

S. HRG. 106-225

**HEARINGS ON THE NOMINATION OF HON. RICH-  
ARD C. HOLBROOKE TO SERVE AS U.S. AMBAS-  
SADOR TO THE UNITED NATIONS**

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**HEARINGS**  
BEFORE THE  
**COMMITTEE ON FOREIGN RELATIONS**  
**UNITED STATES SENATE**  
ONE HUNDRED SIXTH CONGRESS  
FIRST SESSION

—————  
JUNE 17, 22, AND 24, 1999  
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**THE NOMINATION OF HON. RICHARD C.  
HOLBROOKE TO SERVE AS U.S. AMBAS-  
SADOR TO THE UNITED NATIONS**

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**THURSDAY, JUNE 17, 1999**

U.S. SENATE,  
COMMITTEE ON FOREIGN RELATIONS,  
*Washington, DC.*

The committee met, pursuant to notice, at 10:15 a.m., in room SD-562, Dirksen Senate Office Building, Hon. Jesse Helms (chairman of the committee) presiding.

Present: Senators Helms, Lugar, Hagel, Smith, Grams, Frist, Biden, Sarbanes, Kerry, Feingold, Wellstone, Boxer and Torricelli.

**OPENING STATEMENT OF HON. JESSE HELMS, U.S. SENATOR  
FROM NORTH CAROLINA**

The CHAIRMAN. The committee will come to order to begin consideration of the nomination of Richard C. Holbrooke to serve as U.S. Ambassador to the United Nations and as a member ipso facto of the President's cabinet.

Mr. Holbrooke's nomination was announced by the President on June 17, 1998, but it was not forwarded to the Foreign Relations Committee until February 10, 1999, almost 1 year later. The delay was caused by an 8-month-long criminal investigation of Mr. Holbrooke by the Department of Justice for alleged violations of U.S. ethics-in-government while he worked for Credit Suisse First Boston, and they always have initials after this, CSFB.

In February, Mr. Holbrooke paid a \$5,000 fine to the U.S. Government to settle that case and it took the Department of Justice 8 months to settle the case against Mr. Holbrooke and this committee obviously will be challenged to do so within the day's hearings alone.

The Justice Department's task was to determine whether Mr. Holbrooke violated the law. The committee has a broader mandate. We are obliged to determine not only whether Mr. Holbrooke followed the law, but also whether he exercised good judgment of the kind reasonably expected of and by a member of the President's cabinet.

U.S. ethics-in-government laws are based on a simple premise, that government service must not be a means to advance private interests. According to the executive branch's own Office of Government Ethics, such laws are designed to ensure that executive branch decisions are neither tainted by, nor appear to be tainted

by, any question of conflict of interest on the part of the employees involved in the decisions of government.

Now then, I can understand that some of these laws may be difficult to interpret for the average government employee, but Mr. Holbrooke cannot scarcely be regarded as an average government employee. He had the entire Credit Suisse legal team at his disposal, not to mention the counsel of the State Department Legal Advisor's office to help him walk whatever ethical minefields may have existed, if any. But time and time again, Mr. Holbrooke chose either not to seek ethics advice or to ignore it when it was given.

To most government employees, Mr. Holbrooke's life, when he left the State Department in February 1996 must have appeared ideal. He was paid an annual salary of at least \$1.35 million by Credit Suisse First Boston while working long hours for the U.S. Government as a special government employee from 1996 to 1999.

In addition to this impressive annual salary, he supplemented his income during those last 3 years with almost \$900,000 by speaking with audiences and writing about the very issues that were part of his duties while he was special government employee to the U.S. Department of State.

Now, the ethics laws of this government are very straightforward regarding what is expected of every senior government level employee in these circumstances. First, after leaving government, every employee—Mr. Holbrooke included in that, must observe a 1-year cooling off period. And he obliged to observe a 1-year cooling period under that law and that statute, but the law broadly forbids any business contacts with officials, for and including in Mr. Holbrooke's case, U.S. Ambassadors stationed all around this world.

Second, senior government employees, including special government employees like Mr. Holbrooke, cannot earn outside income, making speeches or writing articles on issues directly related to their area of professional responsibility.

And the law barring contacts with an official foreign agency is there for a very clear reason. It is intended to prohibit unfair or undue influence or even the appearance of undue influence by such officials over their former colleagues and subordinates.

Now, when Mr. Holbrooke began traveling abroad for his new employer, Credit Suisse First Boston, he appears to have made no effort to observe the legally prescribed cooling off period. In fact, when Mr. Holbrooke called U.S. Ambassadors in Germany, they hosted receptions, they precipitated meetings and even accompanied him to meet with the country's top government leaders.

Mr. Holbrooke sought to justify these numerous meetings with foreign leaders in the company of senior U.S. officials by arguing that he was wearing, as he put it, his government hat as a special envoy for Bosnia. In other words, he would not say on behalf of the \$1.35 million employer, CSFB. He was there on behalf of the U.S. Government simply to discuss U.S. foreign policy interests. So each meeting, he contends, was not covered by government ethics laws.

But U.S. embassies did not see things quite so clearly. Indeed, some of them professed confusion over the nature of Mr. Holbrooke's professional role after he left the State Department.

And I suggest a simple way to determine which hat Mr. Holbrooke was wearing: Who paid the bill for his trip. In most cases, CSFB, not the State Department, picked up the tab. And Mr. Holbrooke says the CSFB had nothing to gain by these meetings, and of course, Richard Holbrooke had nothing to gain either. In which case, we must conclude the CSFB was simply being a good corporate citizen, underwriting Mr. Holbrooke's diplomacy on behalf of the American Government.

Then there is the matter of Mr. Holbrooke's income from articles and speeches. In 1996 to 1999, Mr. Holbrooke continued to speak to private organizations and corporations about the Clinton administration's foreign policy, whatever that is, especially Bosnia, and he earned enormous fees for these speeches, according to the record.

But here again, the law is simple and clear, it seems to be, a U.S. Government employee, including special government employees, may not receive compensation from any source other than the U.S. Government for teaching, speaking, or writing, or matters that relate to the employee's official duties.

Yet, throughout his tenure as the President's special envoy for Bosnia, Mr. Holbrooke capitalized on his post-Dayton Accords representation. In 1996 he was paid almost \$200,000 in speaking fees and another \$150,000 in publishing fees. One article, "Backsliding in Bosnia" was published May 20, 1996 by Time magazine and it dealt exclusively with Bosnia and implementation of the Dayton Peace Accord. Time magazine paid him \$3,000 for the article and he continued to receive such fees right up until January 1999. Indeed, over a 3-year period, his speaking fees earned him roughly \$900,000.

Now, Mr. Holbrooke could have avoided such conflict by seeking and following the advice of either CSFB lawyers or the State Department legal adviser, but the fact is Mr. Holbrooke rarely asked for legal advice to be sure he followed the appropriate rules. In the one documented instance in which Mr. Holbrooke did request the advice of the Office of the Legal Adviser, he didn't like the advice he was given and he simply disregarded the written counsel.

Finally, beyond the laws of conflict of interest, Mr. Holbrooke was presumably obliged to follow the directives of the Executive orders 12731 and 12674, as well as Executive 12834 issued by President Clinton on January 20, 1993, his first day in office. The Clinton order required all senior appointees to sign a pledge to which they agreed to forego lobbying any officer or employee of the executive agency that employed him for 5 years. Lest we forget, this Presidential order was issued with promises by President Clinton to have what the President then called or described the most ethical administration ever. Mr. Holbrooke signed that pledge, and the information before the committee indicates that the pledge was implemented, so here we are.

I am being candid because I feel it is my obligation to be. I understand that Mr. Holbrooke denies that he violated either the letter or the spirit of any law, and I understand that he feels aggrieved by the scrutiny of the Justice Department as well. And this hearing will provide him with an opportunity to answer publicly once and for all the serious ethical questions arising from the State

and Justice Departments' investigations. He will get a fair hearing, and we will take as long as necessary to work through these issues.

Now, as Senator Biden knows, we have planned an additional 2:30 meeting this afternoon if it proves necessary to continue this morning's hearing. Senator Biden and I intend to move to executive session immediately following the public question and answer period so that where the specific privacy of other individuals may be involved, Mr. Holbrooke will have the opportunity to answer in private.

One final personal note. I continue to hear that the chairman of this committee held up this nomination. I want it to be known that we invited, we begged, we pleaded with the White House and the Justice Department to furnish documents relative to this case. The White House frankly said we were not going to get them. The Justice Department said nothing. It was not until a month ago that the President of the United States called me late one night from Germany and said how about the nomination? I said you will get the nomination just as soon as we get the papers. He said what papers? I told him. He said by God, you will get them tomorrow, and we did.

The CHAIRMAN. Senator Biden.

**OPENING STATEMENT OF HON. JOSEPH R. BIDEN, U.S.  
SENATOR FROM DELAWARE**

Senator BIDEN. Mr. Chairman, let me say the press has been asking me the last year, you and the chairman have such different philosophies, how come you never disagree? Well, get ready. We have become and have been close personal friends, and we made an agreement early on in our careers and early on in this relationship that when we agreed to disagree, we'd be agreeable in the disagreement.

It will not surprise you that I disagree with the perception that you have about Mr. Holbrooke's ethical conduct, and I hope in this hearing, and I know you will provide the opportunity that context can be provided for a number of the assertions that have been made, and I in no way question your motivation. I in no way question, I might add, by the way, you could not have held this hearing much earlier, even if you didn't ask for those documents because there were ongoing investigations at the Justice Department and at the State Department. So I, for one, do not fault you for delaying the hearing. There are a lot of other reasons why we got to this point.

Let me indicate, though, at the outset, that after having reviewed an incredibly voluminous record here, I will state my conclusion at the outset. I have reached a conclusion that there is nothing in the background or conduct of Mr. Holbrooke that would justify him not being confirmed based upon any of his behavior relative to the Ethics in Government Act or any other ethical conduct, any other accusation relating to conduct.

I believe the President has made an excellent choice. In my view, Mr. Holbrooke is one of the most able diplomats that this administration has put forward and quite frankly, has been put forward in the 27 years that I have been in the U.S. Senate.

This country has been, and I think will continue to be, very well served by having a person of Mr. Holbrooke's character represent us at the United Nations and quite frankly at this juncture in our history.

Mr. Holbrooke's record as a diplomat stretches back into the early 1960's when he entered the Foreign Service and was immediately assigned to the embassy in Vietnam. In the late 1960's he served with one of the giants of this century, Averell Harriman, as a member of the delegation to the Paris peace talks.

In the Carter administration, he served with distinction as Assistant Secretary of State for East Asian and Pacific Affairs and at the time he was the youngest person ever appointed to be an Assistant Secretary of State.

When President Clinton took office, Ambassador Holbrooke re-entered government service as our Ambassador to Germany, but this was very short-lived, when in September 1994 he was called back to Washington to become an Assistant Secretary of State for European and Canadian Affairs.

The key challenge facing him upon his return to the United States was a conflict in Bosnia, an issue that in those earlier days I spent a lot of time bending his ear on and he was always patient to listen—which by then had been raging since 1972. As Assistant Secretary, Mr. Holbrooke helped design and implement a strategy that culminated in the signing of the Dayton Accord in 1995 which brought an end to the war in Bosnia.

It cannot be denied that the Dayton Accord process was a singular achievement, I believe, for American diplomacy for which many people deserve credit, including three fine government servants who gave their lives in the tragic accident in Mount Igman outside of Sarajevo. But I'm convinced that Dayton would not have succeeded without Ambassador Holbrooke's tenacity and imagination, quite frankly, and the determination, tenacity and creativity he brought to the job served this Nation well.

Along the way to Dayton, he and his team also resolved a long-standing diplomatic dispute that seems now not to be a big problem, but it was a big deal then, and that is the dispute regarding the former Yugoslav Republic of Macedonia.

Three and a half years ago after Dayton, peace continues to prevail in Bosnia, though much remains to be done. But the dire predictions of the doomsayers I think will be proven wrong. The war has not resumed and not a single American, thank God, has been killed in military encounters.

Since leaving full-time government service in February 1996, Ambassador Holbrooke has continued to serve the country as unpaid advisor and diplomatic troubleshooter for European security matters and Balkan policy.

In 1997, the President asked him to take on an additional task of Special Presidential Envoy to Cyprus. All the easy jobs. Even while his nomination for the United Nations was pending earlier this year, at a time when most nominees would have resisted any assignment that may have jeopardized the nomination, Ambassador Holbrooke agreed to Secretary Albright's request which I actually ran by you, if I am not mistaken, Mr. Chairman, to travel

to Belgrade to make a last-ditch effort to avert the conflict in Kosovo.

Let me state it plainly. We need Ambassador Holbrooke at the United Nations and we need him there now. Although the U.N. Security Council is no longer the dangerous place that our colleague, Pat Moynihan described in his book over two decades ago, it is very tough territory, with many challenges to U.S. interests by some of the other permanent members of the Council.

The agenda for the United States and the U.N. and the Security Council is a long one, from U.S. reform to Iraq to Kosovo. Ambassador Holbrooke is a determined defender of America and America's interests and I am confident that he is just the person we need in New York, particularly at this time.

Let me now turn to the primary subject of this hearing. The formal nomination of Mr. Holbrooke was delayed until February of this year because ethics investigations undertaken not by this committee but by the Department of State inspector general and the Department of Justice. As a result of these investigations, Ambassador Holbrooke paid a \$5,000 fine in civil penalties to settle allegations that he violated the 1-year no contact limit set forth in section 207, subsection (c) of title 18 of the United States Code.

Although Ambassador Holbrooke did not and does not believe he violated the law, he settled this matter in order to avoid further delay in the nomination that would have resulted had the Justice Department pursued a civil lawsuit.

As a matter of fact, for full disclosure, he called me to ask what he should do about that. I told him that I believe that absent a settlement, this could drag on and it was his decision to make, obviously, but I believe were I he, I would settle the matter so this could get to the point where we could have this hearing.

Our task as a committee is not to sit as a court of law, relitigating the legal issues involved in Ambassador Holbrooke's action, but our task rather is to review these matters and decide whether Ambassador Holbrooke, who has been confirmed by the Senate on three previous occasions, should be disqualified from confirmation because of these matters.

And I think you stated it accurately, Mr. Chairman, what our role of our scope of responsibility is. I've closely reviewed the matter investigated by the inspector general. The record that has been assembled during this review is voluminous, running several thousand pages.

I believe strongly that none of these matters even approach the level where they should be considered as disqualifying. I left the Judiciary Committee as—I didn't leave it as chairman. I left as chairman because the Republicans won, but I left as the ranking member because I was sick and tired of investigating other people, literally. But here I was back, with my old hat on after 17 years of experience as the chairman and ranking member of Judiciary, plowing through investigative reports and I'll say again. I strongly believe that none of these matters even approach the level where they should be considered as disqualifying.

I do not dismiss the ethics charges lightly. The laws were written for a good reason. But I do not believe for 1 minute that Richard Holbrooke is an unethical person. I do believe, however, that Rich-

ard Holbrooke is a dedicated public servant and I find it incongruous with his character and his commitment to the public good to suggest that he intended to violate the law.

The record before the committee demonstrates Ambassador Holbrooke's dedication to public service.

Over the course of three decades, he has made immeasurable contributions to American foreign policy and U.S. security and over the last 3 years he spent an extraordinary amount of his time serving the government without receiving a dime of compensation. It should be noted that although if he in fact violated the laws, it could be argued he benefited from the appointment.

The truth of the matter is this was not like the government was paying him to do any of this. It was like it used to be 25, 30 and 40 years ago, I say to the Senator from Virginia, when men of stature and standing would divert from their primary responsibilities and take on for no pay service requested of them from their President.

Mr. Chairman, we have a right and a duty to examine these matters. I believe the committee has done so thoroughly and I hope this hearing will allow us to close the door on these ethical matters. I welcome the nomination and hope the committee will move forward expeditiously once we conclude the hearing.

And again, Mr. Chairman, I want to thank you for convening these hearings. It has been a long road to this date, but I want to emphasize again, you were not the reason for the delay.

And I would say it another way, which you will not maybe view as particularly complimentary. If you had decided you didn't want him under any circumstances, we learned from experience that that would be a fait accompli. We would not be having a hearing. I am not suggesting you are going to vote for Mr. Holbrooke. I don't know what you are going to do. But I am suggesting that if you wanted to kill Mr. Holbrooke's nomination, you demonstrated that you are fully capable of doing that, and so the delay here was not of your making, and I am happy to say that we are underway and by the grace of God and goodwill of the neighbors, maybe we will get this finished in a timely fashion so that we can get an up and down vote on the floor of the Senate.

The CHAIRMAN. Thank you, I think. We have two witnesses, two distinguished Senators prepared to come here today to talk about our nominee. Pat Moynihan of New York got tied up in another thing that he is obligated to do, so we welcome Senator Warner of Virginia. You may proceed, sir.

**STATEMENT OF HON. JOHN W. WARNER, UNITED STATES  
SENATE**

Senator WARNER. I thank you, Mr. Chairman and members of the committee. I earlier met with Senator Moynihan. He is appearing before the Finance Committee for the purpose of introduction of the prospective Secretary of the Treasury and his statement that I ask be placed in the record ahead of mine as the distinguished Senator from New York.

The CHAIRMAN. Without objection, so ordered.

Senator WARNER. Mr. Chairman, I listened very carefully to your important remarks and may I say that as the chairman of the

Armed Services Committee and having been a member of that committee for 21 years and having dealt with many, many cases in which questions of ethics have arisen, I commend you and your staff for looking into this issue with great thoroughness, and I'll have further comments on it in my remarks, but I also join Senator Biden, with whom I have consulted about this nomination for many months, and corroborate without any equivocation or statement that you personally or your staff or anyone else on this committee contributed to the delay in this nomination.

The proper sequence of events had to take place. They were time-consuming, and we are here today, nevertheless. As a matter of fact, I think it is almost gratuitous that this nomination come before the Senate at this time because I cannot think of another individual that I have known in a public service career in national security matters, Armed Services matters over 30 years who is better qualified or has had more experience to take on this position at this critical time in America's history.

I say that very forthrightly, Mr. Chairman, because obviously, throughout this nominating process, I said to myself, yes, Dick Holbrooke is a friend of several years, but he is not a constituent. Why would you want to come and, so to speak, put my credibility on the line when I do not know all the facts. But I decided it was in the interests of the country to do so, and that is why I appear here today.

I remember very well in September 1991 I flew into Sarajevo on a C-130 bringing in food and witnessed for the first time the conflict in the Balkans. From that day forward, and after many, many trips to that region, southern Europe, I am still perplexed as to why and how these fights between these people predicated largely on religious background, ethnic diversity continue not only to plague that region of the world but indeed the whole world, to some extent.

I think that situation is the most serious facing the United States and its security today, paralleled only perhaps by strategic balances between the former Soviet Union, now Russia, and China.

Therein is a problem that is going to be with us for many years. I don't know of any other individual who has spent more time trying to resolve the problems in that area, not only from the standpoint of America's security, but that of our European allies, than Richard Holbrooke, and it is for that reason that I am happy to come here today and pleased to sit beside him and say that I think he is eminently qualified and that I would hope that eventually this committee would confirm this distinguished American.

Senator Biden went through his record. I think the members of the committee have it before them. It is extraordinary. I wonder how in a relatively short lifetime he has been able to achieve these many public service undertakings and indeed undertakings with a wide range of non-governmental organizations. Today joined in this hearing room is the president of one of the refugee organizations. Refugees is key to the solution of this problem and Mr. Holbrooke was associated with that organization for many years.

I noted he made 65 trips to China. Can we think of another nation in terms of our own security, whether it be economic security or national security that is more important. He brings to bear an

experience in that region. And I could go on, but I want to close with the following observations.

Hopefully he will undertake this post and bring stronger influence in this country into the United Nations. No one has tried harder than the chairman of this committee, together with others, to bring more reality into that organization, which is an essential organization to this world, but at the same time, the management, loss of funds, many other issues which are better understood to the chairman, have to be improved and indeed resolved. I think that individual is the best qualified to do that job.

And last, as we look at the southern region of the Balkans, the men and women in the Armed Forces of the United States and the 18 other nations that have joined together to bring us where we are in Kosovo today, taking great risks in life, spending large sums of money.

We must consolidate that situation. We must bring about relief to the people of that region, whether in Kosovo or the innocent citizens of Serbia, but in doing so, we have got to hold steadfast to the principle we will not bring about infrastructure improvement and other improvements other than humanitarian until the government of Milosevic is out of there.

This individual, I think, is best qualified not only to represent our country, but to lead other nations in reaching that result.

And furthermore, to impress upon, primarily the European members, that the major cost of such reconstruction that is undertaken in that region be borne by European nations and others. The United States has done its share. I think this individual can be a very strong advocate.

I close, Mr. Chairman, by saying that I brought to bear what experience I have had in ethical matters. I have not had all the files before me, but I did examine, I did speak with them at some length, and I feel that your criteria, whether or not he exercised good judgment, is the proper one. He who will shortly explain to the committee that there were some errors made and he will, I think in a very humble manner, press his views on that.

But I believe that the committee will be able to find in his conduct a pattern which is acceptable, and I say acceptable because our committee does not have the complexity of this dual hat, on the one hand being in the private sector and on the other hand, trying to serve, as Senator Biden says, a dollar a year type person. We do not have the volume of cases before my committee and of course I think that is the challenge of this committee is to sort through that.

Mr. Chairman, I see my distinguished colleague, the senior Senator from New York has arrived. We will withdraw your statement from the record and let you present it in persona. I yield you the floor.

Senator MOYNIHAN. That will be the chairman's prerogative.

The CHAIRMAN. You are welcomed and may proceed.

**STATEMENT OF HON. DANIEL PATRICK MOYNIHAN, UNITED STATES SENATE**

Senator MOYNIHAN. Thank you. Briefly but with much emphasis and conviction, I am here to introduce to the committee, who vastly

needs no introduction as such, but to remark generally about the post to which he is going, has been assigned, which is to say to be our Permanent Representative to the United Nations. That is a curiously ambiguous term. I was Permanent Ambassador to the United Nations for 8 months, until I opened the New York Times one morning and there was a column by James Reston which said that the President and the Secretary of State wish he would go, but they don't know how to tell him.

Sir, that was a very low point in the history of the United Nations. The Soviets were on their last expansive mode. They had a Third World alliance made up of a big majority in the General Assembly, and they used it just to terrorize Western interests, Western values, and the values of the other charter itself. That has all seceded, but we have—now, we have real opportunities. We need a real representative.

Ambassador Holbrooke has been there from the Mekong Delta through service in every manner, position. He was our Ambassador to Germany. He was the Assistant Secretary of State for European and Canadian Affairs, and he was called back from private life to manage the Dayton negotiations which led to the peaceful settlement, the settlement in Croatia and Bosnia.

Now, as U.N. representative, he will be presiding over the aftermath of our action, NATO's actions against Serbia, against Mr. Milosevic, and the emergence in Kosovo of a hugely damaged society with deep animosities. We won't be out of Kosovo for a long time, sir.

In the meantime, what we do there will be at the behest and under the supervision, under the surveillance of the United Nations. Give me a man on the Security Council who is equal to that challenge, and I know no better person than Mr. Holbrooke. I thank you for the honor of making a statement.

The CHAIRMAN. We would be delighted for you to stay with us for the entire hearing, but I expect you have other things to do.

Senator MOYNIHAN. I'd like to get out of the line of fire, sir.

The CHAIRMAN. Mr. Holbrooke, if you would stand please and raise your right hand. Do you swear to tell the truth, the whole truth and nothing but the truth, so help you God?

Mr. HOLBROOKE. I do.

The CHAIRMAN. I will remind you that you will be under oath for all hearings before this committee, and for the purposes of questions submitted to the committee. And I know you understand those obligations. I thank you, sir, and you may proceed with a statement.

**STATEMENT OF HON. RICHARD C. HOLBROOKE, NOMINEE TO BE THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS WITH THE RANK AND STATUS OF AMBASSADOR, AND THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA IN THE SECURITY COUNCIL OF THE UNITED NATIONS**

Mr. HOLBROOKE. Thank you, Mr. Chairman, Senator Biden, Senator Warner, and Senator Moynihan, and members of this distinguished committee, I am deeply honored and profoundly humbled to appear before you today. I would like to thank President Clinton

for nominating me and for his continual support. Allow me also to thank you, Mr. Chairman, for the patience and fairness with which you and this committee have treated me during the long delay to which you referred since the President announced his intention to nominate me for this position.

I want to echo what you said in your opening statement, Mr. Chairman, in regard to the fact that no part of the delay was caused by this committee. Statements to that effect, including some that unfortunately came from people in the executive branch last year, were misinformed and inaccurate, and you, I am sure, know that I never echoed those statements and regard the treatment of this committee of me as entirely fair and appropriate from the beginning.

I want to thank the two Senators who just introduced me for presenting me; that they both took time to introduce me means more to me personally than I can begin to say, especially since both of them had senior positions in the executive branch, Senator Warner as Secretary of the Navy, Senator Moynihan as Ambassador to the United Nations.

Watching Senator Moynihan taught all of us a great lesson about waging peace in what he called a dangerous world, a dangerous place, and helped shape my vision of both the promise and the pitfalls of the U.N. I think his Ambassadorship while short, was a turning point in our realization that the United Nations, although full of promise, was deeply flawed, and that we had to work on reform.

Mr. Chairman, let me also speak about the long association that I have had with this committee. You are the fifth chairman of this committee I have had the honor to testify before, starting when I appeared before Senator Sparkman in 1977, for the first of three posts for which I was nominated, unanimously supported by this committee and unanimously confirmed by the Senate. Beyond that, sir, I am fully committed, and have been throughout my career, to the principle that Congress must be involved throughout the policy process, not just on the crash landings, but on the takeoffs, and I have seen a number of crash landings on which I think the Congress was not adequately consulted.

If confirmed by the Senate, I would consider myself, as I have in the past, responsible not only to the President and the Secretary of State, who gave me my operational orders, but to this body which has confirmed me. I hope each of you would consider visiting the United Nations mission in New York where, if confirmed, my door will always be open to you. The staff that works for the U.N. mission will always be available and your advice always welcome.

It is very important that the American officials in New York get a firsthand understanding of what their elected representatives wish them to believe in and do, and that the U.N. Secretariat and the other Ambassadors get a better understanding of why we have such concerns, concerns which I share and will address in a moment.

Mr. Chairman, if you permit, I would like to briefly mention the members of my family who are here today. May I do so, sir?

The CHAIRMAN. Oh, absolutely. I wish you would.

Mr. HOLBROOKE. Unfortunately, my wife Kati and her son Christopher Jennings cannot be here today. They have a long-scheduled annual mother-son outing. My wife will be here for the subsequent sessions. As you observed coming in, a large number of other family members are here, and I would like briefly to just mention them. I am terribly fortunate that my two sons, my pride and joy, are here. David Holbrooke is the one who you asked whether he was a basketball player or not. He is tall enough, but not good enough for your great teams in North Carolina. He is here also with his fiancée, Sara Bosch, and I noticed that Sarah's 3-year-old daughter is here and behaving very well.

My second son, Anthony Holbrooke, a refugee worker, is also here. My stepdaughter, Elizabeth Jennings is here as is my brother-in-law, Andrew Marton.

In addition, I'd like to just particularly thank my mother, who has come here today from New York and is seated right behind me, and my father-in-law, Endre Marton. Their lives illustrate in a sense part of my lifelong commitment to public service. Both are refugees from a Europe torn apart by war and by communism. My mother left Germany because a farsighted person, her father, my grandfather, in 1933 understood that Germany was not going to be a safe place for Jews anymore. She came to this country where she met my father, who also had left as a refugee from the Bolsheviks at the time of the revolution in Russia.

My father-in-law and my mother-in-law, who is not here today, are true heroes of the sort we always celebrate, survivors of Budapest under Hitler, and then survivors of Budapest under Stalin. As a journalist for the Associated Press, Endre Marton was the last journalist filing out of Budapest at the time of the revolution in 1956. I am sure many of you in this committee will remember, as I do, the famous last message from Budapest saying, "the Soviet tanks are coming in, will anyone help us?" He was the man who sent that message, and I am proud he is here today.

I only wish that my father, who died when I was in high school, could be here today also. Excuse me.

When I was a young boy, my parents often took me to see the great buildings of the new organization rise in the East River in New York. And—I am sorry, sir, it is very hard to talk about my father because he is not here.

The CHAIRMAN. We understand, sir.

Mr. HOLBROOKE. My father talked to me about his—perhaps I should just submit this for the record. I don't think I am going to be able to read the part about my father.

The CHAIRMAN. We'll get together and I'll talk about my father as well. I feel the same way about mine. You are impressing me on this point.

Mr. HOLBROOKE. My apologies. He dreamed—he took me to the U.N. when I was a child, along with my mother, as buildings were going up on the East River. He dreamed that these would be the buildings that would change the world, and it is an extraordinary full circle that I stand before you today as a nominee to be an American representative to the U.N.

But that dream he had, that noble dream, is not possible anymore. That was an idealism of the 1940's that crashed upon the re-

alities that Pat Moynihan and you and so many others have pointed out, and which I have encountered myself time and time again.

The goal of American policy should be to strengthen and reform the United Nations, not to destroy it, but also to be very frank about its shortcomings. Destroying it is not an option, and, in the long run, weakening it would hurt us. The goal that best serves our interest is to make the U.N. more effective, more responsive and more efficient. I pledge to you, members of this committee, that if confirmed, I will make this issue, U.N. reform, my highest sustained priority.

Before moving to a more detailed discussion of the United Nations, allow me to address briefly the chain of command in the executive branch. Although the job for which I am being considered today carries with it cabinet rank, the person holding it should receive his or her instructions from and work for the Secretary of State, the President's senior foreign policy advisor and spokesperson. I believe strongly in this view, which I expressed for the first time publicly over 18 years ago in an article, and I have never wavered in that.

It is especially fortunate that I would be working for Madeleine Albright, an old friend with whom I have worked closely during two administrations and outside the government for over 20 years. In the last 6 years, she and I have stood shoulder to shoulder on such critical issues as Bosnia, NATO enlargement, Kosovo and U.N. reform, sharing our thoughts in private over endless phone conversations and meetings, advocating similar positions within the Council of Governments, and sharing meals together. She gave a wonderful dinner in honor of my wife and me when we got married. She shares with my wife, as she puts it, the common bond of being refugees from Central Europe. My wife being Hungarian, as I said a minute ago, a refugee of the class of '56, Madeleine Albright being from a family that left earlier. She was a professional colleague of my father-in-law at Georgetown, and they are close on most issues. I would be delighted if the Senate confirms me. We would be able to collaborate deeper.

It is precisely because of our position in the world today that the U.N. has changed and offers challenges and opportunities. During the cold war, most of the strategic issues we dealt with could not be addressed within the U.N. because of the virulent racism which some nations made use of in the U.N. for their own propaganda purposes. I am thinking particularly of the "Zionism equals racism" resolution, but there were other examples as well, and they deeply disillusioned people like myself, who began with that initial dream. Things aren't quite so bleak today, but an enormous amount still remains to be done.

With the cold war over, we find that almost every issue from Kosovo to the many crises in Africa, to East Timor, to the Middle East is an important United Nations concern. We need to make the system work with us and achieve outcomes that are compatible with our national interests and our goals. This is not easy, but it is far from impossible. It requires leadership, clarity of purpose and strength. It requires the resolution of the difficult issues that include arrears payments and reform, bloated bureaucracies and budgets. Thanks to the efforts of this committee, and especially

Chairman Helms and Senator Biden, the administration is now in a position to solve the arrears problem and advance our reform agenda at the U.N.

I want to affirm today to all of you my full support for the legislative package which this committee and the administration have agreed upon. And if confirmed, it will be my highest priority to get this package fully implemented.

In addition to the package, I would make one additional point beyond the package. I am a hard-line hawk on the issue of bureaucratic bloat, whether it is in Washington or New York, and I will additionally do everything I can to reduce things which don't make sense to me as I walk the halls of the U.N.

Of deep personal and professional interest to me, in part because of my family's history, is the role the U.N. plays on the issue of refugees. On a personal note, I have served on the board of the International Rescue Committee, as Senator Warner mentioned, and as chairman of Refugee International, whose president is here today. My son Anthony works for Refugee International in Washington. These issues, perhaps because of my family background, are of special concern to me. They are not going to go away. Each issue is treated with urgency, but in fact they go on and on as we have seen in Kosovo, the Sudan, Cambodia, and elsewhere, and the U.N. must play a central role in dealing with them.

We also have to play a key role in pushing the U.N. and ourselves to deal with issues which don't get enough attention but could explode. One that comes to mind is the problem of AIDS in India and in Africa, where the doubling rate is so large that we have to deal with it or it will undo all of our other efforts.

I have not been satisfied with what I have seen with refugees and other things from Cambodia to Bosnia in my travels, but my goal is not to weaken them but insist on better performance. While some academics call them soft issues, they are not. They are the real issues of the future for our children and grandchildren.

The Security Council has also played an important role in promoting our interests, and we have to continue to strengthen it. The U.N. has also done some good on keeping pressure on human rights in some countries, including Iran, Iraq, Burma, the former Republic of Yugoslavia by which I do not mean Macedonia, I am talking about Belgrade, the Sudan and Cuba. And it has authorized the creation of the international war crimes tribunals for Yugoslavia and Rwanda.

I have worked closely with the two chiefs. I talked to Ambassador Sheffer only yesterday about the attempt to bring criminals to justice. I believe it is vitally important we do so, and as you know, sir, I believe that the indictments of war criminals are an important part of the policy.

No area of U.N. activity has been more controversial than peacekeeping. I have written elsewhere quite bluntly about the serious problems that the U.N. and UNPROFOR confronted in Bosnia. The operation did save lives, but it was deeply flawed. We paid a portion of that price because we had no control over its activities, a fact which I do not think should be permitted to happen again. This mission failed to deal with the underlying causes of the war and almost destroyed the U.N. itself. And it took the NATO bomb-

ing, the Dayton peace agreement and the NATO-led peacekeeping force to save Bosnia in the way that you and Senator Biden and Senator Warner already mentioned.

On the basis of that experience, put me down as a skeptic about some forms of U.N. peacekeeping, but not all. The U.N. has proved it can deliver the goods in some areas, do some good, deliver important successes from El Salvador to Mozambique and the former Yugoslav Republic of Macedonia. They have had partial success, at a minimum, in reducing tensions and stopping fighting in Cambodia and Cyprus. I will work closely with our allies on these issues to improve this critical function.

Mr. Chairman, allow me now at the close of my statement to comment on the ethics issues which you referred to in your opening statement. Since joining the Foreign Service in 1962, I have been fully committed to public service, which has been the most challenging, rewarding part of my professional life. Indeed, for many of the last 37 years, it was my life.

Like other public servants, I have been extremely sensitive to issues concerning ethics and possible conflicts of interest. Less than a year after I took up my post as Ambassador to Germany in the fall of 1993, Secretary Christopher asked me to return to Washington to serve as Assistant Secretary of State for European Affairs.

I agreed, on the understanding that, for family reasons, I could stay only a year and would then have to return to New York City as a private citizen. I then delayed my departure from Washington for an additional 6 months because of the negotiations that culminated in the Dayton peace agreement and the end of the war in Bosnia. Eventually the time did come to leave, but the Secretary of State requested that I remain available to the State Department as an unpaid advisor.

On February 21, 1996, I resigned as Assistant Secretary of State and began work as an investment banker for CS First Boston with both domestic and international responsibilities. At the same time, I became an advisor to the State Department on a pro bono basis. This created, as you have noted, a potentially complicated situation, but from the outset, I kept these two roles separate.

I was well aware of the fact that I could not ask for assistance from any State Department official in regard to my business responsibilities. As a career Foreign Service officer, and a former Ambassador, I was especially careful not to take actions that would undermine the role of American Ambassadors.

It was therefore common for me as a courtesy to inform Ambassadors when I would be traveling in their countries. They, in turn, sometimes asked me to meet with government officials or journalists in order to explain or promote American foreign policy goals, which I was honored and ready to do. Additionally, this was part of what I had been asked to do as an advisor to the State Department while visiting both East Asia and Europe.

The issue later arose as to whether some of my contacts were inappropriate. I believe that these contacts were made in my role as an advisor to the State Department, and I so asserted in the settlement agreement with the Justice Department. For its part, the Justice Department did not allege a willful or intentional violation of the law. They found no evidence that the contacts in question

resulted in financial gain to me or to CS First Boston. I settled with the Justice Department on a civil settlement in order for the confirmation process to move forward. Senator Biden's memory is correct of that conversation, and I had similar conversations with other Members of the Senate.

In recent weeks, Mr. Chairman, members of the committee, I have reflected long and carefully on these issues, and on what caused the delay in scheduling this hearing since this delay was, as we have all said, not a fault or result or caused by this committee. I knew the law, and I was careful to follow it. But I think I did not realize how complicated it would be to avoid misperceptions in some areas at some times because of the two roles which were different. With regret, I must say that carelessness on occasion on my part contributed to these misperceptions.

I recognize further that my recordkeeping and bookkeeping were inadequate at times. Hence, the several corrections and messages that I have submitted to the committee as I continually reviewed the thousands of pages of documents which have been turned over. I apologize to the committee and to your staff for any inconvenience this has caused you, but as you know, as all of you know, I have always turned over to both the executive branch and the legislative branch every document requested in rapid fashion, seeking to withhold nothing.

Finally, I wish to assure you that I will pay even closer attention to these matters going forward in the future. I believe deeply in the need for the executive branch and Congress to work closely in the formulation of national security policy. If confirmed by the Senate, I look forward to continuing this close association.

I appear before you today with gratitude for your patience and your understanding and the fairness with which you have treated me and a continued belief that there is no higher calling for an American than public service. Thank you, Mr. Chairman, and members of this committee, for your kind consideration.

[The prepared statement of Mr. Holbrooke follows:]

PREPARED STATEMENT OF HON. RICHARD C. HOLBROOKE

Mr. Chairman, Senator Biden, members of the Committee: I am deeply honored and profoundly humbled to appear before you today. I would like to thank the President for nominating me, and for his support. Allow me also to thank you, Mr. Chairman, for the patience and fairness with which you and this Committee have treated me during the long delay since the President announced his intention to nominate me for the position of United States Permanent Representative to the United Nations. I particularly regret the reasons for the delay of the hearing. I am grateful for your consideration and courtesy during this protracted period, and for holding this hearing today.

I wish especially to thank Senators Warner and Moynihan for presenting me to your Committee. That they both took time today to introduce me means more to me than I can say. I have long relied on the wisdom, encouragement and advice of these distinguished public servants, both of whom have held senior posts in the Executive Branch as well, one as Secretary of the Navy, the other as Ambassador to India and to the United Nations. Indeed, watching Ambassador, now Senator Moynihan, "wage peace" in the world he called a "dangerous place," has helped shape my vision of both the great potential and possible pitfalls of the UN. I am also intensely grateful for the associations that I have had with many other members of this Committee, past and present.

Those associations began in 1977, when this Committee first considered me for a senior position in the State Department, the first of three times that this Committee, and the full Senate, unanimously confirmed me for positions in the service of our nation. In the subsequent twenty-two years, I have testified repeatedly before

this and many other Congressional committees, and have had countless informal discussions with members of Congress. I have always been committed to the principle that Congress must be consulted and involved fully throughout the policy process—that, in the words of the old adage, Congress should be in on the take-offs, not just the landings. Foreign policy cannot be formulated, let alone succeed, unless it is forged in a bipartisan spirit between the two branches. If confirmed by the Senate, I would consider myself responsible not only to the President and the Secretary of State for whom I work, but also to the Congress. I hope each of you would consider visiting the U.S. Mission in New York, where my door will always be open to you, the staff always available, and your advice always welcome.

If it is agreeable to the Chairman, I would like to introduce members of my family who are here today. Unfortunately, my wife Kati Marton and her son, Christopher Jennings, cannot be here today because this hearing coincides with a trip to Colorado they make every year. But Kati looks forward to being here for the hearing on June 24. I am fortunate, however, to be joined today by so many other people who are close to me, starting with my pride and joy, my two sons, Anthony and David, and David's fiancée Sarah Bosch, my stepdaughter Elizabeth Jennings, and my brother-in-law Andrew Marton.

I am especially pleased that my mother Trudi Kearn, my father-in-law Endre Marton and my mother-in-law Ilona Marton are all here. Their remarkable stories mirror the drama of the century, and have given special personal meaning to my efforts as a public servant. My mother left Germany, along with her family, as soon as the Nazis took power, thanks to the farsightedness of my grandparents, who recognized instantly that Hitler meant what he had said about the Jews. My father and his mother, my grandmother, had fled Russia earlier when the Communists took over, and then left Europe altogether for much the same reasons as my mother's family. I only wish that my father, who died when I was in high school, could be here today.

Allow me, Mr. Chairman, also to mention the extraordinary story of my parents-in-law, true heroes in the long struggle against Communism. Journalists for American wire services, they were both jailed by the Hungarian secret police as "CIA agents" in the mid-1950s. In October 1956, Endre and Ilona Marton, now out of jail, were the last journalists in Budapest with access to the outside world as the Soviet Union crushed the Hungarian Freedom Fighters. It was Endre Marton who sent the famous last message to the West pleading for help as the Soviet tanks closed in. Then, after taking refuge in the American Embassy, they and their two small daughters—one of whom is now my wife—were smuggled out of Hungary by the American Embassy. Endre's last message from Budapest helped bring many people, including myself, into a new awareness of the evils of Communism, and was an important part of my own early political awareness.

When I was a young boy, my parents often took me to see the great buildings of the new organization rising on the East River in New York, and my father talked to me of his dream that these buildings would be the most important in the world, that they would prevent future wars. My father did not live to see how far today's reality has deviated from those early dreams, how they dissolved in the face of the harsh realities of the Cold War, the frequent inability of the international community to forge a consensus when faced with crisis, and weaknesses inherent in the UN system itself.

But I never forgot those initial visits and my father's noble dreams. I wish that he could have known that those early trips would somehow come full circle with your consideration of me for this post. For, despite its many shortcomings, the United Nations is still important to our national interests. Destroying it is not an option, and, in the long run, weakening it would hurt us. The goal that best serves our national interest, in my view, is to make the UN more effective, more responsive, and more efficient. I pledge to you that, if confirmed, I will make this issue—UN reform—my highest sustained priority, even while I deal with whatever immediate crisis demands attention.

It would be a great honor to succeed Bill Richardson and Madeleine Albright in this post. These two great public servants worked hard on reform, and I shall try to live up to their high standards. I would also like to mention several other friends and treasured associates, some now gone, who have served in this position—my respected colleague Tom Pickering; my former boss, the late Henry Cabot Lodge, for whom I served as a staff assistant when he was Ambassador in Saigon; the late George Ball, with whom I worked closely; former President George Bush, who has always been gracious to me; Jeane Kirkpatrick; and my colleagues from the Carter Administration, Andrew Young and Don McHenry.

Before moving to a more detailed discussion of the UN, I would like to take a minute to mention the chain of command in the Executive Branch. Although the job

for which I am being considered today carries with it Cabinet rank, the person holding it should receive instructions from, and work for, the Secretary of State, the President's senior foreign policy advisor and spokesperson. This view, which I first expressed in writing over eighteen years ago, has never changed. In this regard, it is especially fortunate that I will work for Madeleine Albright, an old friend with whom I have worked closely during two Administrations and outside the government. In the last six years, she and I have stood shoulder to shoulder on such critical issues as Bosnia, NATO enlargement, and Kosovo, sharing our thoughts in private and advocating similar positions within the councils of government. I would be delighted that, if the Senate confirms me we may soon have the opportunity to deepen our collaboration.

