as a part of the war on terror are extremely—are crucial, they are critical to our national security. We learned on September 11th what happens when you try and shut yourself off from threats that have been gathering and are emerging, and we don't want that to happen again, if we can possibly help it. We can't fight this war on the defense. We are trying to fight this war on the offense. And Iraq and Afghanistan are key elements of that effort.

Chairman HYDE. Mr. Burton.

Mr. BURTON. Thank you, Mr. Chairman.

First of all, since you went to Notre Dame, you are an adopted Hoosier, and we are very proud of that.

Secretary RICE. Thank you.

Mr. BURTON. And, second, I think you distinguished yourself very well in your previous position at the White House, and everybody that I know—Democrat and Republican alike—are very impressed with the way you are handling your job so far. It is extraordinary.

Congressman Menendez and I are the people who are Chair and Ranking Member of the Western Hemisphere Subcommittee, and he asked you a few questions about that. One of the things that I am very concerned about is something that has been in the public domain the last few days, and that is that Venezuela and Chavez have been importing large amounts of AK-47s and helicopters, and there is some concern about what is going to be done about all that military equipment.

Also, he has very close ties with Fidel Castro and other leftist leaders. And we worked very long and hard since the 1980s and the Reagan Administration to not only stabilize Central and Latin America but to create democracies. And we have been, with the help a lot of leaders down there. I hate to see a real risk arise where you are going to see democracies imperiled. And I just wonder if you had any statement that you can make publicly about how we ought to deal with the problems that we see arising in Latin America.

Secretary RICE. Well, we are certainly concerned. We are concerned in cases where even democratically-elected governments may not be governing democratically, and we have been very clear about our concerns about the Venezuelan Government. We also are trying to help the new democracies of Central America in several ways. We have given significant assistance to those Governments.

We have of course, through CAFTA, created a trade arrangement which, if ratified by the Congress, will probably open up for them more than all the assistance we could possibly give. Because we know what free trade does for a region. And it has encouraged them, by the way, not just to wait for free trade with us, but to liberalize some of their rules among themselves so that they trade more freely among themselves. And so CAFTA is a very important part of our Central American policy.

We are concerned about trends in some of these countries, in Nicaragua and Honduras, and we work very closely with the freely-elected Presidents of those countries. The President met with them a couple of years ago and we keep very close contact with them. But probably the best thing that we can do for them is to help them get their economies growing. They are experiencing pretty good growth, thanks to worldwide growth, but if we can make these trade—make free trade available to them, I think you will see even greater growth. And what they need to be able to do is to deliver for their people.

This is a dilemma in Latin America. We have democratically-elected Governments, and their people expect a lot from democratically-elected Governments who can be held accountable. We have to help them to achieve that progress for their people.

Mr. BURTON. Well, I hope, and I know you will, consider our Committees and Subcommittees as partners in your goals. And if we can help you in Western Hemisphere, all you have to do is hold.

Secretary RICE. Thank you.

Mr. BURTON. Thank you.

Chairman HYDE. Mr. Sherman from California.

Mr. SHERMAN. Thank you. I will start with an easy question that I know at least some of your staff will appreciate. We in Congress have great ideas to compel you to give us congressional reports, and we come up with these ideas and put them in statute. And I wonder if you could send us a letter outlining how we could modify and rationalize our congressional report requirements to reduce the work on your staff either by eliminating some of those reports if the need for them may have diminished, others by changing the outlines of the report, and, least controversially and most likely to be easily accepted by the Committee, perhaps changing the due

dates of these reports so that you don't have the same people with coincident deadlines. I wonder if you wouldn't mind sending us a letter like that.

Secretary RICE. I would be most pleased to send you such a letter. Thank you very much.

Mr. SHERMAN. We have lost 1,200 of our best dealing with the nuclear weapons program of Saddam Hussein. And I think history will evaluate us on whether we have kept nuclear weapons out of the worst hands. But that threat, the nuclear threat of Saddam Hussein was extremely modest compared to Iran and North Korea. And the question is whether we will use a program of maximum carrots and maximum sticks to back up our demands that those two countries eliminate their nuclear weapons programs.

In terms of carrots, what Iran seems to want is an open trade relationship and WTO membership. I don't think we have offered that as part of our efforts to get them to change their policies in human rights but more importantly nuclear weapons.

North Korea has asked for the carrot of a nonaggression pact and we have turned them down. But what worries me more is our unwillingness to use our economic power as a stick because of our unwillingness to inconvenience international corporations. We have turned the Iran-Libya Sanctions Act into a joke, at least as it applies to Iran, and there has been over \$33 billion of investment in Iranian oil fields, each one of those investments a violation of ILSA. You know, we have joked and laughed and ignored all of those.

And with regard to North Korea, we have sat back and let China continue its subsidy of North Korea without ever mentioning to them that we might interrupt our trade relationship or diminish it in some degree if they continue to subsidize the most dangerous State with nuclear weapons.

So since we have lost 1,200 people trying to deal with the Saddam Hussein nuclear weapons program, are we willing to inconvenience international corporations to tell some that we may hold—we may interfere to some degree with imports from China? To tell others that we may actually enforce ILSA and take other action to try to really have an economic noose around Iran if it continues to develop nuclear weapons? Are we willing to inconvenience international corporations to achieve the same—to counter a much greater threat than that for which 1,200 of our finest have already died?

Secretary RICE. Well, as to Iran, our goal has been to get the Iranians to simply do what they should do, which is live up to their international obligations. And we shouldn't allow them to continue to create conditions to do that.

Mr. SHERMAN. Madam Secretary, with respect, we shouldn't allow them to. But reminding them that they are liars and cheats so far has yet to change their policy.

Secretary RICE. Well, we will see what happens if there is unity of purpose and unity of message to the Iranians about what life would look like if they were really isolated. They are pretty isolated from us; because we do enforce ILSA, they are isolated from us. But they are not isolated from much of the world.

Mr. SHERMAN. Halliburton has huge contracts there. I don't think we have isolated them.

Secretary RICE. The Iranians are in a position, they are moving toward a position in which the entire world will move to isolate them if they don't deal with their international obligations. That is why we continue to say to people that we still have as an option referring this case to the Security Council.

If I may speak for a second to North Korea though, because the North Koreans do have a very clear path ahead of what life would look like if they were willing to make the strategic decision of giving up this nuclear program. Congressman Lantos mentioned the Libya model. And in fact, the North Koreans know what that would look like. They have been told that the President of the United States has no intention to invade or attack North Korea, and that in fact they would be given security assurances on a multilateral basis if they are prepared to get out of these—

Mr. SHERMAN. But we have never told China to apply the stick and stop the subsidies that are the lifeblood of that North Korean regime.

Secretary RICE. What we have asked the Chinese to do is to use the leverage that they have to get the North Koreans back into talks and to make the strategic decisions that they need to make.

Mr. SHERMAN. Asking without a threat is begging. And my time has expired.

Secretary RICE. We are in much better shape now that we are in a multilateral arrangement with the North Koreans as opposed to before when it was just the United States and the North Koreans, country on country. At least now the North Koreans know that when they decide not to go to the talks, that they are also facing down the Chinese.

Chairman HYDE. Mr. Chabot.

Mr. CHABOT. Madam Secretary, congratulations on your appointment and confirmation. We are all very confident you are going to be an outstanding Secretary of State and do a tremendous job for our Nation.

I serve as one of the four founding Co-Chairmen of the Bipartisan Congressional Taiwan Caucus, along with Mr. Wexler who is here, and Mr. Brown and Mr. Rohrabacher, who are also here. The caucus has over 130 active members.

As you know, there have been a number of recent developments in the Taiwan Strait. Some have been very positive. For example, Taiwan's President Chen Shui-bian has worked hard to reach out to the PRC since his election to a second term last year. Taiwan and the PRC reached consensus on the historic arrangement of cross-strait charter flights which could serve as the foundation of cross-strait negotiations.

Chinese officials recently attended the funeral of KuChen Fu, a Taiwanese statesman who played a key role in promoting cross-strait ties. It is believed to be the highest level of Chinese visit to Taiwan in 10 years. We hope that the visit is an indication that more productive dialogue between Taiwan and the PRC will occur in the near future, but there have been some disturbing developments.

China continues its arms buildup. The 500 missiles pointed at Taiwan a year ago now number approximately 600. At the same time, our sometime European allies are apparently preparing to lift the arms embargo on China, allowing the Beijing dictatorship to accelerate its weapons buildup even more.

At the same time, China seeks to unilaterally change the status quo in the Taiwan Strait by adopting a so-called anti-succession law. I hope you are expressing to your Chinese counterparts that any attempt to determine Taiwan's future by other than peaceful means would be of grave concern to the United States, and that it is the policy of the United States that the future of Taiwan should be resolved by peaceful means and with the consent of the people of Taiwan.

Let me move briefly to another issue which I brought up with both Secretary Albright and Secretary Powell. The issue is international parental child abduction; and specifically the case of Tom Sylvester in my district in Cincinnati and his daughter, Carina, an American citizen who was an infant barely a year old, when she was kidnapped by her mother and taken to Austria almost 9 years ago. During those long, painful years, her father has only occasionally been able to see his daughter, and always under strict supervision. During that period, the child's mother, an Austrian national, has refused to comply with Austrian and American court orders. She has ignored appellate decisions and has lived in continual violation of the Hague Convention. All the while, the Austrian Government has arrogantly failed to enforce The Hague Convention return order.

