

**FOREIGN OPERATIONS, EXPORT FINANCING,
AND RELATED PROGRAMS APPROPRIA-
TIONS FOR FISCAL YEAR 2004**

WEDNESDAY, APRIL 30, 2003

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 1:44 p.m., in room SD-192, Dirksen Senate Office Building, Hon. Mitch McConnell (chairman) presiding.

Present: Senators McConnell, Stevens, Specter, Gregg, Shelby, Bennett, Campbell, Bond, DeWine, Leahy, Inouye, Harkin, Mikulski, Durbin, Johnson, and Landrieu.

DEPARTMENT OF STATE

OFFICE OF THE SECRETARY

STATEMENT OF HON. COLIN L. POWELL, SECRETARY OF STATE

OPENING STATEMENT OF SENATOR MITCH MC CONNELL

Senator McCONNELL. Good afternoon. The Secretary has to leave at 3 p.m., so we will limit our opening statements to Senator Leahy and myself and the chairman of the full committee.

Welcome, Mr. Secretary. Let me begin by expressing my gratitude to the President, his entire cabinet, and our soldiers and sailors for the quick and decisive victory in Iraq. Once again, we have affirmed that we have the best trained, equipped, and disciplined military in the world and the best leaders on and off the battlefield.

The victory in Iraq belongs to the people of Iraq, and the challenge now falls upon the coalition to repair damaged infrastructure, establish democratic institutions, and vest the principles of freedom and justice in the consciousness and lives of the Iraqi people. While Congress included \$2.5 billion for these efforts in the war supplemental, the country's natural resources provide an advantage that will hopefully sustain and accelerate the reform and recovery process. The United Nations should immediately end the sanctions against Iraq so that the profits from these resources can go directly to the people of that country.

I might just say, Mr. Secretary, I saw a fascinating op-ed in the Wall Street Journal a few weeks ago suggesting that one way to convince the Iraqi people that they are going to benefit from the oil would be to set up a structure similar to what they have in the

State of Alaska, where every Alaskan gets a check each year off of the oil revenue that the State secures.

Senator STEVENS. Not the oil revenue, but income from a fund created by a portion of the revenue.

Senator MCCONNELL. In any event, Alaskans get checks.

It is a demonstration of their sharing the wealth, shall I say.

While some believe that political transition in Iraq alone will be a harbinger of reform throughout the region, a more effective catalyst for change comes in the form of a trinity. First, a quick and successful democratic transition. Second, a workable road map for security and peace between the Palestinians and the Israelis that includes new Palestinian leadership, that, first and foremost, actively combats terrorism. And third, a bold, new approach to America's support of political and legal reforms across the region.

If this trinity is realized, the impetus for political reform throughout the Middle East will be inevitable and unstoppable. The Arab street will find a voice in democratic institutions and through responsive leaders chosen by ballots, not bullets, bullying, or Israel bashing.

The state of political reform in Egypt, including adherence to the rule of law and the functioning of democratic institutions, provides a good barometer of democratic change in the region. I believe that as goes Egypt, so goes the Middle East.

Shifting to North Korea, the hermit kingdom's ongoing bluster and its appalling repression of the North Korean people continue to be a grave concern to everyone. Although attention to North Korea's nuclear program may have been overshadowed by military operations in Iraq, I am hopeful the State Department will continue to focus on the myriad challenges posed by this nation. From nuclear weapons to narcotics trafficking and a potential Northeast Asian nuclear arms race, the Korean regime poses a growing and dangerous threat to its neighbors and to us. Negotiating with North Korea is no small or easy task. This is a country that makes France look trustworthy.

Let me make a few comments on the fiscal year 2004 request for foreign operations. Over \$2 billion is requested for four new accounts that potentially offer more rapid responses to global crises. It would be helpful to the subcommittee if you could summarize the objectives of each of these accounts and provide greater detail on the management of these funds and overlap, if any, with existing foreign assistance programs.

The funding request has again been reduced for assistance for Eastern Europe and the Baltic States and assistance for the NIS by \$86 million and \$179 million, respectfully, below the fiscal year 2003 enacted level. While I fully support graduating countries that receive U.S. aid, I remain concerned that too steep and rapid cuts may have unintended consequences.

A case in point is Serbia. The recent assassination of the Serbian Prime Minister has spurred a massive crackdown on organized crime, some of which is linked to cronies of Milosevic. It is clear that political, legal, and economic reforms are still needed in Serbia, and instead of reducing assistance by \$15 million, we should be considering additional support for programs and activities that actually bolster necessary reforms.

Let me wrap it up with just a few comments on Burma and Cambodia. As predicted, we have not seen progress in the dialogue between the State Peace and Development Council, SPDC, and Aung San Suu Kyi since her release from house arrest. The news out of Burma reports no signs of reconciliation, only continued repression of the people of Burma by the SPDC, brutal rapes of ethnic girls and women, and unwillingness to meet with the NLD, the U.N. special envoy, and ethnic nationalities. I applaud the State Department's recommendation to the White House that the regime in Burma should not be certified as making progress or cooperating with the U.S. on narcotics matters. It is clear that additional sanctions against the junta in Rangoon are warranted, and I intend to introduce legislation to this effect in the very near future.

PREPARED STATEMENT

In Cambodia, the attacks earlier this year against Thai interests in Phnom Penh, including the destruction of the Thai embassy, and the continuing assassination of opposition activists, monks, and judges underscores the lawlessness and impunity that has become the hallmark of the ruling Cambodian People's Party. In such a climate, talk of a Khmer Rouge tribunal using Cambodian courts and judges makes no sense. As parliamentary elections are scheduled in 3 months' time, I would encourage you to seize every opportunity to strengthen the hand of the democratic opposition in the run up to the polls.

With that, let me turn to Senator Leahy.
[The statement follows:]

PREPARED STATEMENT OF SENATOR MITCH MCCONNELL

Welcome, Mr. Secretary. It is always a pleasure to have you appear before this Subcommittee.

Let me begin by expressing my gratitude to the President, his entire Cabinet, and our soldiers and sailors for the quick and decisive victory in Iraq. Once again, we have affirmed that we have the best trained, equipped and disciplined military in the world, and the best leaders on—and off—the battlefield.

The victory in Iraq belongs to the people of Iraq, and the challenge now falls upon the coalition to repair damaged infrastructure, establish democratic institutions, and vest the principles of freedom and justice in the consciousness and lives of the Iraqi people. While Congress included \$2.5 billion for these efforts in the war supplemental, the country's natural resources provide an advantage that will hopefully sustain and accelerate the reform and recovery process. The United Nations should immediately end the sanctions against Iraq so that profits from these resources can go directly to the people of Iraq.

While some believe that political transition in Iraq alone will be a harbinger of reform throughout the region, a more effective catalyst for change comes in the form of a trinity: (1) a quick and successful democratic transition in Iraq; (2) a workable roadmap for security and peace between Palestinians and Israelis that includes new Palestinian leadership that, first and foremost, actively combats terrorism; and, (3) a bold, new approach to America's support of political and legal reforms across that region.

If this trinity is realized, the impetus for political reforms throughout the Middle East will be inevitable and unstoppable. The Arab street will find a voice in democratic institutions and through responsive leaders chosen by ballots—not bullets, bullying, or Israel bashing.

The state of political reform in Egypt, including adherence to the rule of law and the functioning of democratic institutions, provides a good barometer of democratic change in the region. I believe that as goes Egypt, so goes the Middle East.

Shifting to North Korea, the Hermit Kingdom's ongoing bluster and its appalling repression of the North Korean people continue to be a grave concern to many of us. Although attention to North Korea's nuclear program may have been over-

shadowed by military operations in Iraq, I am hopeful the State Department will continue to focus on the myriad challenges posed by this nation. From nuclear weapons to narcotics trafficking and a potential North East Asian nuclear arms race, the North Korean regime poses a growing and dangerous threat to its neighbors and the United States.

Negotiating with North Korea is no small or easy task. This is a country that makes France look trustworthy.

Let me make a few comments on the fiscal year 2004 request for foreign operations. Over \$2 billion is requested for four new accounts that potentially offer more rapid responses to global crises. It would be helpful to the Subcommittee if you could summarize the objectives of each of these new accounts—the Millennium Challenge Account, the U.S. Emergency Fund for Complex Foreign Crises, the Famine Fund, and the Global AIDS Initiative—and provide greater detail on the management of these funds, and overlap, if any, with existing foreign assistance programs.