It is precisely because of our position in the world today that our relationship to the United Nations has changed and offers both challenges and opportunities. During the Cold War, most of the major strategic issues confronting us could not be dealt with inside the UN because of the Soviet veto and the virulent racist view which some nations made of the UN for their own propaganda purposes. President Reagan summed it up well on the fortieth anniversary of the UN, "We acknowledge its successes: the decisive action during the Korean War, negotiation of the non-proliferation treaty, and the laudable achievements of the UNHCR. [But we] must not close our eyes to this organization's disappointments, its failures to deal with real security issues, the total inversion of morality in the infamous Zionism-is-racism resolution, the politicization of too many agencies, [and] the misuse of too many resources."

Things are not quite so bleak today, although an enormous amount must still be done. With the Cold War over, we find that almost every major issue, from Kosovo to the many crises in Africa to East Timor to the Middle East, has an important UN component. In order to maintain our present position in the world, we need to make the UN system work for us, to achieve outcomes that are compatible with our goals and national interests. As a principal founding member and the organization's largest contributor, the United States has the right and the obligation to demand a more effective, focused, and disciplined UN.

This is not easy, but it is far from impossible. It requires leadership, strength, and clarity of purpose. It also requires the resolution of the difficult set of issues that include arrears and reform. Thanks to the efforts of Chairman Helms and Senator Biden, we are now in a position to solve our arrears problem and advance our reform agenda at the UN. I want to affirm today my full support for the legislative package which the Committee and the Administration have agreed upon. If confirmed, I will do everything possible to get this important package of reforms fully implemented.

For my part I plan to work hard to create a better relationship with the UN. This means: implementing legislation that resolves the arrears problem; achieving meaningful reforms in the UN system for a more streamlined, more effective organization; lowering the assessment rates for U.S. contributions; maintaining strict budget discipline; and strengthening the work of the UN in key areas of concern to the U.S.—especially refugee and humanitarian assistance, promoting democracy and human rights, fighting international crime and narcotics, and, of course, peacekeeping.

Of deep personal and professional interest to me, in part because of my family's history, is the role the UN plays in addressing the needs of refugees. On a personal note, I have served on the Board of the International Rescue Committee, and am currently Chair of Refugee International. My younger son, Anthony, is also a refugee worker, now here in Washington. These issues are, unfortunately, part of our world; as we have seen in Kosovo and the Sudan and elsewhere, they will not go away. The UN must play a central role in coordinating the many international actors involved during large humanitarian crises—such as that currently playing out in Kosovo. The UN also plays a key role in international efforts to combat AIDS and dramatic environmental degradation in Africa. Although I have not always been satisfied with what I have seen from Cambodia to Bosnia, I believe the answer is not to weaken the UN, but to insist on better performance. I care deeply about this issue, and will make it a personal priority. But large, expensive international conferences are not the answer. They have seen their day.

The UN Security Council has also played an important role in advancing our security interests—from providing the authority to repel aggression in Korea in the 1950s, to aiding President Bush in his efforts to secure the Gulf War coalition. Perhaps less dramatic, but also of great importance, the UN plays a critical role in protecting human rights and advancing freedom and democracy. Over the years, the UN has kept pressure on countries such as Iran, Iraq, Burma, the Former Republic of Yugoslavia, Sudan, and Cuba to treat their citizens with the dignity and respect

we sometimes take for granted, and has authorized the creation of the International War Crimes Tribunals for Yugoslavia and Rwanda, so important to our efforts.

Another set of important issues to me is combating international crime and narcotics. At the UN a new, consolidated office with dynamic leadership has advanced global cooperation in combating such ills as heroin and cocaine production and trafficking. More can, and should, be done in this area.

No area of UN activities has been more controversial than peacekeeping. I have written elsewhere quite bluntly about the serious problems with UNPROFOR in Bosnia, an operation that, while it saved lives, was deeply flawed from start to finish, cost over \$5 million a day, failed to deal with the underlying causes of the war, and almost destroyed UN peacekeeping. It took NATO bombing, the Dayton Peace Agreement, and a NATO-led peacekeeping force to save Bosnia. On the basis of that experience, put me down as a skeptic about some forms of UN peacekeeping—but not all. The UN has proved that it can do peacekeeping right, delivering important successes from El Salvador and Mozambique to Eastern Slavonia and the Former Yugoslav Republic of Macedonia. In addition, the UN has delivered at least partial successes in Cambodia and Cyprus, bringing violence to an end in these tortured lands. I hope to work closely with our key allies and others in the UN to seek ways to build upon these successes and to improve this critical function.

Let us recognize, however, that American leadership and influence are the tools necessary to advance our goals and interests at the UN. And, it is a fact that our leadership and influence have been weakened by the continuing crisis over our arrears. We are caught in a dangerous cycle: our ability to gain reforms is weakened by our failure to resolve the arrears issue, and the arrears issue cannot be resolved without progress on reforms. Together we must cut through this Gordian knot, and we must do it now. For my part, I will be fully committed to ensuring the success of legislation being worked out between the Congress and the Administration.

Mr. Chairman, I fully recognize the immense challenges facing us at the United Nations. At the same time, I recognize that no challenge is too great, no problem too large, when American leadership is effectively applied. And therefore, Mr. Chairman, if confirmed, I look forward to working with you and this committee to ensure strong and active American leadership.

Mr. Chairman, I welcome any questions that you and the other members of this Committee may have, and I thank you again for your courtesy and consideration.

The CHAIRMAN. Thank you, Mr. Holbrooke. I believe we are getting somewhere.

You understand as chairman of committees, sometimes we have unpleasant responsibilities. I have the responsibility of having you respond to a great many things that were given to us formally and informally, and I made a judgment myself if I were in your shoes, would want to take the oath. That is why I asked you to do it.

Now, I suggest we try 10 minutes on the first round to see how we get along with the first one. Again, my questions are discussing your status as a special government employee while you were also working as a vice chairman for Credit Suisse First Boston. You touched on this, but let me understand if I understand exactly what you said. You told investigators that there was a seamless, s-e-a-m, transition for your job as Assistant Secretary of Government Affairs with that as a special government employee. Now, I would like for you to state for the record the exact date that you became a special government employee. If you want to be refreshed on that, we can delay the answer.

Mr. HOLBROOKE. No; I can answer that immediately, Mr. Chairman. I appreciate your comment about taking the oath. I am happy to do that.

I became, in my mind, and in the understanding of my colleagues of the Department, a special government employee on the day after I resigned as Assistant Secretary of State for European and Canadian Affairs.

The CHAIRMAN. You are a little bit soft-spoken. If you would pull the mike a little bit closer to you.

Was there any disagreement with your understanding of that relationship expressed by anybody?

Mr. HOLBROOKE. Not at the time. The inspector general of the State Department quizzed me closely on this point because of an anomaly that they believe they had found, but that issue was completely resolved. Affidavits were submitted from Secretary Christopher and other senior officials of the U.S. Government saying that they treated me as a special government employee,—although they don't usually use that phrase, they call it senior advisor consultant—from the day after I left, on.

The CHAIRMAN. Now, you told investigators, did you not, that your swearing in as a special government employee on February 21, 1996 was a mock swearing in while you were having a farewell party. Is that what you told them?

Mr. HOLBROOKE. No, sir. What I said was, at 5:01 in the afternoon, during the party, we went into another room, and I took an oath as a senior advisor to the State Department. It was a light-hearted kind of atmosphere because in the other room people were saying good-bye, but there was nothing mock about it. I took it extremely seriously. There are eyewitnesses to it, many eyewitnesses, and everyone has the same memory, Mr. Chairman.

The CHAIRMAN. I think you may know who gave us the information that I have just referred to. You may want to check with that individual, straighten out the record if he is willing to do so.

In any event, what led you to believe that you were a special government employee immediately after resigning as Assistant Secretary of State?

Mr. HOLBROOKE. I was so informed by my successor, Ambassador Kornblum, by his chief of staff, and by the Deputy Secretary. And they began consulting with me, asking me questions, asking my advice.

The CHAIRMAN. I don't want to have a debate with you, sir, but the State Department in a letter dated to you February 21, 1996, the day after you retired from the Department said your special appointment as a special government employee would begin only upon your completion of a financial disclosure report. Do you remember that letter?

Mr. HOLBROOKE. Yes, sir.

The CHAIRMAN. You submitted that report June 1996 after several members of the State Department requested that information. On July 15, 1996, you were officially sworn in to a 1-year position as an expert advisor to the Secretary on the Dayton Peace Accords in Bosnia, European policy concerns, end of quote.

Now then, tell me again, why did you believe that you were a special government employee during the period between February 21, 1996 and July 15, 1996?

Mr. HOLBROOKE. I believed it, Mr. Chairman, because I was informed that that was my status by everyone. The papers in question I was working very hard to fill out. They were extensive. In the meantime, I was being called on, on occasion for either advice, not too much in this initial period, but some advice, or to do other things on behalf of the U.S. Government.

The CHAIRMAN. Who told you? Did Madeleine Albright tell you this?

Mr. HOLBROOKE. No, sir. At that time she was at the United Nations.

The CHAIRMAN. Did Mr. Christopher tell you that?

Mr. HOLBROOKE. Mr. Christopher was aware of my status and communicated with me either directly or indirectly through his chief of staff, and through the Deputy Secretary and through the Assistant Secretary of State designate who was succeeding me. I believe that it was very widely known that I had this role.

The CHAIRMAN. I want to impress a point. I know you understand that even as a special government employee, all contact between you and U.S. Ambassadors on matters related to your corporate interests was prohibited under these laws. You get a 1-year cooling off period. You knew that, didn't you?

Mr. HOLBROOKE. Absolutely. I knew it. I respected it. As I said in my own statement, I respect that law and respectfully tried to fulfill it.

The CHAIRMAN. Yet you considered yourself to be a special government employee as of February 21, 1996, and on May 20, 1996 Time magazine published your article "Back Stabbing in Bosnia," for which you were paid, I believe, \$3,000. Now, the law, Mr. Holbrooke, prohibits all U.S. Government employees, including special government employees, from receiving compensation from any sort other than the government of teaching or speaking or writing relating to the employee's official duties.

Now, if you believed yourself to be a special government employee for Bosnia when the article was published, why did you consider it legal or ethical to be paid by Time magazine?

Mr. HOLBROOKE. Mr. Chairman, I did not consider myself a special government employee for Bosnia. I was told that I was to be a consultant on general European affairs, including Bosnia. The article was solicited by Time. I wrote it. It expressed my own personal views. It was based entirely on public information, and at the time that I wrote the article, I did not anticipate traveling to Bosnia.

The CHAIRMAN. If you had to do it over again, would you do it? Would you write the article or take the money?

Mr. HOLBROOKE. I believe that I should have consulted the chief ethics officer and asked him if I should or should not accept the honorarium. I would have then done whatever he told me to do in accordance with what the regulations meant.

The CHAIRMAN. Well, I don't want to badger you. I didn't come here to do that. But we have had a lot of people writing to us, people who have been associated with you or worked with you, et cetera, and they have raised questions which we have looked into as best we can, and I discussed this. We did not want to be overbearing, but we thought that we owed it to the Senate and to you to raise a question so that you can explain.

Now, from February 21 until July 15, 1996, either you were a private citizen and prohibited from all contact with any State Department official on matters relating to corporate interests, or you were a special advisor to the Secretary of Bosnia and, therefore,

prohibited from being reimbursed on writing or speaking on matters.

One last thing. I need to know which law you think you violated. He is not here to hear you.

Mr. HOLBROOKE. I deeply regret that. I had the honor of having a good conversation with him. The message did not come out.

Mr. Chairman, as numerous affidavits submitted to your committee made clear, I considered myself a consultant to the State Department and was so considered by other people. My successor, for example, gave your committee an affidavit that stated that, "on February 21, 1996, I was present at a ceremony at which Holbrooke was sworn in as a special advisor to the Secretary of State, European matters. It does not mention Bosnia. I also received and signed certain papers during that ceremony. I was considering that Holbrooke became a special advisor as of February 21, 1996."

The CHAIRMAN. Bosnia is in Europe, is it not? One quick question. In the months following your retirement from the State Department, you embarked on a number of business trips, including an extended tour of Central Europe, Korea, and three trips within 8 months to Sweden, and the CSFB paid for the cost of travels to these countries?

Mr. HOLBROOKE. Yes.

The CHAIRMAN. Let me quote what you told the investigators. "Permit me a brief explanation of how I function. I don't normally go in to solicit specific transactions. I go in to talk to people, and on a particular trip I might see the head of the Central Bank or Minister of Finance or the Prime Minister." Would it be fair to say that CSFB may have benefited by your merely talking to these senior leaders?

Mr. HOLBROOKE. Mr. Chairman, I do not believe that to be the case. The business that the CSFB was involved in and these meetings were not related.

The CHAIRMAN. I am going to yield to Senator Biden.

Senator BIDEN. Thank you, Mr. Chairman. Because the ethics laws are complicated, I think they are complicated, and because you are in a complicated position of being a former employee, still an unpaid employee, but paid by an investment bank to your primary job, the technicality of the rules cuts both ways. It can cut in a way that hurts, or it can cut in a way that helps your position.

And I want to state to the chairman of the committee at the outset, the reason this is not going to merely be on my part point, counterpoint but I am not taking issue with the chairman to take issue but to further expand on each of the issues that are raised to see whether or not the context clarifies or muddles the issue.

Let me begin with your special employee status. From our—from the record, and from the committee's investigation, Secretary Christopher on February 21, when you were resigning and being sworn in at the same time, one room and another room, said that from that moment on, he—he thought the weeks and months after your departure that he may have had contacts with you. He was aware of these continuing contacts with the State Department. Talbott said from February 21 on that he relied upon Holbrooke for advice regarding significant foreign policy matters. I am quoting, "I

regularly benefit from Holbrooke's counsel and assistance on issues including Bosnia and NATO and other matters in late February 1996 and thereafter," et cetera.

Now here, here is the problem. I mean, people sit home and you watch this and wonder what's this all about. The issue, if I can frame it, is, you technically weren't an employee until you filled out your financial forms and an agency within an agency said, OK, he can be a special employee. Technically, that's what the law says. But practically, from the day you had your party saying good-bye there was nothing that stopped. Nothing stopped in terms of the consultation of you by everyone from Kornblum to Talbott and others in the Department, and so the real issue here is did you technically violate? What did you think? Were you supposed to think when they were calling you, well, I am really not a special envoy, even though they called me to ask me to go see someone or to make some comment or give some advice. That technically I am not an employee until I get these forms filled out. That is really what we are talking about here because the only significance is if, in fact, you were not a special employee during that period, and if you saw an Ambassador, there would be no rationale for you seeing an Ambassador, it is implied, other than for you seeking help with that Ambassador for your company when, in fact, you have seen an Ambassador or any other government official was the purpose, you thought, you are arguing during that period of fulfilling your responsibility as a special employee, an unpaid employee, is that right?

Mr. HOLBROOKE. Senator Biden, I never sought any business advantage for myself or my firm.

Senator BIDEN. I understand. The reason it is confusing to the audience I think if they don't know the minutiae of the law, and what is the significance of whether or not you were an official employee on July 15 or February 21.

Mr. HOLBROOKE. I understand—I never sought any business advantage, whatever my status, and no person interviewed by the inspector general made such an allegation.

Senator BIDEN. I understand that.

Mr. HOLBROOKE. On your question, I was responding to requests by the U.S. Government, the State Department and elsewhere. I believe that that was the right thing to do. I believed I was doing it as an advisor. You have the affidavits that support that contention. I did what the government asked and—

Senator BIDEN. Not having been a member of the State Department and no longer practicing law, let me try to convert this to the way people in Wilmington, Delaware, understand it. You took a trip, for example, to Slovakia, to carry a message to the President of Slovakia during this interim period between February 21 and July 15. Now, that trip wasn't paid for by the Federal Government, was it?

Mr. HOLBROOKE. No, sir.

Senator BIDEN. So a reasonable person looking at it on its face might say, wait a minute, now, this guy wasn't a special envoy. First Boston paid his ticket, so what the heck is he doing talking to the President of Slovakia. It must be because he is doing it for business reasons.

Now, the fact is you didn't go there for the purpose of seeing the President on your behalf or on the behalf of First Boston. You were asked by the U.S. Government to go.

Now, the point the chairman is making is a legitimate one. If you weren't an employee, an unpaid employee of the government, then you say wait a minute, what the hell were you doing there? It must be for your personal reasons. But that is not why you were there, so this issue of whether you were officially a special, whatever the heck it is called, special employee of the government, whether that occurred on February 25 or on July 15, whatever the relative dates are is for purposes of whether or not you did anything wrong, in my view, I would argue is irrelevant. You were asked by the Federal Government, the Government of the United States, to go in a capacity of representing the government, even though probably Kornblum and Talbott and the Secretary of State didn't know at that point you had not completed your financial disclosure forms, and so you officially weren't there. The only point I am trying to make here is the context of these things is important.

It goes to motive. It goes to whether or not you were going to do your job for the American Government or you were going to Slovakia in this case to do your job for First Boston. It seems to me clear you were going to do the job for the American Government.

Now, the second point I would make to you is this Time magazine article. This is how things cut both ways. It may not have been wise for you not to consult the ethics gurus at the State Department, although I am not sure how they clarify things very often, having spent a lot of time with the ethics gurus at the Justice Department, but even if, as you say, you considered yourself a special government employee, the article in question doesn't violate the rule because the rule applied to you in a quite narrow way, and let's—this is the minutiae I am talking about. It bars "speeches or articles for money if written, if the writing deals in significant part," that is the quote, "or particular matters involving specific parties in which the employee has participated or is participating personally and substantially." By the standard of our own technical rules, regardless of whether you were a special employee or not, you did not violate the rule.

This writing about Dayton was a general piece. It was not about particular matters involving specific parties; rather it was a general piece under which this narrow rule that applied to you is permissible.

Now, I am just trying to point out how this can catch you or not catch you. I don't—I doubt whether you sat there and thought about the rule when you wrote the article. Maybe you did. But I wouldn't have. And said if I write this article is this a particular matter of how specific parties participated.

The reason why the Justice Department said, hey, he didn't do anything wrong is because the particular rule, whether you know it or not, you particularly satisfied. And—but it shows to me how this gets very, very, very complicated, and, as we used to say in law school, it emphasizes form over substance.

Now, the—this notion in the opening statement which is a legitimate point to make that you disregarded, simply disregarded written advice by the legal advisor from the State Department, I want

to make it clear what we are talking about here. The only advice that you disregarded that I am aware of involved the guy sitting behind you who had a crack at Cyprus, too, and he is your lawyer. He has been your friend for how many years?

Mr. HOLBROOKE. Twenty.

Senator BIDEN. Twenty years. And the issue is whether or not Dick Beattie should have been involved in any way with you in any legal matters where you sought his legal counsel, and in particular, in negotiating your employment contract with First Boston. The record contains a memo to you dated December 20, 1995 suggesting that you should not use Beattie, then the Presidential envoy to Cyprus, but also your long-time lawyer, to negotiate any employment or book contracts. The memo was written by Thessin, a deputy legal advisor at State.

Thessin wrote that "because Beattie was a subordinate of Holbrooke and Holbrooke intended to, and because you intended to concentrate on Cyprus during your final days in office, he believed it would not be prudent," end of quote, to use him for negotiations for your contract. You didn't take the advice. You used him to negotiate your employment contract.

And the reason you didn't follow the advice from my understanding from the record is that he had been a long time attorney and personal friend and you considered this a personal matter. Moreover as a Presidential envoy, Mr. Beattie, although you gave him personal policy guidance, he worked directly for the President, not for you.

So to the best of my knowledge, the only State Department or advice coming from anyone in the Justice or legal department of either the State or Justice that you disregarded, I think you disregarded without violating any law, but you did disregard it. You said, I want Beattie. He may be special envoy to Cyprus. I may still be doing this. You say it is not prudent. No one tells me it is not illegal, I want Beattie. He has been my lawyer for 20 years. Is that an accurate assessment of the relationship?

Mr. HOLBROOKE. Yes, sir. "Would not be prudent" is not an instruction not to do it. I discussed this issue with Mr. Beattie after I received the memo. I never viewed him to be, and I am sure he never viewed himself, as my subordinate.

Senator BIDEN. He still doesn't.

Mr. HOLBROOKE. He was a Presidential emissary for Cyprus, and we worked together on the issue. Moreover, he was to be compensated by First Boston and not by me. I respect Mr. Thiessen enormously as the ethics advisor of the State Department, and I followed the other parts of the advice in that memo to the letter. But when he said it would not be prudent, I think everyone in the State Department understands that that is not a formal ruling and Mr. Beattie had been my lawyer, and as I said, we discussed this.

Senator BIDEN. My time is up. I thank the chairman.

The CHAIRMAN. I think I will give you advance notice that I have in hand a copy of the eyes only memorandum of December 20 written to you by James H. Thiessen, and I am going to comment on that later.

Senator Lugar.

Senator LUGAR. Thank you very much, Mr. Chairman.

Ambassador Holbrooke, the committee has received a memo that states the background of the ethics questions that have been raised. Chronologically, it indicates that when the President announced his plans to nominate you back on June 18, 1998, events proceeded until July 8, 1998, when apparently a letter from an anonymous source arrived at the State Department alleging that you had violated Federal conflict of interest statutes. This apparently was the genesis of the investigation which proceeded for 8 months by the Office of the Inspector General of the State Department and the Justice Department.

I am curious, just from your observation of that process, whether you have any idea what would have caused 8 months of investigations to ensue at that point. A letter was received, apparently from an anonymous source; can you give us any clues from your standpoint on what took 8 months to look into?

Mr. HOLBROOKE. Thank you, Senator Lugar, for that question. I was not, of course, aware of the anonymous letter at the time, but once I was aware of it, I can say and I think this is fully confirmed, that the specific charges in that letter were disproved, and that is quite clear.

Senator LUGAR. How rapidly was that the case? When were things approved?

Mr. HOLBROOKE. It is difficult for me to answer the larger part of your question. Why the process took as long as it did is a question I think is more appropriately addressed to those people who conducted the investigation. They did their job and it is over. It wasn't the most fun I have ever had in my life, but I cooperated fully with it, as I intend to cooperate fully with this committee, and the cause of the length of time is something you have to ask them.

Senator LUGAR. Was the letter itself so voluminous that it contains a raft of allegations each of which would call for exclusive interviews with individuals? What I am trying to ascertain is how did this anonymous letter from apparently someone who didn't like you blossom into a monumental issue involving thousands of pages?

Mr. HOLBROOKE. Again, Senator, the question needs to be more promptly addressed to the inspector general. The investigation went far beyond the charges in that letter.

Senator LUGAR. Well, I suspect that, and this is not the appropriate time to do that because we are hearing your statement today and your testimony. I am simply curious as to what in the world goes on over in the OIG office of the State Department. I think that really is a subject of substantial inquiry of public interest.

It simply appears to me, having now witnessed this sort of thing, that our country is not being well served when we cannot have an Ambassador to the U.N. for a year simply because bureaucrats at the State Department, all feeling they are doing their duty, are indulging themselves and making work for themselves in this process.

Now, I say this because you finally have come to the conclusion of this when the settlement comes on February 9. Essentially the agreement asserts that the communication did not result in any financial gain to Holbrooke or his firm.

The agreement also states your actions might have been in the United States national interest. As a matter of fact, after all these millions of pages have been addressed, you come down to the fact that you made a contact with the South Korean Ambassador who invited you to an opening in which CS First Boston's first branch was opening in Seoul, Korea. We finally get down to South Korea.

We come down to what happened with Ambassador Laney at the branch opening or what didn't happen. In essence, the agreement states that the United States has not alleged that there was a willful violation nor did it result in financial gains. As I recall, Ambassador Laney has already given his side of the story, that he did not feel importuned by the process, no matter whose office may have been investigating this. You may finally come up at this point with an interesting colloquy in dealing with South Korean affairs.

Admittedly, Senator Biden has developed that the Time magazine honoraria, in terms of subject matter and duty, that these are questions of judgment which are fair game for inquiring to date. But the agreement that you signed finally says that you asserted at all times you were acting as a special government employee, and therefore it was appropriate to communicate with State Department and embassy personnel.

I suspect that is probably right. A normal American looking at all of this would say you have been sent out to these places as a troubleshooter. I think arguably the best negotiator this administration has. It is clear that you probably would want to talk to some of these people and if you didn't want to talk to them, they sure wanted to talk to you. This would require a monitoring of your phone lines to keep out all the people from the State Department, from the private sector, from the press, from everybody who would want to talk to you continuously throughout all of these missions to Cyprus or Bosnia, or wherever you were. These were high-risk missions in terms of your diplomatic representation and this is a reason why too many people weren't asked to take them. You were being asked to take them.

In the midst of all of this, somebody who doesn't like you very much is suggesting that, given this pause of a year, and this special representation situation, you exercised bad judgment, that you made some contacts which you should not have made. That is, I suppose, a fair question on which all of us must make judgment, as we all will, in voting for you or not voting for you. But I just simply want to use this as a colloquy in which I have done most of the talking to indicate that it is important to me as a matter of public interest what goes on in the OIG business.

We have had some problems in trying to confirm a Director of the CIA. It ended up with committee members walking on eggs for fear we were going to offend someone there working through a George Tenet's nomination. We needed a Director of the CIA. That is what the country needed. As a matter of fact, he was absolutely clean. But the country did not have the service of this individual for a period of time because of these procedures. Something is occurring here in our government that is not good. Your nomination brings it to the front in my judgment.

Having said that, my own view of you is that you are an extraordinary diplomat. Your service to the country has been remarkable.

I wish that in all cases that you had used impeccable judgment but I know of no person in our government who ever has. I suspect in this particular instance that you have had to prove more than most of us ever will, and in my judgment, you have done so very well, so I will support your nomination.

I am delighted that you are here and that you have survived the process to date. I appreciate the chairman's calling the hearing because it gives us an opportunity to have some clean air and water on the whole process, and I hope you will be successful.

Mr. HOLBROOKE. Thank you very much, Senator Lugar, for those kind remarks. I would just like to make one brief technical comment. I appreciate your comments on my general service because, during these three and a half years, I was carrying out whatever was requested of me. As you pointed out, these missions weren't a lot of fun and they involved danger, and, at least in one case, getting shot at last year in Kosovo. But there is one technical point I'd like to clarify, and that is the ribbon cutting in Seoul. I did not ask Ambassador Laney to go to that ribbon cutting ceremony. He is a great Ambassador, and I have great admiration for him. As the person who headed the Seoul office of First Boston noted in an affidavit, "I was arranging a ribbon cutting ceremony at a CSFB branch in Korea to be held in May 9th. In connection with this ceremony, I contacted the U.S. Embassy and did so entirely on my own and having done so entirely on my own. Ambassador Holbrooke did not suggest or request that I contact the Embassy. I was responsible for making all the arrangements concerning the ribbon cutting ceremony, including those relating to Ambassador Laney's participation." Thank you.

Senator LUGAR. Thank you.

The CHAIRMAN. Senator Sarbanes.

Senator SARBANES. Thank you very much, Mr. Chairman. I am pleased to welcome Dick Holbrooke before the committee. I have read through all of this material and have thought about it. It seems to me if we are not careful we are going to get to the point where we lose an important asset, I think Dick Holbrooke is an important asset and am concerned we might discover we can't use him on behalf of the national interests of our country. Obviously what happened here is, you left full-time government employment, but there were many people in the government who thought that you had the knowledge and an expertise that they wanted to continue to draw upon. Let me be clear on a couple of things. I can't find evidence anywhere that in any of these meetings or contacts you discussed the private corporate business you were engaged in. Is that correct?

Mr. HOLBROOKE. That's correct.

Senator SARBANES. I have looked through the record and don't see any instance of anyone saying this meeting was arranged with some government official of some country and Holbrooke used it as an opportunity to push his private company. I can't find that anywhere. I have looked for it pretty carefully.

Let me just follow this Korean issue for a moment. How long have you known Kim Young Sam, the President of Korea?

Mr. HOLBROOKE. I first met Kim Young Sam in 1978 when I was at the State Department, and he was a private citizen in Korea.

Senator SARBANES. And were you at that time the Assistant Secretary for the area?

Mr. HOLBROOKE. Yes, sir.

Senator SARBANES. As I understand it, part of your job was to ensure his safety, is that correct?

Mr. HOLBROOKE. Yes, sir. He was in great danger during that period. I was working hard to promote democracy in Korea and elsewhere, and he was in danger of being jailed. I played a supporting role in the policies under both the Carter and Reagan administrations that evolved Korea's democracy and led to his becoming President.

Senator SARBANES. Ambassador Laney says, in this affidavit he gave, that you were, "well-known to Koreans as a former Assistant Secretary of State for East Asia and Pacific Affairs, who had played an important role in U.S.-Korean relations at a difficult period during the late 1970's. In particular, he had been instrumental in formulating policies to help protect several leading dissidents in Korea from either jail or death. One of them we assisted was President Kim Young Sam of Korea. Ambassador Holbrooke's trip," this was your trip out to Korea, "provided the embassy with an unusual opportunity. He would make a major speech at the Asia Society—the first any American official had made in Asia concerning the new European policy; he could discuss European policy with senior Korean officials; he could discuss Korean and German unification; and all of this would show the Koreans that we considered them an important ally of the United States."

Now, you didn't need Laney to arrange a meeting with Kim Young Sam. Actually you could have arranged a meeting yourself. I mean, you had a previous long-standing relationship with him. Is that correct?

Mr. HOLBROOKE. Yes, sir.

Senator SARBANES. Well, I make that point because Winston Lord, who was then the Assistant Secretary of State for the region, said that he discussed with you, "the importance of communicating the evolving policies of the U.S. in Europe to leaders in Asia. Ambassador Holbrooke and I agreed that it would be especially useful for him to communicate such policy to Asians because he is a former Assistant Secretary for East Asian and Pacific Affairs himself. He was very well-known in the region. This was particularly true in Korea because of his long and intimate involvement there, including his personal relationship with President Kim Young Sam."

Winston Lord goes on to say, "as a former Ambassador, I believe strongly that if Ambassador Holbrooke had visited an important leader in Asia without involving the American Ambassador to the country in question, it would have been improper as well as potentially damaging to the interests of the U.S. and the position of that Ambassador. In my view, the most appropriate way to arrange such a meeting would be to allow the Ambassador to arrange it directly—if he chose to—so that it would reflect most favorably on that Ambassador's role as the focal point of all significant contacts with senior officials." In fact, when you communicated with the Ambassador, you asked if he thought it was appropriate to arrange a meeting. So it raises a possibility that if you had ignored the Am-

bassador, it in effect would have undercut his position with the Government of Korea, and with this newly elected President, for whose protection you had fought for some 20 years earlier.

This thing is getting incredibly involved and complicated, but in such a way that we are not really able to do what is obvious. Your visit to Korea was important. The embassy sought to use it to further their purposes and the interests of the country. In fact, had you not at least offered to work through the embassy channels, it would have severely undercut the Ambassador in his position in the country.

Now, I think it is very important for that to be understood. I could go through a similar exercise with respect to Swedish allegations that exist.

Now, I can't understand why it took so long to run through all of this. When the inspector general got an anonymous letter, was that letter then furnished to you by the inspector general?

Mr. HOLBROOKE. May I just check with counsel? It was not.

Senator SARBANES. Well, that was my understanding. That gives me a great deal of concern. It seems to me that you should have been furnished with these allegations. There wasn't a name at the bottom of the letter. I have read the letter. I don't think the person would have been identified by the concept of the letter. The notion that these charges or allegations come floating over and the person against whom they are made isn't even furnished the allegations, is something I can't understand. Unless you let them do it anonymously, you won't receive a copy. In other words it is kind of the whistleblower argument. Even that gives me some pause. But nevertheless, it seems to me that at a minimum, the content of what the person was alleging against you should have been furnished to you. Otherwise, you are dealing with some cloud out there that you can't get your hands on.

Now, I don't understand why the inspector general took so long. Apparently, they went all over the place. I don't know whether the further matters they investigated were sort of engendered by the inspector general or whether there were further allegations against you. This thing grew into a full-time occupation for them. Meanwhile, you are held up. We can't get your nomination here at the committee. I think the committee has moved in a reasonable fashion since we received the nomination.

We received it in February of this year. Since the IG has done all of this, we have had to do a certain amount. Here we are having the hearing in June and hopefully, this will conclude the matter. I think you have rendered over the course of your career a terrific service to our Nation.

I don't think people of this talent ought to simply be thrown on a scrap heap, and I very much hope you will work through this process in a conscientious and thorough way over the next few days so that we may move this nomination forward.

I think our country's interests are being hurt by not having a Permanent Representative at the United Nations. It is an extremely important position. There are issues before the U.N. that are of very pressing concern for the country, and we need to have a Permanent Representative there. You would bring confidence,

ability and experience to that position, which I think would serve the country well.

Thank you very much.

Mr. HOLBROOKE. Mr. Chairman, may I very briefly, first of all, thank you, Senator. Two quick points. In regard to the anonymous letter, you asked if we received it from the State Department. The answer is no, as I said earlier. But the person who wrote it, or somebody else, did give it out to several journalists, in an effort to further whatever their motives were. One of those journalists did give it to us. So after about 2 or 3 months, we had a sense of what was in it.

Senator SARBANES. Mr. Chairman, that just only makes that point so much stronger. Here is this anonymous letter that comes in and starts an IG investigation. The IG doesn't forward the letter to the person whom the allegations are against. They then give it to the press, who I presume came at you to ask about the content of the letter. That is no way to do business and is not a fair process.

Mr. HOLBROOKE. May I make one more—

The CHAIRMAN. Certainly.

Mr. HOLBROOKE. I just wanted to make one more comment about Korea, Mr. Chairman, in response to Senator Sarbanes' comment. If I could just quote from Ambassador Laney's affidavit, his statement, which is available to your committee.

"If Ambassador Holbrooke had arranged such a meeting, that is with President Kim, without my participation, it would have been a serious breach in protocol, given his continued role as advisor to the State Department and his special stature, both of which were known to me personally. Ambassador Holbrooke's trip to Seoul was helpful and useful and contributed significantly to U.S. and Korean relations.

"Holbrooke stressed to me that he needed to keep his government-related activities and his other activities entirely separate and went out of his way to do so, refusing to use, for example, any official embassy vehicles during his visit. At no time did he ask, did he do anything or ask me anything that I consider either conflict of interest or request made on behalf of any person on behalf of the U.S. Government. I am grateful for him making this part of this trip. It was helpful."

The CHAIRMAN. Senator Grams.

Senator GRAMS. Mr. Chairman, I am pleased that we are proceeding with the nomination of Richard Holbrooke to be the Ambassador to the United Nations. I think we are all aware of the importance of having that post filled and the fact that we can be voting this week on the U.N. reform package as part of the State Department reform recognizing the need for us to have an Ambassador.

If Mr. Holbrooke effectively addresses the concerns of this committee, I hope his nomination will be placed on the agenda the next business meeting June 30. I am certainly going to have a longer statement and questions later on for Mr. Holbrooke that will be at our hearing at U.N. reform, however, given back the questions my colleagues have, I want to yield back the remainder of my time.

The CHAIRMAN. Senator Torricelli.

Senator TORRICELLI. Mr. Chairman, I'd first like to thank you for conducting this hearing procedure in this matter and doing so and the serious nature of which this hearing has been held. I should, however, in candor tell you that I more rightly should have appeared with Senator Warner and Senator Moynihan than here in the position of asking questions.

I have known Mr. Holbrooke for more than 20 years. As a young assistant to Walter Mondale, I traveled with Mr. Holbrooke around the world and I saw it even when he was a young man the extraordinary talents he brought to this government.

It is, Mr. Chairman, I think now fair to conclude that on the basis of the investigations of the last year, Mr. Holbrooke is now potentially the most investigated member of the executive branch of this government. And on the basis of thousands of hours of investigation and the expenditures of hundreds of thousands of dollars, we now know that Mr. Holbrooke cut a ribbon in Korea, wrote a thoughtful article for Time magazine, and traveled throughout Europe for the benefit of a private firm having paid some of his expenses while he was in furtherance of the interests of the U.S. Government.

I think it is fair that we should thank him for his service in Korea in cutting the ribbon, commend to our colleagues that they read the article, and express some gratitude to Credit Suisse for paying expenses which more rightfully were owed by the taxpayers.

I think, Mr. Chairman, that like Mr. Lugar, I am left with the impression that we are missing the real measure of character in this government. The character of an individual that is necessary to be in service to the U.S. Government is not measured by seeking the most narrow interpretation of regulations against an endless search for any facts that might in their most extreme interpretation be seen at variance.

Mr. Holbrooke, through his career, has more than proven his character. He is in that unique position of an individual who can actually look at his life and see wars that were not fought, villages that were not destroyed, and people who are alive because of his service. He has lived a most remarkable life.

It strains credibility to believe that a man who could have done so much in the private pursuit of his interests has forgone such potential income because of his devotion to this government, would have written an article, cut a ribbon, or engaged in these few trips for any private benefit.

I have been, throughout my life, very proud to know Mr. Holbrooke as a friend. It has been to the detriment of this government through the last year that Mr. Holbrooke has not been fully available to the President of the United States and the Congress of the United States at the United Nations.

This government needs Mr. Holbrooke in the United Nations far more than Mr. Holbrooke needs to be at the United Nations. I am grateful, Mr. Chairman, that you held this hearing because it is inexplicable at a time when the United States faces such perils from the DMZ in Korea to resolving items in the Balkans to a changing nature of our relationship with Russia and China that Mr. Holbrooke is not in service to this government.

I have expressed, Mr. Chairman, to you privately as I have publicly my belief to the foreign policy team of the President of the United States with matters in the Balkans coming to some resolve at least temporarily that that team needs strengthening.

There is no one in this country, Democrat or Republican, who I believe would bring more strength to that foreign policy team than Mr. Holbrooke. I don't know, I am the most junior member of this committee, whether it is of any value, Mr. Chairman. I simply want to add that if it is of some help to offer testimony to the character, to the service of Mr. Holbrooke, I want you to know I know him as well as anyone in this government. You will not find someone of better character.

I also, Mr. Chairman, want you to know that I privately have asked him very simply because I share the chairman's views on several issues regarding the United Nations, I believe the United States has not paid its fair share of the United Nations dues through the years. I believe we have paid our share and other people's shares. I believe the United Nations has not been run efficiently. I believe it does require reform. I believe in seeing someone in the United Nations for opportunities to save money and be sure it is accountable and be sure this Nation is adequately represented. I believe Mr. Holbrooke is sensitive to how that money is spent. I believe you will never find a stronger personality or a better leader to implement those reforms.

Finally, Mr. Chairman, I want to leave the committee with this if I could. I, like Mr. Sarbanes, am very troubled by the fact that this government has been without this representation and this man has endured this investigation based on an anonymous letter. I believe that every department of this government has a file in which anonymous letters should be filed. It is round, and it is emptied every day.

We have whistleblower statutes to protect people who make allegations but people who have serious allegations should have the courage to put their names with them. Finally, I want to just ask Mr. Holbrooke a single question which I know he answers under oath and on the record which comes to the central question of measuring character. And that is simply this. In all of this travel, Mr. Holbrooke, in all of these meetings, did in any way or your firm ever gain privately by this travel or this representation for the reimbursements they were making for travel, for the bills that they paid, when you otherwise were in the pursuit of the business of the United States Government? This comes down really to a single question.

In the performance of your public responsibilities, was there ever in any shape, manner, or form, private gain?

Mr. HOLBROOKE. No, sir.

Senator TORRICELLI. It seems to me, Mr. Holbrooke, given the service you have done to this country for which we are all very grateful, the extraordinary character I believe you bring to public life, that is the only essential question. No one can doubt your abilities to perform this responsibility or the needs of the U.S. Government to have you in these responsibilities. That, therefore, Mr. Holbrooke is the only question that I want to leave with the committee.

Mr. Chairman, thank you for the benefit of the time.

The CHAIRMAN. Thank you very much.  
Senator Boxer.

Senator BOXER. Mr. Chairman, I am sorry I had to leave. The women of the Senate held a press conference about Social Security reform. I am very happy to be back here. I will be quite brief. I would ask unanimous consent that my full statement be placed in the record, Mr. Chairman.

The CHAIRMAN. Without objection.

[The prepared statement of Senator Boxer follows:]

PREPARED STATEMENT OF SENATOR BARBARA BOXER

Thank you Mr. Chairman and Senator Biden for holding this hearing today.

I want to welcome Mr. Holbrooke and thank him for appearing before this committee today. I, for one, appreciate the patience and fortitude you have shown over the past few months and am glad you could join us this morning.

It is so important that we have someone with your stature, your experience, and your knowledge of international affairs representing U.S. interests in the United Nations.

This nation owes you a debt of gratitude for your selfless devotion and public service to this nation over the course of your career. Let me just name a few of the positions you have held over the past four decades.

After joining the Foreign Service in 1962, Mr. Holbrooke was a delegation member to the Paris Peace Talks on Vietnam. He later served as Peace Corps Director in Morocco, Assistant Secretary of State for East Asian and Pacific Affairs, Assistant Secretary for European and Canadian Affairs, U.S. Ambassador to Germany and as a Special Envoy to both Cyprus and Kosovo.

And, of course, everyone knows of the key role Mr. Holbrooke played in ending the hostilities in Bosnia through the Dayton Peace Accords.

He has represented American interests throughout the world, and this experience will serve him well as U.N. Ambassador.

Because of his service to this country, Mr. Holbrooke has received countless awards. Among these are the Humanitarian of the Year Award from the American Jewish Congress and the Distinguished Statesman Award from the Anti-Defamation League.

Mr. Holbrooke, you have been recognized by these and countless other organizations for your service and I wanted to add my name to those who appreciate your hard work on behalf of the United States.

Mr. Holbrooke also brings his personal experiences to this position. Last June, when he accepted the U.N. nomination, Mr. Holbrooke spoke about how when he was eight years old, his father took him to the newly constructed buildings of the United Nations.

His father told him how those buildings would become the most important in the world and prevent future wars.

I'm sure that Mr. Holbrooke's late father would be proud to see his capable son representing the United States in those very same buildings.

I do want to say that I have reviewed the matters investigated by the State Department Inspector General and the Justice Department and am satisfied with their conclusion that Mr. Holbrooke did not engage in a willful violation of the law, and that neither he nor his firm benefitted from his actions. To that end, I will hold off on any questions until the next two hearings dealing with the U.N. and Balkan policy.

Thank you again for appearing before this committee and your willingness to continue to serve this country.

Thank you Mr. Chairman.

Senator BOXER. I want to echo what Senator Biden said about the fact that you had your reasons why you couldn't schedule this and the fact that you have called a hearing now is something that I am most grateful for. I totally respect your views on this matter, and I want to go into explaining why I respect them. Although I do come to a different conclusion on this particular nominee, I think you raise important questions that go beyond this nominee,

and I want to address that for a moment. After first saying that Mr. Holbrooke, I was extremely moved by your statement. I feel that in many ways this opportunity for you is in some ways fated, given your background, the opportunity to give once again to your country in this way in this particular institution that means so much to you in terms of its potential, and that I do believe if we are able to move this confirmation through, I think you will be outstanding because I think you will work—this is my belief, tirelessly to move it in the right direction.

I also want to thank you for what you have done for your country. Many people would bypass the opportunity fraught with in many ways danger, certainly didn't enhance overall your ability to earn funds in the private sector, and I want to pick up on the ethics issue in this way, Mr. Chairman, and I am saying it more for you in a way.

For a long time, Members of the Senate and House were able to take honoraria, until we voted not to do it any more. And the rules on that said you could take up to \$20,000 a year, and we took that honoraria, most of us, not all of us and we gave a speech. It was a bad system we have actually gotten rid of.

The reason I am bringing it up is this. There was something in that rule that said the Senator or Congressperson had to look at that and if there was a direct personal way you would gain, if there was any other connection, you had to make that call. The point is whether it is a cooling off period or the law bank the outside payment, their laws, I support. They are in some ways vague, and I think the case in point here is a man with a tremendous amount of experience, writes an article, I think he is right. He should have gone to the ethics people and he should have lived by what they said. He made a mistake on that. His call was it wasn't a conflict.