In 2003, the European Court of Human Rights released two separate decisions determining that Austria violated the rights of both the father, Tom Sylvester, and his daughter, Carina, by failing to enforce the final Hague Convention return order.

Most recently, just a few days ago on February 3rd, that same court determined that Austria had violated the rights of Mr. Sylvester to a fair and speedy trial.

Madam Secretary, many good people have worked on this case. Secretary Albright, for example, met with Mr. Sylvester and myself and personally called the Austrian chancellor in an effort to resolve the case. Secretary Powell did likewise. Ambassador Hardy of the State Department has taken a strong interest in the case and has tried to be helpful. Attorney General Ashcroft has raised the case in Vienna. Even President Bush has raised the issue with the Austrian Ambassador. And I know, Madam Secretary, in your previous capacity at the White House, you were made aware of the case and were helpful in getting our message to the Austrian officials.

Mr. Sylvester has testified before this Committee on two separate occasions, and my colleagues recognize what an egregious example of fundamental human rights violations are occurring in this case. Anyone who has become familiar with the case is appalled by both the suffering of Mr. Sylvester, because of what the Austrian Government has done, and in light of our inability to resolve this case through diplomatic channels. I am going to be discussing with Mr. Hyde what Congress can do to finally do something about this case which has dragged on and on.

I hope, Madam Secretary, you and I and Tom Sylvester can work together to finally reunite him with his daughter. It is abominable what has happened in this case. I wish you the best of luck, and look forward to working with you on that case and relative to Taiwan.

Secretary RICE. Thank you. I look forward to working with you on both.

Chairman HYDE. Mr. Wexler.

Mr. WEXLER. Thank you, Mr. Chairman.

Madam Secretary, thank you very much for being so respectful to the less senior Members of the Committee in staying as long as you have today. We very much appreciate your staying.

If I may ask with respect to the Middle East, and first say that I, as do I think most if not all of the Members of the Committee, respect the effort you made this past week in meeting with the Israelis, the Palestinians, the Egyptians and Jordanians, and we wish you very well.

I am curious if the Bush Administration has changed policy to a degree. With respect to the three Americans who were murdered, I believe in October 2003—and I know you are very familiar with this—it was my understanding that we could not have been more direct with the Palestinians in saying that these perpetrators that murdered those Americans, whose only crime was that they were a part of a detail of people going to interview Palestinians who were going to participate in the Fulbright Program, I thought it was our policy that we demanded action. For 11 months under Yasser Arafat, we had none to my knowledge. The perpetrators of those crimes have not been identified. They have not been tried, but yet we have committed, or the Administration has committed, \$350 million.

If I could change gears, I was very moved by your first sentence or two where you talk about the diplomatic mission of freedom. It is a rallying call. We all can support it. And your recitation of part of the President's call to leave no one friendless in their quest for freedom, apply that if you would to the Turkish Cypriots.

Our Turkish Cypriot friends went to the ballot booth. They have voted and created a democracy. They did what we and the Europeans asked. They voted to unify Cyprus and to join the European Union, and the Greek Cypriots voted no. And we haven't been particularly good friends since that vote. I have tried to understand how we have tried to reward them, to befriend them.

Finally, I very much respect the effort you made and I am sure the President will make in Europe next week in advancing a new, vibrant, Transatlantic Alliance. I am curious as to the Administration's reaction to Chancellor Schroeder's announcement where he said the obvious: NATO needs to be reformed; Iraq was not debated at NATO; the Iranian nuclear program is not being debated at NATO; the European decisions to lift the embargo on China is effectively not being debated at NATO.

I think Chancellor Schroeder in essence said if the core of the Transatlantic Alliance is going to mean something, let us have an honest discussion and make it better. What was Secretary Rumsfeld's reaction on the day it was said, if I remember correctly from the newspaper, "We don't need another high-level thing." I don't

think Chancellor Schroeder was talking about another high-level thing; and I wonder, why would the Europeans think that we are genuine—and I say that with no disrespect to you and no disrespect to the President—why would they believe we are genuine in our attempt to rebuild this Transatlantic Alliance when the leader of Germany comes out with what appears to be a very constructive suggestion, one that Americans should applaud, and the reaction is we don't need another high-level thing?

Secretary RICE. First of all on the Gaza, I was just with Mahmoud Abbas, and I made this point to him in no uncertain terms, very strongly, that we expect cooperation on the people who were killed in the Gaza, that we have not been getting that cooperation, and that we expect that to change. I said that to him personally, and spent a good deal of time telling him why that was going to be important if we were going to be able to go forward on some of the things that we were hoping to do. I raised this very, very strongly with him, and will continue to.

On the Turkish Cypriots, we were disappointed, too, that the Island Plan was not adopted. We had worked very hard to try and get it adopted. We are trying to work to make sure that the Turkish Cypriots are not disadvantaged, despite the fact that Cyprus has been admitted to the European Union and despite the fact that the Island is not unified.

We have provided some direct assistance to the Turkish Cypriots for economic development. Colin Powell, before he left, had a high-level meeting with the leadership, and we will continue to look for ways that we can ease the isolation of the Turkish Cypriots, given these circumstances. It is very important.

Finally, as to the Chancellor's remarks, I have talked to my German colleague several times about this, and even they believe what he said was misinterpreted on that day; that it was not formulated in a way that people understood what he was saying.

We have been assured what he was saying was that we want NATO to be as strong as possible and want it to be a viable forum for these political discussions. We look forward to discussing this with the Germans when we see them, when the President sees Chancellor Schroeder when we are at NATO. We all want NATO to be a vital and vibrant institution. It has undergone a lot of changes and transformation in the last several years.

I am an old Soviet specialist, and old Warsaw Pact specialist, in fact, and I remember when the Warsaw Pact collapsed, people said NATO would collapse too. Quite the contrary. It has expanded to bring in the new democracies of Eastern and Central Europe. It is now operating in Afghanistan. It is about to train security forces in Iraq. It is doing extremely well in the Balkans. NATO is alive and well, and it should continue to have very vibrant discussions, and we are for anything that makes it more vibrant.

Chairman HYDE. The Secretary was supposed to leave at 4 o'clock. She very graciously extended the time to 4:15, but we must accommodate her. Before I close the hearing, I recognize Mr. Lantos for purposes of a motion.

Mr. LANTOS. Mr. Chairman, before I make my motion, I know I speak for every Member of this Committee in expressing not only a deep appreciation to the Secretary but our profound admiration

for her brilliant performance and awe-inspiring awareness of issues and policies. We are deeply in your debt.

In view of the fact, Mr. Chairman, that several Members have not had a chance to ask Secretary Rice a question, I ask unanimous consent that the Committee submit questions on behalf of all Members who choose to do so, so that they can have their inquiries answered. And I want to thank the Secretary for her appearance.

Chairman HYDE. Without objection, so ordered.

I will only say in adding to the laudatory comments of Mr. Lantos, that I have never seen so many home runs hit out of a Committee room that isn't a ballpark. You did great and it was a thrill listening.

Secretary RICE. Thank you very much. I really look forward to working with the Committee and will definitely and responsively answer any questions that may be pending.

Chairman HYDE. I never looked forward to questions that were not friendly, directed at a witness with such joy, because I knew what you would do with them.

Secretary RICE. Thank you, Mr. Chairman.

Chairman HYDE. The Committee stands adjourned.

[Whereupon, at 4:15 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 DAN BURTON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA, AND CHAIRMAN, SUBCOMMITTEE ON THE WESTERN HEMISPHERE

Mr. Chairman, I commend you for holding this hearing today and for your steady leadership.

The last year has shown how American support for democratic processes can enable and empower people to reach for freedoms that we so deeply cherish—we witnessed historic elections in places like Afghanistan, Iraq, Ukraine, and Indonesia. We clearly live in a time of dynamic global change where the decisions we make today have repercussions both here at home and abroad for years if not decades to come.

Now more than ever we need to make the right decisions and take the right actions. More importantly perhaps, we need to ensure that we put the tools and resources behind those actions. And that is what we're here today to talk about this afternoon; is our foreign policy moving in the right direction and are we putting the right resources in the right places to get the job done.

I want to personally welcome our new Secretary of State, Dr. Condoleezza Rice. It is often said that America's diplomacy is our first line of defense. I believe we could have no more formidable defender than Dr. Rice. I think a few of our more skeptical friends in Europe would agree after Dr. Rice's recent successful trip to the continent. Dr. Rice, I admired your work as National Security Advisor and I have great confidence in your statecraft. I wish you every success in your new role.

Dr. Rice, shortly after the terrorist attacks of September 11, 2001 you were asked whether the United States might sacrifice our principles of standing up for human rights and democracy as we waged the global war on terrorism. You pledged: "We are not going to stop talking about the things that matter to us—human rights and religious freedom and so forth. We're going to continue to press those issues. We would not be America if we did not."

I agree.

The United States must continue to send a loud and clear message to regimes that institute and enforce policies that degrade human rights, freedom and democracy and spread violence: This must stop.

Since 9-11 this message has been directed most forcefully at those regimes that could give aid and comfort to Al-Qaida and the forces of Islamic extremism. But there are also regimes in the Western Hemisphere that neither govern with justice and transparency nor invest in their people and their future; and they too must be put on notice.