The funding request has again been reduced for the Assistance for Eastern Europe and Baltic States (SEED) and Assistance for Independent States (NIS) accounts by \$86 million and \$179 million, respectively, below the fiscal year 2003 enacted levels. While I fully support graduating countries that receive U.S. foreign aid, I remain concerned that too steep and rapid cuts may have unintended consequences.

A case in point is Serbia. The recent assassination of Serbian Prime Minister Zoran Djindjic has spurred a massive crackdown on organized crime, some of which is linked to cronies of Slobodan Milosevic. It is clear that political, legal and economic reforms are still needed in Serbia, and instead of reducing assistance by \$15 million, we should be considering additional support for programs and activities that the bolster these necessary reforms.

Let me close with a few brief comments on Burma and Cambodia. As predicted, we have not seen progress in the dialogue between the State Peace and Development Council (SPDC) and Daw Aung San Suu Kyi since her release from house arrest. The news out of Burma reports no signs of reconciliation—only continued repression of the people of Burma by the SPDC, brutal rapes of ethnic girls and women, and unwillingness to meet with the NLD, the U.N. special envoy, and ethnic nationalities. I applaud the State Department's recommendation to the White House that the regime in Burma should not be certified as making progress or cooperating with the United States on counternarcotics matters. It is clear that additional sanctions against the junta in Rangoon are warranted, and I intend to introduce legislation to this effect in the very near future.

In Cambodia, the attacks earlier this year against Thai interests in Phnom Penh—including the destruction of the Thai Embassy—and the continuing assassination of opposition activists, monks, and judges underscores the lawlessness and impunity that has become the hallmark of the ruling Cambodian People's Party. In such a climate, talk of a Khmer Rouge tribunal using Cambodian courts and judges makes no sense. As parliamentary elections are scheduled in three months time, I encourage the State Department to seize every opportunity to strengthen the hand of the democratic opposition in the run up to these polls.

Thank you again, Mr. Secretary, for appearing before this Subcommittee and I look forward to your testimony.

OPENING STATEMENT OF SENATOR PATRICK J. LEAHY

Senator LEAHY. Thank you, Mr. Chairman, and Mr. Secretary, I welcome you to the first hearing of the subcommittee this year. Many people here don't know about the exclusive club that Secretary Powell and I belong to. We both had the honor of speaking at the Mitch McConnell Center for Political Leadership in Louisville, Kentucky. We also, the Secretary and his lovely wife and my wife and I were married the same year, the same day, virtually the same hour.

I appreciated, Mr. Chairman, the opportunity that you gave to both the Secretary and myself. I also appreciate the Louisville Slugger they gave me. I am not much of a baseball player, but I have been practicing. I was actually thinking of changing my career, until realized that was your real motive in having me come down.

But I know the Secretary has a lot of demands on his time, and I am one who feels that President Bush made a superb choice in selecting the Secretary for this job. I think he has been an invaluable voice for our country.

We have worked hard in this subcommittee to give you the funds you need. We have exceeded the administration's budget request for foreign assistance every year. Senator McConnell and I worked closely to get bipartisan support for that. I hope that trend continues, because we face a lot of challenges.

The President's fiscal year 2004 budget is a step forward, but even if we appropriate every dime of it, it is still less than 1 percent of the total Federal budget. I don't think we can mount a credible challenge to global poverty, international terrorism, and all the other threats we face. We need more resources.

I am concerned about the development assistance account, which would be cut under this budget. The funding for child survival and health programs, including funding to combat infectious diseases, would be cut, and that is wrong. Aid to Russia would be cut. Aid to our Central American neighbors would remain a fraction of what it should be. There are a number of areas, from promoting renewable energy to building democracy, where we could do much more.

I know that the State Department's leading role in foreign policy goes back more than two centuries, when one of your predecessors, Thomas Jefferson, was the first Secretary of State. I am concerned that that role is under assault, including by some within the administration. Most recently, it was challenged by former Speaker of the House Newt Gingrich, now a member of the Defense Policy Board. He called the State Department a "broken instrument of diplomacy." I reject that view. I believe his attacks against people who work for you are unfair and misguided.

Like any government agency or congressional bodies and many private companies, there are things that could be done better, of course. We all know that. But there are many, many things that State Department employees do every single day that are not reported in the news, but they advance U.S. interests, they help make the world safer, and you and I know that you have some of the most talented men and women in the world working for you.

Now, Mr. Gingrich, like some in the administration who promote unilateralism and favor military force over diplomacy, claimed the war in Iraq involved 6 months of diplomatic failure and 1 month of military success. That is a misstatement of history. Diplomacy achieved important results, including a unanimous vote in the U.N. Security Council. It was senior Pentagon officials who engaged in name-calling, such as "Old Europe," and exacerbated tensions with key allies, making the State Department's job more difficult.

The war in Iraq has raised serious questions about the appropriate roles of the Pentagon and State Department in diplomacy and managing foreign aid programs. Over the past couple of years, we have seen the steady encroachment by the Pentagon into areas where the State Department and USAID have far more expertise, in formulating U.S. foreign policy and post-conflict reconstruction.

The Defense Department is second to none at fighting wars. I agree with Senator McConnell on that. We have the best men and women, the best Navy, the best Army, the best Air Force, the best

Marine Corps in the world. I also point out that a lot of that, though, began during a time when you, Mr. Secretary, were Chairman of the Joint Chiefs of Staff. The Pentagon has a role to play after conflicts end, but the State Department should have the final say when it comes to foreign policy and foreign assistance. It is disturbing that key officials in the administration seem determined to weaken the State Department.

PREPARED STATEMENT

I have a number of questions, and because of the shortness of time, I will pass on the others to your legislative affairs people, who I have found to be excellent in getting back to us with the information we need. Thank you, Mr. Chairman.

[The statement follows:]

PREPARED STATEMENT OF SENATOR PATRICK J. LEAHY

Mr. Secretary, welcome to the first hearing of this Subcommittee this year. I should begin by pointing out for those here who may not know, that Secretary Powell and I are both members of a very distinguished, selective club. We both had the honor of speaking at the Mitch McConnell Center for Political Leadership in Louisville, Kentucky.

I very much appreciated that opportunity. And I especially appreciated the gift of the Louisville Slugger baseball bat with my name on it. I have never been much of a baseball player, but Senator McConnell's gift might inspire me to consider a new career—maybe that was his reason for inviting me down there.

On a serious note, thank you, Mr. Secretary, for testifying today. I know you have a lot of other demands on your time. But I also know you agree that without the budget this Committee appropriates, you would not have the resources to do much of anything.

As I have said before, President Bush made a superb choice in selecting you for this position. You are doing an excellent job. You have been an invaluable voice of reason and moderation for the Administration's foreign policy.

This Subcommittee has worked hard to give you the funds you need. We have exceeded the Administration's budget request for foreign assistance every year. I hope this trend continues, because I do not believe we are yet responding adequately to the many global challenges we face.

The President's fiscal year 2004 budget request is a step forward, but even if we appropriate every dime he has asked for it will still amount to only about 1 percent of the Federal budget. How can we possibly mount a credible challenge to global poverty, international terrorism, and all the other threats we face, with so few resources? We cannot.

I am concerned about the Development Assistance account, which would be cut. Funding for Child Survival and Health Programs, including to combat infectious diseases, would be cut. This is foolhardy. Aid to Russia would be cut. Aid to our Central American neighbors would remain a fraction of what it should be. And there are many areas—from promoting renewable energy to building democracy, where we should be doing far more. We are missing so many opportunities.

Mr. Secretary, this Subcommittee knows well that the State Department's leading role in foreign policy dates back more than two centuries, when Thomas Jefferson became the first Secretary of State. But today that role is under assault, including by some within the Administration. Most recently, it was challenged by former Speaker of the House Newt Gingrich, now a member of the Defense Policy Board, when he called the State Department a "broken instrument of diplomacy."

I reject that view, and I believe his attacks against people who work for you are unfair and misguided.

Like any government agency and many private companies, there are things that the State Department could do better. I know that you are working on that. But there are many, many things that State Department employees do every day, that are not reported on CNN, to advance U.S. interests and help to make the world safer.

Mr. Gingrich, like those in the Administration who promote unilateralism and favor military force over diplomacy, claimed that the war in Iraq involved "six

months of diplomatic failure and one month of military success." That is a misstatement of history.

I believe the Administration abandoned the diplomatic track too soon. Diplomacy achieved important results, including a unanimous vote in the U.N. Security Council. It was senior Pentagon officials who engaged in name-calling such as "Old-Europe" and exacerbated tensions with key allies—making the State Department's job more difficult.