The Ethics Committee may or may not have agreed with him. The fact is there is room for this gray area so I think sometimes it is a problem in interpretation of these laws, and a good person can decide that they are obeying the cooling off period and another person could interpret another way. That is why I think when we just banned honoraria, it was the way to go. I think it is simpler, it is clearer. And so what I want to say is I believe this is a good man that is appearing before us today. I believe this is a man of honor. I believe he has stated in retrospect he could have gotten a little more guidance. And I hope that for the good of the country, indeed for the good of the world, Mr. Chairman, we will move along expeditiously.

If some people feel that it is a matter of principle that they can't go along with this, I respect that, but I would hope that the vast majority would. I think that Mr. Holbrooke has now some months ahead of him. The months are dwindling as the days go by, but I think he will make the most of that time and again, I really want to thank you because as Senator Biden has said, we have seen you say no before. We know what that is, and what you are saying now is maybe, and we appreciate it because we think this nominee is worthy and we are ready to fight for him.

Thank you very much.

The CHAIRMAN. Thank you, Senator, for a very eloquent statement, as have been the others. Let me clear up two or three points.

One, this hearing was prompted by an anonymous letter. That certainly is not true. I don't—I have not seen an anonymous letter. I have seen the inspector general's statement. I also have read the law. I am not a lawyer and I am honest about that, no doubt, I had staff put specific boards up so that you can be prompted by them. It is all right to say that well, you know, everybody does it. Didn't mean to do it. But the most important thing the witness has said this morning, the most important thing that the nominee has said this morning is that he made some mistakes.

I believe if that had been the case, there would have been no hearing, but I have heard from people in the government, responsible people, not necessarily people who love you or don't like you. I am not trying to make a judgment on that. And I agree that you have served with distinction, certainly with sincerity, but I also believe that it is apparent that you have violated the law several times, and I believe that justified this hearing.

Now, this hearing was not prompted by, upon pressure from anyone. We decided sometime back that maybe the record ought to be made clear, and we are in the process of doing that. I read in the paper this morning that three Senators had pressed me to the point that I could not refuse to schedule this hearing. Well, I don't know any Senator who has pressed me to take anything but a wet noodle, but their representatives are going to get whatever publicity they can get back home having some effect. I don't know if they have had any effect here this morning, but maybe they have had somewhere else.

Let me pursue what we were talking about before. One of the key trips that the State Department investigators reviewed, this was not an anonymous letter. You traveled from April 28 to May 12 from Hungary, Bosnia, France, Great Britain and Korea.

Now, you are an employee of the bank, CSFB paid \$5,000 and some for the air fare. Are those figures correct?

Mr. HOLBROOKE. If that is what we submitted, I accept them, Mr. Chairman.

The CHAIRMAN. They are not subject to being argumentative, right? Did your employer, CSFB schedule a meeting?

Mr. HOLBROOKE. They scheduled some of the meetings. Yes, sir.

The CHAIRMAN. Which ones did they not schedule?

Mr. HOLBROOKE. I cannot recollect.

The CHAIRMAN. They did not schedule some of them by your own statement?

Mr. HOLBROOKE. I cannot recollect each meeting and who set up each meeting, Mr. Chairman.

The CHAIRMAN. Look, I am trying to help you, sir.

Mr. HOLBROOKE. I understand.

The CHAIRMAN. Now, the truth of the matter is, and whether it is a terrible violation or not, it is not our judgment, but you did use Ambassadors. You had friendships with them obviously, and Joe, I expect that I have known a few Ambassadors in my life and I believe that when I leave this job, I might call on an Ambassador. But the point is that at worst, the laws involved that were not adhered to.

Now, I take it that a representative of the bank indicated to you regarding whom you should meet in these countries, did that not

happen? Yes. I am trying to establish that this business did not hurt the bank. It helped it, right?

Mr. HOLBROOKE. First Boston suggested and set up some meetings for me. They did not ask me to set up meetings through American officials.

The CHAIRMAN. Well, I am sure of that. But I am not saying that is an unforeseen conclusion. If you were in Bosnia April 30, 1996, I believe you met with the Prime Minister, the Governor of the National Bank, Minister of Economy and Minister of Communications. And you told the folks who were investigating long before I knew anything about the investigation going on that CSFB representatives scheduled your meeting with the Prime Minister as a courtesy call on your first trip to Europe, that's correct, right?

Mr. HOLBROOKE. I stand by what I told the inspectors.

The CHAIRMAN. And when you met with the Prime Minister, laying groundwork for future business or were you there on behalf of the U.S. Government?

Mr. HOLBROOKE. The meeting with the Prime Minister in Slovakia was set up by First Boston. As Senator Sarbanes already mentioned, there was a negotiation of the treaty and there was the overriding issue of NATO enlargement plus Bosnia. I had seen the Prime Minister in Hungary without any First Boston people present. In fact, you have a memorandum available to you in which I specifically rejected an attempt by First Boston employees to join that meeting in order to emphasize that there would not be, and could not be, any business connection to that meeting. In Slovakia, the meeting had been set up directly by CSFB. The Hungarian Prime Minister had given me a message concerning rather sensitive matters to deliver to the Slovakian leader. The Ambassador was new, and I wrote him. You have his reply in the files. He obtained permission to join this meeting because he felt it would be in the national interests and received appropriate approval to do so.

The CHAIRMAN. The question would be why would you have bank members present in matters unrelated to bank business? Which was it?

Mr. HOLBROOKE. They set up the meeting. We gave the Ambassador the option to attend.

The CHAIRMAN. Who is they?

Mr. HOLBROOKE. In Bratislava, the CSFB person set up the meeting but I knew, for the same reasons that Ambassador Laney addressed in his affidavit, it would have been genuinely deleterious to the stature of this Ambassador who was new, and to the national interests, if I were to carry communications between the Hungarian Prime Minister and the Slovakian leadership without an Ambassador present. I gave the Ambassador the option of participating in the meeting which we had set up. And it is my understanding, and I believe you have the documents, that he then consulted Washington and got approval to attend the meeting. I believe that it can be fairly stated that this meeting contributed significantly to the ultimate resolution of one of the most explosive issues in Central Europe, the status of the Hungarian minority in Slovakia and advanced our national interests.

The CHAIRMAN. I think what I am trying to emphasize is that I can understand all of these things being fully in and the inspector general saying we better look at it because this is not common practice diplomatically. You want to say something?

Mr. HOLBROOKE. May I add one more thing, Mr. Chairman? We did not discuss business in the meeting which you are addressing, although it is true that a First Boston person or, if my memory is correct there may have been two people, were in the room because they set up the meeting. That was because I had a strict rule, that rule being to obey the law, the law being the law we are here to discuss, that we did not discuss business in that meeting.

The CHAIRMAN. About the trip to South Korea, and I have been there and I have done that, but you had a number of contacts with the Korean Government. You wrote the U.S. Ambassador in Korea that you would be in the country and may I join you in meeting the Korean President. Is that correct?

Mr. HOLBROOKE. Yes.

The CHAIRMAN. In addition you corresponded with the U.S. Ambassador to develop a guest list. He is a friend of yours. You have known him years and years. I understand. But I am trying to point out, emphasize for people who may come after you that either the law should be changed, or it should be obeyed. That is the point I am trying to make. Now, just prior to this trip, you also entertained a number of senior State Department officials here in Washington. That's correct, isn't it?

Mr. HOLBROOKE. Yes, sir.

The CHAIRMAN. And one documented expense to your employer, the CSFB, in April 1996 you met with then-Assistant Secretary of State for East Asia and Pacific Affairs, a good guy who I have known, namely Winston Lord. Now, your expense account for the bank, signed by you, identified you— identified the meeting as Asian company. That is for the record.

Mr. HOLBROOKE. Mr. Chairman, I am a little bit unclear. Are we talking about a meeting I had with Ambassador Lord?

The CHAIRMAN. Just prior to the trip you also entertained a number of State Department senior officials, in Washington. I have got this here in print. This is leading up to the question would CSFB pay the bill for entertaining Ambassador Lord if expenses were not business-related?

Mr. HOLBROOKE. Ambassador Lord and I have been friends for a very long time and it was not a business-related meeting. It was old friends, social, discussing things that I might undertake for him if I were in the region, but it was primarily social.

The CHAIRMAN. Nonetheless, the bank paid the billing for entertaining.

Mr. HOLBROOKE. The bank paid the bill for a meeting for entertaining? Is this a meeting that Ambassador Lord was at? I do not have a memory of that exact event.

The CHAIRMAN. He was there. I to wish I had been there.

Senator BIDEN. Mr. Chairman, are you talking about the larger luncheon? Are you talking about a specific meeting with Lord? He was with Lord and a number of other people, correct? I am just trying to clarify. I see I can't help you. Sorry about that.

The CHAIRMAN. The same expense account used specifically, deducted those expenses that you discovered were not business-related. I wonder about the distinction.

Mr. HOLBROOKE. I apologize, Mr. Chairman. Please forgive me if my memory is incomplete here but I do not believe that Ambassador Lord was at the meetings we are discussing. If that is an error, I apologize to you. I believe my conversations with Lord were in another venue at another time, and were not anything expensed to First Boston. If the record shows differently, I apologize. May I just consult with counsel for one moment?

The CHAIRMAN. Certainly. Certainly. That is why we are here.

Mr. HOLBROOKE. My counsel informs me that Ambassador Lord was not at any of the meals I expensed that were discussed in the IG's report, which was also my memory.

The CHAIRMAN. Well, I am talking about the events in various places which were paid for by the bank. Sweden, two dinners for which the bank paid the bill and on May 29 the U.S. Ambassador and others at Erik's Restaurant, I hope that is a good steakhouse, your expense account indicated it cost your bank \$760.92. The bank paid this bill, and it is fair to assume that business affairs were discussed.

Mr. HOLBROOKE. No, sir. That was not a business meal. This is the first time I have been asked about this particular dinner, so I hope you will forgive me if my memory is incomplete. But my memory is—did you say May 29?

The CHAIRMAN. Yes, sir.

Mr. HOLBROOKE. That was my first wedding anniversary.

The CHAIRMAN. We will strike that one.

Mr. HOLBROOKE. My wife was—

The CHAIRMAN. All right.

I assume that you did what she told you. Is the Government of Sweden a client of your bank?

Mr. HOLBROOKE. The Government of Sweden is a client of my bank, the London branch of the bank. It has been so for about 10 years.

The CHAIRMAN. That is what I understand. On a May 1996 trip to Sweden, your assistant at CSFB sent a letter to the political officer at the Embassy in Sweden requesting CSFB representatives be permitted to attend your meeting with the Swedish Undersecretary. The American Ambassador scheduled CSFB participation at the meeting.

All of this was fed into the inspector general. You had such a difficult time with those. But you have gone a long way with me, sir, at the opening statement that you acknowledge that you did things that maybe ought not to have been done. Maybe as much as anything else, we are saying to government employees, other officials, look at the law and make sure you understand what it is. Mr. Biden.

Senator BIDEN. Thank you, Mr. Chairman. I am just going to make one comment. I think that first of all, we have been extremely fair. Second, I think what is sort of coming up here is a lot of us, and we got here, I got here in 1973 as one of those reformers to reform the ethics in government. I think the conclusion a lot of us are coming to is, I am not sure we did it the right way.

And Senator Sarbanes said it in a more articulate fashion. Senator Lugar said it. Let me put this in, what I try to do and I realize this may be somewhat homely. But I kind of look at this, what is this all about?

Let me get for the record something straight that has confused my mother who is smarter than I am if she is home watching this. I mean this sincerely. I am not joking about it. Anybody watching this maybe wouldn't know what we know, is that if you had gone straight to the President of Korea, straight to the Prime Minister of Sweden, straight to any of the people that you went to in the past, you would not have violated any law under any circumstance for any reason. That is No. 1.

No. 2, the trouble that is raised by the inspector general, and the Senator is correct, all the stuff that was voluntary is now strict, and you have got to follow it, is the way the law is.

The CHAIRMAN. Sometimes they overreach, too.

Senator BIDEN. Sometimes they overreach. And what caused any problem here is that it was a government official. I am going to say for the record, you are the only guy other than possibly George Shultz, Warren Christopher, Henry Kissinger, that the presence of an Ambassador demeans your stature. I mean that sincerely. I am not joking about that.

If I wanted to do business for a company in Bosnia to reconstruct it, Joe Biden, because of my involvement in Bosnia, and because of my relationship with President \*\*Izetbegovic, I do not need the Ambassador. I do not need the President. I do not need anybody. I pick up the phone and phone as a former Senator, Mr. Izetbegovic, I guarantee he will see me. I guarantee he will help me if he can. I pick up the phone and call Mr. Barak, he will see me. I do not need an Ambassador to set that appointment up. As a former Senator, I do not need an appointment.

George Schultz picks up the phone and calls whoever is the one in active control in Saudi Arabia, he does not need an Ambassador to help him. Now, a lot of second-rate folks coming out of the operation need an Ambassador to set up an appointment for them. You do not need anybody. And so the irony of all ironies here is—the press has missed it, we have all missed it—is that the very rule this was set up for was for people who needed the Federal Government to intervene on their behalf to have some clout with someone abroad. The last thing you needed, if the President of Korea, South Korea would not have seen you, I would have been dumbfounded, and if he had a choice where it was ethically within his power in Korea to help you working for First Boston or someone working for Morgan Stanley and he did not help you, it would violate any rule of human nature that I understand.

So this is kind of preposterous when you put it in context. The last person that needed anyone in Europe, especially brand-new, spanking-new Ambassadors who didn't even get to meet the Presidents of these countries anyway. Some of these guys did not even know the people you were meeting.

Every time I go into a country where I have dealt a lot with people, particularly in Europe, the new Ambassador said can you take me along to introduce me? I do not need them. And the last guy in the world, I can imagine, and I will conclude with this. If and

when you decide to leave the Senate, Mr. Chairman, if you represented anyone who had business in Taiwan, if you need anybody in the Federal Government to get you an appointment with anybody in the Taiwanese Government, I would be dumbfounded. All anyone could do, including the Secretary of State of the United States of America if they accompanied you, is diminish your clout. And I mean that sincerely. I am not joking. I am not joking.

And so the irony of all ironies here is you are getting ripped from pillar to post after having made a couple million bucks for taking \$3,000 from Time magazine. I love to see people take money from the press. I think that is wonderful. I love that. And even the reporters kind of like that. They like that stingy management giving up money.

But beyond that, I mean, you needed that like you needed another hole in your head, and the second thing is, all of these meetings. Why would you want, if I were the chairman of the board of First Boston and I found out some little dip working for me wrote a letter to say accompany Holbrooke to a meeting, I would fire the kid because obviously you are not helping me. You are not helping me. And I would be a little bit disturbed with you if every time you showed up, you showed up with an Ambassador. Because I want to tell you something: if you could not get an audience for your company on any matters relating to South Korea, when the guy whose life you helped save who probably knows you personally better than any other foreign official he knows and feels he is indebted to you, if you could not get it done alone in a room with him, legally, and it would all be legal to do it that way, you sure in hell would not have it enhanced by having an Ambassador.

So I think it is important the American public understands. This is what I mean about the minutiae of these rules. They are intended to capture second-rate people—second rate; wrong phrase. Second-level people who on their own have no specific influence, who in the past have tried to use the organs of the Federal Government to give them stature and influence to benefit their companies.

This is the exact opposite thing here. You could get an appointment with the editors, with the chairman, with the ownership of every publication represented at that table before any one of those guys at that table could get it. They are smiling, but they know it is true. They know it is true. You have more swack with their management than they do, the same way you have more swack with foreign leaders than any of the Ambassadors that you talked to.

I think it is kind of important that we kind of cut all this aside and get right down to it. What was the rule about? The rule is about not using the Federal Government to benefit you. And so we prohibit it. We put up a wall between the former employee and the Government officials. The irony is you can leapfrog that wall. You do not need any of them. You do not need any of them.

Which is also part of your problem, I might add. Because sometimes you realize you do not need any of them. And one of the things I suspect, look, you are not a shrinking violet—like me.

You are someone who is accustomed to being effective and I think some of your “mistakes” were an intuitive knowledge of everything I just said to be the case. And my guess is, knowing you as long as I have, and I doubt whether you have ever had any, I

will be presumptuous to say I am your friend, but a good acquaintance that is never been more blunt with you than I have privately and publicly. But I think the extent to which you made a mistake, it was a mistake borne, like for example people kept saying, I hope he comes here and he is apologetic. Because everybody kind of expected you to kind of come here and say in your heart I think you think: What the hell is this all about?

Part of the reason you think that, I suspect, is rational. Because you know you did not need anybody that you contacted in the Federal Government to do anything to promote you financially or your company. And I suspect you wonder how come other people do not understand that, and I suspect you know enough to know you cannot say that. But that is the naked truth the press and the people should understand. Any potential conflict that arose as a consequence of involving a Federal Government official in dealing with any foreign government, power or individual, was totally unnecessary if your purpose was to make money for the company you worked for.

You did not need them. You do not need them. You engaged them because you thought you were doing the right thing. I realize that I am putting words in your mouth, but as advice to you from a good friend, I will let you let me do it and not comment, because I think this is kind of crazy.

I think the Senator is right. I can picture as each of these pieces come in, investigators, bright, serious people doing their job, sit down there and saying we want to look at all of this and do it all. But the bottom line is, maybe I have been a trial lawyer too long, the bottom line is what I would say to the jury if this were a jury trial is. Hey, keep your eye on the ball here. The question is, was there any motive on the part of this individual in any meeting he had with any government official that involved an American official, to enhance his prospects to make a deal for his company? And the answer to that is no, unless you are very stupid, which you are not, because you did not need any of them. I will lay you 8 to 5 every meeting you went to they said hello Dick, hello Mr. Ambassador, and by the way, who is the guy you are with and he may have been one of our finest Ambassadors. They did not want to see him.

It is the same way when we travel. Ambassadors do an incredible job. They are often overlooked, and they are often undercut by us as well, but I do not know any country where I go into where an Ambassador says I don't have time to go with you. They usually say oh God, he is here. I better go, find out what he is saying. And maybe by the way he can introduce me to somebody I do not know. That is only because I have been in there 27 years. You are there because of the significant personal relationships and substantive issues you have engaged these people on over the years, so I understand how we got here. I hope we leave here pretty quickly, and I hope we get on to the other point because to conclude, you did not need any Ambassador, anybody in the State Department, anybody at all, any more than George Schultz needs anybody, Warren Christopher needs anybody, or anyone of foreign policy significance needs anyone to get to the leaders of countries that they engaged when they were engaging in their official capacity.

And ironically, had you done it that way, had you done it that way, and bypassed these guys, even though you were doing American business, America's business, there would have been nobody able to write any letters with any question about whether or not you are benefiting each other. The problem is whoever wrote that letter is obviously small-time and does not understand the deal, and obviously is not going to be hired by First Boston or anybody else when they leave because they sure as hell do not know how it works. I yield back to you, Mr. Chairman.

The CHAIRMAN. You have an option to take your family to lunch or listen to comments by Senators.

Senator BOXER. I do not have any comment.

Mr. HOLBROOKE. Mr. Chairman, it is really your option, sir. I am at your disposal and I am prepared to continue, especially if my mother can hold out and wait for lunch a little bit.

The CHAIRMAN. I have no further questions, except the few that I will submit for the record. And I want to keep the record open so that the Senators who are not able to be here this morning if they wish can file some questions. I would be remiss if I did not ask you if you have anything further to say.

Mr. HOLBROOKE. Thank you, Mr. Chairman. I would like to make a very brief closing statement. First, thank you again for holding the hearing. To reiterate again for the record—I cannot say it often enough because some of my associates in the executive branch misspoke—that none of the delay was caused by this committee or this branch of government. Finally, if I may, Mr. Chairman, just pick up on the theme that you and your colleagues and Senator Biden have just echoed.

Senator Biden has made a very important point which I did not really make adequately. And that was that my sole purpose in associating with an American Ambassador in regard to a meeting with the head of government of a country was to assist the Ambassador. Senator Biden's description of Ambassadors is quite accurate. Since I had no intention of discussing business in these meetings because these were meetings on policy issues, and since I have been an Ambassador and have seen people diminish Ambassadors, I invited the Ambassadors because I felt we need to build them up. I revere the Foreign Service. I revere the government, and I revere the appointed and confirmed representatives of our Nation. Ambassadors speak not for the Secretary of State and not for the President; they speak for the Nation after they have been confirmed by your committee.

First Boston never gained from any of these meetings. On the contrary, as information we have submitted to you shows, and there is a lot more, they were not happy with such things because I had told them that I would not discuss business in such meetings. They all knew that.

One last point, sir. I would like to come back to your very first question, and the spirit in which you raised it. I believe strongly that all those who serve in Federal Government, elected or appointed, confirmed or not, must maintain and respect the public trust. That is what we are all here for. That was the spirit in which I and you and the other people in this high bench entered public service, as elected or appointed officials.

We have to be incredibly careful about ethical matters. I thought I was. I tried to do that. Questions arose because of the immense complexities which your questions have so clearly raised. But as I said, I may not have been careful enough about the appearances, and perhaps some anonymous letter writer, somebody else not in the direct flow of contact with me misunderstood. But no one that I am aware of with whom I dealt directly ever has contradicted what we are talking about here.

I do not believe that I violated a law or any regulations, but I should have been more sensitive, much more sensitive to the appearances, even though I did not use official cars, as two embassies have stated. People maybe misunderstood. I should have been more sensitive to that impression or appearance. I assure you that this will be the case going forward—if you confirm me as a public servant, who would remain available to answer requests of his Government.

But I thank you again for your kindness, and I want to repeat my respect not only for the Senate but for this particular committee. This is the one that I first testified before 23 years ago, and I am honored to appear before you today as chairman. I am glad I can now extend the string from Senator Sparkman to you, sir.

The CHAIRMAN. Thank you, sir. Subject to the Judiciary Committee's schedule, we are scheduled to hold at least two more hearings on your nomination. On Tuesday, June 22 at 2 p.m., the committee will focus on United Nations reform, and on Tuesday, June 24 at 10 a.m., the committee will examine U.S. policy in the Balkans. It is a difficult time in a difficult world. And if there be no further business, we will stand in recess.

[Whereupon, at 1 p.m., the committee adjourned, to reconvene at 2 p.m., June 22, 1999.]

**THE NOMINATION OF HON. RICHARD C.  
HOLBROOKE TO SERVE AS U.S. AMBAS-  
SADOR TO THE UNITED NATIONS**

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**TUESDAY, JUNE 22, 1999**

U.S. SENATE,  
COMMITTEE ON FOREIGN RELATIONS,  
*Washington, DC.*

The committee met, pursuant to notice, at 3:20 p.m., in room SH-216, Hart Senate Office Building, Hon. Jesse Helms (chairman of the committee) presiding.

Present: Senators Helms, Lugar, Hagel, Grams, Biden, Sarbanes, Dodd, Feingold, Wellstone, and Boxer.

**OPENING STATEMENT OF JESSE HELMS, U.S. SENATOR FROM  
NORTH CAROLINA**

The CHAIRMAN. The committee will come to order. We have had a busy day on the floor, and some Senators are not as rapid as Mrs. Boxer and I are. We ran all the way, didn't we. That is not the biggest story I will tell all day. I have got a little cart out there that I ride in.

Senator BIDEN. Your cart is quicker than my legs.

The CHAIRMAN. I would say to Mr. Holbrooke that this is the second of the Foreign Relations Committee's hearings regarding your nomination. I expect you are already aware of that. I hope, indeed I expect we can come to an agreement today about your precise plans regarding your tenure at the United Nations if and when you are confirmed to represent our country as a member of that dysfunctional institution.

But before you testify, the committee has asked Mr. Jim Johnson—and Mr. Johnson, if you will come and take a seat at the table. Mr. Johnson is from the General Accounting Office, and I think he has a presentation that all of us will consider important.

We are grateful to him for coming, and I am going to try to—and these gentlemen here are to make a presentation so that those of us who serve on this committee can be better informed about the current state of reform at the United Nations. Then we will turn to Mr. Holbrooke.

Now, Senator Biden and I had a discussion on the floor today about the United Nations and some of the things that have got to happen before I am going to be satisfied with anything payable in the arrearages.

[The prepared statement of Senator Helms follows:]

## PREPARED STATEMENT OF SENATOR JESSE HELMS

Mr. Holbrooke, this is the second of the Foreign Relations Committee's hearings regarding your nomination to assume the important responsibilities of U.S. Ambassador to the United Nations, and as a member of the President's Cabinet.

I hope—indeed, I expect—that we can come to agreement today about your precise plans regarding your tenure at the United Nations, if you are confirmed to represent our country as a member of that dysfunctional institution.

Before you testify, however, the Committee has asked Mr. Jim Johnson of the General Accounting Office (GAO) to make an important presentation, so that those of us who serve on this committee can be better informed about the current state of reform at the United Nations. Then, we will turn to you, Mr. Holbrooke.

Now then, Mr. Holbrooke, at the outset, let's examine a few specific issues we expect you to address today:

There's been a lot of talk to the effect that Congress need not impose reform "benchmarks" on the United Nations because Kofi Annan has already implemented most of the reforms that the Congress was asking for.

Unfortunately, nothing could be further from the truth. One of Mr. Annan's pledges was that he would adopt negative growth budgets. Yet, this past December, the United Nations approved a budget for the years 2000–2001 that exceeds the current 1998–1999 budget by \$13 million. Now I was amazed to learn that, while the United States representative at those negotiations, Ambassador Sklar, called that growth budget a "disgrace," he failed to exercise the U.S. prerogative to refuse consensus on that budget. In other words, the United States could have blocked it, but chose not to.

Mr. Holbrooke, I ask your assurance today that, under your leadership, such a fiasco will not be repeated, and that the United States will never give consensus to any growth budget at the United Nations without seeking and receiving in advance the approval of this committee.

Another reform myth centers on the so-called "elimination" of almost 1,000 U.N. posts. Now that sounds impressive, and the average American would presume that, thanks to the Secretary General's efforts, there are now 1,000 fewer people working at the United Nations. Well, the presumption would be wrong.

Most of those 1,000 U.N. posts were eliminated only on paper because they were vacant positions. In fact, there are more people on the payroll at the United Nations today than before this so-called reform. Only in the U.N.'s Orwellian doublespeak can 1,000 "posts" be eliminated, and yet have more people on the United Nations payroll than before the cuts. The facts are: (1) not one single U.N. function was eliminated in the Secretary General's so-called consolidation, and (2) there are now more senior-level U.N. positions than existed the day Kofi Annan took office.

We will hear more from GAO in a moment, but my point is this: Left to its own devices, the U.N. is incapable of reforming itself. Only pressure from Congress, and the withholding of the hundreds of millions of American taxpayer's dollars, has up to now had any impact on the U.N. And only conditioning payment of the U.S. arrears on real and concrete reform benchmarks will ensure that those reforms are implemented.

Now, before I turn to our first witness, I have one other matter I must address with Mr. Holbrooke—and that is the effort at the United Nations to create a permanent International Criminal Court, with the authority to indict and try American citizens. I cannot overly emphasize the depth of my concern, and that of other Senators, about this proposed court.

In part because of Senate concerns, the administration last summer refused to sign the Rome Treaty creating the court. But the delegates in Rome not only moved forward with the court, but gave it jurisdiction to try American citizens, regardless of whether the United States signed, and the U.S. Senate ratified, the Rome Treaty.

Now I know that there are some in this administration who still hold out the hope that this Court can be "fixed" and that the United States can sign up to the court. And this summer in New York the delegates will be meeting again, and they are still hoping to convince the United States to join them.

I am not opposed to the ad hoc war crimes tribunals, created through the Security Council (such as the Yugoslav tribunal which recently indicted Slobodan Milosevic). But the Rome Treaty is irreparably flawed.

A permanent tribunal such as this, where an independent prosecutor is given all-unlimited powers, and where the United States has no veto power to stop a politicized prosecution of American servicemen or officials, is quite flat out unacceptable.

Mr. Holbrooke, may I have your firm commitment today that, as U.S. Representative to the United Nations, you will do everything in your power to oppose the estab-

lishment of the permanent International Criminal Court? Some of the Court's advocates have suggested we adopt a policy of "benign neglect." To the contrary, the United States must do everything it can to prevent this court from ever—EVER!—coming into existence or being given any legitimacy whatsoever.

With that, I look forward to your testimony.

The CHAIRMAN. Now, let us proceed with Mr. Johnson and Mr. Miyabara.

**OPENING STATEMENT OF JOSEPH R. BIDEN, JR., U.S.  
SENATOR FROM DELAWARE**

Senator BIDEN. Mr. Chairman, if I may, I have a very brief opening statement, and I apologize. The old joke used to be, I am from the Federal Government, I am here to help you. Now it is, I am from the GAO and I am here to help you.

But thank you both for being here. You perform an incredible service to the Congress, but I just want to welcome Ambassador Holbrooke back. I listened to his statement last Thursday with great interest and I was, of course, gratified to hear that if he is confirmed, implementing the U.N. arrearages and reform package will be one of his highest priorities.

I might say to the Ambassador that the chairman just pulled off another feat, and I mean this seriously. It does not happen often. We had the State Department authorization bill on the floor, which usually attracts every contentious amendment there is in the U.S. Senate at the time. It is kind of like the Defense authorization bill.

And I must say the final vote had only one dissenting vote, and one of the important parts of that authorization bill was the implementation of the reforms that the chairman is insisting upon that the Secretary of State has agreed to, and that I support, along with, essentially, full funding of our—essentially, I say, full funding of our arrearages to the United Nations.

So I am looking forward to hearing from you, Mr. Ambassador, on how you will deal with what I suspect is going to be laid out here as some of the problems in terms of the management that takes place at the United Nations and the conditions which we have attached here, because it is a critical part of this.

We are going to have a possibility, at least, we have scheduled another hearing on the Balkans, but I warn you, I may ask a few questions about that when you come up today, if the chairman will allow me. But with that, I welcome you back, and I thank the GAO and put in a plug for you all. You do really first rate work in everything we ever ask you to do, and thank you for being here today.

**STATEMENT OF MR. HAROLD JIM JOHNSON, ASSOCIATE DIRECTOR, INTERNATIONAL RELATIONS AND TRADE DIVISION, GENERAL ACCOUNTING OFFICE, ACCOMPANIED BY MR. TETSUO MIYABARA**

Mr. JOHNSON. Thank you very much. I do have a much longer statement that I would like to have inserted in the record.

The CHAIRMAN. It will be done, sir.

Mr. JOHNSON. I will try and be as brief as possible.

We are happy to be here today. You have asked us specifically to talk about four areas of reform. The unified focus that is now underway, and the organizational structure changes, and the deci-

sionmaking process, the budget process, control or improved oversight, and program evaluation and, fourth, the improved human resource management.

I must emphasize that our testimony today is based on our preliminary analysis. We still have work underway and, as you requested, we will provide a more complete report later on this fall.

Reform has a long history at the U.N. For more than 25 years, member States have been seeking reform at the U.N. and demanding tighter budget controls. As a part of this consensus, budgeting was adopted with the hope that this would give major donors a larger voice in the process of establishing budgets.

Member States, including the United States and the Congress, have demanded greater fiscal discipline, greater oversight. Through the hard work of the Congress, as well as the executive branch, the Office of Internal Oversight Services was created a few years ago. There are other problems that have also been in need of reform in human resource management.

The Secretary General realized several years ago, and I believe in 1994 he called the human resource management situation at the U.N. in a state of crisis. They were unable to determine who they had on board, where they were at, and planned for new operations that needed to be undertaken.

But in summary, as the Secretary General has said and I think we agree, reform is a process and not an event. I do not want that to sound like a cliché, but, based upon our preliminary assessment, we believe the Secretary General has undertaken a serious effort to reform the U.N. and improve its relevance to member States and enhance its operational efficiency.

Progress has been made in some areas, but overall, the initiatives we examined have still not been fully implemented. Progress has been made in unifying and focusing the organizational structure and the decisionmaking process at the U.N. and also the programs that are part of the U.N. proper.

Our assessment is that this has begun to make the Secretary a more cohesive management unit. Actions taken include appointment of a Deputy Secretary General to function basically as a chief operating officer and to strengthen internal coordination. Also, a senior management group composed of Under Secretary Generals and the heads of those programs that report to the Secretary General was also created. This group meets weekly to ensure that U.N. actions are unified and focused on the same objectives.

The new committees include peace and security, humanitarian affairs, economic and social affairs, and development operations, established to plan and implement focused and unified U.N. actions as agreed to by the senior management group.

The Secretary General placed U.N. departments, offices, and the funds and programs, into appropriate groups and named a convener for each committee from the senior management group and expected and demanded that the committees coordinate, plan, and implement their activities as teams. In sharp contrast with the past, where Under Secretaries operated with great autonomy, this new structure provides a regular opportunity to communicate, coordinate, focus the work of the departments on common program objectives.

We believe that this new structure, which is now about 2 years old, is a positive move, but the proof of its success will be measured in the field, where programs are actually implemented. As I mentioned, because we are in the preliminary phase of our evaluation, we have not yet tested this new structure's actual impact on improving program delivery and effectiveness, but this is one area that we believe needs to have a hard look.

I would also add that this new structure does not include the specialized agencies. That comes under a different kind of rubric, and specialized agencies like the FAO, the International Labor Organization and the others, still operate in a rather autonomous way, and overlap and duplication and coordination will continue to be a problem in that area.

The United Nations, while it has maintained essentially a no-growth budget for the last couple of bienniums, our assessment thus far indicates that no fundamental changes have been made to the budgeting process that would be an impetus to control the growth of the regular budget.

The process for developing the budget has largely remained unchanged, and adopting budgets by member States consensus does not assure controlled growth as hoped for when consensus budgeting was adopted in 1986, and supported at that time by the United States as part of the Kassebaum-Solomon amendments.

For example, in developing the budget for the 2000–2001 biennium, the United States and Japan, which together provide over 45 percent of the U.N.'s financial support, objected that the preliminary budget ceiling was set at a level higher than the previous year's budget. However, no vote was taken to record their dissent, and the measure was adopted by consensus.

Also, the largest donors do not have permanent seats on the Advisory Committee on Budgetary and Administrative Questioning, commonly known as the ACABQ, where they could be most effective in advocating budget restraint. Further, the candidates put forward by the United States to become a member of the advisory committee have not been elected in the last two elections. Consequently, we have no seat.

Moreover, although the Secretary supports the implementation of the results-based budgeting and sunset provisions initiative intended to bring more discipline to the budgetary process, these measures have not been adopted because some members, mainly developing countries, have not supported them.

Results-based budgeting requires program managers to identify indicators for judging the substantive impact of their programs and justifying their programs' effectiveness based on these results. According to senior U.S. and U.N. officials, implementing such a system would require a major cultural shift among both the members as well as U.N. managers. Also a valid system for evaluating program effectiveness would need to be put into place.

At the General Assembly's request, the Secretary General has produced several reports in support of this initiative, and provided prototypes of a results-based budgeting for sections of the Secretariat.

Although, as I have indicated, much remains to be done in this area, some progress has been made in the area of cost control. The

Secretariat has introduced a program intended to cut overhead costs and increase efficiencies, and thus far it has reported \$13 million in savings for about 600 efficiency projects. We have not validated those claims of savings as yet.

An area where important improvements we believe has been made is in the area of oversight, audit and oversight. However, even here, the effort should not be thought of as completed. We reported to you about a year and a half ago that OIOS has resolved its startup and operational problems in an organizational atmosphere and environment that has been previously without any effective oversight mechanisms. Moreover, we found that OIOS is situated to be operationally independent, and the head of OIOS reports directly to the Secretary General.

We noted, however, that OIOS is not required to and does not submit all reports to the Secretary General and thus on to the General Assembly. We suggested that the head of OIOS should clarify the criteria for which reports would be submitted. In response, the Under Secretary General for Internal Oversight said that he would publish titles of all reports in the annual report, and has done so since that time.

I would like to mention that, as of June of last year, OIOS had made over 4,000 recommendations and about 73 percent of these have been implemented, but again, we have not analyzed the recommendations or the actions taken to implement them.

OIOS has clearly strengthened the audit inspection and investigative functions of the United Nations. However, progress has been much slower in developing and implementing the monitoring and evaluation systems to measure and report on programs' performance and effectiveness that would help member States make program decisions.

According to one Under Secretary General, the main reason for this lack of program evaluation is the jobs are attached to program activities, and there is little incentive to cut jobs.

To begin addressing what the Secretary General considered to be a crisis in human resource management, it recently introduced several initiatives and adopted a strategy to carry them out. These initiatives included a new performance appraisal system, the adoption of a code of conduct, and actions to begin human resource planning. However, these initiatives have not been fully implemented, and some problems have developed in the implementation that has taken place thus far.

For example, a new merit-based appraisal system, introduced 3 years ago, continues to produce inflated ratings in some departments. That should not be considered too unusual. It happens in every organization, including our own, I would guess, but they are aware of that, and that is something they are working on.

Also, the code of conduct that was adopted last December does not provide the Secretariat with clear procedures for applying related disciplinary measures for systemic management problems or negligence.

Additionally, the Secretariat has begun using an automated data base for its human resource planning. The information system is unable to account for and track all staff that work for the U.N. Secretariat. It does a pretty good job for those that are in the United

States, but some overseas employees are not accounted for in this particular data base system.

Senator BIDEN. What kind of numbers are we talking about, when you say compared to overseas versus New York?

Mr. JOHNSON. I don't have the exact breakdown. It would be about a third, probably, overseas, versus two-thirds.

Senator BIDEN. Thank you.

Mr. JOHNSON. You have the organizations that are in Geneva, Vienna, and Nairobi, as well as some of the peacekeeping missions that would be included in that.

That concludes my prepared remarks, and we will be happy to try and respond to your questions.

[The prepared statement of Mr. Johnson is in the appendix on page 122.]

The CHAIRMAN. All right. How about 5 minutes per Senator on the first round. If we have a second round we will handle that.

According to a January 1999 report by the U.N. General Assembly, the U.N.'s IG found that a senior administrative officer of the United Nations Conference on Trade and Development—and you are familiar with that organization—

Mr. JOHNSON. Yes, indeed.

The CHAIRMAN [continuing]. “Used his position to perpetrate at least 59 separate instances of theft between 1987 and 1996 without triggering any meaningful internal alarm of the ongoing long-term illegal scheme.”

Then the report went on to say, “It is reasonable to conclude that, but for his absence for sick leave, he would have continued his operation undetected until his retirement, which was then imminent.”

Now, that leads me to ask you, sir, are there adequate accounting mechanisms in place to track all United Nations funds?

Mr. JOHNSON. There are two problems with that situation. One is the basic internal control procedures that ought to be in place for any financial system. Obviously, those internal controls were not in place, and the auditors failed to detect that for a long period of time, both the internal audit, as well as the external board of audit.

The other problem that is evident in that situation is that, even though the man's supervisor was generally aware that there was something wrong in this situation, he did nothing about it.

The CHAIRMAN. All right. The same report suggest the Chief of Administrative Service who would have been responsible for monitoring this appropriation of funds was not fired. Instead, he simply was sent to another organization, and my question to you, was anyone at the United Nations Conference on Trade and Development held accountable for failing to discover the 59 separate instances of theft during a 9-year period?

Mr. JOHNSON. No one that we are aware of, other than the perpetrator himself, who was tried and convicted.

The CHAIRMAN. In 1976, the U.S. Congress approved the Sunshine Act—I believe you referred to that in your statement—which required that all committee meetings be held in public except when meetings relate to national security, privacy, and/or other specifically identified issues.

Many Americans might be surprised to learn that to this day, all meetings of the United Nations Budget Committee—the Budget Committee, the Advisory Committee on Administrative and Budgetary Questions, are conducted in secret, and even its rules of procedure are not made public. Am I correct about that?

Mr. JOHNSON. That is correct.

The CHAIRMAN. Well, why do you think the rules of procedure are not made public?

Mr. JOHNSON. I do not know. They should be. There is no reason that I am aware of why they should not be, or why, and the budget meetings themselves should not be open. As we understand it, the rules and procedures do permit open meetings unless there is some unusual circumstance for closing the meetings, but there seems to be unusual circumstances in most cases, and what makes it even less apparent to the United States now, what happens in that committee is that we do not have a seat on the committee.

The CHAIRMAN. My question is, obviously, is Kofi Annan doing anything about making this transparency to the budget process available to the public?

Mr. JOHNSON. That is an area that we still need to look into, but I would make one comment on that. I think that is an area that the members, because of the nature of that advisory committee, I believe that is an area that the member States need to take specific action on, probably more so than the Secretariat.

The CHAIRMAN. Senator Biden.

Senator BIDEN. Thank you, Mr. Chairman.

Mr. Johnson, one of the Secretary General's task force reform initiatives—well, there were a number. Let me ask it a different way.

Of the Secretary General's task force reform initiatives, what percentage, if you can tell me, do you think have been implemented or are in the process of being implemented? Have any of these reforms had any impact?

Mr. JOHNSON. I would hesitate to put a percentage on the ones that have been implemented. The ones that we have looked at have not been fully implemented. As I indicated, there continues to be a need for work toward achieving the goal.

Senator BIDEN. Is the effort sincere?

Mr. JOHNSON. Yes, I believe it is. I was going to say that the reorganization that took place in the headquarters in the Secretariat and its management structure I think is very important. I know that there is kind of a feeling among some folks that when in doubt reorganize, but when we look at how he has reorganized, and the guidance and direction that he has provided, it seems to be in a way that will accomplish the more focus and more direct attention to specific activities that the U.N. undertakes.

As you know, the U.N. has traditionally been a stovepipe organization, with every Secretariat doing their own business, and this is an attempt to remedy that.

Senator BIDEN. In your testimony you refer to the budget outline for the next biennium, and it has been the case, has it not, in the past that the budget outline has been trimmed as the budget process has proceeded?

Mr. JOHNSON. Yes, and State and also the Under Secretary for Management has indicated to us that they expect it to be trimmed some.

Senator BIDEN. Do you have a sense of what impact, if any, Japan and Germany's announced opposition to increases in the budget may have in this debate?

Mr. JOHNSON. It will add some pressure.

Senator BIDEN. It would seem to me that it might. I may be wrong. I know the Senator from Minnesota is an expert in this area, and I mean that seriously, and I do not know whether I am right about this, but my impression is that two major industrial countries have not in the past, like Germany and Japan, independently but at the same time indicated they were not going to go for any increases. Maybe they have. I do not know. I would assume it would have some impact. At least, I hope it would have some impact.

Mr. JOHNSON. Well, Japan made a very strong statement about not being in favor of that budget outline, but the concern always is that since there is no vote, and people and countries would rather not call for a vote, sometimes those resolutions are passed.

Senator BIDEN. Well, I know. What I sense is, and maybe I am wrong, and I do not want to give credit or blame to the Senate, but I think a little credit is deserved in the sense that our friend from Minnesota and the chairman of the committee have been pushing on this reform thing for a long time. I think in one meeting, if I can say—and I am not revealing any confidence—Kofi Annan—and I spent two very long meetings with him, one in New York and one here, on the issue of reform, and I get the distinct sense that he is getting an increasing amount of pressure no longer just from the United States but from other major donor nations, and major participants here.

And I get the impression—and there is no doubt there is counter-vailing pressure that comes from a number of countries that in the past, particularly small countries that have viewed the U.N. as an employer of first resort as opposed to last resort, but I hope I am not being overly optimistic if I say I sense, and this is a characterization I am making, and you can comment on it or not, and I realize my time is up, but I get the sense that the Secretariat is much more committed to wanting to put reforms in place, and that part of the reason is some of the major industrial countries, as well as some of the smaller countries who are responsible in their own internal budgeting combined want to see this happen, and that is my sense.