I am honored to resume the Chairmanship of the Subcommittee on the Western Hemisphere this Congress and I am eager to see the United States take advantage of enormous opportunities for economic growth and strengthen of our national security interests in the region. The United States worked hard during the 1980s and 1990s to strengthen democracy and the rule of law, and to promote economic growth and development throughout Latin America. We must consolidate these gains and further strengthen these still very fragile democratic institutions, in our own back yard.

Unfortunately, I am very concerned that, particularly since 9-11, we have almost developed an attitude of benign neglect towards our affairs in the Western Hemisphere.

It seems to me that there are already signs of backsliding into old line leftist ideologies in Latin America. We have leftist-leaning presidents in Brazil and Venezuela, a resurgence by the Sandinistas in Nicaragua and even gains by leftist par-

ties in Mexico. Venezuelan President Hugo Chavez in particular continues to build closer ties to Fidel Castro and his hostile opposition to democracy and free markets. President Chavez is seizing private property, imposing harsh restrictions on the media, engineering elections to crush opposition, and undermining efforts to protect borders and stop narcotics traffickers. He calls Colombia's narco-guerrillas "comrades" but denies that he aids or harbors terrorists. And if we think that many of the 100,000 AK-47s he is buying from Russia won't end up in the hands of these narco-terrorists, I think we are fooling ourselves.

We need to deal with this.

The population of Latin America is also growing rapidly, and placing serious strains on resources. Nations in the region are hard-pressed to create sufficient job growth, equitably distribute wealth, and provide for social welfare. Nearly half of the region's inhabitants live on less than \$2 per day. In Mexico alone, one million people join the work force every year to compete for only 200,000 new jobs.

In addition to providing fuel for leftist ideologues, these economic and social crises are fueling the proliferation of gangs and the violence they spawn. Gangs are a growing, transnational problem affecting all of North and Central America—particularly the United States, Mexico, Guatemala, Honduras, and El Salvador. These disaffected youths are exactly the type of footsoldiers Al-Qaida is looking to recruit and sneak into our country because Al-Qaida believes—correctly or incorrectly—that our attention is focused on tracking people from Arab or Muslim countries and not people from Latin America.

We need to deal with this.

Overall I think the President's FY06 Foreign Affairs Budget generally moves in the right direction and provides steady support for the United States' role in the Western Hemisphere.

Our foreign assistance to the developing world is making a measurable impact in countries that have provided sanctuary to terrorists and extremists. Improvements in social welfare, education, press freedom, women's and minority rights, and other areas provides hope in the future for our friends in Afghanistan, Iraq, Pakistan, Egypt, Indonesia, Saudi Arabia and countries where Al-Qaida and other terrorist franchises have established training facilities, conducted or financed operations.

We must make sure we don't make the mistake of creating fertile soil for terrorists' right here in our own backyard. We must deepen engagement and cooperation with the countries in the region. And we must continue to help our friends in the region attack poverty, continue developing innovative ways to stimulate free enterprise and economic growth, raise health standards and education for their people and promote good governance.

As Chairman of the Subcommittee on the Western Hemisphere I intend to pursue issues very aggressively and I look forward to working with Secretary Rice to accomplish these goals. I look forward to hearing from our new Secretary of State and discussing with her some of the reasoning beyond the Administration's foreign policy budget decisions for FY06.

Thank you.

PREPARED STATEMENT OF THE HONORABLE ENI F.H. FALEOMAVAEGA, A
REPRESENTATIVE IN CONGRESS FROM AMERICAN SAMOA

Mr. Chairman, Ranking Member Lantos:

I thank you for holding this hearing. I also welcome you, Secretary Rice, and commend you on your appointment. We appreciate your presence before our Committee.

Madame Secretary, in response to President Bush's State of the Union address in which he talked about "our generational commitment to the advance of freedom" and in which he said "America will stand with the allies of freedom to support democratic movements in the Middle East and beyond, with the ultimate goal of ending tyranny in our world" and that "our aim is to build and preserve a community of free and independent nations, with governments that answer to their citizens, and reflect their own cultures," I want to bring to your attention the plight of West Papua New Guinea.

There is a consensus among many that the Island of New Guinea was settled by a people from West Africa. In 1883, the Island of New Guinea came under colonial rule and was partitioned by three western powers. The Dutch claimed the western half while the British and the Germans divided the eastern half.

In 1949, the Dutch granted independence to the colonies of the former Dutch East Indies, including the Republic of Indonesia, but the Dutch retained West Papua New Guinea and in 1950 prepared the territory for independence. Indonesia, however, upon achieving independence, demanded all former territories of the Dutch

East Indies and Portuguese Colonial Empires, including West Papua and East Timor and, under the leadership of military Dictator Sukarno, sent troops to militarily occupy both slaughtering and murdering some 100,000 West Papuans and over 200,000 East Timorese.

In 1962, the United States mediated an agreement between the Dutch and Indonesia but without any West Papuan representation. Under terms of the agreement, the Dutch were to leave West Papua and transfer sovereignty to the United Nations Temporary Executive Authority, known as UNTEA, for a period of 6 years, after which time a national election would be held to determine West Papua's political status. But almost immediately after this agreement was reached, Indonesia violated the terms of the transfer and took over the administration of West Papua from the United Nations.

In 1969, Indonesia orchestrated an election that many regarded as a brutal military operation. In what became to be known as an 'act of no-choice,' 1,025 West Papua elders under heavy military surveillance were selected to vote on behalf of 809,327 West Papuans on the territory's political status. The UN Representative sent to observe the election process produced a report which outlined various and serious violations of the United Nations Charter.

In spite of the "duly noted" report and in spite also of testimonials from the press, the opposition of fifteen countries and the cries of help from the Papuans themselves, West Papua was handed over to Indonesia in November 1969. Since the Indonesian government seized control of West Papua, the Papuans have suffered blatant human rights abuses, including extrajudicial executions, imprisonment, torture and, according to Afrim Djonbalic's 1998 statement to the United Nations, "environmental degradation, natural resource exploitation, and commercial dominance of immigrant communities."

It might be fair at this point to note that West Papua New Guineans differ racially from the majority of Indonesians. West Papuans are Melanesian, believed to be of African descent. It might also be fair to point out that the United States rendered no assistance to West Papua. In fact, as early as 1961, Robert Johnson of the National Security Council Staff wrote a letter to Mr. Bundy, the President's Special Assistant for National Security Affairs, noting that the United States "must conclude that it is in our interests that a solution be devised which will lead to accession of West New Guinea to Indonesia."

In other words, it was our national policy to sacrifice the lives and future of some 800,000 West Papua New Guineans to the Indonesian military in exchange, supposedly, for Sukarno and Sukarto to become our friends, and yet they organized the most repressive military regimes ever known in the history of Indonesia. And now, as of 2005, the U.S. intends to certify full IMET for Indonesia while our brothers and sisters in West Papua New Guinea live a struggle of our making.

Madame Secretary, the U.S. essentially confined the people of West Papua to a life without liberty and as Ghandi said, "To deprive a man of his natural liberty and to deny him the ordinary amenities of life is worse than starving the body; it is starvation of the soul." This said, I am hopeful that we will make right our wrongs, particularly as we now have a President who has publicly stated that "we are all part of a great venture—To extend the promise of freedom in our country, to renew the values that sustain our liberty, and to spread the peace that freedom brings." In my opinion, the President's mantra must and should include West Papua.

In his State of the Union address, President Bush said, "As you stand for your own liberty, America stands with you" and I am hopeful that this means the Administration will support West Papua's right to self-determination through a referendum or plebiscite sanctioned by the UN as was done for East Timor—not by the barrel of a gun—but by the casting of a vote for as Gandhi said, "Till we are fully free, we are slaves."

Madame Secretary, I look forward to working with you and learning of your views about the people of West Papua New Guinea, their struggle to be free, and whether or not there is commitment on the part of the U.S. to help them live, not as slaves, but in freedom as envisioned by President Bush and by all Americans.

RESPONSES FROM THE HONORABLE CONDOLEEZZA RICE, SECRETARY, 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

Question:

Based on your recent trip to the Middle East, what are your impressions of Palestinian President Mahmoud Abbas (Abu Mazen)? Is he proceeding on the right track

in dealing with Palestinian terrorism? So far he has sought to win the cooperation of Palestinian terrorist groups through suasion alone. Do you think groups like Hamas and Palestinian Jihad will willingly lay down arms, or will Abu Mazen eventually have to confront them?

Response:

We are very encouraged by the recent events in Israel and the Palestinian territories. The Palestinians have made efforts at achieving reform in a very short time that we have not seen from them previously. President Abbas has shown his commitment to improving the security situation in the Palestinian territories by making clear he will hold his security chiefs accountable in their performance in halting attacks on Israelis and firing them if they fail to perform. He has also advanced important internal reform objectives by forming a new cabinet that aims at bringing new blood into the senior PA leadership. These reforms are welcome signs and we support President Abbas in his efforts to create lasting democratic institutions. However, these efforts must continue and the PA must continue to live up to its responsibilities of improving the security situation in the Palestinian territories and dismantling the terrorist groups. The Roadmap is clear that terrorist organizations must ultimately be dismantled if the goal of a two state solution is to be achieved. Terrorists seek to destroy the very goals we aim to achieve, a safe and secure Israel coexisting with an independent, viable Palestinian state.