Like everyone in this room, I am glad that Saddam Hussein is no longer in power. However, had we been more patient, I believe we could have dealt with Saddam Hussein without damaging relations with important allies. These were not mutually exclusive goals.

The war in Iraq has raised serious questions about the appropriate roles of the Pentagon and the State Department in diplomacy and in managing foreign aid programs. Over the past couple of years, we have seen the steady encroachment by the Pentagon into areas where the State Department and USAID have far more expertise—from formulating U.S. foreign policy to post-conflict reconstruction.

The Defense Department is second to none at fighting wars. It also has a role to play after conflicts end, but the State Department should have the final say when it comes to foreign policy and foreign assistance. It is disturbing that key officials in this Administration seem determined to weaken the State Department.

Mr. Secretary, I will only have time to ask a few of the many questions I have today. Those that I do not have time for I will pass on to your Legislative Affairs staff, who do an excellent job of quickly getting us the information we ask for. We appreciate that very much.

Senator McCONNELL. Thank you, Senator Leahy.
Mr. Secretary.

SUMMARY STATEMENT OF HON. COLIN L. POWELL

Secretary POWELL. Thank you very much, Mr. Chairman. Thank you for your opening remarks and observations, and thank you also, Senator Leahy, for your comments.

Before beginning my brief oral statement, I would like to offer a full statement for the record, Mr. Chairman.

Senator McCONNELL. Without objection, it will be included in the record.

Secretary POWELL. And let me respond to a few of the points that were made in your opening statements, if I may.

With respect to oil revenue and how to use it in Iraq, the interesting concept that has been used in Alaska for so many years is under consideration. We are looking at that. Senator Stevens has educated me over the years as to the merit of this approach to the use of oil, a portion of the revenues going into a fund which then can be used to compensate the people in a way that they can make a choice as to how the wealth of the state is being used. I think that is a concept that applies in the case of Iraq, at least for consideration.

The ultimate judgment, of course, will be up to the Iraqi people. We made it clear that this is oil that belongs to them, for them, by them. They will figure out how to use it and we will help them to get started down the road to responsible stewardship of this marvelous treasure that the Iraqi people own.

I am sure, in the course of our questioning I can get into specific answers on Iraq, the Middle East, the Middle East peace process and what has happened in the last 24 hours with respect to the appointment of a Palestinian Prime Minister. Earlier today, as a result of that appointment and his confirmation by the PLC, the Palestinian legislature, we presented the Road Map. Earlier this morning, Ambassador Kurtzer, Ambassador to Israel, presented the

Road Map to Prime Minister Sharon. Representatives of the courts have presented the Road Map to the Prime Minister now, first Prime Minister of the Palestinian Authority, Mr. Mahmoud Abbas. I had an opportunity to call both Prime Ministers early this morning to encourage them to do everything in their respective powers to make sure we get a good start down this path to peace. A new opportunity is being created. It is an opportunity that must not be lost, and I was very pleased at the response from both Prime Ministers, who are anxious to move forward.

Senator, I do share your concerns about Burma and Cambodia, as well. I will be passing through Cambodia briefly in a few weeks' time, in a month and a half or so, attending the ASEAN regional forum meetings there. I won't be there for a very long period of time, but enough to at least talk to my ASEAN colleagues about the situation in the country we will be visiting and also have some conversation with the leadership there and, once again, express our concerns to them.

Senator Leahy, let me especially thank you for your comments about the Department of State, and let me express my thanks to this committee for the confidence that you have placed in the men and women of the State Department. Just as we have the finest soldiers, sailors, airmen, and marines, I can tell you, we have the finest foreign service officers and civil servants and foreign service nationals working for the interest of the United States of America.

When I became Secretary, I had about five reports on my desk of improvements that people suggested could be made in the State Department from different task forces and panels. I had been on one of those panels and had made the recommendations for that panel, and now I am the Secretary of State to implement them. So we are always willing to receive helpful, constructive comment as to how to improve our operation. With the support of this committee and other committees in the Congress and the Congress, we have done a lot with respect to recruiting, with respect to security, with respect to putting a sense of purpose and morale into our troops, esprit de corps in all the members of our State Department family.

I send young State Department officers out to the most difficult places in the world to serve their country, taking their families with them where there may not be any hospital care, where there may not be any school for their kids, or where they are separated from their families for a longer period of time than the average soldier gets separated from his family. They go willingly and they go with a smile on their face because they are happy to serve the American people.

Now, ever since Thomas Jefferson was sworn in as the first Secretary of State, an uninterrupted line of Secretaries of State, from number 1 to number 65, have been criticized at one time or another for being diplomats: for trying to find peaceful solutions, to building friendships around the world, to creating alliances. That is what we do. We do it damn well, and I am not going to apologize to anybody. I am on the offense for the people who work in my Department, doing a great job, and if you come after them, come after them with legitimate criticism and we will respond to that. We are not above criticism.

But if you come after us just to come after us, you are in for a fight. I am going to fight back and I am going to protect my Department and my people. I am also going to defend the policies of the President, which were attacked even more vigorously than any sideways attack on the contributions and the loyalty and the dedication and the courage and the willingness to serve of the men and women of the State Department. Hopefully, we can pursue the issue of how the State Department is functioning in a reasonable manner, with constructive comments welcomed and open debate taking place.

With respect to what is going on within the administration, it is not the first time I have seen discussions within the administration between one Department or another. I have been in four straight administrations at a senior level, and thus it has been and thus it has always been, and thus it should be. There should be tension within the national security team, and from that tension arguments are surfaced for the President, and the one who decides, the one who makes the foreign policy decisions for the United States of America is not the Secretary of State or the Secretary of Defense or the National Security Advisor. It is the President. It is our job, my job and Don's job and Condi's job and the Vice President's job and George Tenet's job to give the President our best advice, and the President is the one who decides.

Complicated issues come along. How do you go into a place like Iraq, which is a military operation that has to be run by the military. The initial reconstruction period has to be under the control of the military and there has to be unity of command and purpose. We fully appreciate and support that. I have, I think it is now five ambassadors working for General Franks and for Jay Garner.

But in due course, as a government is set up, the interim authority being the embryonic state of that government, as it grows into a fully representative government for the people of Iraq, slowly but surely, that will shift over. USAID and non-governmental organizations and bodies of the United Nations and other international institutions will play a much more important and significant role during that transition. And so will the State Department, as we put in place our diplomatic presence, as we put in place an embassy, and as we get back to normal sorts of relations.

Now, in this transition, the gears will grind from time to time and it is my job and Don's job and Condi and the Vice President to put some oil on those gears to make sure it isn't a distraction. All of these things are manageable, and what we have is the finest group of young men and women working for the security of this nation and our foreign policy interests, whether they are wearing a suit similar to mine or wearing a suit similar to the one I used to wear. We are all part of one team trying to get the job done for the American people.

Mr. Chairman, if I may, I will briefly summarize my statement because I think you have had a chance to examine it. It has been before the members of the committee for some time now.

I am pleased to appear, to testify in support of the President's International Affairs budget for fiscal year 2004. Funding requested for the next fiscal year for the Department, USAID, and other foreign affairs agencies is \$28.5 billion. The funding will

allow the United States to target security and economic assistance to sustain key countries supporting us in the war on terrorism; it will allow us to launch the Millennium Challenge Account, a new partnership that I think revolutionizes the way in which we help the neediest of nations around the world who are committed to democracy and the free enterprise system.

The budget will also allow us to strengthen the United States' commitment and global commitment to fighting HIV/AIDS and other humanitarian hardships. It will allow us to combat illegal drugs in the Andean region, as well as bolster democracy in Colombia. I will be meeting later this afternoon with President Bush and President Uribe to get a report from President Uribe on his strategy for going after narco-traffickers in Colombia.

It will also allow us to reinforce America's world class diplomatic force. I have often said to this committee that I am not only foreign policy advisor, but leader and manager of the Department, and I take that charge seriously. We have done a great job in starting to hire people again. In the 3 years that I have been responsible for the budget and in the 25 months that I have been Secretary of State, over that period, we have brought in a little over 1,100 new hires over and above attrition.

We are finally putting blood back into the Department, new people coming in. Tens upon tens of thousands of young Americans are signing up to take the Foreign Service exam. I swore in another class last week. Three weeks ago on a Saturday, 20,000 Americans assembled to take the Foreign Service exam at sites all over the country. They want to be a part of this team. They are proud of what this team is doing and they want to be a part of it, and as a result of the generosity and understanding and support of the Congress, we are now able to hire people.