Would you like to comment?

Mr. JOHNSON. I think that is a fair characterization, and I think there are two budget issues that support that observation, and that is the support that the Secretariat has given, and it has been fairly strong support, for results-based budgeting, which is very similar to our results act here as well as sunset provision for new programs. They have provided strong support for that.

But of course, some of the smaller countries, as you mentioned, are not quite ready to go along with that yet.

Senator BIDEN. I thank you. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Dodd, we congratulate you, sir.

Senator DODD. Thank you. I appreciate that.

Well, thank you very much, Mr. Chairman. First of all, let me—I want to commend the chairman of the committee—

Senator BIDEN. We are not congratulating him on his foreign policy acumen. I want you to know that. It is on his very, very good taste. I congratulate him on his good luck. It is pure luck, is the way I look at it.

Senator DODD. Thank you, Joe. Thank you both very much.

The CHAIRMAN. You get an extra minute, sir.

Senator DODD. Thank you both. I really want to commend both of you for the inclusion of the agreement for the United Nations and the funding in the State Department authorization bill, and I realize this was not easy, and the administration deserves a great deal of credit as well for working out the package here that we could adopt today, and I hope will end up being adopted by the House.

And we almost had an opportunity a few weeks ago with the chairman's support, I might add, to include the funding request and the release of funds in the emergency supplemental, which we were unable to get achieved at the time, but this is a very important issue, and the two gentlemen here to my right deserve a great deal of credit for reaching that agreement.

My question sort of goes along the line of Senator Biden's questions. There has been an assumption, I think, over the past several years that the United States—and maybe it is a correct assumption, but the United States is really the only country that has been insistent on reforming the processes at the United Nations, and that but for our insistence this situation would have continued to deteriorate.

I wonder if you might share with us, based upon any of your analysis, to what extent other nations have been as concerned about this as we have been. Obviously, with 45 percent of the cost being picked up by two countries, the bulk of it is ourselves and the Japanese, but to what extent do we hear, or has the Secretariat heard complaints from other nations in terms of the operational inadequacies of the United Nations, and to what extent can you tell us that those concerns have been raised beyond just the functioning of the United Nations, but that would not undercut its underlying purpose in serving the peacekeeping role and a variety of other functions.

Mr. JOHNSON. I am not sure that I can respond to that on the basis of analysis that we have done. We have not systematically looked at the support that has come for reform from other countries, but on a less analytic level we have read a lot of minutes and a lot of transcripts from the Fifth Committee and other committees, and I think your basic assumption that pressure is building from other countries for reform, sometimes not exactly the same reforms that we are looking for, or not in the same format that we might adopt, but nonetheless, countries are concerned, even some of the smaller countries are concerned about seeing to it that the United Nations functions in an efficient way and continues to have relevance.

One impression that I get from reading some of these documents is that there is a concern out there that if reform does not occur

at some point, that the U.N. will become irrelevant to some of the problems that are confronting the world community, and at that time it will be too late.

Canada has been a strong supporter for reforms, Japan, obviously, in the area of budget and other areas, so there is support among our friends as well as some of our maybe less friendly, but there is support for reform at the United Nations, and I think I would take that broader than just the U.N. proper in New York. That extends to the specialized agencies as well.

Senator DODD. I wonder about the European Community specifically. Has there been enough insistence, based upon what you know from our European allies, for reform efforts? You mentioned Canada specifically.

Mr. JOHNSON. Well, enough is a rather subjective kind of term. There has been movement that the representatives from the EU as well as individual countries have pressed for reform. Some of what, again, has worked against reform is this whole problem of arrears. It is very clear that in reading some of the transcripts and some of the documents that even our friends tell us we would make much better headway in the area of reform if we could resolve that issue and move ahead.

Senator DODD. Very good. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Grams.

Senator GRAMS. Thank you very much, Mr. Chairman, and I thank you both for taking time to join us today. I appreciate the GAO's work.

But a fundamental problem I think confronting the U.N. has been a lack of coordination and cooperation among the various organizations within the U.N. system itself, and that results, I think, in a lot of duplication of efforts, in efficient programs, but the primary goal of the Secretary General's reform program was to look at and to define some of the core missions of the United Nations and to restructure the organization accordingly.

Now, I am concerned the U.N. appears to be emphasizing new priorities, drug interdiction, terrorism, identifying those new directions but not curtailing its efforts in any other areas, so my question first of all is, has the Secretary General proposed to eliminate a single function at the U.N. in order to devote more of those resources to the core missions which he has outlined recently?

Mr. JOHNSON. There are some functions that have been reduced in budget and reorganized. Elimination, probably not.

Mr. MIYABARA. They have not actually eliminated any programs. The focus of their reorganization was not so much streamlining so much as it was to try and get the diverse organizations of the U.N. system to work together more effectively, and at least through that they hoped there would be elimination of duplication and more streamlining, but so far the elimination has not taken place.

Mr. JOHNSON. I would like to add one comment to that. As I indicated in my summary statement, the reorganization that the Secretary General has put in place, his management team does not extend to the specialized agencies, and that is where a lot of the duplication and overlap is seen.

That does not mean that it does not exist in the funds and programs that the Secretariat does have some responsibility for, but

the specialized agencies are basically autonomous organizations on their own, and that issue needs to be resolved by the member countries of all of those organizations. It probably goes beyond what the Secretary General can do on his own.

Senator GRAMS. A lot of times in reorganization they shuffle the deck but we still have 52 cards, and it might look like it from the outside, but they actually accomplish nothing.

Two years ago the Secretary General created four new executive committees to coordinate the implementation of U.N. programs and other activities. First, has the U.N. permitted the GAO to have full access to this management structure in order to now give you the opportunity to evaluate the effectiveness of this?

Mr. JOHNSON. I do not know yet, since we are still in the process of doing this evaluation, but we have met with the Deputy Secretary General and had a full briefing on the operations and the functioning of the committee structure.

We have not had copies of minutes. I understand that not always written minutes are kept of the meetings, but at this point I believe the access that we have gotten to date is satisfactory, and we will evaluate how effectively, or at least attempt to evaluate how effectively those committees are working in an operational sense on the ground.

And again, that is one area where that has always historically been a problem in having even the funds and programs work together in the country, and how they pursue their objectives in-country, and they can do a lot of talking at the United Nations, but—

Senator GRAMS. Well, right now you could not cite a specific—

Mr. JOHNSON. I cannot. Well, I can cite some directions that have been given. For example, a good example I think is the Executive Committee for Peace and Security developed a unified plan for East Timor, and this involved both the Departments of Peacekeeping as well as Political Affairs, the Human Rights Coordinator, and several other departments, and so in at least organizing how they are going to address the situation in East Timor they have come together and laid out a unified plan. Again, the proof will be in how well that is implemented in-country.

Mr. MIYABARA. I should add, there have been some difficulties in this that illustrates the problem the U.N. system has. One of the executive committees, the Development Executive Committee, has actually done some work in Guatemala, and at least one of the messages that came back from—I think there were something like 16 U.N. organizations in Guatemala. One of the messages that came back when they tried to put together the U.N. development assistance framework there was that individual agency results were more important than system-wide results.

Now, I should add also that this is one of the more important things the U.N. is trying to do, but at least the initial indications are that they will have problems in doing this, and that I think underscores our point at the beginning that the reforms have not been fully implemented.

I will give you one other quick example, too. The Committee on Economic and Social Affairs recently undertook a study, and that was to look at some of the major publications the United Nations

does. The study came back and said that there was considerable duplication and overlap in the studies, and they recommended trying to reduce some of those.

For example, there are two population studies that come out, and the committee said, well, I think you should think about reducing a number of those studies, because they seem to overlap, and the Executive Committee actually decided not to recommend any changes at all, and so I think there are indications that, while they are moving forward, there will be difficulties in doing so.

Senator GRAMS. Thank you.

The CHAIRMAN. Thank you very much.

Senator Boxer.

Senator BOXER. That is OK, Mr. Chairman. I will wait until Mr. Holbrooke testifies. I have a question for him, but I will pass.

The CHAIRMAN. Very well.

Mr. Johnson, perhaps both of you gentlemen would not mind staying around for, say, 30 minutes, so that if we need to refer to something to assist the distinguished nominee, I would be grateful to you if you would wait around.

Mr. JOHNSON. We would be happy to do that.

The CHAIRMAN. Thank you, and thank you for coming here today at the outset.

Mr. JOHNSON. Thank you.

The CHAIRMAN. Now, Mr. Holbrooke, the nominee, if you will step forward, and you can relax. I think most of the questions that will be asked of you will be easy for you to answer.

Let me make a general statement. There has been a lot of talk to the effect that Congress need not impose so-called benchmarks on the United Nations because Kofi Annan has already implemented most of the reforms that the Congress was asking for. Well, I thought back to the day when Nancy Kassebaum and I and two or three others were trying to implement a study of what the United Nations was doing, and so forth. Unfortunately, that impression that some seem to be voicing could not be further from the truth.

One of Mr. Annan's promises to me personally, when he was first installed in the post, was that he would adopt negative growth budgets, yet this past December the United Nations approved a budget for the years 2000 and 2001 that exceeds the current 1998–1999 budget by \$13 billion.

Now, I am amazed to learn that while the United States Representative at these negotiations called that group's budget a disgrace, he failed to exercise the U.S. prerogative to refuse consensus on that budget. In other words, the United States could have blocked it, but chose not to.

Now, one of the things that I hope you will say today is that you will block it in a case like that, and I would ask for your assurance that under your leadership such a fiasco would not be repeated.

Another myth centers on the so-called elimination of 1,000 U.N. posts. Now, that sounds impressive, and the average American would presume that thanks to the Secretary General's efforts there are now 1,000 fewer people on the payroll at the United Nations, and that presumption would be absolutely, flat-out wrong.

Most of the 1,000 U.N. posts referred to as eliminated were just on paper, because they were vacant positions to start with. In fact, there are more people on the payroll at the United Nations today than before the so-called reform, and only in the United Nations doublespeak can 1,000 posts—and I guess I ought to put quotation marks around that—be eliminated and yet have more people on the payroll than ever before.

So I think the facts are, at least as I understand them to be, No. 1 not one single U.N. function was eliminated in the Secretary General's so-called consolidation, and No. 2 there are now more senior-level U.N. positions than existed the day Kofi Annan took office.

So I hope that this sort of thing I want to address to you, and one further thought is that the efforts at the United Nations to create a permanent international criminal court with the authority to indict and try American citizens is absolutely abhorrent to me, and I hope you will tell this committee that you will have no part of it, and you will resist it.

I cannot overly emphasize the depth of my concern and that of many other Senators about this proposed court, and in part because of Senate concerns the administration last summer refused to sign the so-called Rome Treaty creating the court, but the delegates in Rome not only moved forward with the court, but it gave jurisdiction to try American citizens, regardless of whether the United States signed or did not sign, and regardless of whether the U.S. Senate ratified or did not, the Rome Treaty.

Now, I know that there are some in this city who still hold out the hope that this court can somehow be—what is the word, fixed, I suppose, and that the United States could sign up for the court, and I resist and desist and say, hell, no, and this summer in New York the delegates will be meeting again, and they are still hoping to convince the United States to join them. I hope you will not join them, that you will say that you will not join them and all that.

Now, let me be clear, I am not opposed to the ad hoc war crimes tribunals created by and for the Security Council, such as the Yugoslavia tribunal which recently indicted Milosevic, but the Rome Treaty, no, sir, that is irreparably damaged. A permanent tribunal such as this, where an independent prosecutor is given almost unlimited powers, and where the United States has no veto power to stop a politicized prosecution of American servicemen or other officials is quite flat out unacceptable.

So I hope you will give your firm commitment that as the U.S. Representative to the United Nations, you will do everything in your power to oppose the establishment of the permanent international criminal court. Some of the court's advocates have suggested that we adopt a policy of benign neglect. Not on your sweet patooti. To the contrary, the United States must do everything it can to prevent this court from ever, ever coming into existence, or being given any legitimacy whatsoever.

With that, Mr. Holbrooke, we look forward to your testimony, and we welcome you to this committee today.

Senator Biden.

Senator BIDEN. I do not have any opening statement at this time, Mr. Chairman, just when we get a chance to get to questions I do have some questions for the Ambassador.

The CHAIRMAN. You may proceed, sir.

**STATEMENT OF HON. RICHARD C. HOLBROOKE, OF NEW YORK, NOMINEE TO BE THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS WITH THE RANK AND STATUS OF AMBASSADOR, AND THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE SECURITY COUNCIL OF THE UNITED NATIONS**

Mr. HOLBROOKE. Mr. Chairman, thank you again for holding these hearings and the one last week, and to you and your colleagues for your kindness, your fairness, and your generosity.

May I just start by congratulating you and your colleagues on the vote just completed in the U.S. Senate. I hope this becomes the law of the land, and I pledge to you again today, Mr. Chairman and Senator Biden and your colleagues, that I will make it my highest sustained priority to make it work once it is the law of the land, if I am confirmed.

I listened with great interest to Mr. Johnson's previous testimony. I am the beneficiary of your scheduling these events back to back so that I could hear not only his report, which I intended to review anyway, but the questions that this committee addressed to it.

As I said to you last week, I believe, and have believed for my entire career, that consultations with the Congress at the take-off, and not just the crash landings, are essential. In no area I have ever worked on is this more true than this issue, because, unlike most of my career, which has been in bilateral and diplomatic areas, these are budgetary issues in which the Congress has the primary responsibility. I will work very closely with you and with every member of this committee, to whatever level you and your staff wish.

I repeat again that I hope there will be frequent trips to New York by members of this committee and their staff to assist us. I have already had some informal discussions with some members of this committee and their staff about how that might be done if and when you choose to confirm me.

Budgetary discipline will be my watchword, and I will work very hard to do the things that have been raised earlier. We must return to the ACABQ, the committee that Mr. Johnson referred to earlier. I cannot understand, Senator Grams, why the sessions were ever secret. That does not make any sense. I will work on that. I do not understand why we allow it, when we are on the committee.

But I cannot address the past. All I know is that, as a person committed to the view that the U.N. is an important part of our national interest, which is my view and I believe that of yourself, this kind of thing works against that goal.

Mr. Chairman, when I was Ambassador to Germany, and working closely with this committee, I inherited a mission of 2,400 people. I put into place a reduction plan to 900, a 60-percent reduction, working with the administrative people and working with many

people including the GAO, which had a large office in Frankfurt. This involved 33 agencies of the U.S. Government, not just the State Department, and it involved 10 posts, and it is being implemented today.

I cannot promise to you anything comparable in New York, because we have 2 degrees of separation between the American Permanent Representative and this incredible structure. It is not a structure, it is a thing. You and Admiral Nance have shown me the charts, and I have seen the U.N.'s version of the charts. Whatever the details, we all agree, as Admiral Nance said, that this carrier would not get into port.

So I cannot promise comparable cuts to the ones that the State Department team and myself in Bonn worked out for Germany, but I sure can commit myself, because we owe it to the American taxpayer and to you as their representatives, to reform the U.N.

There are many observations that come to mind listening to the GAO and speaking to your colleagues. The specialized agencies which are not under the Secretary General's control must be dealt with.

Now, you have behind me in the audience today at least two important representatives of the United Nations, I hope, taking notes. You have the Secretary General's new personal representative in Washington, and you have our former Ambassador to Norway, Tom Loftus, who is now the WHO's representative in Washington. I know that Senator Boxer and her colleagues met with Gro Brundtland yesterday to discuss their concerns, and so I hope they are taking notes, too. As I analyze the performance of the State Department, I believe that perhaps a more aggressive coordinated push in New York, Geneva, Vienna, Nairobi, Addis Ababa, Bangkok, wherever the U.N. exists, through our other people, not people part of the U.S.-U.N. structure, plus an across-the-board effort, would make a difference.

Mr. Chairman, I look forward to your questions. I am very grateful again for your time and your courtesy, and may I just on a personal note join Senator Biden in congratulating Senator Dodd on a personal matter. He has been a long-time friend, and we share Peace Corps connections and other connections, and I am honored to see him here today on that basis.

[The prepared statement of Mr. Holbrooke follows:]

PREPARED STATEMENT OF HON. RICHARD C. HOLBROOKE

Mr. Chairman, Senator Biden, members of the committee: I am pleased to be here with you again today. I look forward to a frank exchange of views with you on the United Nations, U.N. reform and any other subjects of interest to you. If it is agreeable to the Chairman, since I made a full statement to you on Thursday, today I will simply summarize a few important points so as to leave as much time as possible for your questions.

I cannot emphasize enough how important it is for us to tackle aggressively the challenge of U.N. reform. In order to pursue our national interests, we need to solve our arrears problem and build a more effective, efficient United Nations. For this reason, I want to reiterate my pledge that, if confirmed, I will make U.N. reform my highest sustained priority, even as I deal with whatever immediate crises demand attention.

Thankfully, Mr. Chairman, your efforts, along with those of Senator Biden and the rest of this Committee, provide a strong basis for us to move forward. As you know, I fully support the legislative package that this Committee and the Adminis-

tration have agreed upon. If confirmed, I look forward to doing everything possible to see this crucial package of arrears and reforms implemented.

While not perfect, the U.N. does work. We must build on those successes. To restore our influence with the United Nations, we must also pay our arrears. With a better relationship, I believe we can do the following: achieve meaningful reforms for a more streamlined, more effective U.N. organization; lower assessment rates for U.S. contributions; maintain U.N. budget discipline; and strengthen the work of the United Nations in key areas of concern to the United States—especially refugee and humanitarian assistance, promoting democracy and human rights, fighting international crime and narcotics, and peacekeeping.

Mr. Chairman, if confirmed, I look forward to working closely with this Committee on all of these issues. With American leadership, I am confident that we can build on what is right with the United Nations and meet the many challenges before us.

I look forward to any questions that you and other Members of the Committee may have.

The CHAIRMAN. We are just trying to decide whether to trouble you with a problem of a very fine lady who visited me today, but I will talk to you about that lady later, and perhaps you can help because of your experience in Germany.

On June 14, 1982, you wrote for the New York Times about the relationship between the U.N. Ambassador and the Secretary of State, and the problem you said lies in a system that against reason has allowed the U.N. Representative to become a sort of second Secretary of State, to tell someone that they have a Cabinet rank and that they may demand independent participation in the national security decisionmaking structure. The President should gently but firmly remove the seductive ornamental phrase, Cabinet rank, from the U.N. job.

You wrote those words during Jeane Kirkpatrick's tenure at the United Nations, so at that time I might have been inclined to disagree with you, but do you still think the President should remove the seductive ornamental phrase, Cabinet rank, from the U.N. job, and will you make such a recommendation to the President? I think I know the answer to that.

Senator BIDEN. I used to be against seniority, too.

Mr. HOLBROOKE. Well, before I give you a serious answer, I was tempted to say that was some other person with the same name who wrote that.

Mr. Chairman, I do stand by what I wrote, and my acceptance of this offer to be nominated for the job by the President had nothing to do with Cabinet rank. I would have accepted his request with or without that rank, and I would be sitting here before you with or without that rank.

As I said last week in my opening statement, I believe that, and Madeleine Albright and I have discussed this many times, we can only have one Secretary of State. The only thing I regret about that article now is that it had an implicit criticism of a person I have great respect for, whom you just mentioned, and that is my friend, Jeane Kirkpatrick.

I may well have had more substantive agreements with her than I had with Al Haig at that moment, but in retrospect, a public dispute of that sort is not in the national interest.

Now, I have studied this issue back to the time when Warren Austin was our Permanent Representative in New York, and Dean Rusk was head of the International Organizations Division in 1948. And I can give you the history of this between Henry Cabot Lodge,

John Foster Dulles, Adlai Stevenson and Dean Rusk, Pat Moynihan and Henry Kissinger. Senator Moynihan's book on the U.N. is an extraordinary example.

It is just not right, and I stand by this. I will take my instructions from the Secretary of State, as all of us should. I am honored that the job carries the additional rank, and I will accept that rank because it is part of the job, but it will not in any way affect how I perform.

I work for Madeleine Albright and, as I said last week, the good news is, we have worked together a long time. In fact, she called me last night from Slovenia after her meetings to talk about this hearing. We went over this issue. She asked to be remembered to you and your colleagues personally, and we went over this exact issue.

The CHAIRMAN. Now, I do want you to comment on—and you heard my comments on the international criminal court.

Mr. HOLBROOKE. On what, sir?

The CHAIRMAN. The international criminal court, and I do not need to explain that to you, and I would just like to hear what you think about it, and what do you intend to do about it, if anything?

Mr. HOLBROOKE. May I start by saying first of all again that I will take my instructions from the Secretary of State and the President. Second, obviously everyone agrees on the following point: The current draft, the Rome draft, is unacceptable to the United States.

As a person who has personally negotiated status of forces agreements in many countries, the Philippines, Japan, and elsewhere, and who negotiated the equivalent for the Dayton peace agreements, which is the model for the NATO forces in Kosovo, I think it is completely unacceptable for American citizens, in uniform or out, to be in a situation where they could be seized and tried by somebody else. This is a huge problem we have had wherever we had stationed troops. It would be even bigger here.

As you yourself pointed out, the International War Crimes Tribunals on Yugoslavia and Rwanda have done some good. I was a very strong supporter of that, and in principle, I think these specialized approaches case by case make a lot of sense. I am very troubled, however, by the fact that we did not have something like this for Cambodia, for example.

I cannot imagine this, except that there was an individual country involved, China, that did not want to get into the Pol Pot relationship with the Chinese during the cultural revolution. As a person who has worked on that issue for many years, I was puzzled by the fact that we were going after Karadzic and Mladic, as we should, and there was a man who had murdered at least 10 times as many people sitting in the jungles of Western Cambodia.

So I have a lot to learn on this issue. I have listened carefully to what you said. I have studied the Neuremberg trials and what has passed since then, because of my association with Yugoslavia. I know of Senator Dodd's involvement in Neuremberg, and I would like to talk to you more, if you do not mind, sir, in private, to learn more about your views and those of your colleagues as I inform myself and participate in the decisionmaking process on an issue that will ultimately be decided above my pay grade, but into which I will have a significant input.

The CHAIRMAN. Very well.  
 Senator Biden.

Senator BIDEN. I cannot resist asking you a Balkans question, if I may, and it does relate indirectly with regard to the War Crimes Tribunal and, by the way, I do recall, because you briefed us on the status of forces agreements, and one of the big issues was the ability, particularly in the Philippines, you remember, when that young woman was raped, and allegedly by Americans, it has always been a problem, and your answer does not surprise me.

But at any rate, to make a long story short, the War Crimes Tribunal is a different animal than a blanket permanent commitment relative to the ability to try American forces or American citizens in any fora, including a host country, but I would like to go beyond that in the remaining, probably 3 minutes I have here, to ask you this question, and I do not expect agreement, because I do not know that I am right. As I said, I want to put forward a proposition, and if you feel comfortable responding, I would appreciate it, and if you do not, I understand.

Slobodan Milosevic has been indicted as a war criminal, to state the obvious, but Slobodan Milosevic did not do this all by himself. Slobodan Milosevic was empowered by either the nonfeasance, or malfeasance of a lot of Serbs, and I have been of the view, and you know this from my pushing, as you did, for the arrest of Karadzic and Mladic and others in Bosnia, I am of the view that until there are public trials and a genuine and fair look at the evidence as to what crimes have been committed by these individuals, for the whole world to see, but particularly for the Serbian people to see, that until that occurs, this sense of—it is almost like it is permanently adopted, this sense of being victimized that characterizes historically everything you read about the Balkans and the history of the Serbian people.

It is replete with references to this feeling of victimization. I am of the view that unless there are public trials, and unless the Serbian people are forced to look at what they have enabled, even though they may not have intended, that this will just have another round. Another generation will feel justified in this sense of repression and oppression inflicted upon them by others, particularly other Europeans.

I wonder whether you would be willing to comment, because I do not know anybody who knows more about the Balkans than you do that is active in either major political party these days. What is your sense of that, and what does that say about what our policy objectives should be in attempting to help implement the arrest of the most notorious war criminals?

And I know we are working on it, but if you could just take a few moments to talk to me about it.

Mr. HOLBROOKE. Senator Biden, first of all, in regard to Karadzic and Mladic, I think I would list among the four or five, half-dozen things that are the biggest failures in the last 3½ years since Dayton, that would be one of the hard-core failures. We should have arrested at least Karadzic right after Dayton.

Had we done so, the signal to the region, including Belgrade, would have been very strong, and we might have been able to avoid some of what followed in Kosovo, because of the announcement to

the world that we would not just indict, we would pursue. Karadzic was far more accessible, and still is, than someone in Belgrade, for reasons we all understand.

Second, you have made an extremely important point about people beyond Slobodan Milosevic, and I mentioned earlier Neuremberg. It is my understanding of the historical record here, and I would defer to other people, particularly Senator Dodd on this, that after Neuremberg tried the major war criminals, a continual process went on. It was not perfect. Some people got away, and some are still unpunished inside Germany, but the process did occur.

And we have to be very clear here. Anyone who has been in a refugee camp, as many of you on this panel have been, in either Croatia, Bosnia, Macedonia, or Albania, knows that the victims include the Bosnian Muslims, the Croats, the Albanians, and sometimes Serbs. This is because some of the war atrocities were committed tragically by the victims. Some of the people the Hague has indicted are Bosnian Muslims, and eventually they may also indict some Albanians.

This is the biggest difference between Cambodia and the Balkans. You go to a refugee camp, and they say we know exactly who fingered us; we know exactly who brought the Serb paramilitary to our house and who raped my mother, my sister, my daughter. I have had these conversations, as many of you have had, with the victims.

In Cambodia, the Khmer Rouge just killed people if they wore eye glasses or spoke a foreign language or had an academic degree. This was retail, hand-to-hand killing, and I believe that until justice is done, peace is going to be very difficult. Making Albanians and Serbs live together in Kosovo is going to be even harder than making Serbs, Croats, and Muslims live together in Bosnia. Both goals are necessary if we are ever to have a successful exit from the region, which is our goal.

So I strongly support what you have said, and I have just touched the front edge of a huge issue. Senator Biden, when I came back to Washington in 1994, many people said the War Crimes Tribunal was just theater, just cosmetics. It proved to be an indispensable component of our policy. It allowed us to keep the indicted war criminals out of Dayton, OH, and I believe that Louise Arbor's indictments were correct. I do not know if each person she indicted will actually be convicted.

I know some of these people personally, as you know, and I would differentiate between them, but the basic decision to support the War Crimes Tribunal was of long-term historic importance. I think a half-century from now, as we still talk about Neuremberg, people are going to be analyzing the consequences of these War Crimes Tribunals, and I hope we get it right. I think that with some stumbling around we have done basically the right thing.

Senator BIDEN. Thank you, Mr. Chairman.

The CHAIRMAN. Senator Lugar.

Senator LUGAR. Ambassador Holbrooke, when Andrew Young, one of your predecessors, testified before this committee, he said that serving in the United Nations as our Ambassador was much like serving as a member of a large city council, that it was a very

cosmopolitan group of people, and the dynamics of persuasion were one by one in that type of a council.

I ask this both to query you on your personal style as you have analyzed the job as to how you might be effective and, second, to what extent will your effectiveness be clouded in any way by feelings on the part of delegates at the U.N. now, either on the Security Council or in the General Assembly, that somehow or another the United States has not been a player at the U.N. recently. We have not been, at least there for them, at least in their causes.

I do not know to what extent you perceive that there is any deficit to be made up, but if so, how do you plan to do it? Can you describe, at least if you are confirmed, how you will do this job?

Mr. HOLBROOKE. Well, thank you, Senator Lugar. The first part of your question about my style in regard to this job, I have read a lot of things about my style over the years, not all of which my mother, who is here today, and I would fully recognize. But I think you have to suit your style to the situation and the circumstance. I worked in Asia for most of my career, as you know, much of it in collaboration with you, and that was one style. You do not treat Koreans and Japanese the same way you treat the Serbs. We got to Dayton. We had a different style.

In New York we have to deal with each country's representatives, combining persuasiveness and pressure, depending on the circumstances. I have talked already about what, if confirmed, would be the appropriate style because I am very concerned about this. I will reach out to every Permanent Representative that I can—there are a lot of them—and to the Secretariat, and will be very active in that area.

At the same time, I really think we have to make clear to them that certain practices, several of which were discussed prior to your arrival, really have to be cleaned up.

Now, the best way to strengthen the hand of the U.S. Government at the U.N. is clearly to get the bill that you have passed on the Senate floor today by a vote of 98 to 1 into law, and then implement it. If that is done, and if I am confirmed, that will be my highest priority, and it will greatly strengthen our hand on things like the ACABQ and other issues.

Did I get the initials correct this time? Thank you.

So that will be my approach, Senator Lugar. I would only add one thing. I have said this many times, but I cannot stress it highly enough: To the extent that members of this committee can assist us in New York by coming up and talking directly to the permreps and to the Secretariat the way you talk to people in the job that I have been nominated for, it will, I think, help, because I think everybody understands that the United Nations is at a crossroads.

The cold war era was one era. The post cold war era, phase 1, is another, and we have got to move forward.

Senator LUGAR. Well, I congratulate our colleague, Senator Grams, for doing just that. He has been, as you know, a stalwart on behalf of the chairman and this committee, and perhaps others may be helpful, too.

Thank you very much.

The CHAIRMAN. Senator Dodd.

Senator DODD. Thank you very much, Mr. Chairman, and let me just briefly first of all, with regard to the international criminal court question raised by Senator Helms, I certainly do not disagree with him or you. I think the present structure as proposed by the Rome accord is unacceptable, but I also happen to believe, and you are very gracious in referring to my father at Neuremberg, who was the executive trial counsel, that having a set of—the rule of law is something we cherish in this country.

It has been part of our very solid foundation as a Nation over the past 210-plus years of our existence, and if we are ever going to achieve some order of stability in the world having a set of principles by which we try to relate to one another I think becomes critically important.

While I do not disagree the ad hoc courts have done well, my hope is that we could find a structure for an international permanent court. I think the idea of being isolated by the world, creating pariahs, has value in countries where nations feel their leadership may take them down that road, so I do not disagree about the analysis of the present proposal, but I would hope that that would not be construed as a rejection of the concept and the idea of having an international court of criminal justice.

Second, I want to thank Senator Helms and Senator Biden. Today they accepted an amendment of mine dealing with the Inspector General's Office at the State Department, and I offered another amendment which I withdrew that has to do with how criminal investigations are handled, and to enhance them, and instead I have asked for the General Accounting Office to do an assessment of these Offices of Inspector Generals across the Government.

I want to have a better idea of whether or not due process is being followed, and I made note on the floor of the Senate that even under the Independent Counsel statute laws, people under investigation have a right to know with what they are being charged, and a right to refute and offer exculpatory information when reports are being presented to the Justice Department.

That is not being done, and I think any first year law student would raise legitimate due process questions about how they conduct their business.

And again, I have a great deal of respect for the work they do in auditing and so forth, and the role they were designed to fulfill, but I am very anxious to hear how they might correct this situation administratively rather than having to go the legislative route, and so I withdrew the amendment, the second amendment, and I am anxious to hear their reports.

Mr. Chairman, I would just like to take, if I could, the remaining few minutes of my time, and I was not here on Thursday, as you have all made note of. I was busy in Connecticut with other matters, and I would like to take a moment or two, if I could, and talk about our nominee, who has been an old and dear friend, and I am not objective about Dick Holbrooke. I have known him for many, many years, and he is a friend.

We sometimes try to be as objective as we can about these matters, but occasionally that becomes difficult, and I admit to the fact that I am personally a good friend of this nominee's and believe he

would be a terrific Ambassador for the United States at the United Nations.

I think we all know and appreciate, Mr. Chairman, as you pointed out on numerous occasions, how important a tool the United Nations is to America's conduct of foreign policy, and our Ambassador to the United Nations is a key to unlocking that power, in my view.

For the past 9 months, however, the post has remained vacant, thereby unfortunately degrading, I think, our influence at the United Nations. Today we have an opportunity to correct that omission and restore some of the United States's leadership in that body.

There are very few things, Mr. Chairman, the United States as a Nation holds more dear than the ideals our country was founded on some 223 years ago. We continue to lead in the global fight for freedom, for democracy, for peace, and for the respect of human rights. For the past five decades, Mr. Chairman, it has been the United States' strong and clear and persistent voice in both the Security Council and the General Assembly which has convinced other nations to support these same ideals.

Looking back on those 50 years, it is clear that our work at the United Nations has by and large been a success. In the midst of some criticism, I think it is important to recognize our victories. Today, the United States is one of the most powerful champions of human rights, freedom and peace around the world.

The United States has used the United Nations to support our foreign policy in places as far flung as Korea, Libya, Iraq, and Bosnia. Without the United Nations, the two suspects in the bombing of Pan Am flight 103 would probably never have faced a judge to account for their actions. Similarly, Saddam Hussein would still be free to terrorize both his neighbors and his own citizens if it were not for the United Nations sponsored implementation force in Bosnia, I think war, bloodshed, and genocide would still rule that nation.

Today, the United Nations is engaged in helping to implement certain aspects of the peace settlement in Kosovo which we all hope and pray will put an end to the bloodshed there as well.

While we are familiar with the United Nations peacekeeping efforts in Bosnia and Iraq, we must not forget that the men and women wearing the U.N. signature's blue helmets are keeping the peace in places as disparate as Angola and Tajikistan. In all, there are currently 16 different ongoing peacekeeping operations on four continents around the globe.

As we embark on the next stage of involvement in Kosovo, one in which the United Nations will play a very important role, it is tremendously important, in my view, that we are represented in that world body. We must not allow any additional delay to further erode that leadership.

Last fall, Mr. Chairman, as you know, President Clinton tapped an exceedingly qualified diplomat to head the delegation to the United Nations. Richard Holbrooke has served our Nation well in a wide variety of posts, which I know this committee heard last week, from Assistant Secretary of State for two different regions, to the Ambassador to Germany.

Today, many of our thoughts are focused on the Balkans in this first real chance to bring peace to Kosovo. I think it is particularly fitting, Mr. Chairman, therefore, that among Ambassador Holbrooke's achievements are the Dayton Peace Accords which ended the civil war and genocide in Bosnia.

Five years ago, it was the war and ethnic cleansing in Bosnia, not Kosovo, that captured the world's attention. Innocent civilians were murdered and raped simply on the basis of their ethnicity. Venturing into the market to buy food entailed a risk of instant death at the hands of snipers or soldiers with mortar on a nearby hilltop. Each day was a struggle for survival.

Today, however, Bosnia is rebuilding, the 1995 talks held thousands of miles away from the battlefields in Dayton silenced the sounds of gunfire. The man who brought the Serbs the Bosnians, and the Croats together for those talks is before us today as the nominee to be the Ambassador to the United Nations.

As Ambassador Holbrooke knows, Mr. Chairman, it is often easier to wage war than to make peace, and in spite of daunting odds, he did make peace, and for that he deserves ours and the world's praise.

Following his return to the private sector, Ambassador Holbrooke continued to serve his country without compensation, I might add, from the government, focusing his efforts on the dispute on the Island of Cyprus and the bloodshed in Kosovo. The success or the failure of the Kosovo agreement will be determined by whether the United States, our NATO allies, and Russia can stay the course.

The job of bringing the coalition together and keeping it together will not be an easy one, but it is one in which Ambassador Holbrooke has the experience at the United Nations which will be crucial at this time. So Mr. Chairman, I want to add my voice to those of my colleagues who were here on Thursday to support this nomination, and to thank Dick Holbrooke for his willingness to persevere in this process.

I am one, Mr. Chairman, who worries deeply about our ability to attract the best our society can produce to serve our country. It is not easy to submit yourself and your families to the kind of public scrutiny that a nomination of this magnitude involves. We have got to sort out some way in which we can go through this process without making it so discouraging to people that those who watch the process who think one day they might like to serve their country will be discouraged from doing so in any administration, and I am deeply, deeply worried that if we do not get a better handle on this, that will be the net result of what we accomplish.

So I think the chairman has done a good job by going through the legitimate questions that have been raised. I think you, Mr. Holbrooke, have done a very fine job in responding to those questions. That is a part of the process, but I know the chairman agrees with me that we have got to sort out a better way in which we attract good people, to make it possible for them to bring their credentials to the table, and to move on to allow them to fulfill the jobs that they have been willing to serve in.

With that, Mr. Chairman, I thank you, and I thank the nominee.

The CHAIRMAN. Senator Grams.

Senator GRAMS. Thank you, Mr. Chairman.

Welcome, Mr. Holbrooke. Nice seeing you again today.

Mr. Chairman, I must say I have had a chance to discuss the United Nations with the nominee on a few occasions. And I am very pleased with what I have heard to date. He has a reputation, as we all know, for being a tough negotiator and a practiced arm twister. And I think those are some of the exact attributes that we are going to need in our next Ambassador to the United Nations.

Now, it is not going to be easy to get the U.N. to implement the Helms-Biden package, even though there is widespread agreement on the need for reform. And, again, I want to compliment the chairman and the ranking member for all the work they have put in, in, again, putting this package together.

Two years ago, U.N. Secretary General Kofi Annan stated in the introduction to his reform proposal that the major source of institutional weakness in the United Nations is that certain organizational features have become, and I will quote, "fragmented, duplicative, rigid, in some areas ineffective, in other superfluous." But since that time, I think it is arguable whether any progress has been made in addressing some of these shortcomings.

Now, I do not underestimate the problems that are inherent in streamlining an international organization, where each member is involved in the decisionmaking process. And a massive U.N. bureaucracy and numerous member States have a vested interest, as we know, in resisting reform and maintaining the status quo. Well, unfortunately, while they are reaping the benefits in the short term by using the United Nations as a cash cow, I think in the long term they are weakening the United Nations as a whole.

And, Ambassador Holbrooke, in essence, your job will be to try and save the United Nations from itself. But to do that, you have to get the U.S. Mission's priorities straight. Now, if the U.S. Mission is truly as dedicated to creating a healthy and viable United Nations, then its first priority should be to press for real reform. And I know I have talked to you about this, and I think we are in agreement. The practice of disassociating from the consensus on major budget actions, in violation of Kassebaum-Solomon, should never happen again, and the certification of the Senate's benchmarks must reflect objective reality and not the U.N.'s wishful thinking or creative accounting.

As the subcommittee chairman with U.N. oversight responsibilities, I look forward to working with you to ensure that we have the information, and also analyses, necessary to assert and ascertain that true reform is being achieved at the U.N.

Now, the role of the United States in shaping the reform efforts remain a matter of contention, as we all know, at the United Nations. The U.S. has been often called a deadbeat. We have been called a bully. The U.S. has been accused of being heavy handed and, quote, not doing its fair share for the international community. And the U.S. has been berated and belittled at every turn by many of the countries that have been benefited most from the generosity of the United States, both in terms of security guarantees and also in terms of economic assistance.

Now, Mr. Chairman, as I noted before, I believe Ambassador Holbrooke has the skills that are necessary to leverage our position as the most powerful Nation in the world and, as the largest con-

tributor to the United Nations, to ensure greater transparency and accountability in the organization and, quote, a reformed United Nations.

Now, the Secretary General noted, it will be more relevant, the United Nations, in the eyes of the world. And in this age, being relevant means that the great powers, including the United States, consider the U.N. to be a powerful tool in their foreign policy arsenal. So, to this end, I think the United States must help shape the United Nations to be an organization that the U.S. needs as much as the U.N. needs the United States.

Now, with that, I would like to follow that up with a question, Mr. Holbrooke. As you are aware, the Secretary General's budget outline increases spending by some \$13 million, I think as the chairman noted, instead of making spending cuts, even though the U.N. is \$5 million under budget right now in the current biennium.

Are you confident that you would be able to get the U.N. to agree to a zero nominal growth budget of the \$2.533 billion for the next biennium?

Mr. HOLBROOKE. First of all, Senator Grams, I appreciate your opening comments. And I, too, look forward to working closely with you and your colleagues and your staff.

On the specific question, I met informally over the weekend with representatives of the Secretariat. And the first thing, of course, that emerges is that everyone argues about what the actual numbers are. It is hard to get a straight figure out of them.

I have already told them that, if confirmed, the issue of zero nominal growth will be critically important. I have expressed my astonishment that such a comparatively small, but clearly gratuitous, increase in the current climate could take place. And I cannot pledge to you I can reverse it, because I can say it, but I cannot promise I can do it. All I can tell you is that when I said to the chairman earlier that the reform issue is my highest sustained priority, within that, as you and I have already discussed privately in terms of prioritization, this comes right up at the top.

I just do not understand why this kind of increase would take place now, particularly in light of the fact that they are under budget in expenditures. And it goes hand in hand with Senator Helms' earlier comments about the number of personnel, which is also hard to get a handle on. How many people actually work for the U.N.? I have heard a lot of different numbers here.

In preparation for this hearing, Mr. Chairman, I said I think I am going to be asked that question. What is the answer? The crack team you see here in row behind me spent the whole morning with it and finally came back and said there really is not any number you ought to put before the committee today, because it is just impossible to define.

So these two issues, which are closely related—budget and personnel—are the things I will focus on. And I will report regularly to you on how we are doing, and ask you to help.

Senator GRAMS. Thank you, Mr. Chairman. I have some other questions, but I will wait until the next round.

Thank you.

The CHAIRMAN. Very well.

You did not know it, but Senator Wellstone suggested ladies first. So, Senator Boxer.

Senator BOXER. Thank you. And I want to thank Senators Feingold and Wellstone for deferring. I have been here a while, because I have been waiting for this opportunity to basically ask a question on one particular topic. And I think, Mr. Holbrooke, you know what it is, because we have talked a little bit about it. But I wanted to get you on the record on it. And when I ask this question, I do so on behalf of a lot of Members of the Senate, particularly the women Members of the Senate, who have come together to discuss a matter that is really eating at our hearts. And that is the violence against women in Kosovo—specifically, rape and sexual assault.

Mass rapes have been reported in the Djakovica area and in other regions throughout Kosovo. And I want to read for you a section from the State Department report, "Erasing History: Ethnic Cleansing in Kosovo." And this is a direct quote:

Serbian forces raped women in an organized and systematic fashion in Djakovica and Pec. Rape victims were reportedly separated from their families and sent to an army camp, where Serbian soldiers repeatedly raped them. In Pec, refugees allege that Serbian forces rounded up young Albanian women and took them to a hotel, where they were raped repeatedly.

It goes on:

The commander of the local base reportedly uses a roster of soldiers' names to allow all of his troops an evening in the hotel.

In addition to these specific accounts, refugees claim that during Serbian forces' raids on their villages, young women have been gang-raped in homes and on the sides of roads. We believe that there may be many more incidents that have not been reported because of the cultural stigma attached to this offense in traditional Kosovar society.

And that is the end of the quote.

And in the next few months, I am afraid, Mr. Holbrooke, we are going to hear even more chilling accounts of these atrocities. Just days ago, NATO forces found a basement room in the Serb military police headquarters in Pristina filled with torture instruments, including knives, bats, brass knuckles, a pick axe, chains, and a black hood. One of the rooms of the torture chamber was described as a place where women were raped, and still contained several boxes of incriminating material, including pornography.

And I would like to ask unanimous consent to place in the record an article, Mr. Chairman, that recently appeared—actually, today in the New York Times. I think it was today—"Deny Rape or Be Hated: Kosovo Victims' Choice."

The CHAIRMAN. Without objection.

[The article referred to is in the appendix on page 135.]

Senator BOXER. And, briefly, I am going to keep to my time. This is a story about a 22-year-old woman, married 4 months ago. She said she was taken from a small southern village by Serbian forces, held for a day in a local police station, beaten, and threatened with death, but she said, not raped. Her husband thinks differently: "I am 100 percent certain they raped her," he said. "I know that when women get in their hands, there is no chance to escape."