Question:

Why is Libya still on the list of state-sponsors of terror? Is it the Administration's view that Libya attempted to assassinate Saudi Crown Prince Abdullah, as alleged by the prisoner Abdurahman Alamoudi? Is Libya still involved with international terrorist groups?

Response:

While the U.S. and Libya have begun a dialogue on outstanding issues related to past Libyan support for terrorism, we continue to have serious concerns, including over Libyan involvement in a 2003 plot to assassinate the Saudi Crown Prince and residual contacts with past terrorism clients. In December 2003, Libya provided direct assurances that it does not support the use of violence for political purposes. It has also cooperated with the U.S. in a meaningful way in the war on terrorism.

Mr. Alamoudi entered into a binding plea agreement with the Department of Justice in which he agreed to a statement of facts that included a statement outlining his involvement in a plot to assassinate Crown Prince Abdullah. The plea agreement represents the official position of the U.S. Government on the facts of Mr. Alamoudi's case.

As the State Department has noted in recent iterations of the Global Patterns of Terrorism Report, Libya has "held to its practice in recent years of curtailing support for international terrorism, although (it) continues to maintain contact with some past terrorist clients."

Question:

Last month, the Special Inspector General for Iraq Reconstruction released a report finding that the Administration failed to properly account for over \$8.8 billion in funds from the Development Fund for Iraq (DFI)—meaning that approximately two-thirds of the total amount of Iraqi funds expended by the Administration during the tenure of the Coalition Provisional Authority (CPA) is unaccounted for. Special Inspector General Stuart Bowen, in this report, asserts that the CPA distributed this money in cash to Iraqi ministries without following up to determine whether the money was used for its intended purposes. Why were there no controls over these funds, either within the CPA or within the recipient Iraqi ministries? Do you now know what was this money used for? Will there be a further investigation? What controls are in place now to ensure that money from the Development Fund for Iraq and, especially, taxpayer money, is being spent for its intended purposes?

Response:

The Department of Defense is the lead Agency on responding to questions regarding this Special Inspector General for Iraq Reconstruction (SIGIR) report, as it was the lead agency representing the U.S. in the CPA.

We would, however, note that the Development Fund for Iraq (DFI), was funded from a variety of Iraqi and international sources, and did not include any U.S. taxpayer money. The FY 05 Defense Authorization Act re-designated the Office of the CPA Inspector General to the SIGIR, and under this new mandate, Mr. Bowen provides independent and objective conduct and supervision of audits and investigations relating to ongoing reconstruction programs funded by the Congressionally-ap-

propriated Iraq Relief and Reconstruction Fund. In addition, the State Department Inspector General has responsibilities for oversight of State-managed IRRF programs.

Question:

In your view, how close is Iran to achieving the capability of producing a nuclear bomb? Under what circumstances, if any, would the U.S. agree to enter into dialogue with Iran?

Response:

- The intelligence community is in the process of updating its estimate on Iran's nuclear program; an unclassified estimate of Iran's timeline is not available at present, but we would be happy to arrange a classified briefing for you if you desire.
- International Atomic Energy Agency (IAEA) Director General ElBaradei has issued numerous written reports that document Iran's covert nuclear activities, including uranium enrichment and plutonium reprocessing experiments, over a period of at least 18 years. There is no evidence that Iran has yet succeeded in operating enrichment facilities. Nonetheless, the infrastructure that Iran is establishing—particularly in its gas centrifuge enrichment program—could, once fully operational, produce significant amounts of weapons-grade fissile material.
- The United States is not contemplating any diplomatic dialogue with Iran. The problem is not lack of dialogue but Iran's deeply troubling behavior—its pursuit of nuclear weapons and other weapons of mass destruction, its support for terrorism and its violent opposition to Middle East peace, its interference in Iraq, and its abysmal human rights record. Iran knows what it needs to do on all of those issues.

Question:

Pakistan Pays Al-Qaeda Debt—Press reports indicate that Pakistan paid \$540,000 to four tribal militants in South Waziristan to settle their outstanding debts with Al-Qaeda, presumably thereby buying the loyalty—for a time—of these militants. Are you concerned that our “major non-NATO ally,” Pakistan, has just transferred over a half-million dollars—coincidentally, the amount that financed the 9/11 attacks—to al-Qaeda? Are we certain that none of these funds were from U.S. assistance? Since money is fungible, are we going to reduce Pakistan's assistance by a like amount?

Response:

Pakistani security forces are deeply engaged against extremists, and have suffered several hundred casualties in the war on terror. We do not believe that the Pakistan government was paying militants either for the purpose of bribing them to forego attacks or to pay off their debts to al-Qaeda. The Government of Pakistan provided some tribal leaders in the Federally Administered Tribal Areas (FATA) compensation for damages resulting from military operations in the area over the past year. We have no evidence that the tribal leaders are passing those funds on to al-Qaida. Those military operations have resulted in the arrests or deaths of hundreds of militants and the disruption of the operations of al-Qaeda, the Taliban, and other extremist groups in Pakistan.

Question:

Nepal Martial Law: What is the United States doing to help restore democracy and stability in Nepal?

Response:

The U.S. views with serious concern the King's decision to dismiss the multi-party government and impose a State of Emergency.

Ambassador Moriarty met the King to express our concerns and to urge him to restore democratic institutions and civil liberties promptly. The Ambassador stressed that U.S. assistance will be at risk unless the King provides and acts on a clear roadmap to restore Nepal's democratic institutions and deal with the Maoists.

The Ambassador is reaching out to political leaders under house arrest as well as other elements of civil society.

We are speaking out to the international media to stress the need for immediate return of civil liberties and restoration of democratic institutions.

We are working closely with key international players, including India and the United Kingdom, to convince the King that his February 1 actions represent a step backwards for Nepal.

We are reviewing our assistance programs and examining the best ways to encourage a reversal of the King's February 1 actions and a restoration of Nepal's democratic institutions while avoiding steps that could lead to a Maoist takeover.

Question:

Would it be productive for the United States to withhold military assistance to the Nepalese government until human rights are restored?

Response:

We are reviewing our assistance programs and examining the best ways to encourage a reversal of the King's February 1 actions and a restoration of Nepal's democratic institutions while avoiding steps that could lead to a Maoist takeover.

Question:

Are you concerned that a Maoist takeover of Nepal could result in that country becoming a new terrorist state?

Response:

In recent years, the Maoist presence has spread dramatically throughout Nepal. The Maoists have made clear their intention to impose a dictatorship, severely limit political and economic freedoms and export their revolution to neighboring states. The humanitarian ramifications of such a regime would be immense, reminiscent of the nightmare brought upon Cambodia by Pol Pot. Certainly, much if not all the progress that the United States and others have helped Nepal accomplish would be negated, and other U.S. interests in the region would also be threatened.

Question:

I understand that the Afghan parliamentary elections are currently slated for the end of May. Numerous news media and observers report that the parliamentary elections will most likely be delayed because United Nations and Afghan organizers are not ready. Reports now indicate that the elections could be delayed until summer. The election organizers have run up against several problems in preparing for the upcoming parliamentary elections, including the failure to define electoral boundaries 120 days ahead of the vote as well as the continued security concerns posed by the drug lords, warlords, and Taliban and al-Qaeda elements. What is the Administration doing to help President Karzai's government prepare for free, fair and legitimate parliamentary elections? What is the likelihood that the elections will be delayed? What more can the United States do to help the Afghans hold timely and fair parliamentary elections?

Response:

The United States provided support to the October 2004 presidential election in Afghanistan, and will do so again for the 2005 parliamentary elections. The United States will support the operational and logistical activities of the United Nations Assistance Mission in Afghanistan (UNAMA)—the primary organization responsible for the conduct of the elections. Funding allotted for democracy and elections-related programs will also cover the activities of other international organizations and non-governmental organizations (NGOs) in support of the elections. These organizations will implement programs to build capacity in the Afghan electoral commission, provide additional logistical and other operational support for the elections, conduct voter and civic education, and train and deploy elections observers and poll workers. In addition, the funding will cover programs to train parliamentarians, provincial and district council members. The United States will also support independent media through funding for radio broadcasting and professional training for journalists for the elections. Working alongside the UN and the Afghan government, the United States is encouraging other nations to support the Afghan parliamentary elections.

The Afghan Cabinet and the Independent Electoral Commission (IEC) are working together to find solutions to several issues that must be resolved before the election date can be determined. These issues include: contested district boundaries; which type of population data to use; and which voting system (single non-transferable vote (SNTV) or proportional representation (PR)) to adopt. IEC Chairman Bismillah Bismel, announced recently that because the law requires the election date be announced 90 days in advance it will not be possible to hold the elections in mid-May. The Afghan government will decide when the elections will be held.

The United States stands ready to provide guidance and support should the government of Afghanistan request it while they move forward in their deliberations. With full funding of our \$60 million FY 2005 supplemental request and the \$35 million FY 2006 request for democracy and governance initiatives, the United States

will meet its objectives of supporting elections and providing the resources needed for an effective parliament.