For those who criticize the Department who were in Congress in the 1990s, they ought to take a look at the record as to how they spent part of the 1990s cutting the budget of the Department of State and prohibiting the Department of State from hiring individuals that were needed to keep strength and vitality within the Department.

I hope that you will continue to support me in those efforts, not only to bring first class people into a first class force, but also to bring state-of-the-art information technology to the Department. That was also one of my commitments. I wanted to make sure that every member of the Department of State anywhere in the world had access to the Internet. We are 24/7, instantaneous communications, instantaneous decision making. We can't be typing out cables on teletypes any longer. Before I leave as Secretary of State, I want the entire Department wired so we are talking to each other electronically and instantaneously through the power of the Internet in a completely secure, classified manner, and every member of the Department hooked up.

I also committed myself and to the President that we would wipe the slate clean and straighten out our overseas building operation. We have done that, and I think we can all be proud of the job that General Williams and his great team have done. Our embassies are coming in on time, under cost, and secure, and beyond that, they are attractive and we are meeting the standards that the Congress

set for us. I need your continued support and the support of all Members of Congress for embassy security and construction and other matters related to the infrastructure needs of the Department.

The number one priority with respect to our Foreign Operations budget is to fight and win the global war on terrorism. This budget furthers this goal by providing economic, military, and democracy assistance to key foreign partners and allies, including \$4.7 billion to countries that have joined us in the war on terrorism. Of this amount, the President's budget provides \$657 million for Afghanistan, \$460 million for Jordan, \$395 million for Pakistan, \$255 million for Turkey, \$136 million for Indonesia, and \$87 million for the Philippines.

In Afghanistan, the funding will be used to fulfill our commitment to rebuild Afghanistan's road network, especially the important ring road that really connects the country. And now that warm weather is there, paving will begin very soon and I hope we will have most of the work done by the end of the year.

In addition, we are using funding of this kind to establish security throughout the country and putting in place an Afghan police force, border guards, and working with the Pentagon on the creation of an Afghan national army. Our assistance will be coordinated with the Afghan government. We want to make sure the money is seen as going to the central government to empower President Karzai. We are also working with other international donors and with the United Nations.

I want to emphasize our efforts to decrease the threats posed by terrorist states, by terrorist groups, rogue states, other non-state actors with regard to weapons of mass destruction and related technology. We have to strengthen our partnerships with countries that share our views in dealing with the threat of terrorism and resolving regional conflicts.

The budget also promotes international peace and prosperity by launching the Millennium Challenge Account. This will be an independent government corporation. It will have a board that I will chair with other cabinet officers supervising the work of the corporation. There is a transition team now in the Department of State starting to put the corporation together and we will be briefing the Congress regularly as this work proceeds.

As President Bush told African leaders earlier this year, this aid will go to nations that are committed to economic freedom, democracy, rooting out corruption, making sure that societies are resting on the rule of law, and which have respect for the rights of their people. They just need help to get going, to get started, to get a leg up so that they can then attract the kind of investment and participate in the kind of global trading activity needed to generate wealth within their country.

The President's budget request also offers hope and a helping hand to countries facing health catastrophes, poverty, and despair. The budget includes more than \$1 billion to meet the needs of refugees and internally displaced peoples. The budget also provides more than \$1.3 billion to combat the global HIV/AIDS epidemic, the worst weapon of mass destruction on the face of the earth today. The President's total budget for HIV/AIDS is over \$2 billion,

which includes the first year's funding for the new emergency plan for HIV/AIDS relief.

The budget also includes almost half-a-billion dollars for Colombia. The funding will support Colombian President Uribe's unified campaign against terrorists, and the campaign is also now directed against terrorists and the drug trade that fuels the activities of terrorists. The aim is to secure democracy, extend security, and restore economic prosperity to Colombia. Our total Andean counter-drug initiative is \$731 million, and that includes restarting the air bridge denial program and stepped up eradication in alternative development efforts and technical assistance to strengthen Colombia's police and judicial institutions.

Mr. Chairman, you talked about the Middle East and why we have to move forward and bring hope to those people. In our budget, we have included \$145 million for the Middle East Partnership Initiative. This initiative gives us a framework and funding for working with the Arab world, to expand educational and economic opportunities, empower women, and strengthen civil society and the rule of law.

The peoples and governments of the Middle East face daunting challenges. Their economies are stagnant, unable to provide the jobs needed for millions of young people who are entering the workplace each year. Too many of their governments appear closed and unresponsive to the needs of their citizens and their schools are not equipping students to succeed in today's globalized world.

In the programs these dollars will fund, we will work with our Nation's groups and individuals to bridge the jobs gap with economic reform, business investment, and private sector development. We will close the freedom gap with projects to strengthen civil society, expand political participation, and lift the voices of women, and we will bridge the knowledge gap with better schools and more opportunity for higher education.

Finally, Mr. Chairman, I want to address the issue of hunger, famine, and food aid. Historically, America has been the largest donor of assistance for victims of famine and food emergencies. Thanks to the help of the Appropriations Committees, Congress provides \$1.44 billion in urgently needed Public Law 480 Title II food aid for fiscal year 2003. Our 2004 food aid request of \$1.19 billion will be complemented with a new famine fund, one of the funds that you touched on, sir, a famine fund initiative of \$200 million. This initiative will provide emergency food grants for support to meet crisis situations on a case-by-case basis, giving us that extra flexibility to respond where needed. I really need this fund. Too often, I find when faced with a sudden problem, I am robbing Peter to pay Paul and someone comes up short. This will give me and the President the needed flexibility to respond to crises.

PREPARED STATEMENT

Mr. Chairman, that ends my opening remarks and I am now pleased to take your questions or respond in depth to any of the particular issues you raise in your opening statements.

Senator McCONNELL. Thank you, Mr. Secretary.

[The statement follows:]

PREPARED STATEMENT OF COLIN L. POWELL

Mr. Chairman, members of the subcommittee, I am pleased to appear before you to testify in support of the President's International Affairs Budget for fiscal year 2004. Funding requested for fiscal year 2004 for the Department of State, USAID, and other foreign affairs agencies is \$28.5 billion.

The President's Budget will allow the United States to:

- Target security and economic assistance to sustain key countries supporting us in the war on terrorism and helping us to stem the proliferation of weapons of mass destruction;
- Launch the Millennium Challenge Account—a new partnership generating support to countries that rule justly, invest in their people, and encourage economic freedom;
- Strengthen the United States and global commitment to fighting HIV/AIDS and alleviating humanitarian hardships;
- Combat illegal drugs in the Andean Region of South America, as well as bolster democracy in one of that region's most important countries, Colombia; and
- Reinforce America's world-class diplomatic force, focusing on the people, places, and tools needed to promote our foreign policies around the world.

I am particularly proud of the last bullet, Mr. Chairman, because for the past two years I have concentrated on each of my jobs—primary foreign policy advisor to the President and Chief Executive Officer of the State Department.

I know this subcommittee's specific oversight responsibilities lie in the area of Foreign Operations, but I also know that you are all members of the larger Appropriations Committee. In that capacity, I ask for your strong support for funding for my CEO initiatives. And I would like to highlight for you three of the most important of those initiatives.

THE CEO RESPONSIBILITIES: TAKING CARE OF OPERATIONS

First, we have been reinforcing our diplomatic force for two years and we will continue in fiscal year 2004. We will hire 399 more professionals to help the President carry out the nation's foreign policy. This hiring will bring us to the 1,100-plus new foreign and civil service officers we set out to hire over the first three years to bring the Department's personnel back in line with its diplomatic workload. Moreover, completion of these hires will allow us the flexibility to train and educate all of our officers as they should be trained and educated. So I am proud of that accomplishment and want to thank you for helping me bring it about.

Second, I promised to bring state-of-the-art communications capability to the Department—because people who can't communicate rapidly and effectively in today's globalizing world can't carry out our foreign policy. We are approaching our goal in that regard as well. In both unclassified and classified communications capability, including desk-top access to the Internet for every man and woman at State, we will be there at the end of 2003. The budget before you will sustain these gains and continue our information technology modernization effort.

Finally, with respect to my CEO role, I wanted to sweep the slate clean and completely revamp the way we construct our embassies and other overseas buildings, as well as improve the way we secure our men and women who occupy them. As you well know, that last task is a long-term, almost never-ending one, particularly in this time of heightened terrorist activities. But we are well on the way to implementing both the construction and the security tasks in a better way, in a less expensive way, and in a way that subsequent CEOs can continue and improve on.