And this husband goes on to say his wife denies the rape because, "she does not dare tell that kind of story." And he says, if she admitted it to him, he said, "I would ask for a divorce—even if I had 20 children," as his wife listened, silent and shame faced

in a corner of their empty home, looted of all furniture and possessions.

The husband said, "I do not hate her, but the story is before my eyes. I feel very cold toward her. Kissing her," he said, "is like kissing a dead body."

So I think, Mr. Holbrooke, that when you get there—and I hope you get there—that you will make this issue a priority. Time does not allow me to read some other things I really wanted to do. But I need to know on the record what is your commitment to find help and justice for these women. It is hard for me to find words to explain how I feel about this. And I think that means specifically including counseling for these women. The funding that we just gave to help the refugees, some of it needs to go directly to help these women; enough investigators for the International War Crimes Tribunal; ensuring privacy for the women who come forward; making sure, again, that we do not let this be forgotten. Because, to me, I do not know how these women go on.

In this other story—and I will close with this, Mr. Chairman, very quickly—there is a story of a 20-year-old, tall, blonde and shapely, the most beautiful girl in the village. She was with her husband when the soldiers grabbed her by the hair and said, she is our woman, not yours. They took her off. And when she came back 1 hour later, she was beyond distraught. She was screaming, pulling her hair, trying to stick her fingers in the electrical socket to kill herself, and she kept denying the rape to the men. She could not admit it. If she did, she would be done for. Her life would be ruined.

Another woman in the camp was told by a Serb soldier: You Albanian women are strong. You have lots of babies. You are so strong, you can have sex with the entire Serb Army.

And in conclusion, this person with—I think it is with the U.N.—says: that shows the ethnic animus of it. And you have to think of the deeper implication of these rapes. It can ruin marriages, prevent marriages. It can make them feel like damaged goods. Even a culture not nearly as judgmental as this would feel vulnerable. And that, of course, is part of the motivation—to humiliate and to make women feel powerless, that they do not have power in their soul.

So I just want to get on the record how I feel, how a lot of Members of the Senate feel. And I want to know what your commitment is that you would bring to this issue in the United Nations.

Mr. HOLBROOKE. Senator Boxer, of course I share your feelings. I first encountered these issues personally in the Balkans in the summer of 1992, when, as a private citizen, traveling at my own expense with the International Rescue Committee, I went for the IRC to some of the refugee camps in Karlavac, outside Zagreb, and on the Bosnian-Croatian border.

And as I said earlier in response to the question from I think it was Senator Dodd, it is even worse than your story, because in many cases, the people know who the rapists are. And that is the governing difference, to me. Rape is awful in all contexts, and rape has always gone along with war in all contexts. But what makes this uniquely bad—and the article you quote tells it—is that they often know the perpetrators.

There is a movie, Mr. Chairman, which I would recommend be made available to any Members of the Senate who are concerned with this, a documentary, called "Calling the Ghosts," which was produced by Julia Ormond, which is a lengthy interview with two of the women who were at Ormuska camp in western Bosnia. I think Senator Biden is familiar with the movie.

Senator Boxer, I do not know if you have seen the movie, but I would be delighted to get a tape to you of the movie. By the way, we have in the audience with us today our former Ambassador to Croatia, Peter Galbraith, if he is still here, who is particularly familiar with this issue and did a wonderful job of working on this issue.

Senator BOXER. He is.

Mr. HOLBROOKE. And Peter and I were very close colleagues on that. Because there is less stigma in Bosnia than in the Albanian clan system and these two women were lawyers, they just spoke out and described it in detail. And they have come to the States. One of the men killed and one of the men captured in the war criminal actions of the British around Banja Luka were in that group. So one of those people is now dead and another is under trial.

Why men do this is beyond me. It obviously is not anything to do with physical gratification. To actually talk to the people, to actually be there is just extraordinary. But as we both know, this is not just Kosovo. It happened in Rwanda. It happens all around the world.

Senator BOXER. So the main thing is can we count on you to see that these people get help with that refugee aid that we all voted for?

Mr. HOLBROOKE. Yes, you can. Barbara Larkin, who is here today, our Assistant Secretary for Congressional Relations, can also follow on this. We need to talk to Julia Taft, our Assistant Secretary of State for Refugees, and to other people, to make absolutely sure that this gets special attention. The risk, Mr. Chairman, here is—I know the bureaucracy so well—that this issue will fall between the cracks. And money will be allocated for everything else, and there will be nothing for this issue.

The victims need special counseling. And perhaps they may need special dispensation to find another place to live. The story you tell is not just one story. That is going to go on across the region.

I personally will commit myself to it. I have talked to Secretary General Kofi Annan about it. He shares our concern. He also extends it to the larger issue of abuse of women in other ways, particularly in his native continent of Africa. And yes, you can be assured that I feel deeply about these issues personally and I will work on them.

Senator BOXER. Thank you.

The CHAIRMAN. Senator Wellstone, if you will proceed.

Senator WELLSTONE. Thank you, Mr. Chairman.

First of all, just building on this question, Mr. Holbrooke, from Senator Boxer, I appreciate your response. And I appreciate your question, Senator Boxer. As I was thinking about this, I was almost thinking about the Torture Treatment Center in Minnesota, which really is a holy place.

I mean you can focus on physical infrastructure. You can focus on getting the food. And it is so easy to lose sight of the ways in which people can just be so destroyed—in this particular case women—and you meet with people at that Torture Treatment Center—God knows, I wish there was not such a need for such centers. And God knows, I wish there was not going to be a need for this kind of support—but there is. And I appreciate your response.

I have not know Mr. Holbrooke as long as Senator Dodd, but I want also to associate myself with the remarks of other Senators, saying that I really believe—I appreciate your leadership and I appreciate what you have done for our country, what you have done for the world, and I certainly hope you will be our Ambassador, and I really look forward to working with you.

I have three quick questions. One on Tibet. You have been there several times. I wonder whether you could maybe talk a little bit to the committee about your views on the need for some kind of a political solution in Tibet, and, as Ambassador, how you might advance those views with the Chinese Government, if confirmed.

Mr. HOLBROOKE. Thank you, Senator Wellstone.

Before responding to your question about Tibet, may I just say that I have had the honor to visit the center in Minneapolis, run by—if my memory is correct—Doug Johnson. Is that correct?

Senator WELLSTONE. That is correct. If in doubt, if you mention the word “Johnson,” in Minnesota, you have got a pretty good chance of getting it right.

Mr. HOLBROOKE. This center is remarkable. It was the first center in the United States. And I commend both you and Senator Grams for your support of it. Your photographs and that of your staff are on the walls there. And they talked very greatly about what you had done for it. And I share your views.

On Tibet, Senator Wellstone, for various reasons, Tibet has always been a special personal interest to me. And I have, as you said, made three trips there, including one to western Tibet, to the nomad areas. I have talked often and frequently to Chinese officials, including President Jiang Zemin, about the Tibet issue. Whatever one thinks of the rest of the Chinese issue, what is happening in Tibet must be an issue of enormous special concern.

And I feel that Tibet is a unique cosmology and a unique culture, and it is severely in danger by encroachments on the high plateau of a influx of Han Chinese. I have worked closely with His Holiness the Dalai Lama and with his Washington representative, Mr. Luddy Gary, and with other Tibetans, in assisting them in an informal and private citizen manner, and have done everything I can to deal with this issue.

I was encouraged last summer at the press conference that President Clinton and Jiang Zemin had on the subject, and I am genuinely stricken, Senator Wellstone, by the fact that that dialog has now broken down again. And without going into details, which I do not think would be productive in a public forum, I would just say that this issue is a very special concern to me, and I will do everything I can to further it.

And I believe that the Dalai Lama’s position has been misconstrued by some people in Beijing. And I believe a solution is possible that protects the rights—cultural, religious and personal

rights—of the Tibetan people within the sovereignty of Beijing, which the Dalai Lama does not question. And within that framework, I will be available to work on that issue if I can, because I really care about it.

Senator WELLSTONE. This little light here is going to turn red in a second, so I will not really ask for a response to the second question, but I maybe will put it in writing to you. I have been doing a lot of work and I hope this will kind of reach fruition with Senator Helms, the State Department and other people, this whole issue of—it is hard for me—it is almost like Senator Boxer's question—it is hard for me to just comprehend what this means, those stories she talked about—about dealing with the whole issue of trafficking, trafficking mainly of women and children—in part, used for prostitution; in part, used for forced labor in homes. And I want to maybe talk to you some time about what role you would see for the United Nations in trying to address this problem. I really believe there ought to be a response and we ought not to just turn our gaze away from it.

Finally, since you mentioned Ambassador Galbraith, I wanted to just say, Mr. Chairman, that I have had a chance to stay with the Ambassador when I was traveling and I have had a chance to be in touch with Peter Galbraith since. And I am really glad to see him here. And I think he has been just an incredibly strong voice for our country playing an important role in foreign affairs. And I think he was a courageous, courageous Ambassador.

Thank you.

The CHAIRMAN. Senator Feingold.

Senator FEINGOLD. Thank you, Mr. Chairman. I do want to thank the chairman especially for the manner in which he has conducted this confirmation process—thorough, but fair, and I think it is a very good thing. I do look forward to Ambassador Holbrooke's confirmation. I think he has been a brilliant influence on our country's foreign policy. And I think he will do much more for us in this position.

We talked about this briefly, privately, and you know of my interest, Mr. Ambassador, but the United Nations is supporting the conduct of a consultation on autonomy in the troubled region of East Timor on August 8—or we think it will be on August 8. This has been one of my highest priorities since coming to the Senate in 1993. If you are confirmed prior to August, as I certainly hope you will be, I would like you to commit to helping ensure that U.S. support for this effort, both financially and diplomatically, continues to be robust. This is not only of concern to me, but of many Members who have been working on this issue in both the House and the Senate, in many cases, long before I came to the Congress.

What do you think are the prospects there? And do you think the poll will actually be held on August 8?

Mr. HOLBROOKE. I cannot answer this question, particularly in light of today's newspaper accounts, quoting U.N. officials, talking about a possible postponement. My instinct, Senator Feingold, is that a postponement would not be the right thing to do, although I have heard people argue both sides of it. I have not worked on this problem for many, many years directly, but I have followed it because of my prior involvement with Indonesia and with the re-

gion, and also because of a personal friendship with Jose Ramos Horta and other people who work on the problem—one of whom, David Phillips, is in the audience today, who has been a very close supporter of the East Timorese.

The administration welcomed the creation of UNAMET, and wants the consultations to take place on August 8. The U.S. has given \$9 million to the U.N. voluntary trust fund, and has made available 30 American police officers for the civilian police—and three military liaison officers, I might add. This puts us in the same range of major donors as Australia, Portugal and Japan. Congressional support has made this possible.

I will pay a lot of attention to this issue for all the reasons that you outlined and more. But in light of today's news, which I know only what I read in the newspaper accounts, I am a little bit concerned about it. And what I would like to do, with your permission, Senator Feingold, is speak to other people and perhaps talk to you privately about it in the next day or two. Because I know of your deep personal concern about it, and I pledge to you that I will share that concern, as I have since 1977.

Senator FEINGOLD. Well, I appreciate that. And what I am looking forward to is, given the tremendous contribution you have made with regard to Dayton and Bosnia and Kosovo, this to me is one of the very logical candidates for your energy and abilities to be applied.

Let me just let you know that this news today only suggests that the referendum may be postponed 2 or 3 weeks. So I would not want to send a signal that any of us believe that it is an open-ended type of thing. It is an important opportunity. It needs to be held either on August 8 or some time near that time, as long as we can be assured of a safe and fair vote. And I do appreciate your commitment.

Another thing I want to ask about has to do with the International Criminal Tribunal for Rwanda, which has been responsible for indictments against more than 40 individuals and has in custody several individuals presumed to have led and directed the 1994 genocide, the so-called Big Fish. And you even referred to this situation.

I believe this is very important. If anything, the international community has to send an unmistakable signal that such horrible crimes cannot be committed with impunity. In fact, after Senator Boxer's powerful presentation and in fact your reference, Ambassador Holbrooke, I am not certain, but I believe the Rwanda Tribunal was the first to issue convictions as to rape as a war crime. So this is highly relevant, the work of this tribunal, to the earlier discussion.

However, the mandate of the tribunal, as I understand it, is limited to acts committed during calendar year 1994. And I raised this at a recent Africa subcommittee hearing, and today I appreciate—thanks to the help of the chairman and the ranking member, Senator Biden—that my amendment was added to the State Department authorization bill today, which will extend the authority of this tribunal beyond 1994, to make it essentially the same kind of status as the tribunal with regard to the Balkans. Given these

facts, I am hopeful that you can express your support for this provision.

Mr. HOLBROOKE. May I just clarify, Senator Feingold? I share your concerns. But what is the specific provision that—

Senator FEINGOLD. The current mandate of the tribunal with regard to Rwanda is limited only to events in 1994, not events since that time. I would like to see that authority extended to the present, just as is the case, as I understand it, with the authority for the tribunal that is working with regard to Kosovo and some of the crimes that were committed there. And as I said, this was adopted by the Senate today as a part of the State Department authorization bill.

Mr. HOLBROOKE. I have just been handed my talking point. But since it does not address your question, I am going out on a limb and just say I will support your proposal.

Senator FEINGOLD. Well, I knew I was going to like your tenure.

Mr. HOLBROOKE. Senator, I am sure that as soon as the hearing is over, I am going to be told I have broken all the rules, because I did that. I can hear Barbara Larkin already laughing nervously. But since I have no instructions, if confirmed, I will support your proposal. I was unaware of the extension issue, but I think anyone who has read Philip Greyovich's book about the killings in Rwanda understands that this was worse than Bosnia. It was worse than Kosovo. We cannot forget it. And we must support this tribunal. And to arbitrarily limit the scope of its area does not make any sense to me.

Senator FEINGOLD. Well, I thank you. And if I know anything about either the practice of law or politics, I will stop right now.

Senator GRAMS [presiding]. Thank you, Senator Feingold.

Senator Biden, did you have any other questions?

Senator BIDEN. I do. I have one, Mr. Chairman, if I may.

One of the first things you and I discussed, Mr. Ambassador, is when I came back from a visit with Mr. Milosevic. I remember I was talking about this both at the Department and at Blair House. And I remember you agreeing with me, but giving me if not verbally, with your body language, some advice that I should be less passionate about the way I was making my case to the President about the rape camps that were set up in Bosnia, not in Kosovo—I would not be surprised if we find that out—but in Bosnia.

And I want to relate one incident with you to underscore the point of the extent to which—how deep the feelings are here in the Congress. And I know from hours of discussions you and I have had and my seeking your advice on the Balkans repeatedly, I know how deeply you feel about it. But let me just recite this one incident.

I guess it was 1993 which generated all these flurries of meetings that your—well, maybe your predecessor some day, but Secretary Christopher—asked me to come to the State Department to be debriefed on a trip I had just taken to Belgrade and to Sarajevo and a failed attempt to get into Srebrinica. And I had then with me two staffers that were on my staff then, John Ritch, who you know well, and Jamie Rubin, who you know well.

And we had a meeting, a long, private meeting, with Mr. Milosevic. And we sat in his office—I am guessing now—it was

from like 7 in the evening until close to 11:30. And you have been in that office many times. You know that little, small conference table on the back wall, down from his desk. And we were in argument over what was going on in Bosnia. And he kept saying he had nothing to do with any of this. I had to talk to Mr. Karadzic. It was not him, it was the Bosnian Serbs, et cetera.

And at one point, about 10 o'clock at night—maybe a little later—he finally looked at me in exasperation and he said—he never got flustered, I might add, by the way—he never got flustered—he looked at me and he said: Would you like to speak to Mr. Karadzic? After telling me how he had no control over him at all. And I said that yes, I would.

And I know you know the office. He got up from that desk, that little table, and stepped two steps back to a phone against the wall. And he got on the phone. And I do not understand Serbo-Croatian. I do not understand what he was saying. And he put the phone down. And we go back to arguing about the maps, because it was the Owen plan then and cantons.

And about 25 minutes later, in that beautiful Hapsburg-era building he has his office in, and that big center staircase that goes up to his office—there is no one else in the building except guards—and I hear somebody running up the stairs. The door bursts open, and a guy with a full shock of hair—the only part about him that I envied—a full shock of hair—turns the corner and is gasping for breath. I am not exaggerating. I thought he was going to have a heart attack. He immediately sat down in the seat next to President Milosevic and said: Mr. President, I am sorry I am late.

And I am wondering, who the hell is this guy. And he looks across at me and says: Senator Biden, I am pleased to meet you. And with that, the President said: Dr. Karadzic. And I looked at Milosevic and I said: No influence? And he did not respond. And then Karadzic made a few comments.

And here is the point. He finished his few comments, and I looked at him and I said: I would recognize your voice anywhere, Doctor. And he kind of lit up in recognition. And I said—and I was not telling the truth—I looked at him and I said: Your voice sounds exactly like those intercepts we have to the rape camps. And I am not exaggerating when I say he turned as white as that sheet of paper and did not say another word. That is when I knew for absolute certain that there were actually organized rape camps in Bosnia.

I suspect—and you know this so much better than I do—we are going to find modified versions of that in Kosovo. And here is my question. Notwithstanding Senator Boxer's ardent plea for support—I have no doubt about your support of pursuing this—how do we deal with the cultural difficulty? Because, as you know, one of the reasons for the rape camps was to despoil Moslem women, because there is in fact part of the culture that these women will be ostracized. And even worse, if they give birth to a Serbian baby, they are done, gone.

Do you have any sense of how we get our hands around this issue in a way that allows for the gathering of the evidence to be able to be produced at trials without doing more damage from their

perspective to the women who are already victimized, so they are not victimized twice like that woman accounted for in the New York Times article, where she is victimized by the Serbs and then, in my view—I am going to get in trouble for saying this—victimized by her own culture, by her husband, who patronizingly apparently kisses her on the head and said it is like kissing a cold body?

Mr. HOLBROOKE. Well, Senator, the reason for the systematic rapes—some of the rapes were not systematic—but the reason for the systematic ones that took place in western Bosnia and may also have taken place in Kosovo—that remains to be determined—was precisely intentional. The people doing the rape were doing it because they understood the culture and they understood the consequences.

Senator BIDEN. Another form of ethnic cleaning in a bizarre way.

Mr. HOLBROOKE. And destroying the family structure. And that story that Senator Boxer told, if it were a one-time-only story it would be sad enough, but it is not going to be a one-time-only story. There is nothing—I have to be honest with you—there is nothing the United States, the United Nations or the world community can do to change a century-old culture's attitudes toward rape and toward women. And this is equally true in other parts of the world, as well.

I lived in North Africa, in Morocco, for 2 years, and saw similar problems. The de-stigmatization of rape has only begun in this country in recent years.

Senator BIDEN. That is true.

Mr. HOLBROOKE. And we pride ourselves on being the most advanced country in the world on this. And it has taken some very brave people. Those two women in Julia Ormond's film, "Calling the Ghosts," which you are familiar with, are incredibly brave. They knew what they were doing, and they are well-educated. They stood up and said what they had to say.

That is why in my answer to Senator Boxer's question I suggested that we need special programs and dedicated funds to deal with the victims, and perhaps there may be cases where the victims cannot continue to live in their original culture. The damage has been done, and we cannot change the culture.

My greatest concern is that there is no real dedicated, programmatic funds for this, that it falls between the cracks within our own bureaucracies. And I would hope that Barbara Larkin and her colleagues, and, if confirmed, myself, will go to work on this. And I think we should be sure that Julia Taft and her colleagues, people in AID, look at this from a programmatic point of view. Because it will take the kind of things which the Minnesota center is doing on an individual basis, but en masse.

Senator Grams is more familiar than I am, and his staff more familiar also, with the number of similar centers that exist in Europe, which have to be brought into this. But I believe that there are now something like 180 centers of that sort. Is that correct, Senator Grams?

I know that Pamela Thiessen is familiar with this issue. I had understood from Doug Johnson that there are about 100 centers in Europe working on this, and they all have to work on this issue.

I will work on it, but we are not going to be able to undo the damage. It was part of a war crime.

And I must say also, Senator Biden—and I expressed this to Doug Johnson and his colleagues when I was in Minneapolis—I do not understand the perpetrators either. I do not understand what they think they are doing. The whole thing is so barbaric and so grotesque. And the closer you get to it, the more details you get from the people involved, as we saw in Minneapolis, the more unbelievable it is.

Senator BIDEN. The only thing it reminded me of—if I may, Mr. Chairman—is this notion of absolute—to be going at that part of a rival or enemy—in this case, culture—going at the thing that they value the most, it reminded me of what we talked about, and no one believed us—you talked about it, but no one believed this—when we pointed out that the Serbs had a policy in Bosnia of sitting up on the hillsides with powerful high-caliber rifles with very sophisticated scopes on them, with one express purpose: only to maim Moslem children in the old sector of Sarajevo.

And I remember telling Bob Dole that. And he looked at me like I was making it up. And it convinced him because the Ambassador sitting behind you, a former staff member here, we went to see. We went to Split. And the Ambassador came down and we went into the hospitals in Sarajevo. And we stood at the bed. There was no one in this gigantic hospital except seven children, Mr. Ambassador, if I am not mistaken.

And they were specifically the victims of snipers. They were not sniping at men. They were only children. And they could not scare them out by taking out adults, so they figured the one thing that would have the effect of cleansing the area would be for a parent to have to face the likelihood or possibility of their child being maimed by a sniper.

And I will conclude by saying that when I first got to the sector and saw, in a previous visit, the sheets and blankets hanging across streets, like Crossing Delancey, it was like the East Side of New York depicted in 1910, where clotheslines were across the street and laundry hanging from them. And I thought, gee, this is a strange thing. Why do they have these blankets hanging from the street?

It looked like they were drying. I am old enough to remember back in the fifties, you still put laundry out on the clothesline in the backyard. And I realized it was done for one reason: to cutoff the line of sight of a sniper so that the little tyke could go from mom's house to grand-mom's house, across the street, with a diminished likelihood of being shot.

It is astounding to me how—and this is the closest thing that I could think of—it is totally different in terms of the method, but the purpose seemed to be the same as the rapes, seemed the same as the rape camps. But I appreciate your necessarily sober assessment. I guess there is no way we undo the damage.

Mr. HOLBROOKE. The goal in every case is to debase people, dehumanize them, and destroy their social fabric. And it happens all over the world. We are focusing on Kosovo today, but, in a sense, they are actually slightly less unfortunate because we are sitting here talking about them and because this conversation will result

in resources being addressed to it. But it happens elsewhere as well.

Senator BIDEN. Thank you, Mr. Chairman.

Senator GRAMS. Thank you.

The people who have been through the Minnesota Center for Victims of Torture, and you hear the details you have talked about, and you are surprised that such things go on. But, as you mentioned, how the perpetrators can even perform some of these acts of torture on some of these victims is hard. So it is a story in itself.

Mr. HOLBROOKE. Well, I know, Mr. Chairman, that they are incredibly grateful to you for your continual support. And that is an inspirational thing. And I hope that more Americans are aware of it and visit it.

Senator GRAMS. Just a couple of quick questions to wrap up the hearing. I know we are going a little late and everybody would like to leave, but just a couple of quick questions.

And you mentioned this earlier, with the ACABQ. And as you know, right now, the elections are coming up. The United States, to my knowledge, still has not put forward a candidate. I know some of the other countries, like France and New Zealand, have already done so. And as you know, membership on the ACABQ is one of the most effective tools that we have when it comes to the budgetary problems that we are all concerned about and want to work on.

One of the benchmark is very important. And that is an assurance that the five largest contributors be a member or have a permanent seat on the ACABQ. And as you know, the United States is the largest contributor. And the fact that we are not even a member of one of the most important committees—and that is dealing with the budget.

So would you prod the administration into putting forward a very qualified candidate, a nominee who is considered by the U.N. to be an expert on budget matters, and to do this as soon as possible, to make sure that we regain that seat on the ACABQ?

Mr. HOLBROOKE. Mr. Chairman, in preparation for today's hearing, I was informed that in fact the State Department did put forward a candidate last week. Now, as a nominee with no involvement, I was uninvolved in that decision. I do not know the person who was nominated. And I played no role in it. But I can report to you that perhaps because they knew you were going to ask the question, or for some other reason, that issue at least is resolved.

Senator GRAMS. We are looking forward to your help, then, also in making sure we—

Mr. HOLBROOKE [continuing]. And on the other point, if the law that was passed by the Senate becomes a fully enacted law, we will batter these doors down. If, for whatever reason, we hit further obstacles, it is going to be a real struggle. But, either way, it has to be one of my highest priorities, and it will be. And as you know, under the regional grouping system, we are going to have to fight for our place. But I will do so.

Senator GRAMS. Speaking of regional grouping, also the 185 nations which are U.N. members, Israel is the only one excluded from possibly holding a seat on the Security Council, the Economic and Social Council and many other commissions and committees be-

cause membership is restricted to countries belonging to regional groups. And I have promoted efforts to get Israel accepted into WEOG, the West Europe and Other Groups, which, by the way, the United States also is a member of, and remains closed to Israel at this time.

What efforts are you planning to ensure that Israel has the same opportunities for influence at the U.N. that every other nation has?

Mr. HOLBROOKE. I think this is outrageous that Israel is not in a regional group. And I will really work on it. There are three or four different ways to deal with this that come to mind. But I would also just say to you, Mr. Chairman, speaking very much as an outside observer, that the whole regional grouping system has become a little bit weird.

Obviously there is nothing wrong with regional groupings. We have regional bureaus in the State Department. You have subcommittees that are on a regional basis. You have caucuses in the Senate and the House. But what is this Western Europe and Other Group all about? What are Australia and New Zealand doing in the Western European Group?

The State Department moved Australia and New Zealand out of the European Bureau in 1961. And as I understand it, the Australians and New Zealanders would like to be considered part of the Asian-Pacific region, which happens to be where they are. What are these groupings about?

Should the United States even be a member of a grouping? If we withdraw, we would reduce our chance of getting on committees. Should we participate in a system which does not seem to have its original rationale, or its original rationale has gotten perverted? I need to learn a lot more about it.

But to anyone listening today, I want to say that I am prepared to do a full-scale, bottoms-up review of this concept. I have talked to the Secretary General on a personal basis about it. He knows how I feel. And I will make this an important issue, working closely with them and with our European friends, who have not been very helpful on this issue for reasons you are very familiar with.

Senator GRAMS. I think it is outrageous that Israel is the only one excluded from these groups.

Mr. HOLBROOKE. It is ridiculous. One other country is not in a group, Estonia, but that is by choice.

Senator GRAMS. And one final question. I realize you are probably not very keen on inspectors general at this time, but I hope you recognize the need for effective oversight at the United Nations, particularly given that according to U.N. Under Secretary General for Management, Joe Connor, OIOS is technically not a priority at the U.N.

So my question to you is, would you work to ensure that all OIOS reports are made available to all member States regardless of whether they were forwarded to the Secretary General? And as you know, last year, only 39 of 162 reports were made available. So we would like to have some openness and transparency in these reports.

Mr. HOLBROOKE. I was not aware that only 39 had been made available. I talked to Joe Connor informally over the weekend in preparation for this hearing. He knows that whether it is his prior-

ity or not, it will be one of ours. I did not, by the way, Mr. Chairman, get the impression that he considered it an unimportant issue. He understood its importance. I need to learn a lot more about this, but of course I understand its importance. And I think that it is going to require additional pressure. It may require additional funding. And we have to have these functions extended to the specialized agencies. So that is a big issue.

I hope Ambassador Loftus is still in the room to hear your comments. I cannot see behind us here. But he can report them directly to Gro Brundtland of the WHO. I will certainly pursue it.

Senator GRAMS. That is all the questions I have.

Senator Biden.

Senator BIDEN. You mean you cannot see behind your head? I thought you could, based on all the powers that had been attributed to you over the years.

Mr. HOLBROOKE. If I could have, I would have been here a lot sooner, Senator.

Senator BIDEN. Mr. Chairman, Chairman Helms asked me to point out that Ambassador Holbrooke has one more hearing. The final hearing will be on Thursday, at 10 a.m. And he indicated to me that at that time we will consider the policy on the Balkans. I know that we have begun to cover that. I apologize for jumping the gun here. And he asked me to suggest that we also keep the record open for 3 days for Senators to submit questions from today.

Senator GRAMS. We will do that.

And also for the members from the GAO, Mr. Johnson and others, I have some other questions that I would also like to submit to them. So I would also hold the record open for that, in case other Senators would like to submit questions.

[Submitted questions and responses appear in the appendix on page 119.]

Senator BIDEN. Excuse me, Mr. Chairman.

I see Senator Sarbanes approaching.

Senator GRAMS. We were that close.

Would you like to have a couple of moments?

Senator SARBANES. I do not have any questions. I was going to watch for a while, but I see you have finished. I want to say that I think it is really important to get this nominee into place. We have been without a permanent confirmed representative for a long time. I just got a report the other day from someone who used to be in the foreign policy operation here, who was up at the U.N., He got in touch with me to say that we really need a permanent person on post. He felt that U.S. interests were really suffering in many subtle ways. While nothing major or catastrophic, he mentioned many small small, subtle ways. I think we probably all share that view.

Senator BIDEN. I think the chairman does, as well.

Senator SARBANES. I just hope we can move this nomination out of here promptly at the conclusion of the hearings, and move it through the floor. It is certainly within the realm of accomplishment that we could have Dick Holbrooke confirmed before we break for the Fourth of July. I think it would be a terrific accomplishment if we could do that. I hope we can work together to try to accomplish that.

Senator BIDEN. That is the objective.

Senator GRAMS. Thank you, Senator Sarbanes.

Thank you, Mr. Holbrooke, for your patience.

This hearing is now concluded.

[Whereupon, at 5:40 p.m., the committee adjourned, to reconvene at 10 a.m., June 24, 1999.]

**THE NOMINATION OF HON. RICHARD C.  
HOLBROOKE TO SERVE AS U.S. AMBAS-  
SADOR TO THE UNITED NATIONS**

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**THURSDAY, JUNE 24, 1999**

U.S. SENATE,  
COMMITTEE ON FOREIGN RELATIONS,  
*Washington, DC.*

The committee met, pursuant to notice, at 10:23 a.m., in room SH-216, Hart Senate Office Building, Hon. Jesse Helms (chairman of the committee) presiding.

Present: Senators Helms, Smith, Ashcroft, Biden, Sarbanes, Dodd, Kerry, Wellstone, and Boxer.

**OPENING STATEMENT OF JESSE HELMS, U.S. SENATOR FROM  
NORTH CAROLINA**

The CHAIRMAN. The committee will come to order. This is the third hearing in the Foreign Relations Committee's consideration of Mr. Holbrooke's nomination to be United States Ambassador to the United Nations.

This morning we will consider his role in crafting U.S. policy toward the former Yugoslavia, and let me say, Mr. Ambassador, and I do not hesitate to call you that now, I received a letter on this subject a few months ago from a citizen from our State who I do not know personally. We checked into it, and I thought I would bring it to your attention and maybe you would have an opportunity to discuss it.

His name is Mr. John Delich, D-e-l-i-c-h. Do you know him?

Mr. HOLBROOKE. No, sir.

The CHAIRMAN. Here is what he wrote to me, and I will not quote all of it. He says, "Slobodan Milosevic is the man we made a partner in resolving these crises, and has pulled the rug from under our feet once again. We have supported him all along in order to end the wars that he started, a classic case of the arsonist who started the fires being appointed to be chief fire marshal."

Now, Mr. Holbrooke, I think it is accurate that you have spent more time with Slobodan Milosevic than anybody else in the administration, and I believe at one point you held the view that he could possibly play a useful role in achieving the Clinton administration's policy in the Balkans.

Now, I am confident that you did various things in an effort to make Mr. Milosevic a partner for peace in the Balkans, but in retrospect I would like your views as to whether making Milosevic our partner was a misguided policy, especially in light of his indictment

last month as a war criminal. In any event, as my correspondent from North Carolina has indicated, that policy had consequences.

It had consequences for the opposition forces in Serbia, struggling to develop an alternative to Milosevic's undemocratic regime. It also had consequences for the ethnic Albanians in Kosovo, and specifically in your testimony, I ask that you discuss for me and for the record the deal, if I can use that word, that you reached last October with Mr. Milosevic on Kosovo.

At that time, NATO was threatening air strikes if Milosevic did not concede to NATO's demands, but instead of telling Milosevic either to withdraw his forces or face NATO air strikes, you returned apparently from Serbia with a deal which allowed Milosevic to keep thousands of Yugoslav Army and Serbian police forces in Kosovo, the same forces who later carried out the brutal ethnic cleansing and mass murder that we have just witnessed on television and elsewhere in the past months.

Now, to conclude, I am concerned that the fact that the United States felt obliged to go to war against Yugoslavia this past March was an obvious conclusion of doing business with Slobodan Milosevic, and that is the view of my friend whom I do not know personally from North Carolina.

I want you to have the opportunity today to discuss your relationship with Milosevic, that is to say, whether now in retrospect you feel the U.S. policy of bolstering his position was, indeed, a mistake, and more so than anything else I hope you will make a commitment to support a vigorous policy aimed at getting rid of Milosevic for once and for all.

Senator Biden, before he does that, we will hear from you.

**OPENING STATEMENT OF JOSEPH R. BIDEN, JR., U.S.  
SENATOR FROM DELAWARE**

Senator BIDEN. Mr. Chairman, I ask unanimous consent that my entire statement be placed in the record and, if I may, I would like to briefly summarize it.

As is often the case with individuals who think outside the box, who get the big picture and try to change it, Dick Holbrooke quite frankly may be more appreciated in Europe than he is here, even though he angers them because he has done the right thing by moving when we have had to.

I think it is important to acknowledge that, as we look at the Balkans policy, it is a tapestry which in large part in this administration has been woven by Dick Holbrooke. It may be that there are parts of it that some would not like, but I would suggest that without that Holbrooke tapestry hanging on the walls there, the walls would be bare still.

I admit, I am grateful he returned my calls all the time. I was sort of a pit bull on some of this stuff, and fortunately I was a Senator and he was a diplomat, because diplomats must have patience, and he possessed it in abundance.

But the bottom line is, I think that I am going to try to avoid in my questions, Mr. Ambassador, going back to what would you have rather done. I am going to try to stay out of personalities here, because when we talk about this policy, the Secretary of State has played an enormously large role, and I believe her stead-

fastness has been one of the critical factors in our ultimately prevailing, thus far at least.

But I would like to explore with you, even though it is not your primary brief as a U.N. Ambassador, what we do from here, and I would like to—when my time to question comes, I think there are certain lessons we should draw from the good work that you did in the Dayton Accords and its implementation in Bosnia. I hope you understand that I am going to suggest that you comment on some of the lessons I think we should learn from Bosnia that are not meant as criticisms of Dayton.

I think it is an enormous feat that Dayton was pulled off and you got us where we were. It is like now. The very people who were talking about not getting involved, about negotiating with Milosevic, partitioning now, redrawing borders, stopping the bombing, et cetera, are now saying, you know, we really messed up, Milosevic is still there. They are complaining that the very guy they wanted to negotiate with is still there.

We tend sometimes not to focus on what we have accomplished, and we go immediately to what is not right with the circumstance as it exists.

I would like to respectfully suggest, Mr. Chairman, that had we not pursued the policy that Dick Holbrooke was in large part responsible for through the Kosovo crisis, that we would be facing much, much more serious problems. There is no implicit criticism in my questioning, because these are all tough calls, but I would like to focus most on what do we do from here, and what differently should we do in Kosovo than what we did or are doing in Bosnia, because there are different circumstances.

So I welcome you back, and again, I cannot yield without saying once again how much I appreciate, Mr. Chairman, how fair and gracious you were. There is an old expression, the proof of the pudding is in the eating. I hope now that we are completing the last of the three hearings everyone will understand the absolute truth of what I said at the outset, which was that you in no way were the reason why this was delayed.

You in no way were the reason why we had difficulty getting to this point in the first hearing. Once it was put in your hands, once you were in charge, it has moved swiftly, smoothly, and fairly, and I appreciate it.

[The prepared statement of Senator Biden follows:]

PREPARED STATEMENT OF SENATOR JOSEPH R. BIDEN, JR.

Thank you, Mr. Chairman, both for expeditiously scheduling this series of confirmation hearings and for the cooperative spirit in which you and your staff have prepared for them.

Today we are considering Ambassador Holbrooke's role in recent American policy toward the Balkans. In doing so, I would like to use a sports metaphor.

If anyone has ever watched a diving competition, in the Olympics or elsewhere, he or she will remember that each kind of dive comes with a so-called "degree of difficulty." A relatively easy kind of dive might have a "degree of difficulty" of one-point-eight. A more difficult one might have a two-point-seven, and so on.

The judges' numerical evaluation of the competitor's performance on each dive is then multiplied by the "degree of difficulty" of that kind of dive in order to get the competitor's score.

Well, Mr. Chairman, translated into international politics, Balkan diplomacy must surely have the highest "degree of difficulty" in the world.

I know of no other area with such an explosive mixture of jumbled ethnic and religious groups, geographic barriers to cooperation, economic complexity, tortured history, and—last but not least—assiduously cultivated, purposeful *distortions of history* in order to serve current political ends.

With that “degree of difficulty” even a mediocre performance in Balkan diplomacy would result in a fine score.

But, Mr. Chairman, Ambassador Holbrooke’s “raw scores”—his accomplishments at Dayton and elsewhere—have been excellent. Combined with the Balkan “degree of difficulty” factor, his performance has been nothing short of remarkable.

Anyone who doubts this conclusion need only look at what others in the field of Balkan diplomacy have failed to accomplish. In short, Dick Holbrooke has produced.

As is often the case with individuals who think “outside the box,” who get the big picture and try to change it, Dick Holbrooke may well be more appreciated in Europe than here in his own country.

Many Europeans whom I know—and these are not unsophisticated types—grudgingly view Ambassador Holbrooke as some kind of a hard-driving magician, who pulls rabbits out of hats after first flattening any other animals who might pounce on the rabbit.

The Europeans may fault him for allegedly not having consulted with them enough, but very few of them criticize his final product.

This is not to say that Ambassador Holbrooke is perfect. Nobody is, and in the question-and-answer period, I plan to ask him what, in retrospect, he feels he might have done differently at Dayton.

But let’s be honest. Whatever the flaws in the Balkan diplomatic tapestry Dick Holbrooke has woven, without him the walls would still be bare.

I am confident that Ambassador Holbrooke knows that tactics that work in hammering out a deal with tough, recalcitrant Balkan leaders are not necessarily productive in the corridors of the United Nations. He is an urbane, experienced man, who analyzes his task and his interlocutors, and adjusts his style accordingly.

I am eager to hear Ambassador Holbrooke’s testimony and to question him on it. Thank you again, Mr. Chairman.

The CHAIRMAN. Thank you, Senator. We are beginning to be known around the Senate as the odd couple.

Senator DODD. Don’t press that point.

The CHAIRMAN. He is the one that is odd.

Senator DODD. There will be no recorded vote on that one.

The CHAIRMAN. So really, I enjoy working so much with Senator Biden, and I think we have accomplished a very great deal, and I appreciate everything he has done. We could not have done it without him, notwithstanding what he claims, that it is all on this side. He did a yeoman’s share of the work, and I am grateful to him, and always will be.

I asked the folks I work for back here to remind me about Mr. Delich, if I am pronouncing it right. He is the former head of the Serbian Unity Congress, which has been identified to me as the leading Serbian-American organization. Is that approximately correct?

Mr. HOLBROOKE. There are quite a few organizations. That is one of the leading ones, yes, sir.

The CHAIRMAN. And he said he would occasionally meet with State Department officials, including yourself, as he recalls it. In any event, I would like for you to discuss what he said, because I think it is important to have it on the record.

**STATEMENT OF HON. RICHARD C. HOLBROOKE, NOMINEE TO BE THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS WITH THE RANK AND STATUS OF AMBASSADOR, AND THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA IN THE SECURITY COUNCIL OF THE UNITED NATIONS**

Mr. HOLBROOKE. Mr. Chairman, before I respond to your question about Mr. Delich's letter and the questions from Senator Biden, let me just thank you again for your courtesy and that of the entire committee in holding these hearings, to reinforce what Senator Biden has just said, the speed and precision with which these hearings have been conducted, to reaffirm again to you and to anyone who may be listening that the delays of the last year were in no way caused by this committee, and to thank you for your generosity and fairness.

I am very honored to be here this morning again to discuss an issue which has taken up more of my time in the last 5 years than any other issue, and one in which I have had many private and public consultations with members of this committee.

[The prepared statement of Mr. Holbrooke follows:]

PREPARED STATEMENT OF HON. RICHARD C. HOLBROOKE

Mr. Chairman, Senator Biden, distinguished Members of the Committee. It is an honor and a pleasure to appear before you again today to testify on the Balkans.

As the Members of the Committee know, I have been involved in the Balkans for several years. I know all of the key players very well and how difficult these problems are. NATO's military victory, like the Dayton Accords before it, is a great success for the Nation. I feel privileged to have played a role in this success, and I salute the Senate for passing a resolution last week commending the President and the troops.

Why does NATO's victory matter? It matters first because we had to stem the humanitarian crisis. Belgrade's offensive against the ethnic Albanian population, begun before the bombing campaign, created a humanitarian crisis of staggering dimensions. It is a measure of the greatness of the American people that they cannot sit by and watch such horror on their televisions night after night without action.

Second, our success matters because we need to promote stability in the Balkans and Southeastern Europe. Belgrade's offensive proved the spillover theory correct. Flooding its neighbors with refugees delivers a powerful economic and political blow. The Serbs could have reignited chaos in Albania, destabilized or sparked a civil war in Macedonia, undermined Dayton implementation and all we have gained in Bosnia-Herzegovina, set back political and economic reform in other neighboring states—including some that border on NATO states or that even aspire to NATO membership—and bred international crime and terrorism.

Third, and certainly not least, we defended the cherished values for which this country and NATO have stood since their foundations: democracy, human rights, and the rule of law.

We have prevailed in the air campaign, and now we must stay the course in helping to build the peace—with the Europeans taking the lead and paying the lion's share of the cost.

The United Nations will have its role to play in Kosovo—such as in providing an interim civil administration for Kosovo, assisting through the United Nations High Commission for Refugees in the return of the refugees and displaced to their homes and coordinating disaster relief, or dealing with the land mine threat.

Mr. Chairman, if confirmed, I will be vigilant to ensure that the roles assigned to the United Nations in Kosovo are carried out in as constructive and as cost-effective a manner as possible. In doing so, I will be honored to continue to play whatever role the President and the Secretary of State ask me to take on, in support of American's objective of securing lasting peace and stability in the region.

Thank you Mr. Chairman. I will be pleased to take your questions.

Mr. HOLBROOKE. Let me respond to Mr. Delich's letter both directly and indirectly by saying at the outset that I agree with al-

most everything in this letter except its references to my own role. I agree with his characterizations of Slobodan Milosevic. The phrase that Milosevic has both been an arsonist and a fireman is not original to Mr. Delich. It was originated by Yugoslav journalists in describing Milosevic, and it is one that I myself have used frequently, and it is very accurate.

Mr. Delich's letter raises an issue that has been a central concern to me since my first two trips to Bosnia as a private citizen for the International Rescue Committee on Refugee Matters in 1992. Had the United States responded vigorously and appropriately early in the crisis we might have avoided three of the four wars that the Belgrade leadership has caused. Senator Biden was one of the leaders in that effort to bring attention to the issue. He was there before I was involved in the issue officially, as were you and many other members of this committee.

So 1991 was the year we should have dealt with this. By the time I became directly involved in the issue at the end of 1994, the beginning of 1995, three of the four wars were already taking place. The first one in Slovenia was a week long. The second one with Croatia was a mess beyond messes, and by the time I got involved the war was raging out of control in Bosnia, where over 300,000 people were killed and 2½ million made homeless.