Question:

China and the region: In the last year, China has significantly raised its profile in the region. Last month, China's Vice President Zeng Qinghong paid a diplomatic visit to Latin America and the Caribbean. Two months earlier, Chinese President Hu Jintao visited South America, where he pledged that China would invest at least \$120 billion in Brazil and Argentina alone in energy, industry, agro-business, and infrastructure projects. China has also deployed its first troops in the Western Hemisphere when it sent riot police to Haiti as part of the U.N. peacekeeping mission there. It recently has signed agreements with President Chavez's government, boosting Chinese investment in Venezuela's oil and gas reserves as well as in Venezuela's transportation, telecommunications, and security sectors. Do you believe that the underlying demographic and economic trends in China will necessarily mean that China's increased presence in this hemisphere will endure and expand? What are the implications for U.S. national security, if any, of an expanded Chinese presence in the hemisphere.

Response:

As its economy has grown, China has sought expanded ties with other countries and regions, including in the Western Hemisphere. While certain instabilities within the Chinese economy itself make it unclear whether China will be able to sustain the phenomenal pace of growth it has experienced over the past 25 years, current trends suggest that China will continue to be an increasingly global economic force.

China seeks assured and more diverse sources of raw materials to fuel its growth and development, as well as markets for its final goods. The effect has been to raise profits for commodity exporters around the world, including in Latin America—contributing to global economic growth and development. Over the past year, the world economy grew by almost five percent, the fastest pace in two decades, and roughly half of this growth was powered by the U.S. and China.

China's investment in Latin America is increasing. Chinese President Hu Jintao signed contracts worth approximately \$30 billion during his trip to Latin America following the November 2004 APEC summit. He also said that China planned to invest as much as \$100 billion in the region over the next decade. Nonetheless, China's cumulative realized investment of \$6.3 billion at the end of 2004 remains well behind total U.S. investment in Latin America of over \$300 billion. Chinese trade in the region is also expanding rapidly, rising from \$27 billion in 2003 to \$36 billion from January-November of 2004, but is still dwarfed by the \$425 billion in U.S.-Latin American trade during 2004. The U.S. also has long-standing historical ties with Latin America and remains deeply engaged in the region through a variety of initiatives, including the Summit of the Americas process and regional free trade agreements.

China's engagement with Latin America also is part of its diplomatic strategy to isolate Taiwan. Twelve nations in Latin America continue to officially recognize Taiwan. China successfully gained permanent observer status in the Organization of American States in May 2004 and prevented Taiwan from being considered for the same. The significance of these developments is largely symbolic, and will not have a great effect on our relationship with countries in the region.

China's growing presence in the region does not and need not run counter to our interests. China provides needed investment and new markets for Latin America that can improve living standards of those in the region, bringing greater stability. In addition, China's international engagement, coupled with our engagement with China, gives China a greater stake in promoting global stability and prosperity. Our task is to continue to engage constructively with China to shape China's outlook and policies, and to encourage it to play a positive role in global institutions.

Question:

The Government of Colombia and the United Self-Defense Forces of Colombia ("AUC" or "paramilitaries"), a State Department-designated Foreign Terrorist Organization, are negotiating the terms under which the paramilitaries will disarm, demobilize, and reintegrate into society. The Department of Justice and the DEA have indicted AUC leaders, including Carlos Castaño, Salvatore Mancuso, Diego Fernando Murrillo, a/k/a "Don Berna" or "Adolfo Paz," and Vicente Castaño for importing multi-ton quantities of cocaine into the U.S. for the purpose of financing their terrorist activities and enriching themselves. Has the Administration issued extradition requests for any of these individuals in the likely event that the Colombian government takes custody of them as part of the demobilization process? Do you be-

lieve that mandatory extradition to the U.S. should be part of a negotiated agreement between the Colombian government and the paramilitaries?

Response:

The United States supports a demobilization that serves the goal of peace with justice in Colombia. A credible peace process can help end the violence in Colombia and achieve an enduring peace. We continue to work with the Government of Colombia to ensure that its process includes the rapid disarmament and demobilization of illegal armed groups, justice and reparation for victims, and legal accountability for the perpetrators of atrocities, narcotics trafficking, and other major crimes.

Three AUC members were extradited to the United States in 2004: Luis Manuel Sanchez-Varilla; Fanny Cecilia Barrerra-de-Amaris; and Arturo Calderon-Salamanca. The United States has requested the extradition of AUC leaders Carlos Castaño, Salvatore Mancuso and Juan Carlos Sierra Ramirez. The United States has announced the indictments of Diego Fernando Murillo and Vicente Castaño. The United States has also requested the provisional arrest for purposes of extradition of three additional AUC members whose names cannot be disclosed due to concern that disclosure could compromise the possibility of apprehending a fugitive, could endanger the safety of law enforcement personnel or sources, or there may be sealed indictments prohibiting such disclosure.

The Colombian government will have to determine what becomes part of any negotiated agreement with the AUC. The United States has made very clear to the Colombian government that the U.S. will not drop its requests for the extradition of any Colombians, including AUC leaders, who have been indicted in the U.S. or may be indicted in the future.

Question:

The President's FY06 request for the MCA is \$3 billion, which is \$500 million more than last year's request but \$2 billion less than what the President and the Administration repeatedly had pledged would be the account's requested level for FY06. As the Chairwoman of the Board of Directors of the MCC, what do you see as the primary objective of MCA assistance?

Response:

The 2006 request of \$3 billion, while less than the originally-planned amount for this year, doubles the 2005 level and allows for an effective expansion of MCA assistance to the full funding level of \$5 billion in 2007. That being said, MCC should receive full funding of \$3 billion in FY 2006 so that MCC can make a lasting impact in the countries that are eligible for Millennium Challenge Account (MCA) assistance, and encourage MCA eligible countries to continue with the reforms necessary to remain eligible for MCA assistance.

MCC has one mission—that of reducing poverty through long term economic growth. I believe the MCC will have a major impact on the way the United States delivers its foreign assistance. It helps clarify our development objectives and creates an integrated strategy for achieving them. Its focus on building business-like partnerships with developing countries, while encouraging countries to create the policy environment for economic growth, is a major new step so poor countries can lift themselves out of poverty.

The MCC is selective, targeting those countries that “rule justly, invest in their people, and encourage economic freedom.” By selecting only those countries that have adopted policies that will lead to sustained economic growth and poverty reduction, MCA assistance will more likely achieve its stated purpose. It will also create a powerful incentive for countries wishing to qualify to adopt growth-enabling policies.

Second, the MCC establishes a true partnership in which the developing country, with full participation of its citizens, proposes its own priorities and plans.

Finally, the MCC will place a clear focus on results. Funds will go only to those countries with well implemented programs that have clear objectives and benchmarks.

Question:

The President has twice signed into law legislation imposing a comprehensive import ban on Burma because of its horrendous human rights record, and its continued harsh treatment of opposition political figures, including Nobel Laureate Aung San Suu Kyi. The import ban expires this July, and must be renewed by Congress and signed by the President. Madame Secretary, do you support the renewal of import sanctions on Burma? What can the United States do to encourage Burma's key trading partners, particularly Thailand, China and the European Union—to impose com-

prehensive import sanctions on Burma? How do we multilateralize the sanctions against Burma so that they are truly effective in changing Burmese government behavior?

Response:

The Department of State would fully support Congressional renewal—should Congress decide to do so—of the Burmese Freedom and Democracy Act. No other government has levied sanctions against Burma as comprehensive as those we have implemented. We have called on the European Union to impose additional sanctions, including a comprehensive import ban on Burmese products. We continue to urge Burma's neighbors, such as Thailand, China, India and other countries in the region, as well as organizations such as ASEAN, to press the junta to address concerns on democracy and human rights. Notwithstanding these strong efforts to date, we have been unable to convince others in the international community to impose sanctions equal to ours against the Burmese junta. However, we will continue to press the EU and countries in the region to take a stronger position against the repressive policies of the Burmese Government.

We agree with your assessment that the situation in Burma continues to deteriorate. In December 2004, the junta restricted Aung San Suu Kyi's access to medical care and contacts with the outside world, leaving her virtually incommunicado. The junta also extended her unjustified detention by one year, and took similar action against National League for Democracy Vice Chairman U Tin Oo last month. In February, the junta arrested Shan Nationalities League for Democracy leader Hkun Htun Oo and several other political activists. It recently reconvened the National Convention for the intended purpose of drafting a new constitution. However, without the full participation of the democratic opposition and ethnic minority groups, the Convention lacks the legitimacy to draw up a Constitution that is truly democratic and representative of the will of the Burmese people.

Question:

The U.S. military has worked closely with the Indonesian military since the tsunami last December to provide assistance to the devastated communities in Aceh, Indonesia. What is our Administration doing to prevent any food aid from being abused for military or political purposes in conflict areas in general, and in Aceh in particular? What kind of access do international relief organizations have in Aceh, and does that access also include human rights observers? What does our recent cooperation with the TNI during the Tsunami mean for future military assistance for Indonesia?

Response:

Throughout relief operations in Aceh, the Indonesian military (TNI) displayed unprecedented cooperation with the U.S. military to ensure the delivery of food aid, in addition to jointly meeting other relief needs. TNI's role on the ground was crucial in ensuring order as supplies were distributed, accompanying relief convoys, and ensuring security en route and during distribution of supplies, especially to remote areas. As relief activities phase into reconstruction efforts, the majority of food aid distribution is being delegated to local authorities. We cannot be certain that no food aid is being misused, but we have observed that the assistance process has been conducted well so far, reaching many of the over 400,000 displaced people. USG-funded organizations continue to train food monitors to improve program oversight.