Mr. Chairman, the President's fiscal year 2004 discretionary request for the Department of State and Related Agencies is \$8.497 billion. As you review this funding in the larger committee, I ask for your support for these dollars.

Let me turn now to your primary oversight responsibility, Foreign Operations.

THE FOREIGN POLICY ADVISOR RESPONSIBILITIES: FUNDING AMERICA'S DIPLOMACY AROUND THE WORLD

The fiscal year 2004 budget proposes several initiatives to advance U.S. national security interests and preserve American leadership. The fiscal year 2004 Foreign Operations budget that funds programs for the Department State, USAID and other foreign affairs agencies is \$18.8 billion. Today, our number one priority is to fight and win the global war on terrorism. The budget furthers this goal by providing economic, military, and democracy assistance to key foreign partners and allies, including \$4.7 billion to countries that have joined us in the war on terrorism.

The budget also promotes international peace and prosperity by launching the most innovative approach to U.S. foreign assistance in more than forty years. The

new Millennium Challenge Account (MCA), an independent government corporation funded at \$1.3 billion will redefine “aid”. As President Bush told African leaders meeting in Mauritius recently, this aid will go to “nations that encourage economic freedom, root out corruption, and respect the rights of their people.”

Moreover, this budget offers hope and a helping hand to countries facing health catastrophes, poverty and despair, and humanitarian disasters. It provides \$1.345 billion to combat the global HIV/AIDS epidemic, TB, and Malaria; more than \$1 billion to meet the needs of refugees and internally displaced peoples; and \$200 million in emergency food assistance to support dire famine needs. In addition, the budget includes a new \$100 million proposal to enable swift responses to complex foreign crises, including support for peace and humanitarian intervention operations to prevent or respond to foreign territorial disputes, armed ethnic and civil conflicts that pose threats to regional and international peace, and acts of ethnic cleansing, mass killing, or genocide.

Mr. Chairman, let me give you some details.

The United States is successfully prosecuting the global war on terrorism on a number of fronts. We are providing extensive assistance to states on the front lines of the anti-terror struggle. Working with our international partners bilaterally and through multilateral organizations, we have frozen more than \$110 million in terrorist assets, launched new initiatives to secure global networks of commerce and communication, and significantly increased the cooperation of our law enforcement and intelligence communities. Afghanistan is no longer a haven for al-Qaeda. We are now working with the Afghan Authority, other governments, international organizations, and NGOs to rebuild Afghanistan. Around the world we are combating the unholy alliance of drug traffickers and terrorists who threaten the internal stability of countries. We are leading the international effort to prevent weapons of mass destruction from falling into the hands of those who would do harm to us and others. At the same time, we are rejuvenating and expanding our public diplomacy efforts worldwide.

ASSISTANCE TO FRONTLINE STATES

The fiscal year 2004 International Affairs budget provides approximately \$4.7 billion in assistance to the Frontline States, which have joined with us in the war on terrorism. This funding will provide crucial assistance to enable these countries to strengthen their economies, internal counter-terrorism capabilities and border controls.

Of this amount, the President’s Budget provides \$657 million for Afghanistan, \$460 million for Jordan, \$395 million for Pakistan, \$255 million for Turkey, \$136 million for Indonesia, and \$87 million for the Philippines. In Afghanistan, the funding will be used to fulfill our commitment to rebuild Afghanistan’s road network; establish security through a national military and national police force, including counter-terrorism and counter-narcotics components; establish broad-based and accountable governance through democratic institutions and an active civil society; ensure a peace dividend for the Afghan people through economic reconstruction; and provide humanitarian assistance to sustain returning refugees and displaced persons. United States assistance will continue to be coordinated with the Afghan government, the United Nations, and other international donors.

The State Department’s Anti-Terrorism Assistance (ATA) program will continue to provide frontline states a full complement of training courses, such as a course on how to conduct a post-terrorist attack investigation or how to respond to a WMD event. The budget will also fund additional equipment grants to sustain the skills and capabilities acquired in the ATA courses. It will support as well in-country training programs in Afghanistan, Pakistan, and Indonesia.

CENTRAL ASIA AND FREEDOM SUPPORT ACT NATIONS

In fiscal year 2004, over \$157 million in Freedom Support Act (FSA) funding will go to assistance programs in the Central Asian states. The fiscal year 2004 budget continues to focus FSA funds to programs in Uzbekistan, Kyrgyzstan and Tajikistan, recognizing that Central Asia is of strategic importance to United States foreign policy objectives. The fiscal year 2004 assistance level for Uzbekistan, Kyrgyzstan and Tajikistan is 15 percent above 2003. These funds will support civil society development, small business promotion, conflict reduction, and economic reform in the region. These efforts are designed to promote economic development and strengthen the rule of law in order to reduce the appeal of extremist movements and stem the flow of illegal drugs that finance terrorist activities.

Funding levels and country distributions for the FSA nations reflect shifting priorities in the region. For example, after more than 10 years of high levels of assist-

ance, it is time to begin the process of graduating countries in this region from economic assistance, as we have done with countries in Eastern Europe that have made sufficient progress in the transition to market-based democracies. United States economic assistance to Russia and Ukraine will begin phasing down in fiscal year 2004, a decrease of 32 percent from 2003, moving these countries towards graduation.

COMBATING ILLEGAL DRUGS AND STEMMING TERRORISM

The President's request for \$731 million for the Andean Counterdrug Initiative includes \$463 million for Colombia. An additional \$110 million in military assistance to Colombia will support Colombian President Uribe's unified campaign against terrorists and the drug trade that fuels their activities. The aim is to secure democracy, extend security, and restore economic prosperity to Colombia and prevent the narco-terrorists from spreading instability to the broader Andean region. Critical components of this effort include resumption of the Airbridge Denial program to stop internal and cross-border aerial trafficking in illicit drugs, stepped up eradication and alternative development efforts, and technical assistance to strengthen Colombia's police and judicial institutions.

HALTING ACCESS OF ROGUE STATES AND TERRORISTS TO WEAPONS OF MASS DESTRUCTION

Decreasing the threats posed by terrorist groups, rogue states, and other non-state actors requires halting the spread of weapons of mass destruction (WMD) and related technology. To achieve this goal, we must strengthen partnerships with countries that share our views in dealing with the threat of terrorism and resolving regional conflicts.

The fiscal year 2004 budget requests \$35 million for the Nonproliferation and Disarmament Fund (NDF), more than double the fiscal year 2003 request, increases funding for overseas Export Controls and Border Security (EXBS) to \$40 million, and supports additional funding for Science Centers and Bio-Chem Redirection Programs.

Funding increases requested for the NDF and EXBS programs seek to prevent weapons of mass destruction from falling into the hands of terrorist groups or states by preventing their movement across borders and destroying or safeguarding known quantities of weapons or source material. The Science Centers and Bio-Chem Redirection programs support the same goals by engaging former Soviet weapons scientists and engineers in peaceful scientific activities, providing them an alternative to marketing their skills to states or groups of concern.

MILLENNIUM CHALLENGE ACCOUNT

The fiscal year 2004 Budget request of \$1.3 billion for the new Millennium Challenge Account (MCA) as a government corporation fulfills the President's March 2002 pledge to create a new bilateral assistance program, markedly different from existing models. This budget is a huge step towards the President's commitment of \$5 billion in annual funding for the MCA by 2006, a 50 percent increase in core development assistance.

The MCA supplements U.S. commitments to humanitarian assistance and existing development aid programs funded and implemented by USAID. It will assist developing countries that make sound policy decisions and demonstrate solid performance on economic growth and reducing poverty.

- MCA funds will go only to selected developing countries that demonstrate a commitment to sound policies—based on clear, concrete and objective criteria.

- To become eligible for MCA resources, countries must demonstrate their commitment to economic opportunity, investing in people, and good governance.

- Resources will be available through agreements with recipient countries that specify a limited number of clear measurable goals, activities, and benchmarks, and financial accountability standards.

The MCA will be administered by a new government corporation designed to support innovative strategies and to ensure accountability for measurable results. The corporation will be supervised by a Board of Directors composed of Cabinet level officials and chaired by the Secretary of State. Personnel will be drawn from a variety of government agencies and non-government institutions and serve limited-term appointments.

In fiscal year 2004, countries eligible to borrow from the International Development Association (IDA), and which have per capita incomes below \$1,435, (the historical IDA cutoff) will be considered. In 2005, all countries with incomes below

\$1,435 will be considered. In 2006, all countries with incomes up to \$2,975 (the current World Bank cutoff for lower middle income countries) will be eligible.