The first priority for the United States and our NATO allies at that time was, in my view, and I believe this was echoed by most people, regardless of where they stood on tactics, was to stop the war from metastasizing into the rest of the region, and particularly merging with the incipient crisis in Kosovo, which everyone understood was explosive.

We therefore, operating from a very weak hand, began a policy in the summer of 1995, a policy in which NATO, led by the United States, belatedly and reluctantly but ultimately decisively bombed the Bosnian Serbs and then took them to the peace table at Dayton, OH, and ended the war.

Milosevic went to Dayton. He was not yet then indicted. He tried to bring with him those people who were indicted. I told him that I would be delighted if he brought them, and I would be waiting at the airport with Federal marshals to arrest them, and of course they did not come to Dayton. As I said in our last hearing, Mr. Chairman, I profoundly regret that the NATO forces did not arrest Radovan Karadzic and some of the others right away. They could have, and they should have, and I still hope they do.

The Dayton peace agreement ended the war in Bosnia, and the war has not resumed to this day. Under the most extreme tensions, including the crisis in Kosovo, including overt attempts to destroy it, not one NATO soldier has been killed or wounded from hostile action, and the record of the American fighting men and women in Bosnia, although they have not had to fight, has been magnificent.

I regret deeply that the administration put arbitrary time limits twice on our duration in Bosnia, which may have inadvertently encouraged the Bosnian Serbs to think they could out-wait us, but President Clinton removed those time limits in December 1997, prior to his trip to Bosnia, and we will not repeat that mistake in Kosovo.

Now, Mr. Delich says we were partners at Dayton. That is the part of the letter that I would really like to address, and this has come up many times. As President Clinton has often said, quoting Prime Minister Rabin, "One does not negotiate with one's friends; one negotiates with one's adversaries." I was assigned by the President and two Secretaries of State, Warren Christopher and Madeleine Albright, to be at times the lead negotiator and at other times a special envoy. These were not easy assignments, and we are neither friends nor partners.

It is true, as you said Mr. Chairman, that I have spent a great deal of time with President Slobodan Milosevic, during none of which, I would stress, he was indicted. The last time I saw him—and I use the word "last" in both senses of the word—in my estimation, was March 23, 1999, and I said to him, "when I leave this room, if you have not accepted the position that the United States and our NATO and Contact Group allies and friends, including the Russians, put forward at Rambouillet, is it clear to you that NATO bombing of this country will start immediately, and it will be"—and I used the three words deliberately, and after consultations with the Pentagon—"swift, severe, and sustained."

The last meeting I had with him was just the two of us, because I wanted to be sure there was no possibility of the kind of misunderstanding, Mr. Chairman, which had led to an unnecessary war in the same area in August 1914—a war that historians now agree could have been avoided, but took place because of miscalculation.

Milosevic said, "I understand this. You will bomb us. There is nothing I can do to prevent it." And I left the room, and he said to me as I left, "I wonder if we will ever see each other again," and I said, "that will depend entirely on your actions." Well, his actions have given us the answer.

Now, in all of our prior negotiations, from 1995 until then, we tried to reach agreements. Some of these agreements stuck. The war in Bosnia is over, and I think that that is an important fact. Again, I want to compliment you and your colleagues for the important role the Senate played in that.

Particularly, I do not want to single anyone out, but the Senator on your committee I have spent the most time with is the man sitting immediately to your left, Senator Biden. He understates the intensity of our colloquy, and the amount of advice he gave me, some of which was very, very emphatic, and he was the first Senator I called on when I returned to Washington.

Emphatic, Mr. Chairman, is a euphemism for what he told me in private, but Joe Biden is a man who went to Belgrade and called Slobodan Milosevic a war criminal to his face long before it was either fashionable or the tribunal's action, and we have worked together closely.

In any case, on the prior events that Mr. Delich refers to, it is true we reached agreements with Milosevic. He was the recognized leader of the Serbs under international law. He signed agreements in Dayton which were then witnessed by President Clinton, President Chirac, Prime Minister Chernomyrdin, Prime Minister Major, and Chancellor Kohl in Paris a month later, and the Serbs have kept their word on those agreements.

He agreed to allow us to determine the final outcome of the one unresolved issue in Bosnia, the town of Brcko. He turned that decision over to us, and I am proud to say that one of my dearest colleagues from the negotiating process, Roberts Owen, is here today in the audience. He is the man who made the final decisions on Brcko only a few months ago, very difficult decisions which are being implemented now, and they were decisions the Serbs hated. We made them on the eve of the bombing, and they have still held.

Mr. Delich talks about the consequences of the policy to democrats in Serbia and the Albanians in Kosovo. He is correct to a certain point. Let me address this issue and then make one last point. I apologize for the length of my opening answer/comment, but this is so critically important. I would also like to respond to Senator Biden's question on the question of democrats in Serbia.

This is a critical issue. As I wrote in my book, we made numerous mistakes in the last few years. I have already mentioned one of them. Another one was a failure to give enough support to the Together Movement at the end of 1996.

It happens that my wife was in Belgrade at that time in her capacity as chair of the Committee to Protect Journalists. She actually marched through the streets of Belgrade for three straight days with the leaders of the Together Movement and, by the way, the Belgrade leadership knew exactly that she was my wife. She was there as a private citizen, but she was demonstrating her support, and I am very proud she did that. It was subfreezing weather.

But the Together Movement did not hold together. The U.S. Government did not do enough to support it, and it was the greatest missed opportunity of the last 4 years. I would hope that, with the impetus that you and your colleagues are providing and—if I have the terminology correctly—with the Serbian Democracy bill or amendment, we will move in that direction.

There was no intent to undermine democracy in Serbia, but the Serb democrats are a pretty disparate group. Last year, on one of my trips to Belgrade, I met with one of the bravest dissident journalists in Belgrade, a man named Vierren Matic, a very famous man of immense courage, and I said to Matic, "I have 2 hours before my next meeting. I would like to meet with the leader of the democratic opposition. Who do you want to take me to see?" After a long pause, Mr. Matic said, "I don't know. That is the tragedy of our country."

I hope that, with the consequences of the success that has now occurred—it is a messy success, but it is clearly a success—and the impetus that has been given to new opportunities in Serbia, the next time somebody is in Belgrade and asks that question, they will know where to go.

Where is the Cory Aquino? Where is the Ausung Su Chi? Where is the Dalai Lama? Where is the Kim Dae Jung figure who becomes the obvious rallying point for the forces of democracy? All of the people I have just named, all of whom you and I have both worked with, were important leaders and symbols. There is no such clear figure at this point in Belgrade, and that is the tragedy of Serbia. Outside assistance and hortatory language is important and useful, and we must encourage them. But as you yourself have often said,

the impetus must ultimately come from the Serb people themselves, but with greater encouragement from us.

Secretary Albright and I have discussed this problem in the last 2 days between these two hearings in preparation for it, and I know she feels equally strongly.

On Mr. Delich's second point, the Albanians in Kosovo have often said that Dayton was a betrayal of the Albanians. This is not Mr. Delich's point, because he is a Serbian-American, but I would say that Dayton was about Bosnia. It ended the war, but we did bring up Kosovo repeatedly, and the American presence in Kosovo was negotiated by me.

From 1912, when the Serbs seized Kosovo from the domains of the Ottoman Empire, until 1995, there had never been an American international presence in Kosovo. We negotiated the establishment of the USIA Cultural Center, which was really an embassy extension, and in that regard I would say with your act that arbitrary distinction will be gone forever, and I cannot tell you how pleased I am at that. I negotiated the Kosovo diplomatic observer mission and the Kosovo verification mission.

However, in regard to Mr. Delich's point about October, I was not able to negotiate armed international security forces in Kosovo in October because it was not possible to do that under the instructions I was given, in the context of the situation that occurred at that time.

I believed firmly, Mr. Chairman, and have stated repeatedly in public and private, that Albanians and Serbs will not be able to live together in peace in Kosovo until they have had a period of time with international security forces to keep them from tearing each other to pieces.

In Kosovo, the animosity and ethnic hatred is real, not like in Bosnia, where it was manufactured by demagogues and racists and mafioso crooks. There was a lot of intermarriage in Bosnia. There is a common language, a common history.

Albanians and Serbs are really different people. There is very little interaction and intermarriage, and the hatred is much deeper. The international security presence, which I was not allowed to negotiate in October for various reasons and Milosevic then refused after Rambouillet, is now in there without any casualties so far, although we have had incidents like yesterday's, which illustrate the great danger.

So again, Mr. Chairman, I would simply say that I well understand Mr. Delich's comments. I would like to make one other comment about his letter and then move on. Throughout the last 3 years I received numerous letters and phone calls from Serbs and Serb-Americans about the apparent anti-Serb bias of the American policy. I know that you and Senator Biden and Senator Dodd and others, Senator Smith, have surely received similar things. When I went to Minneapolis at the request of Senator Grams I got picketed by Serb-Americans as I went in the room.

So let me say again, and I suspect that all of you have had these experiences, that the policy has never been anti-Serb. As President Clinton and Secretary Albright have said, we are well aware of the fact that the Serbs fought on our side in two World Wars, rescued many pilots, and are well-represented in this body, in the House

and throughout American society, particularly in such great cities as Cleveland and, indeed, in the Dayton area. And I do not believe in collective guilt, and I think it is very important to make that clear to the Serbs and Serb-Americans.

Finally, Mr. Chairman, let me turn to Senator Biden's comments about what he called the tapestry. I appreciate very much what Senator Biden has said, of course, and I share his view of the steadfastness of Secretary Albright on these issues. She and I have been shoulder to shoulder, or as she likes to put it, joined at the hip, on these issues for many years now.

If I understood your question, Senator Biden, it was what would we do differently in Kosovo than we did in Bosnia? Was that correct, sir?

Senator BIDEN. That is correct, but I do not know whether you want me to go into that now, Mr. Chairman.

The CHAIRMAN. Well, I did not do this right, and the last time I checked we had consumed about 12 minutes, and I think it would be fair.

Senator BIDEN. We can do it on my time now, to let him answer that question.

The CHAIRMAN. I am so glad you went into the detail you did. I did not anticipate it, and I think I saw some guys over there furiously writing, so maybe they can straighten things out.

Now, I will recognize Senator Biden for his turn, 10, 12, 15 minutes, whatever you want.

Senator BIDEN. I would like to pursue just where you were going, and just add one preface. It seems to me that few people speak as clearly to the differences between the circumstances in Bosnia, among Bosnian Croats, Muslims, and Serbs, and the difference between Albanian Kosovars and Serbs in Kosovo.

I think that is because the European Community in my view during this period, where it was almost under anesthesia, tried so hard to convince the world that in Bosnia there was never any co-existence, that this was only a civil war, that this has nothing to do with anything other than racial hatreds, because if they did that, then there was a logic for not being involved.

I would argue that the reason it took us so long, quote, to do the right thing, close quote, was because we were engaged in self-delusion about what was happening in Bosnia and who was causing it. I often point out to people that—I am quite sure this is correct—of all the major cities in Europe, the one with the greatest degree of intermarriage is Sarajevo.

Now, I have been given that statistic a number of times. I cannot stand by it independently, but I believe that to be true, and all anyone has to do as they travel through Bosnia, as you and I and others have—I mean, I have been to every part of Bosnia, by helicopter, by automobile, by armored personnel vehicle, and when you ride through these picturesque mountain towns and you see minarets sitting there and then you see a group of Muslim men sitting in the corner cafe having a drink, you do not see women veiled, walking down the streets.

I facetiously said, and I will probably get myself in trouble for saying this, but in Bosnia there are a lot of the equivalent of Reform Jewish congregations, if you make an analogy to Islam. I

mean by this parallel that there is not a fundamentalism about Islam in Bosnia at all.

The second myth that was perpetrated by many Europeans and, I might add, by Mr. Tudjman, who, as I once said before, is no box of chocolates himself, is that there is a fundamentalist Muslim state seeking to be constructed in the midst of Europe, et cetera. That was like a red flag in front of a bull to many Europeans, but now we are in a conundrum here.

Now, unless people like you continue to say what you have been saying, that there is a real difference between Bosnia and Kosovo, thereby calling for different tactics in dealing with the peace, I think we may find ourselves in trouble.

With that very long preface, let me suggest several things I think should change. I would like your candid view, if you disagree, because you and I have not talked about these pieces.

One is, I hope one of the lessons we have learned is that early elections are not a good idea. You have got to give democracy a little bit of a chance to jell here, and in Kosovo what I mean by that is, you have got to have a chance for the KLA and Rugova to be able to begin to work out something. Because if elections were held tomorrow, every KLA local leader would win every election in every community and every district, and a military organization does not a civilian government make, no matter how well-intentioned.

The second lesson I think we should learn is that it is a mistake for KFOR apparently to allow some KLA units under fairly strict agreements to essentially occupy the police headquarters in various towns and cities. I think we should have the gendarme model of Europeans, and I know this we have talked about with regard to Bosnia.

I think for the next couple of years we should avoid the following dilemma: either having our military or NATO's military act as policemen, which they are not equipped to do, or on the other hand turning over the civilian control of the police forces to the victors. I think the answer is the gendarme-type apparatus made up of Europeans and setting up police academies, literally police academies in Kosovo to train a new cadre of civilian law enforcement officers.

The third thing I think is a lesson that you have already spoken to, and I will not ask you to spend any time on, is no time limits, no artificial time limits on anything about our presence, KFOR's presence or anything else in the region.

The fourth lesson I take away from this is that in a strange sense Kosovo is going to be easier than Bosnia. You are not going to have Westendorp heading out there to decide who lives in which house in which block, because there is much more homogeneity. That is good and bad.

No matter all the intriguing we engage in, I doubt whether more than 5 to 10 percent of the population in Kosovo is going to be Serbian 20 years from now no matter how hard we work. I think it is a lot lower, but I am being optimistic.

So in one sense it is a lot easier to deal with setting up a transition in Kosovo, but in another sense it is a lot harder, as you pointed out, because of the depth of the hatred. So I hope that in this process, quite frankly, we do not spend too much of our capital in

a literal sense in terms of dollars, and also in a political and diplomatic sense in focusing on bringing Serbs back.

I would like very much for the Serbs to come back. Please do not misunderstand me. But the reason we could not rebuild the infrastructure, the highways, the water system, the electric facilities, get jobs up and going, attract businesses in the Republic of Srpska, is because when they would not let in elected officials of a different nationality, the international community rightly said, we are not going to send the money.

But in Kosovo we are not going to have that problem. It is the primary responsibility, as you said, and as the President has said, of the European Union and the donor nations other than us to carry the bulk of the burden. But I hope we quickly, swiftly move to reconstruct the infrastructure, because I think there is nothing more unifying, nothing more consoling than having the house rebuilt, the job reestablished, a routine put in place, and money coming in, and security being established.

Now, we took a long time doing it for necessary reasons. There is actually one more point, and that is your job at the U.N. The U.N. is essentially responsible for civilian implementation of the peace. I think, to quote a Russian saying used by President Reagan, we should trust but verify. The U.N. is well-intended, oft-times slow, and sometimes incompetent. I would hope privately, not publicly, that you would not hesitate to be a thorn in the side of the United Nations for dilatory tactics in implementing the civilian side of this, because that is the key.

So I realize that I have raised five points and I have used up my time, but I wonder whether you could comment generally, or maybe for the record if you do not want to do it now, about whether those kinds of policy changes from what we did in Bosnia and what we should now do in Kosovo, or whether there are other lessons to be learned and I have got the wrong ones.

Thank you, Mr. Chairman.

Mr. HOLBROOKE. Senator Biden, Mr. Chairman, Senator Smith, Senator Biden raises five points, and I am tempted simply to say I agree with everything he said and move on to the next question, but a couple of points require elaboration.

First of all, let us learn from Bosnia. As I wrote in my book, the Dayton agreement was particularly flawed in regard to the police annex because for various reasons—budgetary arguments with the Europeans, perhaps inadequate bureaucratic pressure from us, and an ambivalence by the NATO command—we did not give the police task force in Bosnia enforcement or arrest and detention capability.

I have been a very hard liner on this, and I have been assured that the police will have detention and enforcement capability. Therefore, the highest priority of the U.N. is to get them in there fast, otherwise two things will happen. NATO will turn into policemen, and all of us know that there is nothing a man or woman in uniform likes less than to become a policeman. That is one of the great rules of the U.S. military.

Second, as Senator Biden said, the KLA will fill the vacuum in a way which may not be appropriate to democratic approaches either. I would add that Senator Biden's point of early elections is obviously correct also.

That was one of the two or three great failures in Bosnia. I remember General Clark saying to me at the time, as we discussed this because we knew it was not right, that this was going to be the greatest gap in the food chain, never dreaming that he would end up being the NATO Supreme Commander.

But we are fortunate that the NATO Commander is General Clark, who was with me at Dayton, who drafted some of the annexes, and who knows them intimately, and who was aware of that problem.

On the other questions—early elections, KLA, no time limits—I completely agree.

On the U.N. role, Senator Biden, I am glad again to see that sitting behind me in the audience is the Secretary General's representative in Washington. I have absolute confidence that she was taking notes as you spoke and that your views and those of your colleagues will be in New York by early afternoon today.

So you want me to be a thorn in their side. I would ask you and Chairman Helms and Senator Smith and your colleagues to be thorns with me, but friendly thorns, because as we said in our first and second hearings, the goal here is not to destroy the United Nations, it is to reform it to make it serve our purposes. And nowhere has it been tested like in Bosnia and Kosovo.

The Kosovo test will transcend anything that preceded it, including Cambodia, because they will be running the international protection authority, or whatever it is going to be called. Nothing like this has been undertaken in a long time, and I have grave concerns that it will not be pursued with the amount of vigor that the task demands.

In Bosnia, we weakened the High Representative's authority, and that was another one of our mistakes. It was because of a battle between the civilians and the NATO people, and it was a mistake. Carl Bilt has written about that in his book.

I do not disagree with his criticism of what we did. In fact, I echoed it in my book. Mr. Bilt was in to see me in New York yesterday and noted that he is advising Secretary General Kofi Annan that the international presence in Kosovo must have greater power and be enacted more vigorously. This will be one of my highest priority issues that I will pay attention to.

I said in my first hearing that U.N. reform will be my highest sustained priority, and I will deal with emergencies. This is obviously the emergency that we are all most interested in.

Senator BIDEN. I hope they look at this as an opportunity. The credibility of the United Nations worldwide was diminished for whatever reasons in Bosnia. I think this is an opportunity for it to increase its credibility and take on a role that at least I personally would like to see it take in the 21st century.

Mr. HOLBROOKE. I think the Secretary General feels that, too, but that bureaucracy, like our own bureaucracies, has people of varying qualities in it, and the proof will be in the selection of personnel and the vigor with which they carry it out.

I was very impressed with the GAO report to you 2 days ago, Mr. Chairman, because I understood that it was the first time that the U.N. had let the GAO look. It was constructive criticism, and I will play that role if confirmed.

That may not be fully responsive, Senator, but that covers your main points.

Senator BIDEN. At some point—not now, because my time has been long up, but I would like to talk about the gendarme notion and the Europeans leading the charge on the policing side of this, but I do not want to take the time now. Again, maybe in a second round, or in private, or later, but Senator Smith has been deeply involved in all of this.

The CHAIRMAN. You have waited a long time, Senator.

Senator SMITH. Thank you, Mr. Chairman, and Senator Biden.

Mr. Holbrooke, it is a pleasure to be here with you. I thank you for your patience with the committee in dealing with all of these questions.

So you will know the motive of my questioning, let me state at the outset that I believe you are eminently qualified to be the United States Ambassador to the United Nations, and I intend to vote for you and for your confirmation, but as Senator Helms said, part of the purpose of these hearings is to give you the chance to respond to critics and charges, and I thought with that understanding I would ask you some questions. It may be difficult, but in fairness to you, you need an official forum in which to answer.

I doubt you read the Weekly Standard, and this is not an advertisement for the Weekly Standard, but I happen to have read it this morning when I got up with a migraine headache, and there is an article in here by a Mr. Ivo Daalder. I do not know him, but the title of it is, “What Holbrooke Wrought.” Have you read this article?

Mr. HOLBROOKE. Yes, I have.

Senator SMITH. I think it is a matter of historic record now that the United States believed that Mr. Milosevic would cave after 3 days of bombing, and that no ground troops would be necessary, and certainly perhaps not even possible, and therefore no preparations were made for that.

There is some dispute as to whether this ethnic cleansing was going on before we began bombing. I personally believe it was, but certainly not with the intensity that occurred afterwards. I would like to get your response to this article, but to do that, let me read two paragraphs that I think summarizes the thesis of this article.

However lamentable NATO’s failure to protect nearly 2 million Kosovars, the larger failure lies in the policy that left the United States and its allies no choice in mid-March but to bomb, without the plans or capacity to stop Milosevic’s onslaught.

If the brutal Serb campaign was already underway before the bombing started, as administration and NATO spokesmen repeatedly claimed, and if Milosevic’s plans for Operation Horseshoe, as the Serbs term their attack, had been in Western hands since October 1998—in other words, we knew they were going to do this since October 1998—why were no preparations made to prevent it? With 6 months’ notice, why were no military contingency plans drawn up to enable the alliance to fulfill its stated mission of protecting the Kosovars?

This author then states: “The answer to these questions are to be found in the agreement Richard Holbrooke, the Clinton administration’s Balkan envoy, negotiated with Slobodan Milosevic in Octo-

ber 1998. That agreement, reached after NATO feebly threatened air strikes to avert humanitarian crisis, sowed the seeds of NATO's subsequent failure."

Mr. Holbrooke, your response.

Mr. HOLBROOKE. Well, first of all, Senator Smith, I want to thank you for your statement of support and to state also for the record that you and I have had prior private conversations on these issues. I look forward to continuing them and am very grateful for your support.

In regard to this article and these charges, I am quite puzzled by them. They are written by a person who ought to know the facts better. The author has taken a few factoids and twisted them into a different mosaic, to use Senator Biden's word, a different tapestry. This is not the tapestry I recognize, and a full-scale rebuttal really requires a full-scale history. Let me just address the key points.

Senator SMITH. By the way, I am asking this because this probably has currency in the Republican cloakroom, and you need to get a rebuttal out there.

Mr. HOLBROOKE. It may have currency, but the author, I believe, worked for the National Security Council in the first term of the Clinton administration.

Senator BIDEN. He is talking votes.

Mr. HOLBROOKE. I would be happy to debate these issues with the author sometime, but he chooses to make personal attacks on me on television and elsewhere. That is his right. Let me just address the substance of these things. I do not know him, by the way, but I find these statements quite factually misleading.

So let me go back first to the October agreements. As I said in response to Senator Helms' question, in October we did not negotiate the introduction of an international armed security presence. We were not able to do so. In fact, Secretary Albright, Secretary Cohen, and Sandy Berger came up to the Hill and talked to the Congress about this, and it was a very clear sense of the Congress that at that point ground troops were not going to be possible, and that was my instruction.

I stated publicly and privately at the time that the agreements reached in October would last only until March because of the winter and that if, during the interim period between October 12 when we reached the agreement and the end of the winter, we did not make progress on the core issue of Albanians and Serbs living together under a political framework that respected both communities, that the war would resume when the winter ended, but I was wrong. It resumed before the winter ended, but it was inevitable when we could not make political progress.

Now, what the author of this article omits, Senator Smith, among many other things, is, point No. 1: roughly 150,000 people were living in the forests and woods of Kosovo at the point I went there, scared to come home because Serb security forces were all over Kosovo. And had Milosevic not reached the agreements, many of those people would have frozen to death or starved to death in the winter cold of the hills of Central Kosovo.

Those people all returned. Many of them were displaced again during March and April and May, but far fewer died as a result

of our military action. Although many were displaced, more would have died had they been left in the woods and forests over the winter.

Second, what the Belgrade authorities agreed to was an invasive NATO surveillance regime while they shut down their radars, which allowed us to track their military movements and withdrawal in accordance with U.N. Security Resolution 1199 to the pre-crisis levels.

Now, those were the international community levels, and the author of this article says that our agreement allowed them to keep people in place. Technically that is correct, but my instructions from the Contact Group and the U.S. Government were to force Milosevic back to the levels agreed upon in 1199. We did that, and he did pull down to those levels temporarily, before the violations began again.

Third, he agreed to a huge unarmed civilian contingent under the OSCE, the so-called Kosovo verification mission with an American head, Ambassador William Walker. We agreed to put in at least 2,000 people.

I regret deeply that because of bureaucratic delays we were only at 1,200 by February. We failed to put in enough people, and I hope we will not repeat that mistake again, Mr. Chairman, when we buildup the civilians this time around. Now, as I said a moment ago, those people were unarmed, but that is because we did not seek to arm them, and I said at the time that that would cause a problem.

A last point, and the most important, the article you cite says that the ethnic cleansing had begun earlier and that the plans were in place, and that we knew about them. I will leave for another time and place, and perhaps a classified session, a discussion of what the administration knew and when it knew it.

I was not a full-time government employee at that point and, indeed, despite the characterization of me in that article, I was not the special envoy for the Balkans or for Kosovo. I was carrying out individual missions at the personal request of the President and Secretary Albright, and the intelligence issues he alludes to are ones that I think it might be useful to be briefed on, because much has been written about them in the press.

It is clear that the Serbs had a plan to empty the province and that it would have been impossible to put ground troops in to prevent that before they could have executed the plan. It is for that reason that bombing became the preferred option and ultimately a successful option—messy, as I have said before, but successful in dealing with it.

So that is a brief response, Senator Smith, to some of the comments in the article, and I would be happy to respond to any other questions you have.

Senator SMITH. Richard, you admitted on January 22, 1999 that the October agreement you made with Milosevic had eroded because it did not have teeth. Those are your words. Why, then, did you recommend the United States and NATO accept the agreement in the first place, if it did not have teeth?

Mr. HOLBROOKE. Well, the quote you have used is part of what I was saying a moment ago. I said it earlier, and I said it subse-

quently: The lack of teeth was the lack of ground forces, armed forces of the sort we had in Bosnia. Why did we accept it? Because No. 1, we got everything else, including the OSCE mission.

No. 2, if we had not made a deal and the Serbs had kept 40,000 security forces in Kosovo in October, we would have had people freezing to death in the mountains and forests of Kosovo. I think that the highest goal of a person in a difficult and complex situation of the sort that confronted the team of negotiators which I headed is to save lives. We saved a lot of lives, and I have no regrets about that.

But repeatedly, Senator Smith, we stated publicly and honestly and briefed you and your committee on the weakness of the agreement. We knew what the weakness was, and that weakness was only corrected after we moved into this extraordinary phase that began with the massacre at Racak on January 16. The quote you have just used is interesting, because it comes 5 days after Racak.

Senator SMITH. Thank you, sir.

Some fear that there may have been a quid pro quo between you and Mr. Milosevic that relates to the International War Crimes Tribunal. Did you ever discuss or imply any such quid pro quo for his actions in the Balkans in exchange for a U.S. position as to his indictment?

Mr. HOLBROOKE. Barbara Larkin has told me never to use the word never, but I am going to violate her instruction and say never, not once. Never.

Senator Smith, during my second meeting with Milosevic in August 1995, this was a constant subject. He never raised it. I never raised it in regard to him, but what I did do, and I welcome the chance to put this on the record, is tell him from the beginning and relentlessly that we would support the War Crimes Tribunal, its access, its jurisdiction and, as I said earlier in response to Senator Helms' question, to prevent him from bringing any indicted war criminals to any of his negotiations.

Senator SMITH. When you returned from Belgrade in October, a deal that you believed prevented, made it so that we would not bomb, you stated you were not into making—again, your words—making a moral judgment at this time about somebody with whom I have had to negotiate.

Now, for the record, are you now prepared to make a moral judgment about Mr. Milosevic? Again, I ask this because these are being used against you, these quotes, and I want to give you a chance to refute them.

Mr. HOLBROOKE. I understand this, Senator Smith. I have made a certain number of public appearances, and every one of these issues is raised fairly often, I might say, and I do not want this to sound self-serving, by people who have not been there, who have not tried to end wars and prevent wars.

Those comments, plus certain things that I felt it was necessary to leave out of my book, were a result of the fact, which I discussed with Secretary Albright and the President, that I might have to negotiate again, whether I wanted to or not. This is not fun. This is not bridge or tennis. This is tough slogging, and my job was not to make moral judgments in public, although those judgments are

clearly in the book, where I use the word “evil” to describe certain events and people.

I pulled my punches in the book, as my editor, who is sitting three rows back here, well knows. She wanted me to go further, but as I was writing the book, which required government clearance, I was well aware of the fact that I might have to continue to be engaged on these issues, and the highest goal here was to avoid war and bring peace. I have made some of these moral judgments in the book and will make others in public later.

Twice in the last 4 years we bombed and then sent in ground troops by NATO. Nobody in the founding fathers of NATO ever envisaged that, but it did work, and again it was messy, but it worked, and your committee, and particularly your colleague here to your left, did an extraordinary amount to lead us to that policy. I have no regrets about it.

Senator SMITH. But my point is, I think we can understand why you would not want to be making those kinds of pronouncements while your negotiations were continuing, but as you sit here today—and I believe it is the United States policy that this man is not a part of the solution any more. We are treating him as a war criminal and seeking his apprehension and trial. Do you have moral judgment to make about Mr. Milosevic now?

Mr. HOLBROOKE. I absolutely believe that Louise Arbor and the tribunal did the right thing. He has been indicted. He should face trial. I cannot conceive of the circumstances under which the kind of negotiations that I conducted under instructions would be conducted again. This is a decision, however, for higher authorities in these circumstances, but I am absolutely clear-cut that Louise Arbor made the right decision.

I have written in my book in the last chapter about evil, and I felt—Carl Jung, the great Swiss-German psychiatrist wrote that in the face of evil, humankind is confused as to what to do. That is what happened to us in the thirties, it is what happened to us in the early nineties, and a few people saw it earlier than others and spoke out earlier, but evil confused people, and that is what we confronted there, and we have to recognize it.

The origin of these four wars was the Serb leadership, and that Serb leadership meant Slobodan Milosevic. That is crystal clear, and I did make that clear in my book, and I do not walk away from moral judgments. It is just that on that particular quote you said on that day it would not have served our national interest to say so publicly, but thank you for giving me a chance to clarify my views.

Senator SMITH. Thank you. With Senator Biden’s indulgence.

Senator BIDEN. This is important.

Senator SMITH. I have just two other questions.

I believe I heard you say earlier in response to Senator Helms that your wife had participated with democrats in Serbia. In all of your trips there, have you ever taken time to meet with democrats?

Mr. HOLBROOKE. Certainly. I met with all of the leaders of the Together Movement, but if I could take a moment to describe the tragedy of it, at one point, vividly, Ambassador Dick Miles held a reception which included all three leaders of the Together Movement. They were within 10 feet of each other on the same terrace,

and they all were happy to talk to me, but they would not talk to each other. It was that physical, and I talked to them about the fact that in Washington Republicans and Democrats worked together. They would not even look each other in the eye, and that is why I told my earlier story.

Every trip, Chris Hill and I always met, and I know Secretary Albright did when she made her trip to Belgrade. We always met with the other side.

Senator SMITH. Thank you for that clarification.

Now I am going to ask you a question that reflects my personal bias. On the Rambouillet provision that we were going to seek, and even impose autonomy, I think it has been clear from the beginning we have intervened in a civil war. We have picked a side, as I see it.

I know it is not—I do not have any enmity toward the Serbian people, but I certainly do to their political establishment, but I think it has been clear for a long time that the Serbs want sovereignty over Kosovo and the Albanians want independence from Serbia, and it seems to me we are coming to the table now and saying, well, by force of arms you are going to have autonomy, and we are going to enforce that.

My fear is that such an arrangement will be to us and our allies in Kosovo what Palestine was to Britain a few decades ago. I wonder if you think at this late date, as we read these grisly accounts in Newsweek and Time that are as horrific, and perhaps not on the same scale, but certainly in quality to anything we saw at mid-century from Nazi Germany, I wonder if you can tell me what your feelings are about our policy with respect to autonomy. Are we going to back off and let these people pursue a course of self-determination that ultimately could lead to independence?

Mr. HOLBROOKE. Senator Smith, you said for some time, and then you accurately described views which in fact date back to 1389. Both Serbs and Albanians, as we all know, consider Kosovo sacred soil.

I was not involved in the Rambouillet negotiations, so I would defer to other people as to what exactly was intended by the parts of it you referred to. All I can say is that it is clear that the Belgrade leadership has forfeited any right to have any role or control over the destiny of the Kosovo Albanian people, and that role will now be played on the security side by NATO and on the political, civilian, legal, juridical side by the U.N. structure that is now being pulled together and which I intend to spend a lot of time trying to focus, because as I said earlier, I am concerned.

How that will evolve as time goes on, it is very difficult to say. Secretary Albright has stated clearly that under international law and understandings, Kosovo is still regarded as part of Yugoslavia on the maps, but Belgrade is not going to run Kosovo in the foreseeable future, and that is what this tremendously intense set of negotiations now going on is all about.

Senator SMITH. Well, I hope it is more a conflict of a word game as to what it is we are meaning, but in real life I think Kosovo is going to end up being independent if you put it to a vote of the people who live there, and I just would see us having taken this action to this date, then having risked allied and American lives, trying

to enforce something that frankly is not realistic in my view, and I have said this to Secretary Albright in person, and so I am not speaking out of school here.

But I hope we have enough flexibility that we will not spend unnecessary life and treasure trying to enforce the unrealistic, and that is my opinion, and I have said it to her, and I am saying it to you, and I will say it to the President if I get a chance.

Thank you, sir.

Mr. HOLBROOKE. Senator Smith, Barbara Larkin feels I was not clear enough in my answer on Slobodan Milosevic, so let me just state again, he is an indicted war criminal. That was an appropriate thing for Louise Arbor to do. He should face the consequences that go with that, as should all the other people who are in that similar position, and that should be a key goal of Western policy as well, and I have not said this previously in this hearing, but it is worth underlining as well as the larger goal of bringing democracy to Serbia. Thank you for allowing me to clarify my views.

Senator SMITH. Thank you, sir.

Senator BIDEN. One of the things that has been absent the last 6 or 7 years here is the kind of consensus on foreign policy and bipartisanship that we have experienced in the past. We have had very, very tough fights in the past years I have been here: Democrats opposing Reagan and Bush, and Republicans opposing Clinton, et cetera. The nucleus of any bipartisanship that is, I believe, thoughtfully arrived at here, includes my colleague on the right here. It has cost him, I guess, in his party, but he and John McCain and John Warner and a group of very well-respected Senators, Senator Hagel, have done from their perspective what they think is the right thing. I happen to agree with them.

We have sort of a cabal here in each of our parties. My observation is that there is a strong sense of isolationism manifested in 50 different ways, and it is not always a partisan affair. It is more an ideological instinct, and it is in my party as well, although I think to a less extent than in this Senator's party. Nonetheless, it has caused us to build strong relationships across party lines in difficult places.

Let me begin my questioning by saying that I understand the Senator's frustration about the alleged inevitability of the independence of Kosovo. I hope we have patience and do not do anything to redraw boundaries right now. I hope we let time intervene here a bit, and I hope we do not make any judgments that are premature. I am not suggesting that at the end of the day the Senator will not be correct, that there is an inevitability to what he is suggesting. I think it would require a much grander scheme than just the independence of Kosovo, and I am not sure the world or anyone is ready for it at this moment.

If I could get your responses, you indicated you do not believe in collective guilt. Nor do I, but I do believe in collective responsibility, and I do believe in a nation collectively informed.

I want to make it clear, I think the Serbian people are a noble people, and I think any long-term solution in the Balkans has to ultimately rest upon the integration of Serbian people, not just in

Serbia, but Serbian people brought into the mix in a major way. They are major, major players.

But I am a little concerned that we, to the extent Senators are policymakers, and that is limited, as it should be, constitutionally, but we sometimes ignore the historical facts and background as we arrive at our judgments, and I think sometimes in our effort to demonstrate that we do not believe in collective guilt we avoid the notion of collective responsibility.

In 1993, I made my first trip to Yugoslavia, and you referenced my meeting with Slobodan Milosevic when in private he asked me what I thought of him, I told him I thought he was a war criminal, and I documented why I thought he was one and said I thought he should be tried as one.

But in that trip, I did meet with a group that was put together in a hotel in Belgrade of, quote, the collective opposition, supposedly all the democrats in Serbia. I mean academicians, publishers, politicians, and over 80 people showed up in the ballroom to meet with me. In 2½ hours, a single Jeffersonian democrat I did not discover. I did not find one, not a single one.

The intense opposition to Milosevic that was radiated in that room still reflected an intense nationalism, no matter how they characterized themselves, or oneself, and it leads me to the following point. I think until the Serbian people acknowledge that in a thousand different ways they enabled Slobodan Milosevic, we are never going to have a comprehensive peace or scheme of bringing the Balkans into the 21st century.

The Balkans have lagged behind Europe at every stage of development for the last 500 years, and it is time for the sake of my grandchildren, that not only do they be brought into the 21st century, but that there be parity, integration, a collective sense of their European destiny. Absent a cold shower, if you will, unless there is a realization that the Serbian sense of victimization is historically not justified here, I do not know how we get to the place where there is a long-term strategy and prospect for nonrepetition of what has taken place over the last 150 years in the Balkans.

So I want to make it clear, I have great respect for Serbian culture. I have made it my business for the last 20 years. It was my avocation before I came to the Senate. I have been fascinated by the Balkans since I was a student, and I think I have read nearly every serious piece that has been written about the Balkans—well that is an exaggeration, but certainly scores of treatises over the last 30 years, and ultimately I think there comes a time, and it is now, when not only the Serbs but others in the region have to have that cold shower and look clearly into those mass graves. I know of no way of accomplishing that short of fair, open, and internationally televised trials of these hideous actions allegedly perpetrated, and I say allegedly because of my notion of due process, by Karadzic, Mladic, Milosevic, and scores of others, some of whom are Kosovars, some of whom are Bosniaks.

So that is a long preface to my question, which is that, notwithstanding all of this, when I read this article by Mr. Daalder—and I think I have met him, and I may be mistaken, but I think I have, I do not know where he has been—and I would like to take a slightly different tack to that which you have taken.

He indicates that having ruled out ground troops in the beginning, having prepared only for 3 days of bombing, and having known of Operation Horseshoe since October, and having signed on to an agreement that had no teeth, you, Dick Holbrooke, wrought this outcome. I do not know where the hell he has been. I wonder when he was in the government, whether he considered the following: the good news is that we are in an alliance; the bad news is we are in an alliance. The good news is that we are a democracy. The bad news is that we are a democracy.

Your critics now, and I will not name names, but I can, in both the Democrat and the Republican Party, are suggesting that we knew of Operation Horseshoe and did not act, but these are the very people who were saying we should negotiate with Milosevic.

I have been on 50 television shows from Meet the Press, to Nightline, to virtually every other program. The very people who are criticizing you now were telling me how can you force Rambouillet on a sovereign nation? We know the Senator I am talking about who says this—we did half a dozen shows together. I do not know what has changed. We negotiated Rambouillet, and they did not like our agreement. When Serbia refused to sign, we said we were going to bomb them. This Senator than said that is not right. It is a sovereign nation.

Well, we could not even get anything close to unanimous agreement in the Congress to bomb them. How the hell did he think we are going to get agreement to put troops in, ground troops in. You were not playing with a full deck.

Let me make it clear, the deck given to you.

Knowing you as well as I do, I cannot imagine your not having wanted to have had 30, 40, 50,000 troops to seal that agreement with Milosevic but what did you have? You had the State Department, I suspect, telling you, NATO will never go for this, so do not push it. You were being told that the Republicans in the Congress will kill you. There is no possibility of their voting for ground troops, zero, none. After you get by three or four folks on the Republican side and maybe two dozen of the Democratic side, it is like a gigantic void, no possibility.

I challenge anyone in this room, anyone listening to this, anyone in the Congress to stand up and tell me that they ever thought there would be 51 votes in the Senate and 218 votes in the House to deploy American ground troops into Kosovo in sufficient numbers to allow you to put teeth in an agreement.

I challenge anyone in the press, anyone, to cite me a moment, a time, or a rationale, when they thought that would have occurred.

The second thing I find astounding, absolutely astounding, is that the President did not push for ground troops. I am the guy who, among others, I suspect, called him—I am confident he will not mind my saying this—after he had that interview with Dan Rather, and I said, for God's sake, boss, do not do that again.

Not only did he go on and say we were not going to put ground troops in, he went on to say why it was a bad idea. That itself was a bad idea. I think he figured it out pretty quickly, not because I called him, and he did not do that again.

But I remember, and I am going to say something he might not like me to say, because I never say what Presidents have told me, but I am going to say it because it benefits him. I called him over a month and a half ago and said, for God's sake, Mr. President, get a plan going for the deployment of ground troops to Kosovo to back up the bombing if you need it. It is going to take time.

He said, well, you know NATO, and I said, well, do it at the Pentagon. He answered, somebody will find out, and I said, so what? He said, Joe—and I will not go into the detail of this—you have no idea how delicate this balance is in NATO now. You have no idea. And then he went on to explain it, and he convinced me that it was true.

I would respectfully suggest to anyone at Brookings who would like to rewrite history these days to answer the following question: Had the President of the United States by his actions led the Europeans to believe that he was preparing to use ground troops, would they have stayed the course on the bombing? Would we have gotten the approval to begin bombing had the President from the outset said, ground troops have to be a part of this?

There was doubt in the world community whether NATO would even follow through on what they said they would do if he violated the agreement you negotiated.

I am a big supporter of NATO, but I want to tell you something. I was calling everybody I knew, including the defense minister of the United Kingdom, saying, just one little guy's opinion, if you do not agree, I am going to be talking about how you did not. So I wonder how people now look back on this and say, hey, why didn't we have ground troops ready?

This is a process, but you cannot say it because you are the diplomat and you still work for the boss. He ain't my boss. There is separation of powers here. Nobody in the administration is my boss. I have great respect for them, but they are not my boss.

I have got one group of people who are my boss, and they live in Delaware, and so I can say this but you cannot. You did not have a sufficient number of arrows in your quiver to negotiate the agreement that I know you wanted last year. So I hope that the gentleman who wrote this article, goes back and, as we former Catholic school kids say, examines his conscience and tells me how you could have done much more than what you did.

Now, but that leads me to the question, are you confident that there are now enough tools or enough arrows in that quiver to do what we have to do in Kosovo?

I must tell you, and I will say it publicly, I doubt it. I doubt the resolve of NATO in going after Milosevic, Mladic, and the gang. I am not saying it will not occur, but I worry about the resolve in putting enough pressure on the Serbian people, who are good people, but to face the reality of what has occurred. For if they do not, they will continue to buy into the lies of dictators who deny them access to real information and spew lies to them.

Let me end by saying this. When I sat in the hotel in Belgrade waiting to go meet with Mr. Milosevic in 1993, he wanted me to meet him during the day. I refused to do it, because I did not want to give him—not that I give anybody any credibility—but I did not want a United States Senator meeting with him in public with the

press present. I only agreed to meet with him after dark—I was surprised he agreed—in his office alone. There was no press, no one around, except one aide of his and two aides of mine.

I was getting prepared to go into that meeting in a hotel room, and a young Foreign Service officer was with me, when on the air I saw babies that looked like they had been smashed up and beat up. They looked like they were hung on meat hooks. I said, what is that all about, and he translated it for me. He said, this is State-controlled television, and this is what the Serbian people in Belgrade at least, were being told that night that Muslims were doing to their children in Bosnia.

It was a total, complete lie, but because people talk about 1389 in Serbia, there was an entire constituency prepared to believe it. So it is understandable to me that the Serbian people believe that what we are saying now is propaganda and lies. But I do not believe there is any possibility of a long-term settlement until we face the reality of what has occurred, and until we figure out that there is a difference among Albanians between Tosks and Ghegs, until we understand that not all Albanians are Muslims.