Many of the foreign non-governmental organizations are wrapping up their relief operations now, and there are fewer relief workers on the ground than there were in January and February. At present, the Government of Indonesia requires that relief workers obtain TNI escorts due to security concerns, which stem from sporadic fighting between the Free Aceh Movement (GAM) and TNI. We do not yet know what the Government of Indonesia's policy toward human rights observers will be, but we continue to stress that open access to Aceh is essential for both the improvement of Indonesia's human rights record and the long-term success of rehabilitation and reconstruction efforts. We will continue to closely monitor food aid distribution and the TNI relationship with foreign relief workers through our strong USAID presence on the ground in Banda Aceh.

The U.S. military's successful cooperation with TNI in tsunami relief demonstrated the benefit of having at least a minimum working relationship with the TNI, and highlighted the gains that could be made through closer engagement. Our cooperative efforts with the Thai military, for example, allowed us to quickly establish a regional Combined Support Force headquarters, which illustrated the type of improved responsiveness and flexibility that could be achieved with greater engagement. Certain TNI inadequacies during the initial stages of our relief efforts, in

areas such as transportation and the English language, also demonstrated that improvements in specific capabilities would be mutually beneficial. The recent restoration of full International Military and Education Training (IMET) programs, based upon Indonesian cooperation in the Timika investigation, will help address some of these targeted areas. We expect it will also help raise the professional standards and respect for democratic principles and human rights within the TNI, as part of Indonesia's broader democratic transition. Any other military assistance will require steps taken by Indonesia in areas such as accountability, respect for human rights, and budget transparency.

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

Question:

The ongoing gang problem in Central America is wreaking havoc on the streets of El Salvador, Guatemala, Mexico and other countries. Salvatrucha and other Latin American gangs have been able to coordinate their illegal activities with gangs I see in my district such as the 18th street gang. What is the State Department doing to combat the rising gang problem in Central American countries? Are these gangs having an effect on U.S. citizens abroad?

Response:

- The State Department shares your concern about the rise of crime and violence in the U.S.—and in other countries—linked to Central American youth street gangs.
- Such gangs are not a new phenomenon in the region. Some of these groups, like Mara Salvatrucha and MS-13, have existed for decades and have evolved into transnational criminal organizations. International cooperation is therefore necessary to combat them.
- As you are aware, the gang problem is particularly complex. The U.S. and other countries have learned that a strictly law enforcement response is inadequate and can, in some instances, exacerbate the situation. A comprehensive, multifaceted national and regional response, including many sectors of society, is essential.
- The U.S. and partner nations in the Americas have expanded cooperation in this area, promoting information exchanges between U.S. gang experts and Central American law enforcement officials, including best practices and lessons learned.
- Through the Organization of American States, for example, the Inter-American Drug Abuse Control Commission (CICAD) has been working with Central American and other governments to promote an approach emphasizing prevention of the conditions leading to gang activity.
- U.S.- and OAS-supported anti-gang initiatives encourage governments to develop national strategies that focus on the areas of prevention, early intervention, rehabilitation, vocational training and social reinsertion, as well as broad-based administration of justice reform. Specialized training is for police, as well as for educators, social workers, health professionals, and civil society at large.
- Examples of U.S.-supported programs:
 - The major school-based crime prevention program being advanced by the U.S. and the OAS is the Culture of Lawfulness project. It works with teachers and junior/high-school students to promote ideals of rule of law, combating corruption, and how this contributes to good governance.
 - Embassy Tegucigalpa's Administration of Justice program helped to update the criminal procedures code and to train judges, thereby improving the legal system's ability to process gang members. Economic Support Funded Administration of Justice police assistance programs have also contributed to more effective law enforcement action and police capabilities to control gangs.
 - USAID Guatemala has developed a program to increase citizen participation in fighting crime, to include elements of gang prevention and rehabilitation for former gang members. The program targets vulnerable youth, works with local authorities on crime prevention and includes training and equipment for prosecutors and investigators.
 - Embassy San Salvador is working with El Salvador's National Council of Public Security on prevention programs in schools, in which gang members

have participated in great numbers to take part in the comprehensive rehabilitation project, which includes tattoo removal.

- Embassy Panama is launching a pilot Gang Intelligence Meetings project that could become a regional model for assisting law enforcement to focus on criminal leadership.
- The Department is also funding a regional anti-gang event in Chiapas, Mexico in June. It is being organized by the Organization of American States, CSIS, and the Government of Mexico and will include all of Central America.

The Department continues to work with the U.S. interagency community to better coordinate our many programs in order to focus and intensify our efforts on disrupting and dismantling the major criminal groups and preventing the induction of young people into them. Engaging the OAS in an effective regional anti-gang strategy will be an important step in achieving those goals.

Question:

What are your intentions in assistance to the Caucasus' region and specifically to Nagorno Karabakh?

Response:

We intend to continue our robust assistance to the Caucasus countries, and have requested \$55 million for Armenia, \$67 million for Georgia, and \$35 million for Azerbaijan in FY06 FREEDOM Support Act funds. Funds from other accounts, such as FMF, IMET, and NADR, are also being requested to enhance our security and law enforcement programming. In addition, both Armenia and Georgia are eligible for Millennium Challenge Account funds in both FY04 and FY05. Successful completion of MCA compacts with these countries will supplement FSA assistance, with the goal of boosting economic performance and accelerating poverty reduction.

In all three Caucasus countries, our programs aim to enhance broad-based economic growth, democratic reform, security and law enforcement, and institution building in government structures. Corruption remains an overriding challenge in each of these countries, and USG assistance programming in the region is helping to develop credible and unbiased anti-corruption programs.

The USG provides subsistence level humanitarian assistance to victims of the Nagorno-Karabakh (NK) conflict residing in NK based on the needs of these victims and in response to U.S. Congressional directives. Continued humanitarian assistance programs in NK support housing and school repairs, primary health care, irrigation, potable water/sanitation, and subsistence agriculture. Our humanitarian and democracy programs also assist the victims of the conflict residing in Azerbaijan, helping to build their capacity to address priority socioeconomic projects in their communities.

Question:

What will be the Administration's role in the ongoing Nagorno Karabakh peace talks?

Response:

The United States, together with its OSCE Minsk Group Co-Chair partners France and Russia, is working to mediate a solution to the ongoing conflict between Armenia and Azerbaijan over Nagorno-Karabakh. In 2004 the Co-Chairs initiated the "Prague Process," a series of meetings between the Foreign Ministers designed to reinvigorate a peace process stalled by the 2003 elections in Armenia and Azerbaijan and the death of former Azeri President Heydar Aliyev.

A series of positive meetings between the Foreign Ministers and the Presidents in 2004 convinced the sides the "Prague Process" should continue in 2005, with a focus on advancing negotiations towards a settlement. The next meeting of the Foreign Ministers is expected to take place in April.

RESPONSES FROM THE HONORABLE CONDOLEEZZA RICE, SECRETARY, U.S. DEPARTMENT OF STATE TO QUESTIONS SUBMITTED FOR THE RECORD BY THE HONORABLE JOE WILSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF SOUTH CAROLINA

Question:

Does the administration believe in and support the notion of standards before status with regard to Kosovo independence?

Response:

The key to Kosovo's future lies in implementing the eight internationally endorsed standards, which cover areas ranging from security and rule of law to the economy. Progress toward their achievement will benefit the people of Kosovo no matter what Kosovo's future status.

The "standards before status" policy announced by the UN Administration in Kosovo has undergone further development. Along with our partners in the Contact Group, the United States looks forward to a mid-2005 comprehensive review of Kosovo's progress in implementing the standards, a policy endorsed by the UN Security Council in December 2003. A positive review, the precise modalities of the review have yet to be worked out. It will lead to the start of a process to address Kosovo's future status. The United States will be an active player in the review and in any status process that follows. As we move toward the mid-2005 review, we are also actively engaging Belgrade to ensure that Serbia's legitimate interests in the process, including in the status of Kosovo's ethnic Serb community, are taken into full account. While the outcome of the review and the status process remains open, we are certain that Kosovo's future, and that of its neighbors, is as a part of Europe. As we move ahead on Kosovo, we look forward to working closely with our Allies and friends in the European Union, who we expect to take a leading role in this process.

Question:

What is your view of the importance of insisting on reciprocity by the Albanians with regard to the future status of Kosovo?

Response:

The eight internationally endorsed standards, covering areas ranging from security and rule of law to the economy, affect the welfare of all communities in Kosovo. The mid-2005 comprehensive review of Kosovo's progress in implementing the standards will take into account the fact that the head of the UN Mission in Kosovo, Soren Jessen-Petersen, recently identified a number of key indicators that Kosovo should focus on. These are standards primarily designed to ensure the protection and rights of Kosovo's minority communities, notably the Serbs. At the same time, we are encouraging work to decentralize the administration of Kosovo, which would give Serb and other minority communities a greater voice in education, health care and possibly even police and justice issues, in municipalities where they have a large presence.

Kosovo must guarantee to its people, regardless of ethnic background, race or religion, that they are free to live, work and travel without fear, hostility or danger in a place where there is tolerance, justice and peace for everyone.