The selection process will use 16 indicators to assess national performance—these indicators being relative to governing justly, investing in people, and encouraging economic freedom. These indicators were chosen because of the quality and objectivity of their data, country coverage, public availability, and correlation with growth and poverty reduction. The results of a review of the indicators will be used by the MCA Board of Directors to make a final recommendation to the President on a list of MCA countries.

THE U.S.-MIDDLE EAST PARTNERSHIP INITIATIVE

The President's Budget includes \$145 million for the Middle East Partnership Initiative (MEPI). This initiative gives us a framework and funding for working with the Arab world to expand educational and economic opportunities, empower women, and strengthen civil society and the rule of law. The peoples and governments of the Middle East face daunting human challenges. Their economies are stagnant and unable to provide jobs for millions of young people entering the workplace each year. Too many of their governments appear closed and unresponsive to the needs of their citizens. And their schools are not equipping students to succeed in today's globalizing world. With the programs of the MEPI, we will work with Arab governments, groups, and individuals to bridge the jobs gap with economic reform, business investment, and private sector development; close the freedom gap with projects to strengthen civil society, expand political participation, and lift the voices of women; and bridge the knowledge gap with better schools and more opportunities for higher education. The U.S.-Middle East Partnership Initiative is an investment in a more stable, peaceful, prosperous, and democratic Arab world.

The timing now is critical. As we work to establish a peaceful and prosperous Iraq, and as we commit our energy and resources to realizing President Bush's vision of two states—Israel and Palestine—living side by side, we must also work to ensure that the Middle East as a region does not fall farther and farther behind with respect to economic and political freedom. We need these MEPI dollars to assist us in laying the broader foundation for a better tomorrow for all.

FIGHTING THE GLOBAL AIDS PANDEMIC

The fiscal year 2004 budget continues the Administration's commitment to combat HIV/AIDS and to help bring care and treatment to infected people overseas. The HIV/AIDS pandemic has killed 23 million of the 63 million people it has infected to date, and left 14 million orphans worldwide. President Bush has made fighting this pandemic a priority of U.S. foreign policy.

The President believes the global community can—and must—do more to halt the advance of the pandemic, and that the United States should lead by example. Thus, the President's fiscal year 2004 budget request signals a further, massive increase in resources to combat the HIV/AIDS pandemic. As described in the State of the Union, the President is committing to provide a total of \$15 billion over the next five years to turn the tide in the war on HIV/AIDS, beginning with over \$2 billion in the fiscal year 2004 budget request and rising thereafter. These funds will be targeted on the hardest hit countries, especially in Africa and the Caribbean with the objective of achieving dramatic on-the-ground results. This new dramatic commitment is reflected in the Administration's over \$2 billion fiscal year 2004 budget request, which includes:

- State Department—\$450 million;
- USAID—\$895 million, including \$100 million for the Global Fund, \$150 million for the International Mother and Child HIV Prevention; and \$105 million for TB and Malaria; and
- HHS/CDC/NIH—\$695 million, including \$100 million for the Global Fund, \$150 million for the International Mother and Child HIV Prevention, and \$15 million for TB and Malaria.

In order to ensure accountability for results, the President has asked me to establish at State a new Special Coordinator for International HIV/AIDS Assistance. The Special Coordinator will work for me and be responsible for coordinating all international HIV/AIDS programs and efforts of the agencies that implement them.

HUNGER AND FAMINE

Historically the United States has been the largest donor of assistance for victims of protracted and emergency food crises. Congress provided \$1.44 billion in USAID-administered food aid for fiscal year 2003. Our fiscal year 2004 food aid request of \$1.19 billion will be complemented with a Famine Fund, as I mentioned before,

which is a \$200 million fund with flexible authorities to provide emergency food, grants or support to meet dire needs on a case-by-case basis.

SUPPLEMENTAL FUNDING

As you are aware, Mr. Chairman, on April 16 President Bush signed the Supplemental legislation in which the Congress granted the President over \$79 billion, with almost \$8.2 billion of that for International Affairs. I want to thank you and our other oversight committees as well as the entire Congress for being so responsive. We have a huge challenge facing us in Iraq and these dollars will go a long way toward helping us meet that challenge successfully.

SUMMARY

Mr. Chairman, members of the subcommittee, to advance America's interests around the world we need the dollars in the President's Budget for fiscal year 2004 and his supplemental request for this fiscal year. We need the dollars under both of my hats—CEO and principal foreign policy advisor. The times we live in are troubled to be sure, but I believe there is every bit as much opportunity in the days ahead as there is danger. American leadership is essential to dealing with both the danger and the opportunity. With regard to the Department of State, the President's fiscal year 2004 budget is crucial to the exercise of that leadership.

Thank you and I will be pleased to answer your questions.

Senator MCCONNELL. What we will do now is go to the chairman of the full committee, Senator Stevens. We will have 5-minute rounds of questions, which will give us the maximum opportunity to give everyone a chance to participate. Senator Stevens.

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

Mr. Secretary, I welcome your statement and the whole committee respects this budget that has been presented for you. I heard your comments about your involvement in the intergovernmental process. If there is a crucible down there, I am not worrying about you being the one that is being ground down, Mr. Secretary.

But I obviously support the AIDS/HIV initiative that you have and I hope that you will keep us informed as much as you can about the process of the cooperation you are talking about.

RUSSIAN AID

I am concerned about one item here, though. I look across from several cities in my State and see Eastern Russia. This budget cuts the Russian aid by more than 50 percent. When the cuts come in a program like that for Russia, or any program that affects a country like Russia, it is the rural parts of the country that are ignored after the cuts take place. The Russian Far East is very much in need of help. It is still lagging behind their whole country in terms of coming out of the processes that have strangled them during the period of the Soviet days. I want to urge you to take a look again at that.

Alaskans go over to the Russian Far East quite often and we see the conditions over there and know that they need help. I think that this cut in the budget that is before us for Russia is much too deep, Mr. Secretary, and I would like to find some way to be assured that we can find a way to allocate more money into the areas where there is a great need for assistance from us to assure the processes of democracy are working in Russia.

I do appreciate your being here and I hope you will excuse me, Mr. Chairman. I welcome you here, my friend, and look forward to working with you.

Secretary POWELL. Thank you, Mr. Chairman, and thank you for your continuing support and the support of the full committee and I will look at that account again. It is just a matter of where the greatest needs are and the ability of Russia to generate its own revenues, especially through its oil sales, to deal with these problems.

Senator STEVENS. Thank you very much.

Senator MCCONNELL. Thank you, Senator Stevens.

SYRIA

Mr. Secretary, with the liberation of Iraq, there is renewed attention to its neighbors. We look at Syria with a little more focus than some of us did in the past, and observe a two-decade-old occupation of Lebanon and ongoing support for terrorism. We look at the other neighbor of Iraq—Iran—and we see a country that aspires to be a nuclear power and a country that clearly supports terrorist organizations.

On the assumption that you are going to be focusing even more on both of these countries, could you discuss the prospects for convincing the Syrians that it might be time to leave Lebanon and discontinue support for terrorist groups. Could you also discuss what prospects, if any, there are for discouraging the Iranians from becoming a nuclear power or to continue to support terrorism?

Secretary POWELL. Mr. Chairman, I will be leaving this evening for Europe, make a couple of stops in Europe, in Spain and Albania, and then I will be heading into Syria to have conversations with my colleague, Foreign Minister Charaa and President Bashar Assad, on all of the issues that you just touched on and others, as well.

I think the last several weeks have given Syria a rather sobering experience as to the changing circumstances in the region, and there was a great deal of chatter a few weeks back about whether or not the U.S. Army was going to take a left at Baghdad and go on up to Syria. That was not the case. The President did not intend that. But I think that a clear indication was given that the world was losing patience with those nations that support terrorism, those nations that continue to move down a path toward development of weapons of mass destruction, those nations that do not mean well by their neighbors and for their neighbors.

We also made it clear to the Syrians that during the course of Operation Iraqi Freedom, if they continued to allow unhindered access going into Iraq of Fedayeen or weapons or equipment that would sustain Baghdad, that was not a wise policy choice on their part; and if they allowed people to find haven in Damascus or other parts of Syria when it was clear that the regime was collapsing, that also was not a wise policy choice. The Syrians took note of all this, very careful note of it, and then the President asked me to get in touch with the Syrians and to go and have a conversation with them.