One of the recent villages that were wiped out and massacred by the Serbs is a Roman Catholic Albanian village. There are so many myths, so many myths that exist. The reality is hard enough to deal with. The myths are impossible.

So my question is, and I will not say any more, do you think there are enough arrows in the quiver that our diplomats will have in order to have a fighting chance to get a peaceful implementation that has long-term possibilities in Kosovo?

Mr. HOLBROOKE. Senator Biden, thank you, first of all for giving a better answer to Senator Smith than I did. I am very grateful for your comments, and they indicate again your extraordinary command of the nuances of this incredible difficult issue.

I would just make one prior comment before I answer your question. Our goal in the region must be, in its simplest form, democracy and justice. Justice means truth, and democracy means the people choose their own destiny, and until Serbia joins, and I am quoting now, you, until extreme nationalism—which, by the way, is a code word for racism. Let's be clear in what it is. It is not simply patriotism in the American sense.

The key word is extreme, and we have seen it in other parts of the world, and it always means suppression of the other. Until we bring Balkans into Europe in the 21st century, and they fulfill what you correctly call the European destiny, we are going to have instability throughout the region, and that is a region with two important NATO allies, Greece and Turkey, and with their own unresolved differences, which also must be addressed.

Now, you asked—your question is very difficult for me to answer. I am sure that the correct answer given to me in the briefing books that I did not bring with me today is, yes, we have the resources, but I cannot say that to you, Senator Biden. First of all, the resources are going to be the American participation, and the resources will be determined by you and your colleagues as the administration goes through the process, and those resources may be larger than the initial estimates.

We, the administration, misled the Congress on the duration at an earlier time, and should not repeat that again, so all I can say to you, Senator Biden, is my deep and profound hope that the resources will be mustered when they reach the right time.

Thank you.

Senator BIDEN. Thank you very much.

Senator SMITH. We are pleased to be joined by our colleague, Senator Ashcroft from Missouri.

Before I turn to Senator Ashcroft, I would like to get your response to a news article, and if you are not already aware of it, make you aware of the plight of probably 1,500 Albanian Kosovars who were in jail in Kosovo who were taken out of Kosovo into Serbia. It is possible they are being used as bargaining chips.

One of these is a doctor Flore Bravina. She ran an orphanage, she taught first aid courses, but somehow was put in jail as being part of a terrorist plot. She is 49 years old, not in good health, and she and again perhaps as many as 1,500 ethnic Albanians have been moved out of Kosovo and are now in Serbian jails.

My question is, are you aware of this, and did we or NATO make a mistake in concluding a peace without getting some provision for their release? What can we do about it at this point?

Mr. HOLBROOKE. Well, Senator Smith, I am not aware of this case, and I do not know the details of the NATO negotiations with the Serb military authorities, so all I can ask is if I could submit an answer for the record upon consultation with the State Department.

Senator SMITH. Absolutely. This comes from a June 23 article from the Los Angeles Times, and it is tragic if we have let what are political prisoners be taken and perhaps to be either killed or used as bargaining chips, and I hope we can do something to help them.

[The following response was submitted for the record.]

#### STATUS OF KOSOVAR DETAINEES IN SERBIA

The State Department is aware of the fact that Serb forces, in withdrawing from Kosovo, took with them ethnic Albanians from Kosovo who were held in prisons there, as well as other citizens the Serb authorities believe to be guilty of criminal activity. We do not know exactly how many were transferred, or the charges on which they are held. Initial press reports spoke of some 2,000, but Albanian sources put the number much higher. We have publicly raised our concerns over the Serb action in removing these people from Kosovo, urged authorities to grant ICRC access to those detained, and called for the return of those held. Serb authorities have allowed ICRC access and provided the ICRC with a list of some 2,000 being held. Serb authorities, soon after the issue became public, released over 150 individuals, but the remainder continues to be held. We are also aware of Dr. Bravina's detention, but do not have information beyond that in the press. The return of prisoners was not a NATO condition to halt the bombing, but their accounting—and return—is one condition for lifting the stringent sanctions imposed against the Milosevic government by the United States and the European Union. We will continue to use every opportunity to press for resolution of this issue.

Senator SMITH. Senator Ashcroft.

Senator ASHCROFT. Mr. Chairman, I thank you for holding this series of hearings regarding the nomination of Ambassador Holbrooke. He has been nominated to fill a very important post. I have an opening statement which I would like to submit for the record so that I might go immediately to questions that I would pose to the nominee.

Senator SMITH. Without objection.  
[The prepared statement of Senator Ashcroft follows:]

PREPARED STATEMENT OF SENATOR JOHN ASHCROFT

Mr. Chairman, thank you for holding this series of hearings regarding the nomination of Richard Holbrooke to be U.S. Representative to the United Nations. This important post should be filled with the very best individual, and I look forward to reviewing Mr. Holbrooke's record carefully.

Mr. Holbrooke is a respected diplomat who no doubt was instrumental in securing the Bosnia peace agreement in 1995. He has been a trusted advisor of the President on issues throughout Europe and a mediator in the Greek-Turkish dispute over Cyprus.

In his assessment of the Balkans, Mr. Holbrooke has shown good strategic sense on several fronts. Prior to becoming Assistant Secretary of State for European and Canadian Affairs, Mr. Holbrooke had been an opponent of the arms embargo—a policy which probably prolonged the war in Bosnia. As Assistant Secretary, Mr. Holbrooke recognized that the improving position of Croat-Muslim forces on the ground in the summer of 1995 would facilitate a peace settlement. He also opposed giving Mr. Milosevic any relief on sanctions until the Bosnia agreement had been implemented.

Other aspects of Mr. Holbrooke's work in the Balkans are of concern, however. From an account in his book "To End A War," Mr. Holbrooke's immediate rationale for U.S. engagement in Bosnia was the fact that the United States would have to help extract U.N. peacekeepers from Bosnia in the event a pullout was necessary. As Mr. Holbrooke writes, "Clearly, we had to find a policy that avoided a disastrous U.N. withdrawal. This meant a greater U.S. involvement."

As the situation on the ground became more tenuous for the U.N., NATO had approved an operational plan for intervention to get U.N. personnel out of Bosnia. Amazingly, although the NATO Council had approved this plan, the President had not been briefed on an operation that might require the deployment of 20,000 U.S. troops to the Balkans.

This kind of neglect had, as Mr. Holbrooke rightly said, narrowed the options of the Administration considerably. The President could stop the deployment of U.S. troops, but if he did he would be undermining a U.S. commitment to help extract U.N. peacekeepers. In international relations, the United States should be in a position to honor its commitments. Being forced to take responsibility for a civil war out of simple neglect and lack of communication within the Administration is not a sound rationale for committing American credibility, however.

In addition, Mr. Holbrooke's assertion that failure to follow through on the NATO plan to extract the U.N. peacekeepers "could mean the end of NATO as an effective military alliance" was mistaken, in my opinion. In an effort to justify new missions for NATO, Administration officials often have said that failure to follow through in the Balkans would undermine the alliance. The question is seldom asked, however, as to whether NATO should have been committed to these missions in the first place.

It is precisely this mission creep of NATO which endangers the future strength of the alliance. NATO has been transformed by this Administration from an alliance with the clear mission of collective defense to an organization to defend the nebulous "interests" of NATO members. Mr. Holbrooke was a key participant in this transformation, a transformation of a Treaty in which the Senate—with its constitutional role of advice and consent—has not been a participant.

While highly critical of the Bush Administration in the Balkans, Mr. Holbrooke seems to downplay the shortcomings of the Clinton Administration's policy in the region. Mr. Holbrooke's work in Dayton was impressive, but a NATO peacekeeping force in Bosnia was not foreordained as the only solution to this conflict. As Noel Malcolm writes in his book on Bosnia, the arms embargo was a disastrous policy followed by the Clinton Administration and probably prevented the war from ending much sooner.

Finally, the dependence of our peace initiative on Slobodan Milosevic—after he had destroyed Yugoslavia—seems to have helped legitimate his continued repression in Serbia.

Mr. Holbrooke is no doubt a capable negotiator and a respected strategic thinker on foreign policy matters. I have additional questions to submit to Mr. Holbrooke and intend to review his record carefully before the Committee completes its work.

Thank you again, Mr. Chairman, for holding this hearing.

Senator ASHCROFT. Mr. Holbrooke, in your book, "To End a War," you discuss the administration's efforts to build public support for sending American troops to Bosnia. You quote the President as saying, "I must be brutally honest with the American people when I address the American people. When I address the people I must be sure our military and intelligence people have signed off. I must be honest about what we are getting into."

Now, U.S. forces have been in Bosnia for 3½ years. Two deadlines given by the administration have been broken. Were we brutally honest in telling the American people what we were getting into? Were we honest when the Secretary of State came to this committee and told me we are going to be back in a year?

Mr. HOLBROOKE. Senator Ashcroft, thank you for your question. I can only repeat what I wrote in the book and what I have said earlier this morning: The deadlines were a mistake, a grievous mistake. They were not realistic, and President Clinton has stood up publicly and so stated repeatedly since he removed the last one in December 1997. As the President recently noted during his interviews over the weekend, and as Senator Biden said earlier, no such deadlines have been offered again.

And I think, Senator, that there was confusion in the minds of some people between an exit strategy and an exit timetable. A strategy for leaving is necessary with benchmarks which have now been worked out with the Congress, and on which I believe the administration has to report to you regularly.

But a strategy does not automatically give a deadline, and the worst part of this arbitrary deadline in my view was that it also encouraged the Bosnian Serbs to think they could out-wait us, and then take over once we left. So the deadline actually worked against the goal, and I think it was deeply regrettable that this happened.

Senator ASHCROFT. You and your negotiating team had considerable doubts about the 1-year time limit. Did senior Pentagon leaders have doubts about the 1-year time limit at the time?

Mr. HOLBROOKE. I cannot speak for them, Senator Ashcroft. I know that our negotiating team, which included General Clark, who was then the J-5 of the Pentagon and now, as we all know, is the Supreme Commander of NATO, shared my view at the time that it was an unrealistic time limit, but what happened in the senior leadership of the Joint Staff, I am not aware of. I was overseas in the shuttle at the time this all happened.

Senator ASHCROFT. You seem to indicate that there were senior officials who had very serious reservations, reservations which time has validated.

Mr. HOLBROOKE. Yes, sir.

Senator ASHCROFT. Do you think it was the duty of any of the individuals with whom you were operating to express those reservations to Congress, or are you satisfied that the appropriate thing is to give these iron-clad assurances to Congress about the span of the operation that did not comport with your understanding at the time, or with the understanding of senior military officials?

Mr. HOLBROOKE. Again, Senator Ashcroft, I cannot speak for what every senior military official felt, and I fought for the maxi-

mum amount of flexibility in the 1-year timetable. It was originally going to be iron-clad. I fought for flexibility in it, and tried to operate within my instructions from the administration at that time.

Senator ASHCROFT. The deployment of NATO resources now appears to be going forward based on something other than a defense of NATO territory, which I believe characterized NATO's mission in its first 50 years and contributed to the alliance being the most successful, mutual defense organization in history.

It appears that NATO troops are to be deployed depending upon the "interests" of member States. How would you define the term, "interests," if that is consistent with your assessment of how NATO is operating?

Mr. HOLBROOKE. Senator, I am not sure I follow. Do you mean, how would I define the term, "national interest," in the American context, or the NATO context?

Senator ASHCROFT. Well, I asked the Secretary of State when she testified before the committee where we would deploy NATO troops, and she said where it was in the interest of the NATO nations to deploy them. She said it could be the Middle East, it could be Central Africa.

Now, that is a very serious departure—a significant departure from what NATO was intended originally to do. I just wondered how you would define interest, and I asked former Secretary Perry how he would define it. He said it could be as far away as in the Pacific rim. Is it your view that NATO deployments should be based on interests, rather than the defense of territory and the political independence of member States, and if so, how would you define interests?

Mr. HOLBROOKE. First of all, it is clear, as you have stated and as you and I discussed when I had the honor of calling on you, that the founding fathers of NATO did not imagine for the alliance the use to which it has been put in Bosnia and Kosovo. There is no question of that.

The debate over the future of NATO has raged ever since the end of the cold war. On one extreme, people said it fulfilled its mission; let's disband it. On the other extreme, people said, let's turn it into a 16, now 19-nation alliance that goes wherever it wants to go.

I believe that in the real world, Senator, these issues will be quite narrowly defined, and I am just making a personal projection, because I do not want to contradict Secretary Albright or—and I believe you are referring to Secretary Perry.

Senator ASHCROFT. Yes.

Mr. HOLBROOKE. I do not want to contradict them, particularly since I have not studied their testimony, but let me give you a personal view that extends—

Senator ASHCROFT. I really am interested in what you think, rather than what they said, anyhow. I have already had the chance to talk to them.

Mr. HOLBROOKE. And also the conversation you and I had in your office, this is like a continuation of it, because we ran out of time. I think it is a hugely important issue and one in which continual dialog with the Hill must be conducted, so let me speak just for myself here, because I do not think that this is an easy answer.

I do not believe that Bosnia and Kosovo, dramatic as they are, should be regarded as the beginning of an era of global intervention by NATO. On the other hand, I also reject personally the theory that they were somehow outside the bounds of NATO's mandate.

If the 19 nations decided, in the face of the outrages which we were seeing from Belgrade and from the Bosnian Serbs, that it was appropriate and necessary to take these actions in this area, which I would stress, sir, is in the middle of the NATO area, because Greece and Turkey lie to its south and east, and because instability in that area, which is only a few miles from Italy, could create vast disruption, if the NATO nations decided to do it, I believe it was appropriate.

And we have more than a single vote out of the 16, or the 19. Ours is the deciding vote, and therefore if we did not believe—and when I say we, sir, I mean not simply the executive branch, but the two branches and the Nation, in that unique process which is American democracy—if we did not believe it was in our national interest, then we would not do it, or should not do it.

That does not mean it is going to be 100 percent. This is the most contentious foreign policy action since Vietnam.

Senator ASHCROFT. Is it your view that the executive branch and the legislative branch, the Congress, did express in some way a consensus that this was an appropriate NATO deployment?

Mr. HOLBROOKE. It is my understanding, Senator, that the President exercised his authority after consulting with the Congress. I am not a constitutional lawyer, and I will leave this to the experts. This is beyond my brief. But the consultation process, as the dialog this morning I think illustrates, was intense and continuous. Senator Biden in fact addressed this point earlier.

All I want to stress is that, had the United States decided that it was not in our national interest to bomb Bosnia and send troops and to bomb Kosovo, it would not have happened.

Senator ASHCROFT. It interests me that you indicate that the founding fathers of NATO, to use a euphemism, those who founded NATO, never imagined this kind of deployment or utilization of NATO resources, and I agree with you, and I do not believe the Senate of the United States, when it ratified the NATO Accord, ever thought that this was a treaty—

Mr. HOLBROOKE. I agree with you, and I have read the exchanges between Secretary Acheson and Senator Vandenberg and Senator Connelly, and none of the men in this chamber at that time could have imagined this. That is clear.

Senator ASHCROFT. It appears to me what you argue is that NATO now exists as something that has evolved from what NATO—from the treaty which was ratified, and I will tell you where I am going with this. I think Joe Biden knows. He has seen me go here before, and so does the chairman of the committee.

Senator BIDEN. It is a legitimate argument.

Senator ASHCROFT. I want to know to what degree you, as a person of tremendous influence and consequence in the international arena, can amend treaties of the United States to mean what they were not conceived to have meant *ab initio*, at the beginning, when they were ratified, and who you have to confer with.

This, to me, is a real question. I do not know how many times or who you have to call—whether it is the ranking member or the chairman of the committee—and say, well, now we are going to do things with a treaty that were never conceived of and had not been ratified by the Senate, but it is enough that we have continual dialog with the Hill.

You are going to be in a position, and have already been in a position to commit the United States to a certain course in the international arena. You have negotiated agreements, and we all ended up having to follow through with what you negotiated. Whether you have the formal authority or whether there is a line on a flow chart which ever shows that, you have done that.

And so your philosophy about where you can go with your authority, and how far you can go, and what it takes to modify something as substantial as treaty commitments of the United States is very important.

In one sense you have proposed a method of operating where the administration can evolve a treaty, and that the ratification is assumed to extend to the evolution so long as there has been, to use your language, continual dialog.

I do not really mean to say that anything you have done is inappropriate or not good for the country. I really do not want to question that. But the question of how treaties change, and is there a role for the Congress to play in the amendment process, other than “continual dialog” is an issue of great constitutional importance.

Mr. HOLBROOKE. Senator, I am not a constitutional lawyer, and it would be way above my pay grade even if I were getting paid on this issue, but let me just—

Senator ASHCROFT. Well, this is a place where you are going to be, making the decisions, so I am not trying to ask you to be a constitutional lawyer. I am trying to find out how you conduct yourself when you represent the United States of America, and what your regard is for the underlying authority which would exist in treaties that have with one meaning been ratified by the Senate, as opposed to a modified meaning which is shaped continuously by other individuals.

Mr. HOLBROOKE. May I preface my specific answer by going back to something I have said in the earlier hearings, which is my own 23-year record of consultations with Congress on the take-offs, not just the crash-landings—a record which many of your colleagues can attest to and, indeed, have.

I revere the Constitution, and I believe that if confirmed by the Senate for a job anyone, myself included, has an obligation to consider that while he or she gets instructions from the executive branch chain of command, he or she has an absolute responsibility to talk to Members of Congress continually, in public and in private. My record shows that.

Now, to your specific point, again, I am not a constitutional lawyer, but I think that you are addressing an issue which has been much debated—the issue of original intent versus the legislation—but you are addressing it in the most important forum that exists for the United States, the decision as to whether or not to put Americans in harm’s way. Like you, Senator, I consider that the

highest responsibility and obligation of a President, a Commander in Chief.

You earlier made some comments about my own role, but I would stress that, while I was a negotiator, I have no role to play and no authority to play in regard to that ultimate decision. I recall vividly our private conversation last week on this subject.

The fact that the founding fathers of NATO and the Senators who voted to ratify it did not envisage Bosnia and Kosovo does not to my mind mean that it is a violation of the treaty or an unconstitutional extension of it to proceed with something not envisioned.

The treaty provided—and again, sir, I am not a constitutional lawyer. Provided is not specifically excluded, and under several articles of the treaty the State Department and Pentagon concluded early on that these actions, while not envisaged in 1948, were constitutionally appropriate, and I believe this was so communicated to the committee.

However, let me say again in furtherance of our private discussion, which for those of you who were not there concerned whether or not Presidents can go to war without checking with the Senate and the Congress, that I think that the consultative process has not been adequate, and I think we all just have to try harder.

Senator Biden made a comment before you arrived concerning the history of this issue, and it was very difficult. But I do not believe, for example, that the kind of stealth politics that President Johnson conducted when I was a young Foreign Service officer in Vietnam for 3½ years, in which he really just lied to the American public about our troop presence and what we were doing, has ever happened in this administration, notwithstanding the very unfortunate position we took on the time limit. I pledge to you, Senator, as I have to your colleagues in previous sessions, that I will be available to you and seek you out to the maximum extent you are available to discuss these issues as we go forward.

And, finally, I do not think Kosovo and Bosnia should be regarded as the beginning of an era of global intervention, and I cannot conceive of NATO being in the Pacific, with all respect to anyone else who might have suggested that. We have troops in the Pacific. We have treaties with Japan, Korea, the Philippines and other countries. These are important treaties. Our troops there are under unitary command, and that is not a NATO issue.

Senator ASHCROFT. May I, Mr. Chairman, just indicate my concerns here. I do not believe that the administration has the right to modify a treaty on its own from what was ratified. I do not believe the Congress, in consultation with the President, has the right to modify a treaty.

My own view is that it would be just as wrong for a group of congressional leaders to say, OK, we are going to modify the treaty without the process that is called for in the Constitution. As a matter of fact, it might be worse to have a conspiracy between two branches of government to avoid the Constitution than it would be for one.

Consultation is an important thing, but what you do with treaties is to ratify them, and ratification is a process involving the full Senate. I think there is a legitimate debate about NATO's intended role to how the alliance has endured. I believe that we obscured the

issue last year when we added new members, when the real change that we adopted was a new philosophy and a new mission for NATO.

I would urge you not to take the position that you can do anything with a treaty that is not specifically excluded by the treaty. That was the language you provided: NATO's actions in the Balkans were not explicitly excluded. I would urge you to have a different standard when you deal with treaties, and that is that we only do those things which the treaty authorizes. Do not assume you can do everything that you have not been explicitly forbidden to do.

I emphasize that point because I have an affection for the Constitution, and your coming to me to consult with me to get my consent that you can avoid a treaty or expand it or enlarge it does not set aside the democratic constitutional process. I should not personalize it because I am not accusing you. But do not come to me to do that, because if I agree with you I have joined with you in setting aside the Constitution.

I think when we change treaties we ought to follow the constitutional process. If we have not changed the NATO treaty, we have come very, very close to changing that treaty. I know that we have not come close, in my judgment, to the kind of debate and discussion in which the Congress should be involved with regard to NATO's evolution.

I thank the chairman for his indulgence.

Senator BIDEN. Would you yield just a second? I think the point the Senator raises is a very, very, very important one. Before the Senator got here, when he was Governor, we adopted a thing that is referred to in all treaties now as the Biden condition, which is the inability of the President of the United States to redefine what a treaty means different than what the Senate thought.

But I would call the Senator's attention to something, but knowing his knowledge in this area he has probably already done it. One of the most fascinating debates taking place in American jurisprudence right now was brought out in the open in the three decisions the Supreme Court made yesterday.

I would recommend to him the dissent, written by Justice Souter, and the majority opinion, written by Chief Justice Rehnquist, on three different cases, on this issue of whether or not what the Founders envisioned limited what is constitutional. It is a fascinating dissent written by Justice Souter today. It is in the Times, and I am sure you have it, but it was not about treaties.

Senator ASHCROFT. I think there is a difference.

Senator BIDEN. But it goes to the issue of whether or not what was envisioned limits what is permissible. It is at least an interesting jurisprudential debate.

Senator ASHCROFT. I thank the Senator.

Senator SMITH. Ambassador Holbrooke, on behalf of Chairman Helms and all members of the Foreign Relations Committee, we thank you for your candid and complete responses over these past 2 weeks.

We will leave the record open for any Senators who wish to put other questions to you and tell you we expect the committee to reconvene by Wednesday, where there is an expectation, barring

some unforeseen development, that your nomination will move from the committee to the floor of the U.S. Senate and I believe, with this said, I think it is safe to say your nomination hearings are concluded and we are adjourned.

[Whereupon, at 12:25 p.m., the committee adjourned.]



## APPENDIX

U.S. GENERAL ACCOUNTING OFFICE,  
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION,  
*Washington, DC, July 7, 1999.*

Honorable JESSE HELMS,  
*Chairman, Committee on Foreign Relations,*  
*U.S. Senate.*

Subject: *United Nations Reform Initiatives: Answers to Hearings Questions*

DEAR MR. CHAIRMAN: This letter responds to your Committee's request for additional information related to the June 22, 1999, hearing on the nomination of Richard C. Holbrooke to be Ambassador to the United Nations, which covered, among other topics, the status of reform initiatives underway at the United Nations. We are also providing a copy of this letter to Senator Grams and Senator Biden, Ranking Minority Member. We will make copies available to others on request.

Our responses are based on prior and ongoing work at the United Nations focusing on management issues, as well as additional information on U.N. reform initiatives obtained from the United Nations and the State Department during the course of preparation for testimony before your Committee.

If you have any further questions or would like to discuss any of these issues in more detail, please call Tetsuo Miyabara or me.

Sincerely yours,

HAROLD JOHNSON, *Associate Director,*  
*International Relations and Trade Issues.*

Enclosure.

### GAO RESPONSES TO QUESTIONS FROM SENATOR ROD GRAMS OF THE SENATE FOREIGN RELATIONS COMMITTEE

The following text provides our response for the record to questions submitted by Senator Rod Grams to follow up on GAO testimony at the June 22, 1999 hearing on the confirmation of Richard C. Holbrooke as the Permanent Representative of the United States to the United Nations.

#### ORGANIZATIONAL RESTRUCTURING

*Question 1.* A fundamental problem confronting the U.N. has been a lack of coordination and cooperation among the various organizations within the U.N. system, resulting in duplication of efforts and inefficient programs. The primary goal of the Secretary General's reform plan was to define the core missions of the United Nations and to restructure the organization accordingly. I am concerned that the U.N. appears to be committing to emphasize new priorities like drug interdiction, disarmament, and terrorism—without curtailing its efforts in other areas.

- Has the Secretary General proposed to eliminate a single function of the U.N. in order to devote more resources to the core missions which he outlined?

Answer. The Secretary General has not proposed to eliminate any functions of the United Nations. Based on our preliminary analysis, all major budget programs that existed in 1996 were continued as a line item in the 1998–99 biennium budget. However, the Secretary General has restructured some departments and offices, and this has led to reductions in staff and budget in these areas. For example, three Departments—Policy Coordination and Sustainable Development, Economic and Social Information, and Development Support and Management Services—were consolidated into the Department for Economic and Social Affairs, resulting in 48 posts being eliminated and the budget for the consolidated office being reduced by \$9.1

million. The 48 posts were abolished and were not reclassified or moved to another unit.

*Question 2.* Two years ago, the Secretary General created four new executive committees to coordinate the implementation of U.N. programs and activities.

- Has the U.N. permitted the GAO to have full access to the new executive committees in order to evaluate its effectiveness?

Answer. We do not yet know whether the executive committees will provide us with the access needed to complete our evaluation. Thus far, the United Nations has given us adequate access, including access to the Deputy Secretary General and the Under Secretaries General who head the departments.

- Are there specific examples that you can cite of how this new structure is working to better coordinate and reduce duplication of effort?

Answer. There are several examples of how the new structure has worked to improve coordination and reduce duplication. The Executive Committee on Peace and Security recently developed a unified plan for the September 1999 referendum in East Timor, coordinating the work of the Office of Human Rights and the Departments of Peacekeeping Operations, Political Affairs, and Management. U.N. officials viewed it as a breakthrough for these departments to work together as a cohesive team. Another example is where the Executive Committee on Economic and Social Affairs commissioned a study of its six major publications, such as *World Population Monitoring* and *The State of the World Population*. The review found considerable overlap and redundancy among the publications, although the committee has not yet moved to terminate publications or take other steps to reduce the overlap. Other examples indicate that the Secretariat is making progress in coordinating some work in the field, where the true test of the new management structure will occur, but also faces challenges. We will provide a more systematic analysis of the work of the executive committees in our report to be issued later this year.

*Question 3.* In response to Senator Kassebaum's efforts in 1985, the U.N. agreed to reduce the number of Under Secretaries General by 25%. It now appears that we are getting back to the number of Under Secretaries General we had before this reform. Secretary General Annan has created a number of new Under Secretaries General, including one for the Millennium, one for the C.I.S., and one for the E.U.

- Are you confident that all the Under Secretaries General are counted in the budget proposals?

Answer. The authorized number of Under Secretaries General has increased from 21 in the 1994–95 biennium to 26 in 1998–99. This count includes all under secretaries general authorized in the U.N. regular budget and the extra-budgetary accounts. We could not identify any other Under Secretaries General.

- Do you see a management need for these new Under Secretaries General?

Answer. We have not completed our assessment of the organizational changes and the reforms in managing human resources, consequently we do not yet have an informed view on this matter. We will provide further information on this question in our report to be completed later this year.

#### REDUCING OVERHEAD

*Question 4.* Two years ago, the Secretary General stated his intention to reduce by one-third the proportion of resources from the regular budget which are devoted to administration and other non-program activities.

- In this regard, does the U.N. have a cost accounting system so that overhead costs can be properly allocated to program activities?

Answer. The United Nations does have a cost accounting system that can allocate overhead costs to program activities. After costs are incurred, they are billed to an allotment account and the cost is classified under an object of expenditure in accordance with the U.N. financial rules and regulations. For example, overhead costs for servicing the General Assembly, such as translation services, office supplies, hospitality, temporary assistance, printing, and editorial services are classified under objects of expenditure such as general operating expenses and supplies and material. These expenses are then charged to the program for General Assembly Affairs. Organizational overhead, such as the costs for preparing budgets, ensuring financial control, contracting for goods and services, arranging transportation, and recruiting and hiring employees are charged to the administrative offices that deal with these issues. In its most recent report, the Board of Audit, stated that the income and expenditures they examined on a test basis were properly classified and recorded.

- Has there been any measurable success in reducing overhead at all?

Answer. The Secretariat has reported measurable savings of at least \$13 million in its efforts to reduce overhead costs. Some examples of savings that the Secretariat reports are \$1.5 million saved by eliminating unnecessary documents for conferences and over \$3 million saved by outsourcing services such as security, maintenance, and food service. The Secretariat has also reported that it saved travel costs of \$5 million by negotiating better rates and leasing planes to transport police monitors and other staff rather than purchasing them individual tickets.

#### DEVELOPMENT DIVIDEND

*Question 5.* One of the Secretary General's reforms was to have any administrative savings transferred into development projects instead of back to countries with advanced economies in the form of lower assessments.

- Does this violate the longstanding U.S. Government policy that U.N. regular budget contributions must not be used to pay for technical assistance programs in developing countries?

Answer. The development account will use savings from the regular budget to fund technical assistance projects in developing countries. However, regular budget funds are already being used to fund technical assistance. According to State Department officials, the United States discourages the use of the regular budget to fund technical assistance programs in developing countries, but does not have a formal policy against this practice. We are currently examining whether 22 USC Sec. 1896(a) restricts the use of U.N. funds for technical assistance projects and will provide this information in our report to be issued later this year.

- Could this provide an incentive to over-budget on a permanent basis since the Secretariat would retain all unspent funds at the end of the budget cycle?

Answer. Yes. For example, in developing the proposed 2000–01 biennium budget, the Secretary General proposed that the development account receive \$13 million to be funded by anticipated savings in overhead costs. The Secretary General further estimated that the Secretariat would save an additional \$20 million by undertaking greater administrative efficiencies, and he proposed that these savings be used to lower the budget level. However, in deciding on a preliminary budget level, the General Assembly included the \$13 million for the development account and also added back into the budget the anticipated savings of \$20 million that the Secretariat's estimates showed was not needed. The proposed budget for the 2000–01 biennium is currently \$125 million higher than the previous biennium. The State Department also concluded that the preliminary budget was much more than necessary to carry out all mandated programs efficiently and effectively and that any budget containing \$2.5 billion would easily contain substantially more than \$20 million in savings opportunities.

#### OVERSIGHT AND MONITORING EFFECTIVENESS OF PROGRAMS

*Question 6.* Does the U.N. have an established set of guidelines for evaluating program effectiveness?

Answer. The United Nations does not have an established set of guidelines for evaluating program effectiveness. The existing guidelines on evaluating effectiveness consists of the following two sentences: "The assessment should examine both the efficiency with which the activity is conducted and the effectiveness of the results. Findings should be based on evidence, including records of opinions of independent experts and the views of clients and users."

- If the evaluation process does not focus on program effectiveness, and only looks at the number of reports and conferences, what value do you see in it?

Answer. The current system for monitoring program performance reports only program outputs and is of limited value in providing information about whether programs are accomplishing their intended objectives. Member States have also identified this weakness in the current monitoring and evaluation system and some have come to the conclusion that the current system no longer meets the needs of the United Nations.

#### SUNSET PROVISIONS FOR PROGRAM MANDATES

*Question 7.* The Secretary General's reform initiatives have included calls for new program mandates to include specific time limits or sunset provisions.

- Has the Secretary General been successful in his attempts to ensure that sunset provisions are included in all new program mandates?

Answer. No. The proposal to include sunset provisions on all new programs was tabled during the session of the Committee on Programs and Coordination. There are no further proposals to implement this measure.

- What is the source of resistance to sunset provisions?

Answer. Many developing countries are opposed to this measure. U.S. officials and U.S. and U.N. documents indicate that the Group of 77, representing many of these countries, is reluctant to support this measure because they perceive it could threaten the continuation of programs they consider important.

#### PERSONNEL

*Question 8.* While the number of authorized posts has decreased since the Secretary General announced his intention to eliminate 1,000 posts, the number of people working for the U.N. appears to have increased. Two years ago, the State Department certified that there were 8,500 regular budget posts filled.

- In your opinion, why couldn't the Secretary General succeed in eliminating 1,000 posts given that over 1,000 were vacant at the time he made the proposal?

Answer. The Secretary General has currently abolished 954 posts, but has not been able to eliminate the 1,000 posts because the posts targeted for abolition were not vacant and Member States have passed several resolutions indicating that no staff were to lose their jobs as a result of the downsizing.

- Does the Secretary General propose increasing or decreasing the number of U.N. posts in his most recent budget proposal?

Answer. For the regular budget for the 2000–01 biennium, the Secretary General proposes an increase of 61 posts, from 8,741 to 8,802. The 8,741 posts are the number authorized for the end of the 1998–99 biennium.

- Do you know how many U.N. regular budget posts are actually filled at this time?

Answer. No. The United Nations provides information on an annual basis about the level of its on-board staff paid through the regular budget. As of the end of 1998, the U.N. Secretariat had an on-board staff of 7,738 posts (a 12 percent vacancy rate). U.N. officials informed us that the vacancy rate in 1999 is running higher than anticipated.

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#### PREPARED STATEMENT OF HAROLD J. JOHNSON, U.S. GENERAL ACCOUNTING OFFICE

##### UNITED NATIONS—OBSERVATIONS ON REFORM INITIATIVES

Mr. Chairman and Members of the Committee:

I am pleased to be here today to discuss the status of initiatives intended to reform the United Nations. Reform, according to the U.N. Secretary-General, means embracing fundamental measures that strengthen the organization and its efficiency. Among these measures are initiatives demanded by member States, such as increased accountability and budget restraint. Other measures include initiatives the Secretary-General announced in 1997.<sup>1</sup> To help Congress assess what progress has been made in reforming the United Nations, you asked us to examine U.N. efforts intended to (1) unify and focus its organizational structure; (2) control its budget and institute new budget procedures; (3) improve oversight, program monitoring, and evaluation; and (4) improve its human resources management. This testimony represents our preliminary assessment. As requested, we will provide you a comprehensive report later this year.

My testimony is based on publicly available U.N. documents as well as documents available only to member delegations and our prior work on U.N. activities, such as our recent report on procurement reform.<sup>2</sup> We also reviewed working files and records obtained from U.N. officials and documents obtained from the Department of State and the U.S. Mission to the United Nations. In addition, we held discussions with numerous U.N. officials, including the Deputy Secretary-General and several assistant secretaries-general.

To provide context for my observations, I will first provide a brief background on the conditions that led to the reform measures and initiatives.

<sup>1</sup>*Renewing the United Nations: A Programme for Reform*, A/51/950 (New York, N.Y.: United Nations, July 14, 1997); letter dated 17 March 1997 from the Secretary-General addressed to the President of the General Assembly.

<sup>2</sup>*United Nations: Progress of Procurement Reform* (GAO/NSIAD-99-71, Apr. 15, 1999).

## BACKGROUND

For the past 25 years, U.N. member States and others have made attempts to reform the United Nations, citing problems such as bureaucratic rigidity, poor program performance, duplication and rivalry across its many programs, and its high cost. A specific concern of member States, particularly the major donors, was the constantly growing budget of the Secretariat and the seeming inability to restrain costs. Demands were made that U.N. member States adopt procedures to control the budget, and, in 1986, the U.N. General Assembly adopted consensus budgeting—a process for reaching broad agreement without calling for a vote. The United States supported this measure as a step toward ensuring that sufficient attention would be paid to the views of the major contributors in the development of the budget. Member States demanded other initiatives to increase financial discipline, such as the adoption of results-based budgeting and sunset provisions on new U.N. programs. In the early 1990s, the United States and other member States identified the lack of effective internal oversight at the United Nations as a major problem. They cited concerns about administrative waste and inefficiency. The Secretariat itself identified a crisis in the U.N.'s procurement system that raised serious concerns about financial controls. The U.N. Office of Internal Oversight Services (OIOS) was created in 1994 in response to concerns such as these. At the same time, member States also demanded systems that could evaluate and monitor the relevance and effectiveness of U.N. programs so they could decide which programs to retain.

In 1994, the Secretary-General reported that the U.N.'s management of human resources was in crisis. The organization was faced with new challenges, and its human resources management had failed to adequately respond. Among the concerns of the Secretariat were a performance appraisal system that did not rate staff fairly or consistently, the lack of a code of conduct that clearly laid out staff rights and consequences for misconduct, and the inability to plan its human resource needs.

These problems and the demands for change by member States culminated in reform initiatives announced in 1997 by the Secretary-General. According to the Secretary-General, the United Nations had become fragmented, rigid, and, in some areas, irrelevant. The United Nations had also created duplicative bodies, rather than instituting effective management structures. To build a cohesive organization that acted with a unity of purpose and deployed its resources strategically, the Secretary-General incorporated many of the earlier demands for reform into his initiatives, as well as other initiatives to restructure the United Nations.

## SUMMARY

The Secretary General has said, and I agree, that reform is a process and not an event. Based on our preliminary assessment, we believe that the Secretary-General has undertaken a serious effort to reform the United Nations to improve its relevance to member States and enhance its operational efficiency. Although clear progress has been made in some areas, the initiatives we examined have not been fully implemented.

Progress has been made in unifying and focusing the organizational structure of the U.N. Secretariat, and the programs that are part of the United Nations proper, to make the Secretariat a more cohesive management unit. The Secretary-General appointed a deputy secretary-general to function as the chief operating officer and to strengthen internal coordination. A senior management group, composed of the under secretaries-general and the heads of those programs that report to the Secretary-General, was also created. This group meets weekly to ensure U.N. actions are unified and focused on the same objectives. In sharp contrast with the past, where under secretaries operated with great autonomy, this new structure provides regular opportunities to communicate, coordinate, and focus the work of U.N. departments, offices, and programs on common objectives. While we believe this new structure, now about 2 years old, is a positive move, the proof of its success will be measured in the field, where programs are actually implemented. Because we are still in the preliminary phase of our evaluation, we have not yet tested the new structure's actual impact on improving program delivery and effectiveness. Also, I should add that this new structure does not include the specialized agencies, such as the Food and Agricultural Organization, the International Labor Organization, and the World Health Organization, and consequently, the long-standing concerns about overlap, duplication, and coordination within the U.N. system as a whole are not being addressed by this organizational restructuring.

While budgets have been level for the past two bienniums, our assessment thus far indicates that no fundamental changes have been made to the budgeting process to control the growth of the regular budget. The process for developing budgets is

largely unchanged, and, adopting regular budgets by member state consensus does not assure control of budget growth, as initially hoped. For example, in developing the budget for 2000–2001 the United States and Japan, which provide over 45 percent of the U.N.'s financial support, objected that the preliminary budget ceiling was set too high. However, no vote was taken to record their dissent, and the measure passed by consensus. Also, the largest donors do not have permanent seats on the Advisory Committee on Budgetary and Administrative Questions, where they could most effectively advocate budget restraint. Moreover, although the Secretariat supports implementing results-based budgeting and sunset provisions, initiatives intended to bring more discipline to the budgetary process, these measures have not been adopted. Nonetheless, some progress has been made. The Secretariat has instituted a program intended to cut costs and increase efficiencies. It has thus far reported over \$13 million in savings by introducing more than 600 efficiency projects.

An area where important improvements have been made is in the oversight of U.N. programs and activities; however, even here the effort should not be considered complete. Through the efforts of Congress, the executive branch, and other U.N. member States, the U.N. Office of Internal Oversight Services was created in 1994. As we reported to you in 1997, OIOS has established itself as the internal oversight mechanism for the U.N. Secretary-General<sup>3</sup> and, based on our continuing work at the United Nations, this office appears to have become an institutional part of the United Nations. OIOS has clearly enhanced and strengthened the audit, inspection, and investigations functions at the United Nations. However, progress has been much slower in developing and implementing a monitoring and evaluation system to measure and report on program performance and effectiveness that would help member States make program decisions.

To begin addressing what the U.N. Secretariat considered a crisis in its human resources management, it recently introduced several initiatives and adopted a strategy to carry them out. These initiatives include a new performance appraisal system, adoption of a staff code of conduct, and actions to begin human resources planning. However, these initiatives have not yet been fully implemented, and some problems have developed in their implementation. For example, after the new merit-based appraisal system, introduced in 1996, was applied during the most recent rating period, the Secretary-General asked three departments to revise the ratings because they were too high and were out of line with the rest of the Secretariat. Also, the code of conduct, adopted in December 1998, does not provide the Secretariat with clear procedures for applying related disciplinary measures for systematic management problems, negligence, and gross negligence. Additionally, while the Secretariat has begun using an automated database as the basis for its human resources planning, the information system is unable to account for and track all staff working for the U.N. Secretariat.

With that brief summary, I would like to discuss each of these reforms in greater detail.

#### ORGANIZATIONAL RESTRUCTURING

To begin unifying and focusing the United Nations, the Secretary-General announced a major reorganization in 1997 and since that time, has taken action to implement the changes. In particular,

- a deputy secretary-general was appointed to essentially perform the functions of a chief operating officer and ensure coordinated U.N. operations;
- a senior management group was established to set overall policy direction;
- four executive committees were formed to implement the policies and ensure that the actions were coordinated among the U.N. organizations;
- the U.N. Development Assistance Framework was implemented to coordinate the U.N.'s development efforts in the field;
- various departments and offices were restructured and consolidated to strengthen and focus the U.N.'s response to humanitarian emergencies; and
- human rights activities were consolidated, and steps were taken to strengthen human rights activities and integrate them into the overall activities of the organization.

#### *Deputy Secretary-General and the Senior Management Group*

As an integral part of building a cohesive and unified management structure, the Secretary-General asked the General Assembly to approve the position of deputy secretary-general, whose job would be to strengthen coordination, collaboration, and uniformity of focus in U.N. operations. The General Assembly approved the position

<sup>3</sup> *United Nations: Status of Internal Oversight Services* (GAO/NSIAD-97-59, Apr. 9, 1997).

in December 1997, and the Secretary-General appointed an experienced diplomat as Deputy Secretary-General in January 1998. Since then, the Deputy Secretary-General has worked on many of the day-to-day operational issues to ensure that U.N. activities are unified. The Deputy Secretary-General chairs the senior management group in the Secretary General's absence and has also worked on ensuring a consistent U.N. response to personnel reforms and a coordinated approach to U.N. activities, such as in Afghanistan.

The Secretary-General also established a senior management group, composed of all the under secretaries-general and the heads of the U.N. funds and programs, to provide unified and clear leadership for the organization. (See App. I for a list of the members of the senior management group.) According to the Under Secretary-General for Internal Oversight, through the leadership of this group, communication and coordination among U.N. organizations has improved. The senior management group meets weekly with the Secretary-General to discuss U.N. operations and agree on unified actions and policy direction. Full attendance almost always occurs (sometimes by videoconference) because important decisions for the United Nations as a whole are made, and the senior managers all have a stake in these decisions. Previously, the heads of the funds and programs and other senior managers had no regular mechanism to coordinate overall U.N. activities; some met with each other only once a year at the General Assembly.

According to the Deputy Secretary-General, the senior management group discusses all major issues affecting the United Nations and agrees on a common strategy for them. For example, decisions such as how the United Nations would develop a unified response to the crisis in Kosovo and how to implement personnel reforms consistently across the organization have been discussed and agreed upon. In deciding on its responses to the unfolding events in Kosovo, the High Commissioner for Refugees regularly reports to the group and describes her field visits. Since the Emergency Relief Coordinator is also one of the group's members, a unified U.N. response has been planned. As such, it has been agreed that the High Commissioner's office will lead the U.N.'s immediate response to the humanitarian crisis in Kosovo with help from the Emergency Relief Coordinator. According to the Deputy Secretary-General, the work of the executive committees provides a good indicator of how well the senior management group is working because the executive committees plan and implement programs in accord with the direction set by the senior management group.