Question:

Given the importance of Serbian President Boris Tadic to continue stability in the Balkans, the re-integration of Serbia in Euro-Atlantic affairs and the improving relationship between the U.S. and Serbia, what, if anything, does the Administration plan to do to strengthen Mr. Tadic's hand and support the democratic forces in Serbia who are behind him and oppose the radical elements trying to return to power?

Response:

The United States and its partners in the international community share a vision for the future of Serbia and Montenegro that includes its integration into Euro-Atlantic institutions. When President Tadic took office in July 2004 as the first democratically elected president of Serbia since World War II, we had high expectations for him, and for greater cooperation between the United States and Serbia. We welcomed Tadic's stated commitment to reform and progress during senior level meetings in Washington shortly after his election. We encouraged him to use his mandate to take much needed and long-overdue action to cooperate with the International Criminal Tribunal for the former Yugoslavia (ICTY), carry out defense reform, and engage constructively on Kosovo. Serbia has taken some small but important steps in these directions, and we note in particular President Tadic's courageous call for Kosovo Serbs to vote in October's parliamentary elections. We continue to support those leaders that champion positive change and we direct our assistance resources toward recipients who are committed to furthering democratic and economic reforms. We do not initiate assistance projects with municipally-owned or administered entities where we are concerned that the leadership of the municipality opposes cooperation with the ICTY as a matter of policy, engages in corrupt practices, and/or actively or passively opposes reform measures. Moreover, we are actively working with those leaders and organizations that are not only voicing their commitment to progress, including advocating essential steps in order for

further integration into Euro-Atlantic structures, but are taking concrete action to move forward on these commitments. The door to their future is open, they have our support, and it is our hope that Belgrade's democratic leaders will take the necessary actions to cross the threshold and take their rightful place in a Europe whole, free and at peace.

Question:

As you know, Chad is a very poor nation with limited resources, and life for the residents of eastern Chad is difficult without 200,000 refugees. What assistance are you recommending for Chad and its citizens in the FY 2006 budget or the emergency supplemental appropriation to relieve the incredible burden they are experiencing in hosting this refugee population?

Response:

We are closely following the situation in eastern Chad and are working to prevent the refugee influx from worsening living conditions for Chad's own citizens.

The State Department's Bureau of Population, Refugees and Migration will continue support for refugees in Chad in FY 2006 and has requested \$790.35 million dollars to do so. An additional \$48.4 million has been requested in the FY 2005 supplemental request to protect and assist over 213,000 Sudanese refugees in Chad as well as protect civilians in Darfur. The Department recognizes the importance of ensuring that host communities benefit from refugee assistance programs. We support the United Nations High Commissioner for Refugees's (UNHCR) policy that five per cent of its funding for Chad be used to help local populations, and anticipate UNHCR will continue this policy into 2006. Through UNHCR and through our support to nongovernmental organizations (NGOs), we will continue to ensure that local populations living near the refugee camps have access to the same services being provided to refugees (e.g. health care, water, education). If supplemental funding is available in FY2005, we will also consider support for community development projects for both refugees and host communities to augment water supply and to promote agriculture and reforestation.

The above-mentioned funding for refugees impacts only a limited number of Chadian citizens living in the direct vicinity of refugee camps. We recognize that considerable additional resources are required to meet the broader development needs of eastern Chad.

The needs of eastern Chad will be strongly considered when planning for the use of ESF funds in FY 2006.

Question:

Resolving the border dispute between Ethiopia and Eritrea is essential for these two nations to focus their attention on food security, economic opportunity and an improved quality of life for their respective populations. What is the U.S. government's position regarding the Ethiopia-Eritrea border dispute and in light of the tens of millions of dollars in assistance we are providing Ethiopia, what steps is the U.S. taking to permanently resolve the dispute?

Response:

The USG has been actively engaged in trying to resolve the stalemate between Ethiopia and Eritrea so that both countries can focus on the economic and political development that will benefit their people. During 2003 and 2004, government officials, including the Deputy Secretary of State, the Assistant Secretary for African Affairs and others, have visited Ethiopia and Eritrea and/or spoken to the countries' leaders and senior officials. Most recently, Bureau of African Affairs Deputy Assistant Secretary Donald Yamamoto and representatives from the National Security Council and the Department of Defense traveled to Asmara to meet with Eritrean President Isaias (December 2004) and to Addis Ababa to meet with Ethiopian Prime Minister Meles (January 2005) in an effort to break the border stalemate as well as enhance U.S. bilateral relations with each of the two countries. The United States remains concerned about the possibility of renewed hostilities between Ethiopia and Eritrea, although both leaders deny any intention to start armed conflict. The interagency team urged both parties to avoid public pronouncements and inflammatory rhetoric. Ambassador Yamamoto assured both leaders that the United States was willing to facilitate communication between their countries, and reminded them that the establishment of a stable, lasting peace on the border is ultimately their bilateral responsibility.

As our January 21, 2004, public statement made clear, the United States considers the EEBC decision final and binding, believes it should be implemented peacefully and without delay, and that any concerns about the decision should be resolved through bilateral communication between Ethiopia and Eritrea. We have

also supported the efforts of UN Special Envoy Lloyd Axworthy to find a peaceful solution to the stalemate.

We share your concerns and consider resolution of this important issue a priority. We will continue to press both parties to honor their commitments and work with the international community, including the United Nations, to achieve lasting peace and security in the region through demarcation of the Ethiopia-Eritrea border.

Question:

Somalia's status as the world's best example of a "failed state" creates instability in the Horn of Africa and misery for the Somali people. What is the U.S. strategy for fostering a central government in Somalia and creating conditions to allow for the re-establishment of a functioning central government?

Response:

The United States strongly supports the establishment of a functioning central government in Somalia capable of bringing the Somali people out of this long period of civil conflict and addressing the international community's concerns regarding terrorism. To advance this goal, the United States provided \$500,000 in FY 2004 Economic Support Funds (ESF) to support activities related to the Somalia National Reconciliation Conference, which concluded in October 2004 following the formation of the Somali Transitional Federal Government (TFG). We also plan to provide \$5 million in Development Assistance (DA) in FY 2005 for democracy, governance and basic education programs in Somalia. It is the Somali people, however, who are ultimately responsible for the creation of a functioning government.

The TFG is now at a crossroads. The TFG must quickly address the challenging task of relocating to Somalia and begin a gradual process of establishing effective governance. The TFG can only succeed in Somalia through a sustained process of peace and reconciliation and only with the full support of the Somali people.

At current levels, U.S. assistance programs in Somalia are alleviating suffering and promoting stability, while helping Somalis develop a more self-sufficient population as they address reconciliation, transition, and development problems. We will continue to work with Somalis themselves, with countries of the region who have been leading this process through the Inter-Governmental Authority on Development (IGAD), and with our international partners to support the reestablishment of stable and effective governance in Somalia.

Question:

In the 2000 Algiers Peace Agreements ending the war, both nations agreed to accept as final and binding the delimitation decision by the Ethiopia-Eritrea Boundary Commission that the Agreements established. However, the implementation on the ground has not been able to go forward because one party, Ethiopia, has constantly refused to accept the parts of the decision it does not agree with. How do you propose the United States, as one of the guarantors of the Algiers Agreements, use its influence to uphold the rule of law, encourage the implementation of the decision and thus prevent regional instability and, possibly, a new violent crisis in the Horn of Africa?

Response:

As our January 21, 2004, public statement made clear, the United States considers the EEBC decision final and binding, believes it should be implemented peacefully and without delay, and that any concerns about the decision should be resolved through bilateral communication between Ethiopia and Eritrea. We have also supported the efforts of UN Special Envoy Lloyd Axworthy to find a peaceful solution to the stalemate.

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We share your concerns and consider resolution of this important issue a priority. We will continue to press both parties to honor their commitments and work with the international community, including the United Nations, to achieve lasting peace and security in the region through demarcation of the Ethiopia-Eritrea border.

Question:

We have committed and recommitted ourselves to this goal of ensuring environmental sustainability; at the 1992 Earth Summit in Rio, as part of the Millennium Declaration, and at the 2002 World Summit on Sustainable Development in Johannesburg. What is the Administration's plan for meeting its commitment to these goals and how does the FY 2006 budget reflect that?

Response:

We believe the most effective way to achieve environmental sustainability is to integrate environmental considerations throughout our foreign policy and developmental activities. We use our limited financial resources to support work in international organizations and programs such as the UN Environment Program that directly relate to sustainability; international fisheries commissions, including the Inter-American Tropical Tuna Commission; and the Convention on International Trade in Endangered Species, a vital conservation agreement.

One of the key areas for promoting environmental sustainability is through our development activities. In addition to the direct funding requested for the Oceans, Environment and Science Initiatives (OESI) program, each year the State Department uses portions of its monies coming from the Economic Support Fund (ESF) account to finance projects such as integrated water resource management, access to energy and safe water systems. These projects contribute to reaching key diplomatic goals by reducing tension in volatile parts of the world, while also contributing to environmental and humanitarian priorities.

Another key feature of our approach to sustainability is our partnership approach. Government alone can not achieve the desired results. We must work closely with the private sector, non-governmental organizations and civil society in order to make lasting progress. We are dedicating much time and effort to working more collaboratively with these partners to reach the goals contained in these important summit outcomes.