What I will say to my Syrian colleagues and to President Bashar Assad is that there are two things that are happening that have fundamentally changed the circumstances in the region. One, Iraq. You are about to have a neighbor that is not a dictatorship anymore, not a regime that oppresses its people. Quite the contrary,

we see people demonstrating. We see people performing religious pilgrimages that a Muslim leader kept them from performing for 25 years, and now they are doing it and they are doing it freely and peacefully.

You are seeing a regime that is about to be put on a democratic footing that will be representative of all of its people. You might want to watch how that is happening, because it fundamentally changes your economic relationship with this country, your political relationship with this country, and just your door-to-door relationship with this country. No more subsidized oil coming your way. No more free oil coming your way. You ought to take a look at that.

Today, we released the Road Map to both parties, Palestine and Israel; the Palestinian authority hoping to become a Palestine state in due course committed themselves to trying again in the face of enormous difficulty, but trying again to move down a path of peace.

We are also interested in a comprehensive solution. A comprehensive solution at the end of the day must include Syria and Lebanon. And if Syria wants to be a part of that comprehensive solution, and I believe it does—President Bashar Assad has said it to me on a couple of occasions—then it has to review the policies it has been following with respect to the support of terrorist activities and the control they have over forces in Lebanon that present a threat to Northern Israel.

So we will have a good discussion of all of these issues and I will gauge the willingness of Syria to engage with us. I am sure these meetings will be candid, straightforward, friendly, and I hope they will lead to at least the beginning of a changed point of view. But it is a decision that Syrians will have to make as to what kind of future they wish to be a part of and to see take place in their own country.

IRAN

Senator McCONNELL. We are out of time, but do you want to touch quickly on Iran?

Secretary POWELL. If I may, sir. Forgive me for practicing my talking points a day before my trip.

We have a similar situation where Iran continues to support terrorist activities. It is on our list of states that do so and we have seen even more evidence in recent months of their pursuit of nuclear technology and ultimately, obviously, a nuclear weapon. A nation with all that oil doesn't have an immediately obvious need for nuclear power to generate electricity. There should be cheaper alternatives, so we have always been suspicious of their efforts. In recent months we have evidence to suggest we were correct in our suspicions and now the whole world ought to be very suspicious.

But there is a churning taking place within Iran. There is a great deal of foment there. So many of the Iranian young people are expressing a view that there should be a better life for them. They are expressing dissatisfaction in different ways, through demonstrations and through their participation as best they can in the political process. They want to have a choice in their destiny and their future and there is some strain between the political figures and the religious figures within the country as they try to accommodate what I believe are the desires of the younger population.

This gives us something to work with. I think we can appeal to that young population, give them a message, give them the example of Iraq, of what Iran should also be thinking about and considering as they see this fundamental change taking place just across the border, in a nation that was their sworn enemy for the last 20 years.

So I think we have ways of influencing Iran, as well, not quite as directly as we influenced Iraq, I might say, or we might be able to influence Syria, but there are ways to influence Iran. I think all of them are now taking another look at their situation and the reality of these new circumstances as we move forward.

Senator MCCONNELL. Thank you. Senator Leahy.

Senator LEAHY. Thank you, Mr. Chairman. I would say, in following up on that a little bit, the Ayatollahs in Iran make no secret of the fact that they want very much for a new government in Iraq to resemble theirs in Iran.

Iran may be slowly changing. The irony would be if Iran became less of a theocracy, more of a democracy, and the opposite happened in Iraq.

Secretary POWELL. We are going to do everything we can to make sure that such irony does not occur. I hope that the people of Iraq, as they continue the process that has now started to create an interim authority, an embryonic government, and as it starts to grow into a full government with free elections, will realize that they do not want to look like Iran. What has it done for Iran? It is not a model to be emulated.

Senator LEAHY. I agree with that.

Secretary POWELL. There are much better models about. What we have to watch out for is what the Iranians might try to do in the southern part of Iraq, and we have some concerns about that and we are sharing those concerns with the Iranians, suggesting it is not in their interest to try to in any way exercise undue influence within the Shi'ia population in the southern part of Iraq or try to infiltrate it.

Senator LEAHY. Thank you.

Mr. Secretary, you know, we talked earlier about this idea of unilateralism versus multilateralism and there is a temptation—we are the most powerful nation on earth, we are the wealthiest nation on earth and we have a worldwide economic and military reach—to go it alone. You can do that in individual instances, but at some point it wears thin.

SEVERE ACUTE RESPIRATORY SYNDROME

I am thinking, isn't the SARS epidemic an example where to go it alone just does not work? If we are going to combat SARS, or terrorism for that matter, there are a lot of other nations we have got to be involved with—China, France, Mexico, Canada, countries that disagreed with us on the war in Iraq. No matter whether they agree or disagree with us on an issue like Iraq, doesn't SARS illustrate why we have to work together?

Secretary POWELL. We do have to stay engaged and I think we are staying engaged. We are increasingly interconnected with respect to dealing with transnational problems, whether they are epidemics, such as HIV/AIDS or SARS, or whether it is responding

to terrorism, and President Bush and his team understands this fully. I spend a great deal of my time working with the international community, whether it is regional organizations, the United Nations, NATO, whatever it might be, and the number of visitors who come here and the number of places that I visit.

When you look at this charge, though, that America is too unilateral, I start to lay down exhibits of our unilateralism or our multilateralism. I look at Operation Iraqi Freedom, and everybody says we went off on our own and we split Europe and Europe wasn't with us. Europe was with us. There were some nations in Europe who weren't with us, but more NATO nations were with us than against us. More EU nations were with us than against us.

Senator LEAHY. I understand that. That is not precisely, though, what I was getting at. I was thinking, like we read in the paper, Chile may be punished because of—

Secretary POWELL. Chile—

Senator LEAHY. My point is that there may be issues where they disagree with us. But on other issues, we have got to work together, SARS being one.

Secretary POWELL. Oh, sure. Sure.

Senator LEAHY. Terrorism being an example, too.

Secretary POWELL. Chile will not be punished. I met with the Foreign Minister of Chile the day before yesterday and we assured her that there might be some delay as we put things in queue, but the President remains committed to the U.S.-Chile Free Trade Agreement.

But there come occasions, Senator Leahy, where as the result of a disagreement or some other disappointment in a relationship we have with a particular country, without breaking up the friendship or breaking an alliance, you can take another look at your policies to see whether those policies are still the right policies to follow in light of the disagreement that was just passed through.

Senator LEAHY. Let me ask you one other question. We could go on for hours.

IRAQI NATIONAL CONGRESS

We have talked about Mr. Chalabi, the head of the Iraqi National Congress, INC, who seems to be favored by some in the administration, but the Foreign Minister of Jordan warned against supporting him, saying he had been convicted of fraud in Jordan, among other things.

Is the INC going to be the dominant party? We have given them \$5 million recently. We have given them tens of millions of dollars before, we airlifted them in there, and yet we know from the audits done that some of the money we gave them in the past was misspent. Is this a fait accompli or are they just one of the parties?

Secretary POWELL. They are just one of the parties. Ahmed Chalabi spent many years of his life working hard for the liberation of Iraq and he believes that he should participate in public life. He has been one of the most effective leaders of the external opposition and he is now in Iraq and there is no reason he should not be in Iraq participating in public life in Iraq.

This Congress provided a great deal of support and direction as to how this support should be used to the INC. There were some

accounting problems and we controlled the flow of money while those accounting and accountability problems were dealt with by our staffs.

But the President has made absolutely clear that the leadership of the new government in Iraq would be determined by the people of Iraq, all the people, and we would expect that the new government would include those who fought so hard in the external opposition as well as those inside the country who are now free of Saddam Hussein and his regime and his thugs and can speak out and present their case to the Iraqi people and see if the Iraqi people have confidence and trust in these individuals. So it will be a combination, we are not putting our bets on any particular individual or any particular group. It is up to the Iraqi people. The President has made this very clear.

Senator LEAHY. Thank you.

Senator MCCONNELL. Thank you, Senator Leahy.

Senator Shelby.

DEATH OF AMERICAN CITIZENS IN SEOUL, KOREA

Senator SHELBY. Mr. Secretary, you may have been briefed, and I am not sure, on the recent unexplained death of American citizens in Seoul, Korea.

Secretary POWELL. I don't think so.

Senator SHELBY. Mr. Matthew Sellers was from Alabama, and some of his family has contacted me with questions regarding the discrepancies in the facts and circumstances surrounding his death. The family has had some contact with State Department officials at our embassy in Seoul and two letters have been received from Ambassador Hubbard, but they continue to feel very strongly that not enough information has been shared with them about their brother's death and that a full investigation of this matter is necessary.