#### *Executive Committees*

Four new executive committees—(1) peace and security, (2) humanitarian affairs, (3) economic and social affairs, and (4) development operations—were established to plan and implement focused and unified U.N. action as agreed to by the senior management group. The Secretary-General placed U.N. departments, offices, and the programs and funds into appropriate groups; named a convener of each committee from the senior management group; and expected the committees to coordinate, plan, and implement U.N. activities as teams, (App. II compares the U.N. organization before and after these reforms.) According to senior U.N. officials, the concept of the senior management group and executive committees grew out of recognition that the U.N. system was too vertical, with each organization operating in a stove-pipe fashion, reporting only to the Secretary-General and, in some cases, their governing committees. There was also frustration that some programs, with their own sources of funding, did not consider systemwide U.N. programming a priority.

All executive committees have been meeting regularly since late 1997. For example, as of April 1999, the economic and social affairs committee had met formally 15 times. According to members of these committees, the under secretaries-general and heads of offices frequently attend the meetings because they all have a stake in shaping overall U.N. programming in their areas. Some examples of the committees' work include the following:

- The Executive Committee for Peace and Security developed a unified plan for the referendum in East Timor, involving the Departments of Peacekeeping Operations and Political Affairs, the Human Rights Coordinator, and other committee members.
- The Executive Committee for Humanitarian Affairs developed a unified U.N. response to Hurricane Mitch and negotiated U.N. access to areas controlled by the Union for the Total Independence of Angola, on behalf of all committee members including the High Commissioner for Refugees, the U.N. Development Program, and the U.N. Children's Fund.
- The Executive Committee for Economic and Social Affairs developed an online statistical database of all activities undertaken by 12 of its members, which can

sort the activities by issue, type of activity (such as a conference or publication), location, and date.

- The Executive Committee for Development Operations has begun implementing the U.N. Development Assistance Framework after completing pilot tests in 18 countries. (The framework is more fully described below.)

#### *U.N. Development Assistance Framework*

To better coordinate the efforts of U.N. organizations and build an integrated program for its development activities, the United Nations is implementing the U.N. Development Assistance Framework in countries where it provides assistance. One view of the framework is that it translates a country's need for development assistance into a coordinated operational plan of action among U.N. agencies. The framework document is prepared jointly by a team composed of all U.N. organizations in a country. The team agrees upon and specifies U.N. objectives; strategies of cooperation; projects to be undertaken; and proposals for follow-up, monitoring, and evaluation. In August 1997, a pilot phase was initiated to test the framework in 18 countries. In May 1998, an assessment of the pilot phase was started, with all the principal framework organizations in attendance. In April 1999, the United Nations approved the guidelines for preparing and implementing the framework, and the General Assembly passed a resolution recognizing the move to full implementation.<sup>4</sup> As of April 1999, final frameworks had been completed in 11 countries, with 6 frameworks co-signed by the World Bank.<sup>5</sup>

While progress has been made in implementing the framework, the critical question is whether participating U.N. organizations will work together. At the assessment workshop in September 1998, it was noted that a cultural change is required for the framework to succeed. This necessitates commitment at all levels of the U.N. system. The experience in Guatemala illustrates the issue. Seventeen U.N. system organizations have activities in Guatemala, with a portfolio of about \$400 million and a total staff of about 800 local and international workers. The U.N. organizations and the World Bank participated in developing the framework and identifying priority objectives with the Guatemalan government. A shared information database with indicators was also developed, and lead agencies were given specific tasks. However, according to the U.N. country team's report to the U.N. Economic and Social Council, the headquarters of each U.N. agency set the tone for cooperation. The message from headquarters to the field was that individual agency results were more important than overall U.N. system results. Our own reports have found similar problems in U.N. cooperation. Our 1998 evaluation of the Joint U.N. Program on the Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome found that U.N. agencies in the field had difficulty working together and coordinating their activities.<sup>6</sup> Concerns about a joint program led to lack of commitment to working together on the part of some agency officials.

#### *Restructuring Humanitarian Affairs*

In March 1998, the United Nations began reorganizing Secretariat units to launch coherent and coordinated humanitarian operations. The Department of Humanitarian Affairs was dissolved and replaced with the Office for the Coordination of Humanitarian Affairs, headed by the Emergency Relief Coordinator. The office's role was narrowed to focus on three core functions: (1) policy planning and development, (2) advocacy (including fund-raising), and (3) coordination of humanitarian emergency response. Other emergency-related activities were redistributed within the U.N. system. For example, demining activities were transferred to the Department of Peacekeeping Operations, and demobilization of combatants was transferred to the U.N. Development Program. In addition, the Office of the Emergency Relief Coordinator was reorganized and its staff was reduced from 250 to 137 professionals. According to a Department of State official, this change represented the most visible and positive indication of reform, as the previous directorate was overstuffed and lacked leadership.

As part of the restructuring of humanitarian affairs, the United Nations initiated the Strategic Framework concept. The framework is intended to unify the actions of U.N. agencies in countries that are in conflict or have just completed peace agree-

<sup>4</sup> *Resolution Adopted by the General Assembly, A/RES/53/192* (New York, N.Y.: United Nations, Feb. 25, 1999).

<sup>5</sup> The World Bank has introduced the Comprehensive Development Framework to involve all aid donors in planning assistance activities within a country. The U.N. Development Assistance Framework and the Bank's Comprehensive Development Framework are intended to be complementary.

<sup>6</sup> *HIV/AIDS: USAID and U.N. Response to the Epidemic in the Developing World* (GAO/NSIAD-98-202, July 27, 1998).

ments. To date, the Strategic Framework has been employed only in Afghanistan, but the United Nations plans to utilize the approach in Sierra Leone. According to Department of State officials, the Strategic Framework faces challenges of coordination similar to the U.N. Development Assistance Framework. A U.N. report on the experience in Afghanistan has not been completed.

#### *Human Rights*

In his reform proposals, the Secretary-General committed to strengthening the U.N.'s human rights programs and fully integrating them into the organization's activities. As a first step, representatives from the High Commissioner for Human Rights were placed on all four executive committees. According to a senior official in the New York Human Rights Office, the High Commissioner has taken advantage of this opportunity and made human rights activities a part of all programs. For example, the High Commissioner provided input into the formulation of guidelines for the development assistance framework. Human rights activities are now a component of each framework and are included in country programs such as Guatemala, Malawi, and Mozambique in the form of specific training and outreach programs on human rights. According to U.N. officials, the elevation of human rights as an issue and its inclusion into these programs represents a marked change from less than 2 years ago.

The United Nations has taken other steps to strengthen human rights activities, such as

- consolidating the Center for Human Rights into the Office of the High Commissioner for Human Rights and restructuring the Office by reducing the number of divisions from five to three,
- upgrading the head of the High Commissioner's office in New York to the level of director and adding five staff,
- conducting an analysis of technical assistance related to human rights provided by U.N. agencies in order to formulate proposals for their improvement, and
- working to establish a human rights data bank to disseminate information and analysis.

Despite the gains made in reforming the U.N.'s human rights program, challenges persist. For example, including human issues rights as a basic consideration in U.N. activities is not supported by all countries. According to a Department of State official, human rights issues are highly political for member States, and U.N. agency officials are often hesitant to raise these issues with member governments out of fear of jeopardizing their access in the country and damaging their particular program. Reforms related to increasing the efficiency of the human rights entities have also not progressed. According to State Department officials, the High Commissioner has not reduced the duplication and overlap in human rights reporting by the 11 treaty bodies and 37 Special Rapporteurs because member States control the requirements and have not agreed to changes.<sup>7</sup>

#### BUDGET CONTROL AND RESULTS-BASED BUDGETING

Although the United Nations has maintained level budgets for the past two bienniums, our preliminary assessment indicates that no fundamental changes have been made to the budgeting process to control the growth of the regular budget—an area of long-standing concern of your Committee. Under procedures adopted by the General Assembly in 1986, the U.N.'s regular budget is approved by consensus.<sup>8</sup> Under consensus budgeting, the Secretary-General submits to the General Assembly a budget outline that contains a preliminary estimate of funding requirements. The Advisory Committee on Administrative and Budgetary Questions reviews the proposed funding requirements. A larger administrative committee, the Fifth Commit-

<sup>7</sup>Several U.N. human rights treaties, aimed at providing increased protection to vulnerable groups, have been adopted and come into force upon ratification by the requisite number of States parties, such as the International Convention on the Elimination of All Forms of Racial Discrimination (1965) and the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (1984). The implementation of these core human rights treaties is monitored by committees, or "treaty monitoring bodies." The Commission on Human Rights and the Economic and Social Council have established a number of extra-conventional procedures and mechanisms that have been entrusted to Special Rapporteurs or experts. Their mandates are to examine, monitor, and publicly report on human rights situations in specific countries or on major human rights violations worldwide.

<sup>8</sup>*Review of the Efficiency of the Administrative and Financial Functioning of the United Nations*, GA Res. 41/213 (New York, N.Y.: United Nations Dec. 19, 1986).

tee, then tries to obtain the broadest possible agreement among members in approving a level for the Secretary-General to use in preparing the budget.

The process does not appear to have assured that the views of the major donors have been sufficiently considered thus far in formulating the 2000–2001 budget. In 1998, the General Assembly approved a preliminary budgeting level equivalent to \$2.655 billion for the 2000–2001 biennium, in comparison to the estimated \$2.527 billion for 1998–99 budget. Any member state can request a vote in the General Assembly if it dissents, thus breaking the consensus on the preliminary level.<sup>9</sup> The United States and Japan, which together pay about 45 percent of the regular budget, did not agree. However, neither member requested a vote. Consequently, the level was formally approved by consensus, even though the two largest donors dissented. State officials predicted that the actual budget—developed later in the year—would be lower than the preliminary estimate. State officials said they would consider requesting a vote if the final budget level was considered to be too high.

Another aspect of controlling the level of the budget involves the work of the Advisory Committee on Administrative and Budgetary Questions. Although the advisory committee plays a crucial role in determining the regular budget level, member States that pay the largest share of the budget do not have permanent seats on the committee. For example, the United States, Japan, Germany, France, and Italy combined are assessed about 67 percent of the regular budget, but none has a permanent seat on this key financial committee.<sup>10</sup> The committee's role is to review the budgets and finances of the United Nations and make recommendations to the General Assembly on budget levels and other financial issues. According to State Department officials, the committee is particularly influential because its members have the most knowledge of and expertise about the U.N. budget process.

You requested that we examine whether the regular U.N. budget for 1998–99 will have zero nominal growth. At this point, it is uncertain whether there will be zero nominal growth in the 1998–99 budget compared to the prior biennium, although the Secretariat estimates that the final budget amount for 1998–99 will be lower than the final amount for 1996–97. However, the uncertainty comes about because in comparing budgets, the amount for 1998–99 needs to be adjusted to reflect new accounting procedures used in determining the budget levels.<sup>11</sup> To make a valid comparison with the 1996–97 biennium, the costs of jointly funded activities would need to be included in the 1998–99 budget.

Another indicator of budget restraint is holding spending to the level initially approved. For the 1996–97 biennium, U.N. budget expenditures were about \$61 million less than the initially approved budget. However, expenditures were lower than forecast because the strong U.S. dollar resulted in currency exchange gains of about \$49 million and the United Nations hired fewer staff than it had budgeted for, saving an additional \$34 million. Some savings were used to pay for the costs for special political missions, such as the mission in Guatemala.<sup>12</sup> The United Nations will likely maintain a budget level at or below the approved level for the 1998–99 biennium. The United Nations estimates that it will spend about \$6 million less than the initially approved budget. However, savings of more than \$56 million from a strong U.S. dollar, lower-than-expected staff costs, and a lower-than-expected inflation rate are expected to provide the Secretariat a cushion.<sup>13</sup>

#### *Results-based Budgeting and Sunset Provisions*

The Secretary General recommended a shift to performance, or results-based budgeting, to focus the organization more on accountability for achieving results rather than completing tasks. Although strongly supported by the United States and other major donors, this measure was not adopted because some members, mainly developing countries, did not support it. Results-based budgeting requires program managers to identify indicators for judging the substantive impact of their programs

<sup>9</sup> *Rules and Procedures of the General Assembly (A/520/Rev.15)* (New York, N.Y.: United Nations, Dec. 31, 1984).

<sup>10</sup> France, Italy, and Japan are current members of the Advisory Committee on Administrative and Budgetary Questions. The 16 members of the committee are elected by the General Assembly and serve 3 year terms. The rules of procedure of the Committee are confidential.

<sup>11</sup> Under the accounting change adopted in 1998–99, net budgeting is used. Member States are assessed only their share of costs payable for jointly funded activities. *Programme Budget for the Biennium 1998–1999. First Performance Report, A/53/693* (New York, N.Y.: United Nations, Nov. 23, 1998).

<sup>12</sup> *Programme Budget for the Biennium 1996–1997. Second Performance Report, A/C.5/52/32* (New York, N.Y.: United Nations, Dec. 11, 1997).

<sup>13</sup> The Advisory Committee on Administrative and Budgetary Questions has considered ways to stabilize the budget from currency fluctuations, neither creating a windfall when the dollar is strong nor a deficit when the dollar is weak. To accomplish this, a separate account needed to be established, and this action was not supported by member States.

and justify their programs' effectiveness based on these results. According to senior U.N. and U.S. officials, implementing this system would require "a major cultural shift" among members and U.N. managers and a valid system for evaluating program effectiveness. At the General Assembly's request, the Secretary-General has produced several reports in support of this initiative<sup>14</sup> and provided prototypes of a results-based budget for sections of the Secretariat.<sup>15</sup> Although the General Assembly has considered these reports, it has not adopted the initiative.

The Secretary-General's initiatives also called for new program mandates to include specific time limits, or "sunset" provisions. Sunset provisions would require the General Assembly to renew programs periodically, based on an evaluation of their effectiveness. As with results-based budgeting, this initiative was supported by the United States and other major donors, but some member States, particularly developing countries, did not support it. Many of these members are reluctant to approve an initiative that they perceive could threaten the continuation of programs they deem important.

#### *Initiatives to Reduce Overhead Costs*

As part of the overall effort to improve U.N. operations, the Secretary-General proposed to reduce overhead costs from 38 percent of the U.N. regular budget to 25 percent and set a savings goal of \$200 million. These savings would be placed in a development account. Projects to eliminate duplication and waste were to generate these savings. The Secretariat has initiated over 600 such projects, some of which have resulted in considerable savings. The Secretariat has not released an estimate of the total savings generated by efficiency projects, but officials believe the goal of saving \$200 million is optimistic. Thus far, the Secretariat reports that \$13 million from these projects, primarily from consolidation of services and departments, has been put into a development account. Examples of some efficiency projects undertaken with estimated savings are

- abolishing the High-level Board on Sustainable Development, which saved an estimated \$362,000;
- shifting from subsidizing food services to a profit-sharing arrangement with contractors, which generates at least \$500,000 in income annually;
- chartering air service for police monitors rather than purchasing individual tickets, which saved an estimated \$1 million in 1997; and
- consolidating mainframe computer operations, which saved an estimated \$1.2 million annually.

#### OVERSIGHT, MONITORING, AND EVALUATION

At the insistence of member States, the United Nations took steps to improve internal oversight of its programs by establishing OIOS. Since then, the United Nations has improved oversight and accountability is being taken more seriously. For example, in 1997, we reported to you that OIOS had resolved its start-up and operational problems in an organizational environment that had previously operated without effective internal oversight mechanisms for almost half a century.<sup>16</sup> We noted, however, that OIOS is not required to and does not submit all reports to the Secretary-General and the General Assembly, and we suggested that it clarify its criteria for which reports it will submit. In response, the Under Secretary-General for Internal Oversight said he would publish the titles of all reports in the annual report. Since then, he has done so. As of April 1999, OIOS had completed 64 reports that were available to all member States. Some have been hard-hitting reports. One found serious deficiencies, improprieties, and weaknesses in management control in the U.N. operation in Angola that may have fostered fraud and financial abuse.<sup>17</sup> Another report found that a senior U.N. official had used his position to commit 59 separate instances of fraud to steal large amounts of the organization's project funds, without triggering internal alarms.<sup>18</sup> As of June 1998, OIOS had issued 4,042 recommendations for management improvement or action to address misconduct. The Secretariat had implemented 73 percent of these recommendations, according

<sup>14</sup> See, for example, *Report of the Secretary General: Addendum Results-based Budgeting*, A/51/950/Add. 6 (New York, N.Y.: United Nations, Nov. 12, 1997).

<sup>15</sup> *United Nations Reform: Measures and Proposals*, A/53/500/Add. 1 (New York, N.Y.: United Nations, Oct. 15, 1998).

<sup>16</sup> *United Nations: Status of Internal Oversight Services*.

<sup>17</sup> *Report of the Secretary-General on the Activities of the Office of Internal Oversight Services: Note by the Secretary-General*, A/52/881 (New York, N.Y.: United Nations, Apr. 28, 1998).

<sup>18</sup> *Allegations of Theft of Funds by a United Nations Conference on Trade and Development Staff Member: Note by the Secretary-General*, A/53/81 (New York, N.Y.: United Nations, Jan. 28, 1999).

to OIOS records. We have not analyzed the recommendations or the actions taken to implement them.

An indication that oversight and accountability are being taken more seriously is the consistent number of waste, fraud, and abuse reports made to OIOS' investigations section. Between 1994, when OIOS was established, and December 1998, the investigations section received 846 reports. In 1994, it received 110 reports and since then has received at least 165 reports a year. According to the head of OIOS' investigations unit, 595 investigations have been completed, and action has been taken on every report in which a corrective personnel measure or disciplinary action was recommended. Also, unit managers have increasingly asked OIOS to conduct investigations within their units because they know they have a problem and need advice on how to deal with it, according to the Under Secretary-General for OIOS.

#### *Monitoring*

An adequate system of monitoring program performance is essential in ensuring greater accountability. However, not much progress has been made in improving the Secretariat's system for monitoring programs. Although many U.N. offices and departments now provide online data about program outputs, such as the number of conferences held, member States find this data to be of limited value because it does not indicate whether the program is accomplishing its mandate. For example, the performance report on crime control states that 78 programs on planning, crime prevention, and collaborative effort have been implemented. The narrative explains that an implementation rate of 77 percent was achieved, including over 70 advisory missions to member States. However, there are no indicators or assessment of what was achieved in planning and crime prevention or on these advisory missions or how they helped the beneficiaries. For years, the U.N. Committee for Programme and Coordination has recognized the limitations of this system and has recommended improvements. In 1998, the Committee concluded there was a need to monitor and evaluate the quality of performance and recommended that the Secretary-General propose ways in which the quality of mandated programs and activities could be better assessed and reported to member States.<sup>19</sup>

#### *Evaluation*

Currently, the United Nations does not have an adequate system for evaluating the effectiveness of its programs, including a standard methodology that uses performance indicators and would support results-based budgeting. Although many U.N. departments and offices have their own evaluation units and they conduct various types of evaluations, ranging from efficiency reviews to self-evaluations to lessons learned, they do not have standard methodology guidelines or criteria.<sup>20</sup> According to the Director of OIOS' Central Evaluation Unit, evaluation guidelines on methodology are being drafted but do not focus on program effectiveness.<sup>21</sup> Evaluation emphasis is moving away from determining program effectiveness in meeting goals and objectives to management and problem-solving reviews, according to this official.<sup>22</sup>

Despite the emphasis on broad-based management reviews, developing an adequate system for determining program effectiveness is important for member States. The U.N. Committee for Programme and Coordination recently stressed that evaluation should be based on standards that enable member States to assess the efficiency and effectiveness of the program. It further stressed that evaluation standards and analysis should utilize performance indicators.<sup>23</sup> According to the Under Secretary-General for OIOS and other U.N. officials, the United Nations still has a long way to go in developing a framework to evaluate the effectiveness of its programs. The Secretary-General also agreed that evaluations of U.N. programs have

<sup>19</sup>*Report of the Committee for Programme and Coordination on the first part of its thirty-eighth session.* A/53/16, part 1 (New York, N.Y.: United Nations, July 8, 1998); *Report of the Secretary-General: Methodology for Monitoring and Reporting the Programme Performance of the United Nations*, A/46/173 (New York, N.Y.: United Nations, May 14, 1991).

<sup>20</sup>*Strengthening the Role of Evaluation Findings in Programme Design, Delivery and Policy Directives*, A/53/90 (New York, N.Y.: United Nations, Mar. 25, 1998).

<sup>21</sup>Existing U.N. monitoring and evaluation guidelines do not provide methodologic guidance but state that each major activity should be the subject of a critical assessment every 4 years that examines both the efficiency of the activity and its effectiveness. The guidelines also note that findings should be based on evidence, including records of opinions of independent experts and the views of clients and users.

<sup>22</sup>*Strengthening the Role of Evaluation Findings in Programme Design, Delivery and Policy Directives*, A/49/99 (New York, N.Y.: United Nations, Mar. 23, 1994).

<sup>23</sup>*Report of the Committee for Programme and Coordination on the work of its thirty-eighth session.*

been primarily management oriented and have not addressed the question of the continuing validity of the programs themselves.<sup>24</sup>

#### HUMAN RESOURCES MANAGEMENT

The Secretariat has begun to reform its human resources management, introducing initiatives such as a new merit-based staff appraisal system and a code of conduct and beginning to plan for its human resources needs. The Secretariat also developed a comprehensive plan for reforming its management of human resources and laid out a strategy for implementing it.<sup>25</sup> According to U.N. officials, the success of their plan will require the full cooperation of managers and staff and the support of member States. Currently, however, the initiatives we examined have not been fully implemented, and there have been problems in carrying them out.

For example, for the year 1996, the United Nations introduced a merit-based performance appraisal system. The appraisal requires the rater and the ratee to agree on goals that the ratee will achieve during the rating period and to specify measurable criteria or indicators of success in reaching these goals. The ratee is rated on a 5-point scale, ranging from "does not meet performance expectations" to "consistently exceeds performance expectations." The guidelines state that the rating system is not intended to impose a mandatory bell curve. However, the guidelines also state that when staff are honestly and appropriately appraised, about 5 percent will have the highest and lowest rating.

The Secretariat used its performance appraisal system for a third time in its 1998 annual assessment cycle. About 8,000 of the 14,000 staff directly supervised under U.N. authority were covered by the appraisal system, according to U.N. human resources officials. Out of the 8,000 staff participating in the 1998 appraisal cycle, U.N. officials stated that fewer than 10 individuals had received the bottom rating, the consequences of which could be dismissal for poor performance. Three departments were judged to have inflated ratings, and the Secretary-General sent letters to the managers of these departments, telling them to ensure the ratings were consistent with the rest of the Secretariat. The Secretariat did not provide us with summary statistics for the 1998 performance appraisal cycle, stating that the results are under review.

One problem with the current performance appraisal system is that organizational skills are not clearly defined and benchmarks for determining performance on those skills are lacking. In October 1998, the Secretary-General reported that a statement of core and managerial competencies was still under development and that it would become a base for building other human resource systems, including performance appraisals.<sup>26</sup>

#### *Code of Conduct and Disciplinary Procedures*

In December 1998, the United Nations issued a code of conduct for its employees: *Status, Basic Rights and Duties of United Nations Staff Members*. The United Nations used the new code to clarify the applicability of the U.N. regulations and rules to all staff under the Secretary-General's authority, including the funds and programs. The code established systemwide guidelines for conduct rooted in the U.N. charter. The code stated that the paramount considerations for staff employees are competence, efficiency, and integrity. Accountability is also of primary concern. For example, the code has conflict-of-interest provisions such as that staff members shall not be actively associated with the management of or hold a financial interest in any profit-making, business, or concern, if the staff member or the profit-making business or other concern might benefit from such association because of the staff member's position with the United Nations. Staff members at the Assistant Secretary-General level and above are also required to file financial disclosure statements. In another section of the code, staff are obligated to respond fully to requests for information from officials of the United Nations authorized to investigate possible misuse of funds, waste, or abuse. Finally, the code makes it clear that failure to comply with the code's obligations and the U.N.'s standards of conduct will subject a staff member to disciplinary procedures.

Although the United Nations has adopted a code of conduct, member States have questioned the Secretariat's ability to follow up and discipline staff for misconduct.

<sup>24</sup> *Report of the Secretary-General on the Activities of the Office of Internal Oversight Services.*

<sup>25</sup> *Human Resources Management Reform: Report of the Secretary-General, A/53/414* (New York, N.Y.: United Nations, Oct. 13, 1998).

<sup>26</sup> *Performance Management: Report of the Secretary-General, A/53/266* (New York, N.Y.: United Nations, Aug. 14, 1998).

Concern about actions such as this have been an issue for years.<sup>27</sup> Recently, the U.N. General Assembly requested the Secretary-General to submit to it a report on the follow-up of management irregularities that caused financial losses to the organization. The Secretary-General submitted his report to the General Assembly in March 1999,<sup>28</sup> but the General Assembly considered it incomplete. It did not explain what had been done since 1994 to develop procedures to deal with cases of fraud and other actions causing financial losses to the organization.<sup>29</sup>

The Secretariat does have procedures for dealing with fraud, including summary dismissal. However, according to the Assistant Secretary-General for Human Resources, the Secretariat does not have clear procedures or policies for dealing with cases such as systematic management problems, negligence, and generally poor performance. Its record on taking action against individuals falling into these categories has been inconsistent. Commenting generally on the situation, an official in the Human Resources section said the Secretariat recognizes it has a problem in this area and is now acting to address it.

#### *Human Resources Planning*

As part of its reform measures, the United Nations has committed to long-range human resources planning so it can place the right staff in the right place at the right time. As part of this effort, it has been developing an automated database that would account for and track staff employed worldwide. The automated database is the U.N.'s Information Management System (IMIS), which uses satellite relays to link field offices with headquarters. The IMIS database contains basic management information, such as data on employees, including position, years of service, specialization, and payroll information. However, IMIS is not yet functioning worldwide.<sup>30</sup> According to U.N. officials, they still have to contact individual field offices and posts to get the number of various employees and manually incorporate them into the database at headquarters.

Also, as part of the U.N. reform initiatives, the Secretary-General set a goal of reducing 1,000 posts paid for under the regular budget. Based on a comparison of the number of posts authorized in the 1996–97 and 1998–99 biennium budgets, 954 posts have been eliminated. The number of posts has been reduced from 10,012 to 9,058. According to Secretariat officials no staff were let go as a result of the reduction. As staff retired or voluntarily left the organization, their posts became vacant, and many of these posts were eliminated. As you requested, we provide additional information in Appendix III about the number of staff hired by the U.N. system.

Mr. Chairman and Members of the Committee, this completes my prepared statement. I will be happy to respond to any questions you may have.

#### CONTACT AND ACKNOWLEDGMENTS

For future contacts regarding this testimony, please contact Harold J. Johnson. Individuals making key contributions to this testimony included Tet Miyabara, Richard Boudreau, Pat Dickriede, Mike Rohrbach, Mark Speight, Richard Seldin, and Rona Mendelsohn.

#### APPENDIX I

##### MEMBERS OF THE U.N. SENIOR MANAGEMENT GROUP

Secretary-General  
Deputy Secretary-General  
Under Secretary-General for Humanitarian Affairs  
Under Secretary-General for Economic and Social Affairs  
Under Secretary-General for Political Affairs  
Administrator, U.N. Development Program  
Under Secretary-General for Disarmament Affairs

<sup>27</sup> *Alleged Cases of Fraud in the United Nations: Study of the Possibility of the Establishment of a New Jurisdictional and Procedural Mechanism or of the Extension of Mandates and Improvement of the Functioning of Existing Jurisdictional and Procedural Mechanisms*, A/AC.243/1994/L.3 (New York, N.Y.: United Nations, Apr. 4, 1994).

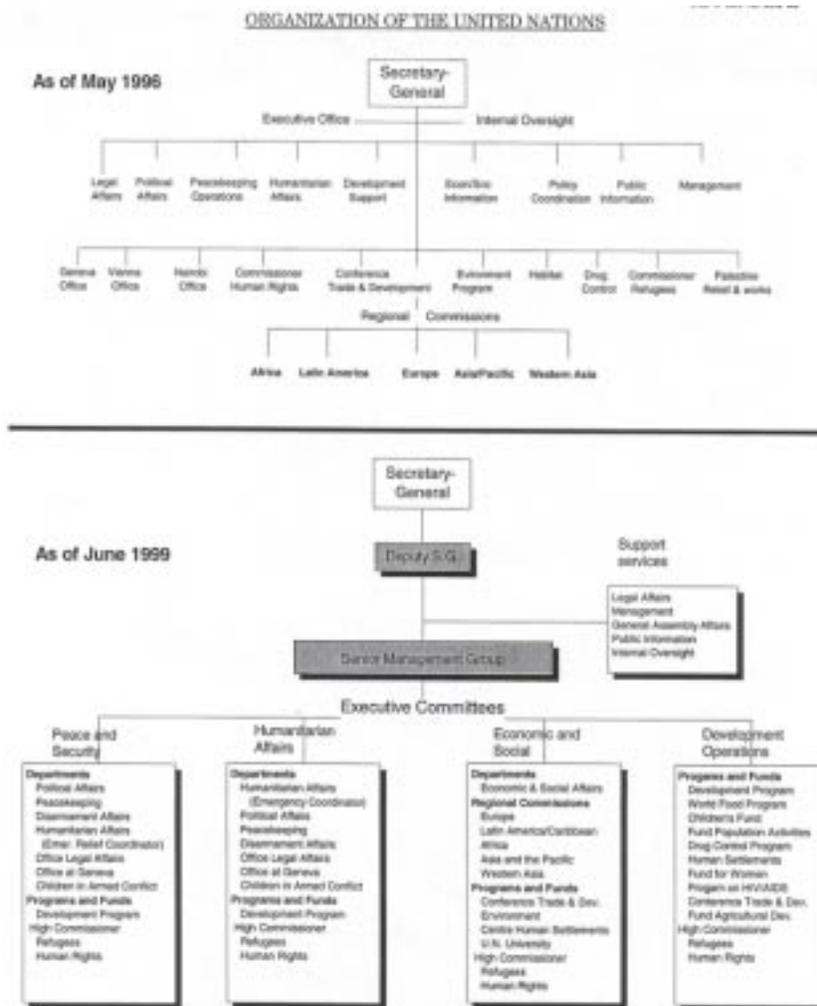
<sup>28</sup> *Management Irregularities Causing Financial Losses to the Organization*, A/53/849 (New York, N.Y.: United Nations, Mar. 3, 1999).

<sup>29</sup> *Management Irregularities Causing Financial Losses to the Organization: Report of the Advisory Committee on Administrative and Budgetary Questions*, A/53/954 (New York, N.Y.: United Nations, May 11, 1999).

<sup>30</sup> *Report of the Office of Internal Oversight Services on the Increase in Costs of the Integrated Management Information System Development Contract: Note by the Secretary-General*, A/53/829 (New York, N.Y.: United Nations, Feb. 16, 1999).

Under Secretary-General for Administration and Management  
Under Secretary-General for Internal Oversight  
Under Secretary-General for Legal Affairs  
Under Secretary-General for General Assembly Affairs and Conference Services  
Under Secretary-General for Peacekeeping Operations  
Chef de Cabinet, Executive Office of the Secretary-General  
Under Secretary-General, Executive Director for the U.N. Fund for Population Activities  
Under Secretary-General, Special Representative of the Secretary-General for Children in Armed Conflict  
Under Secretary-General and Director General of the U.N. Office in Geneva  
High Commissioner for Refugees  
High Commissioner for Human Rights  
Secretary-General of the U.N. Conference on Trade and Development  
Under Secretary-General and Director General of the U.N. Office in Vienna  
Under Secretary-General and Director General of the U.N. Office in Nairobi and the Executive Director of the U.N. Environment Program  
Executive Director, World Food Program

APPENDIX II



APPENDIX III

STAFF OF THE UNITED NATIONS SYSTEM, AS OF DECEMBER 31, 1998

Table III.1 that follows provides a snapshot of U.N. staff with an appointment or contract of 1 year or more within the U.N. Secretariat, the funds and programs, and the Specialized Agencies—commonly referred to as the U.N. system—as of December 31, 1998. As of December 31, 1998, staff financed from the U.N. Secretariat's regular budget numbered 7,738 or 15 percent of system-wide total U.N. staff of 51,832. These numbers reflect the actual total of staff on-board, including all U.N. employees with a contract of 1 year or longer. This total number differs from the number of authorized posts, which may be vacant.

Table III.1—U.N. Staff as of December 31, 1998

	Regular budget	Extrabudgetary funds	Total
U.N. Secretariat:			
Secretariat .....	7,738	6,385	14,123
Peacekeeping Missions (Support account) .....	0	319	319
Secretariat Total .....	7,738	6,704	14,442
U.N. Development Program .....			
U.N. Fund for Population Activities .....	3,631	1,325	4,956
U.N. High Commissioner for Refugees .....	816	74	890
U.N. Children's Fund .....	218	3,827	4,045
U.N. Relief and Works Agency for Palestine Refugees in the Near East ...	1,811	5,193	7,004
U.N. Training Institute .....	97	12	109
U.N. Office for Project Services .....	0	16	16
U.N. Staff College .....	0	1,032	1,032
U.N. University .....	0	22	22
International Court of Justice .....	2	113	115
International Civil Service Commission .....	31	0	31
International Trade Commission .....	0	38	38
Joint U.N. Program on HIV/AIDS .....	0	186	186
World Food Program .....	151	0	151
Total for U.N. Subsidiary Bodies .....	0	1,038	1,038
	6,759	12,876	19,633
Food and Agricultural Organization .....			
International Civil Aviation Organization .....	2,768	1,322	4,090
International Fund for Agricultural Development .....	639	74	713
International Labor Organization .....	272	32	304
International Maritime Organization .....	1,560	228	1,788
International Telecommunications Union .....	252	22	274
U.N. Educational, Scientific, and Cultural Organization .....	710	27	737
U.N. Industrial Development Organization .....	2,049	256	2,305
Universal Postal Union .....	610	0	610
World Health Organization .....	1,151	122	1,273
World Intellectual Property Organization .....	2,437	1,178	3,615
World Meteorological Organization .....	683	0	683
International Atomic Energy Agency (IAEA) .....	204	45	249
Total for U.N. Specialized Agencies and the IAEA .....	1,674	542	2,216
	14,009	3,748	17,757
Grand Total U.N. System .....			
	28,504	23,328	51,832

Source: United Nations.

[From the New York Times, June 22, 1999]

## DENY RAPE OR BE HATED: KOSOVO VICTIMS' CHOICE

(By Elisabeth Bumiller)

ZRZE, KOSOVO, June 18.—The 22-year-old woman, married four months ago, said she was taken from this small southern village by Serbian forces, held for a day in the local police station, beaten, then threatened with death. But she was not, she said, raped.

Her husband, Behan Thaqi, thinks differently. "I am 100 percent certain that they raped her," said Mr. Thaqi, 34, a farmer imprisoned by the Serbs for supplying weapons to the Kosovo Liberation Army, the Albanian guerillas who fought Serbian forces. "I know that when women get in their hands, there is no chance to escape."

Mr. Thaqi says his wife, who did not want her name published, denies the rape because "she doesn't dare tell that kind of story." If she admitted it to him, he said, "I would ask for a divorce—even if I had 20 children." As his wife listened, silent and shamefaced, in a corner of their empty home, looted of all furniture and possessions by the Serbs, Mr. Thaqi added: "I don't hate her, but the story is before my eyes. I feel very cold toward her."

Kissing her, he said, "is like kissing a dead body."

There are few more harsh illustrations of the difficulties in getting Kosovo Albanian women to talk about being raped by Serbian forces than these words from Mr.

Thaqi, a rough-spoken man with an eighth grade education. Not all Kosovo Albanian men share his attitudes, but interviews with villagers and others made it clear that it is a majority view.

A horrific social stigma accompanies rape in Kosovo, bringing lifelong shame to a woman and her family. It is the biggest problem that rights groups face as they begin to collect information on whether Serbian forces used rape as a premeditated tactic. The act has been classified as a war crime by the international war crimes tribunal for the former Yugoslavia in The Hague.

In Interviews during the last two weeks, dozens of women and men in Kosovo and in refugee camps in Albania told stories suggesting that sexual assault and intimidation, if not rape, were widespread, used by Serbian forces to strike at the heart of a Muslim society in which the virginity and fidelity of women are central.

So far, there is no solid evidence of systematic rapes by the Serbs, as was reported in Bosnia, and not a single woman said in the interviews that she was sexually penetrated by a Serbian soldier. But one woman, Vase Racaj, 35, said she saw women being raped. She said that on the afternoon of April 27, Serbian paramilitary forces in black masks pulled 10 young women out of a refugee convoy of trucks, cars and tractors that she was in. It had been heading toward the town of Prizren and the Albanian border.

Ms. Racaj, who is from the southern town of Klina, said 10 men then raped the women in an open field about 30 feet from the road, in view of the women's families, who were held at gunpoint by Serbian soldiers.

An hour later, Ms. Racaj said, the paramilitary forces slashed the women's pants around their thighs, then put the women on a truck heading toward the border with her and their families.

"They were crying and saying, 'Better dead than what they did to us,'" Ms. Racaj said, as her own eyes filled with tears.

A 28-year-old teacher from the city of Mitrovica, who agreed to be identified only by her last name, Avdullahi, said that she had been threatened with rape on a bridge while a Serbian soldier held a gun to her father-in-law's throat, but that she had eventually been allowed to go free.

Another woman, who asked that only her first name, Zyrafete, be used, said she had been sexually assaulted at knifepoint in the village of Dragocina in southern Kosovo. Both Zyrafete, 23, and another woman from the same village, Sherife Trolli, 48, said about 300 women were held in three houses for three days in the village, with about one-third of them in each house.

Every night Serbian soldiers dragged three to four women out of each house for an hour or two each, Zyrafete and Ms. Trolli said. The women were returned to the house sobbing and refused to tell the other women what had happened to them.

Other refugees told of Serbian soldiers who took away the most beautiful women from the groups driven from their homes, and five men from Mitrovica said Serbs had written on a wall at a city high school, "We're going to rape your women, and they will give birth to Serbian children."

#### WAITING FOR EVIDENCE TO COME TO LIGHT

So far, there is no solid proof in Kosovo of the kind of systematic rape of tens of thousands that was reported in Bosnia, or of Bosnian "rape camps" where women were held captive for days, repeatedly assaulted and often killed afterward. Nor was there any mention of rape in the war crimes tribunal's indictment last month of Slobodan Milosevic, the Yugoslav President, for crimes against humanity, although the chief prosecutor has said she expects to expand the charges.

But just as in Bosnia, where a post-Communist urban feminist movement encouraged rape victims to speak, investigators expect that more testimony from women will come to light during the next several months, after one million refugees settle back home and bury their dead. "It's too soon," said Valentina Gjuraj, 24, a journalist in the western city of Djakovica, where one of the worst massacres of the Serbian terror campaign occurred. "I found five bodies yesterday," she said. "They were the bodies of my best friends."

For now, State Department officials in Washington say they have received refugee reports that Serbs were using the Hotel Karagac in Pec and an army camp near Djakovica as rape camps. Human Rights Watch has reported the rape of two women held with the 300 in Dragocina. And the United Nations Population Fund has released a report that Kosovo Albanian women "were individually raped by many men," and "sometimes even for days."

But the report did not specify the number of women raped, or interviewed; nor did it give details of specific cases.

Djakovica, once beautiful, is a city in the shadow of the Accursed Mountains where last week shocked citizens asked reporters they met on the street to come see the burned bodies in their backyards. Virtually everyone questioned there reported hearing talk about the existence of a rape camp, either near the Serbian army barracks by a stadium or near additional barracks next to a church.

One woman said she had heard that 12 women committed suicide after being in the rape camp. But no one had any real information. Some had just come back from refugee camps; some had been hiding for two months in their homes; some, perhaps, were afraid to speak.

Yet at the Djakovica offices of the Kosovo guerrillas, who only days ago moved into the cultural center to operate as an unofficial local government, there was no uncertainty at all.

"We know there was a camp," said Shkendije Hoda, 28, a slight woman with a revolver in her back pocket, who described herself as the commander for information and who said she had just come out from hiding in the hills two days before.

Ms. Hoda based her assertion on information from women she knows, describing them as witnesses to the camps, and she said the guerrilla group would soon be collecting its own information on rape. For now, Ms. Hoda said, the stories are secret. She added that rape was a Serbian strategy of war, "to destroy the spirit of the brave soldiers of the Kosovo Liberation Army." The Serbs, she said, left many raped women alive as psychological torture. Women "are not as afraid of death as they are of rape," Ms. Hoda said. "This is the weakest side of women."

Over in Cabrat, the once lovely neighborhood that is Djakovica's oldest—where house after big house was burned to ashes and rubble—Afrim Domi spoke in a neighbor's still-standing home about his daughter, Yllka, 17. He said she shouted, "Better to kill me than to rape me!" while running out into the woods to escape Serbian soldiers who had surrounded the family on May 17.

Mr. Domi said that his daughter was shot in the leg while fleeing, and that he has not been able to find her since. She ran, he said, because Serbian soldiers had tried to rape her days earlier. She escaped that time, he added, after she witnessed the rape of another Djakovica teen-ager—whose family witnessed it, too.

But that victim's father, whose hands trembled in an interview, said the Serbs had not touched his daughter, who was at that moment safe with him at home. As he spoke on the family porch, his brother, the young woman's uncle, came out to interrupt loudly that there had been no rapes in Djakovica, but, "If rape was going on here, they only raped women from other towns."

One of the most extensive accounts of sexual assault was given by Zyrafete, who was held with the 300 others in Dragocina. Zyrafete said she and her 4-year-old son were herded with a large group of women and children into a central area of the village on April 20. After she wound up with about 100 of the women in a house, Serbs pulled her out of the group one morning, she said, and ordered her to make them coffee.

#### FEARING DEATH LESS THAN RAPE

When she told them she wanted to bring along her son, they said no, then pushed him into the basement with some other women. Her son became hysterical, Zyrafete said, and cried out to his mother, "Do they want to kill you?" Zyrafete told him not to worry, that she would be back.

The police took her into another room, she said. They demanded money and asked if her husband was a rebel. She said no. Then they ordered her at gunpoint to wash dishes, make coffee and clean their rooms.

"When I finished all these things, one policeman said, 'Take off your clothes,'" Zyrafete said. "I said, 'Better that you should kill me.'" She said the policeman kicked her, slapped her in the face, then ordered others to continue beating her. One policeman, she said, put a knife to her throat. "He said, 'Take off your clothes or I will kill you.'"

At this point, Zyrafete said, she fainted, and regained consciousness some time later, dressed only in her underwear. "I was crying," she said. "I didn't know what had happened to me." She dressed, and a policeman returned her to the room.

Despite the crucial missing details of her account, Zyrafete says she is convinced that she was not raped. Two weeks after the assault—when it is unclear how much physical evidence there might have been—she said she went to the gynecologist at her refugee camp in Kukes, Albania.

"The doctor said I hadn't been raped," she said, adding: "I think a lot of women have been raped. But women don't want to talk about it."

Officials at the maternity hospital in Kukes, the grimy mountain border town where 120,000 refugees made their temporary home during the war, say that abor-

tions tripled after the refugees began arriving in April, going from around one a day to three. But the director of the hospital, Safet Elezi, said that no refugee woman had admitted being raped and that many had sought abortions because their husbands were missing and they were living in tents.

Last week, across the border in Zrze, the 22-year-old woman who said she had not been raped, and whose husband said she had, arrived home from Kukes. The neighbors had been asking her, she said, what happened when the Serbian soldiers took her away. She told them she had been beaten, not raped, but said she was still ashamed that she was the one the soldiers had singled out.

To her husband of four months, everything is "black," and the future with his young wife is grim.

"I have no will to have children," he said.