Question:

During the Convention of Parties to the UN Framework Convention on Climate Change recently held in Buenos Aires, Argentina, other nations proposed that the United States join them in a seminar this year to examine what future accommodation could be reached to bring the United States back into accordance with the rest of the countries in regard to climate change. The Bush Administration responded with the position that it would only agree to a single day seminar in which "presentations and discussions shall be limited to an information exchange on practical implementation of existing national policies, and shall not include the issues of future negotiations, frameworks, or mandates." Please describe the process by which this position was developed. Who specifically was consulted and who authorized negotiators to put forward this proposal? How does the Administration plan to re-engage in a binding program to address climate change?

Response:

The Tenth Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC COP-10), held in Buenos Aires in December 2004, provided an important opportunity for an exchange of views on addressing climate change.

UNFCCC Parties in Buenos Aires reached agreements in a number of areas, including two that were identified by the Argentine conference hosts as of particular importance: a comprehensive approach to climate-related adaptation and a Seminar of Governmental Experts.

At COP-10, senior U.S. representatives led by Under Secretary of State for Global Affairs Paula Dobriansky participated in a series of productive and interesting high-level panels focusing on: the UNFCCC after 10 years; impacts of climate change, adaptation measures and sustainable development; technology and climate change; and mitigation of climate change.

The positions of the U.S. delegation in Buenos Aires were developed through extensive interagency consultation in the months prior to the conference.

The Bush Administration believes that addressing climate change requires a sustained effort by all nations over many generations. Developing and bringing to the marketplace transformational energy technologies will be key.

To this end, the United States has launched five important multilateral partnerships:

1. The International Methane to Markets Partnership;
2. The International Partnership for a Hydrogen Economy;

3. The Carbon Sequestration Leadership Forum;
4. The Generation IV International Forum; and,
5. The Global Earth Observation initiative.

In addition, the United States has established bilateral climate partnerships with 14 countries and regional organizations that together with the United States account for over 70% of global greenhouse gas emissions.

Question:

To address the global problem, a group of environmental NGOs has made a proposal to the UNEP Governing Council. This proposal includes adopting "aggressive but realistic global goals of a 50% reduction in mercury consumption by 2010 and an 80% reduction by 2015, versus 2000 levels. Will the Administration support this proposal? If not, why not? What specific and binding obligations would the Administration support to eliminate the threat of this developmental toxin?

Response:

The Administration developed a proactive proposal for the United Nations Environment Program (UNEP) Governing Council (GC) that engages countries in partnerships and collaborative activities that will produce results in the near term by facilitating reductions in mercury exposure, use, and release. This approach will achieve reductions globally by advancing specific projects in key source countries and priority sectors, and by working collaboratively with stakeholders, including governments, the private sector, international organizations, and nongovernmental organizations, to leverage resources, technical capacity and expertise. Countries and other partners will make public commitments to address mercury problems and be accountable for results from the actions taken.

The United States did not believe that seeking to negotiate policy goals at the GC such as the one noted in your question would result in significant improvements in human health and the environment, in particular in the absence of a clear path to achieve such objectives. Instead, we proposed an approach that actively engages other countries in partnerships and collaborative activities focusing on a number of high priority areas. Focused and active engagement can lead to outcomes that will reduce mercury-associated risks in the near term. While many countries indicated they believed it was inappropriate to begin discussing binding obligations on mercury at this time, the U.S. proposal received strong support from countries all over the world, and a framework for the future development and implementation of these activities was adopted by the GC. The GC also agreed to review progress made under this approach, and the possibility of taking additional measures at its next meeting in 2007.

The United States has been a leader in promoting global reductions in mercury use and releases. In 2003, the GC adopted a U.S. proposal establishing the UNEP Mercury Program to facilitate and conduct technical assistance and capacity building to support efforts of less-developed countries to take action regarding mercury pollution. The decision adopted by the GC in February 2005 will accelerate the progress achieved through the UNEP Mercury Program as well as build on existing multi- and bi-lateral agreements.

Our domestic efforts make it possible for us to establish partnerships and explore solutions on an international level. The United States has been a leader in taking actions to reduce our domestic human exposure, use and emissions of mercury, having recently issued a joint EPA-FDA mercury consumption advisory and already achieved a 45% reduction in emissions of mercury to the air from anthropogenic or human-caused emissions sources between 1990 and 1999. We will work within the context of the partnerships approach to share and promote our experiences in other parts of the world.

Question:

A study by the U.S. Geological Survey and the World Bank showed that had we spent \$40 billion on disaster mitigation during the 1990s, we could have saved \$280 billion dollars spent on responding to disasters. How is the Administration planning to use money from the upcoming supplemental in the fiscally responsible way that I described, reducing damage from future disasters?

Response:

The supplemental request includes funds for both the National Oceanic and Atmospheric Administration (NOAA) and U.S. Geological Survey (USGS) to improve tsunami-warning systems. The U.S. Tsunami Warning System will save lives and minimize property damage by providing timely and accurate information. The USGS funding will increase the number of Global Seismographic Network (GSN) stations

that provide data in real time to NOAA's Tsunami Warning Centers through the USGS National Earthquake Information Center. The NOAA Tsunami Warning Centers will operate 24 hours a day, 7 days a week. NOAA will deploy 32 new advanced-technology Deep-ocean Assessment and Reporting of Tsunami (DART) buoys for a fully operational enhanced tsunami warning system by mid-2007. These measures will provide the United States with nearly 100% detection capability to respond within minutes of a U.S. coastal tsunami. Expanded monitoring capabilities throughout the entire Pacific, Atlantic, and Caribbean basins will provide tsunami warning for regions bordering half of the world's oceans.

To complement these investments in warning systems for US coastal regions, the supplemental also includes funds to the Department of State for use by USAID in risk-wise reconstruction in tsunami-affected regions. USAID will provide assistance to national, provincial, and local governments to develop and improve the system of communication, warning and public education that serves to warn threatened populations. Special attention will be paid to assisting national and local authorities to ensure construction is environmentally sound and mitigates damage from future natural disasters. An effort undertaken prior to the December 26th tsunami to build disaster response capabilities in coastal villages in India is already credited with saving lives.

In addition to the activities covered by the supplemental, the Administration has further plans for reducing damage from future natural disasters. The Global Earth Observation System of Systems (GEOSS), an international effort initiated by the United States at the first Earth Observation Summit in 2003, has as one of its identified focus areas "*Reducing Loss of Life and Property from Natural and Human Induced Disasters.*" While the tsunami disaster has brought the issue into the spotlight, 60 countries have been working for over 18 months to develop not just a tsunami warning and response system, but an all-hazards warning and response system that will benefit all nations of the world.

In a parallel effort in the United States, an interagency team has been working under the auspices of the National Science and Technology Council to develop a *Strategic Plan for the U.S. Integrated Earth Observation System*. The U.S. plan also has Disaster Reduction as a priority focus area, and through this interagency mechanism, initial plans for the U.S. Tsunami Warning System were readily available.

Question:

What do you expect from the May NPT Review Conference to be held in New York? What is your feeling about the about the continued viability of the NPT in general and, more specifically, what thoughts do you have regarding: the RevCon's role in devising a) effective mechanisms by which States Parties can exert their collective will when faced with non-compliance or violations, and b) a method for closing the loophole in Article IV of the Treaty, which allows signatories to use the right to acquire nuclear technology for peaceful purposes, but which can be subverted by states wishing to develop nuclear weapons?

Response:

The Treaty on the Non-Proliferation of Nuclear Weapons (NPT) continues to be of fundamental importance to U.S. and international security. The long-term viability of the NPT, however, depends upon the ability of NPT Parties to ensure full compliance with the Treaty's nonproliferation objectives. Without full compliance by all Parties, the security benefits derived from the NPT will erode.

Therefore, the U.S. aim for the 2005 Review Conference (RevCon) is to make clear the threat to the NPT posed by noncompliance by certain non-nuclear-weapon states with their NPT nonproliferation obligations and to build support for President Bush's proposals on strengthening the nuclear nonproliferation regime.

We believe parties have the necessary mechanisms, including the United Nations Security Council and the Board of Governors of the International Atomic Energy Agency (IAEA), to exert their collective will when faced with noncompliance with NPT nonproliferation obligations or violations of IAEA safeguards agreements. In cases where noncompliance has been dealt with ineffectively, the problem has not been with the mechanisms themselves, but with the ability of parties to demand compliance on the part of other parties and to act when faced with cases of non-compliance.

At the last session of the RevCon's preparatory committee in 2004, the United States made a series of recommendations to the RevCon on ways to address abuse of Article IV by NPT non-nuclear-weapon states pursuing nuclear weapons. The core of these recommendations is President Bush's February 2004 proposals to strengthen the nuclear nonproliferation regime, including limiting the transfer of enrichment and reprocessing technology and making the Additional Protocol a condition

of nuclear supply by the end of 2005. The United States will continue to consult widely with NPT parties to gain support for these recommendations in the run-up to the RevCon.

QUESTION SUBMITTED TO THE HONORABLE CONDOLEEZZA RICE, SECRETARY, U.S. DEPARTMENT OF STATE FOR THE RECORD BY THE HONORABLE ADAM B. SCHIFF, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Question:

Are you reconsidering your participation in the March G-8/Arab League ministerial meeting in Cairo on democracy and reform? What efforts have you and the Department made to convince the Government of Egypt that it is in its own interest to continue along the path of political reform and democratization? Are you satisfied with the pace and scope of political reform in Egypt?

[NOTE: A response was not received from the State Department prior to printing.]