So since you are not familiar with it, I will get you some information on it and ask you to look into it because they are really concerned that—there are just a lot of unanswered questions about his death. He was a teacher, an American from Alabama and had been teaching there for 17 years and he died en route from one hospital to the other. It is inexplicable. So I will get you the information.

Secretary POWELL. No, it does ring a bell now, Senator. When you said the name Matthew—

Senator SHELBY. Matthew—

Secretary POWELL. It didn't click, but Sellers—

Senator SHELBY. Maybe my mike wasn't on.

Secretary POWELL. I know that the family has been in touch with Ambassador Hubbard—

Senator SHELBY. Right.

Secretary POWELL [continuing]. And we are trying to get the answer and I will look into it again when I get back to the Department.

Senator SHELBY. I appreciate it very much and I know his family does.

Secretary POWELL. In circumstances like that, one always can't find the answer, but we should do everything we can to try to find the answer for the family.

Senator SHELBY. We appreciate that.

Secretary POWELL. Thank you.

Senator SHELBY. That was at the request of the family that I am pursuing this.

KOREA

I would like to ask you to comment where you can, considering the sensitivities of what is going on the peninsula of Korea, what can you tell us about what is going on in Korea, Mr. Secretary?

Secretary POWELL. We know the North Koreans have continued to pursue nuclear weapons technology. We discovered that last summer and it became clear that they were continuing to pursue this even though they had agreed not to as a result of the agreed framework of 1994 signed with the United States, and even though in 1992, they had entered into an agreement with South Korea not to have nuclear weapons, but they did anyway.

We thought we had bottled it up with the agreed framework, only to discover that they popped out somewhere else. There was another bottle with another genie in it that we discovered with no cork.

So we confronted them. They first denied it, then they admitted it. We have been telling them for a number of months, since last October when this broke out, that the only way we can deal with this in the future is not to deal with it the way we did within the past because that didn't work. So we are not going to get back into an "agreed framework" kind of arrangement where you make promises but you don't get rid of the capability; and it is ready to pop out again, and meanwhile, we are giving you aid and light-water reactors and all kinds of other things.

We also told them that this time, the solution has to involve your neighbors, not that we don't have a role to play, and we know you are worried about us attacking you, but it is your neighbors who are threatened by this capability and their interests have to be served and they have to be part of the solution. Why shouldn't they be? This is part of our multilateral approach to problems, Senator.

So we pressed and pressed and finally persuaded the Chinese to play a more active role in setting up a multilateral meeting. It started with trilateral, but even though it was just trilateral last week, we had the interest of the South Koreans and the Japanese in the room with Assistant Secretary Jim Kelly. We briefed them every step of the way, total transparency with Tokyo and with Seoul. We had a three-way meeting, the Chinese, the United States, and North Korea.

The Chinese were full participants, not just conveners. They made it clear that they wanted a de-nuclearized peninsula and they, for the first time, publicly acknowledged the 1992 agreement between South and North Korea. The Chinese said: "we now acknowledge that and why are you violating that, too," was the implication.

The North Koreans, in very typically bellicose fashion, accused us of everything imaginable and then said, we have reprocessed all the fuel rods that were in storage. We can't establish that as a matter of fact with our intelligence community, but they said they did it. That is their assertion. That is their position.

Then they told Mr. Kelly that, by the way, we confirmed that we have nuclear weapons and we told you 10 years ago, in 1993, that we had nuclear weapons, although we can't verify they told anybody that. With these nuclear weapons, they said, we can display them, we can make more, or we can transfer them. And then they said, it is up to you. It depends on the American reaction. Take your time. Think about it.

So they have essentially laid their programs out and are anxious to see whether anybody will pay them for their bad behavior. So we had a good, as we say in the diplomatic world, candid, direct exchange of views. We briefed our Japanese and South Korean friends on the way out and we are now examining the proposal they put on the table which would get rid of all of this and the missiles that they have and we will examine it. But we will examine it with the greatest care and only with our other friends, and then we will see how to deal with it, whether further meetings are warranted, whether another proposal is appropriate.

All the options are on the table and available to the President. We will not be rushed. We will not be panicked. We are not afraid, we will not be scared into doing something, we will not be blackmailed, and we will not be intimidated. They are the ones who have the problem with people who are starving to death, an economy that is not working, and they are investing what little wealth they have in fools' gold called a nuclear capability that will not scare us and will not feed a single child.

Senator SHELBY. Thank you. Thank you, Mr. Chairman.

Senator MCCONNELL. Thank you, Senator Shelby.

Senator Landrieu.

OPENING STATEMENT OF SENATOR MARY L. LANDRIEU

Senator LANDRIEU. Thank you, Mr. Chairman, and thank you, Mr. Secretary, for your leadership. I agree with your assessment that it would be wise for us to be both a military superpower and a diplomatic superpower and I really commend you and all that you have had to handle to really be aggressive in stepping up our State Department and making sure that our people have the resources and the tools and the 21st century tools they need to complete the mission, because both are important.

Just to note for the record, and, of course, you know I have supported a strong defense appropriation and we have seen that increased. Of course, you had a great role to play in a former role in that regard. But Mr. Chairman, just for the record to state that our defense appropriation for 2002 is \$331 billion, but our diplomatic investments are \$23.9, less almost 5 percent. It might be wise for us, whether we can do it this year—probably not—but over the next few years to think about at least having our diplomatic budgets match at least 10 percent of our military budgets to keep it in a good proportion. That conversation, I probably should have with the budget folks, but I just wanted Mr. Secretary's support—

Secretary POWELL. I will mention it to them for you.

Senator LANDRIEU. [continuing]. That effort because I just think the principle of it is important for America, that we intend to be the primary military superpower in the world. We intend for that

to continue, but we will also match that to be a diplomatic superpower, and in order to do that, I think our budget has to reflect it.

But these are my questions. One, what is your view of the dangers, if any—you might not think there are, but if you do—associated with the premature pull-out in Iraq? I think I agree with you that this is a very crucial time, that it wasn't just the time when the bullets are flying, but now that the bullets, or some, most of the bullets have stopped, what do you think, or could you describe the dangers associated with a premature pull-out?

Secretary POWELL. I don't believe there will be a premature pull-out. The President has made it clear that we don't want to stay a day longer, but we are not going to leave a day too early. So we will stay as long as it takes to do the job.

But we can share the burden, and as we sit here today, we and our British friends and other members of the coalition are soliciting other nations to provide peacekeeping forces and reconstruction forces and funds so that we are not pulling out but changing our presence. They don't have to be American soldiers and British soldiers throughout the country for whatever time it takes. We can bring in other nations. Other nations have volunteered; off the top of my head, Italy, for example. Now that the active part of the campaign is over, they are prepared to send in up to 3,500 troops, to include the kind of troops we need, the kind of presence we need, policemen, not tankers or artillery men.

So we are going to different countries around the world now, asking what are you able to contribute to this effort, so that we can remove some of our troops. But that would not be seen as premature because they are being substituted for with the kind of troops that can do the job.

Senator LANDRIEU. But I guess my question—maybe I didn't ask it as clearly—is I realize that our intention is not to pull out prematurely, and I most certainly agree with that assessment. But could you describe, just for the record, what some of the dangers would be if we did or if we misjudged it? What could potentially happen if we left too early?

Secretary POWELL. My greatest concern would be if we were to pull out before there was security throughout the country and there was a sense of stability and the people were comfortable with their new governmental institutions and ministries. That the new government has put in place an adequate police force and a responsible military answerable to the government to protect the nation, keep it one nation, and defend it against potential enemies.

So there is a lot of work to be done, and in the absence of those kinds of institutions and a government that the people could believe in, trust, and that is functioning to a proper standard, the worst case you talk about could be total disorder of the kind we have seen in Lebanon in previous times, and the last thing we want to see is that kind of collapse of society. Then we would have, frankly, failed in our mission.

Senator LANDRIEU. Mr. Secretary, as I was coming in, I heard—one more question, if I could.

Senator MCCONNELL. And then Senator DeWine.

Senator LANDRIEU. I will be very, very quick. The chairman mentioned, and I wanted to support him in this comment about the potential establishment of a trust fund for the oil reserves. Being an oil-producing State, we have some experience with this. I think you referenced Alaska. The Senator from Vermont, I think, is somewhat familiar with Texas, Alaska, Louisiana having had some experience, and we don't have to go into the details of it, the benefits, now, but they are extraordinary, the benefits to a community that wisely set aside some of the riches of their oil reserves for the benefit of the people.

I think that that practice that we have somewhat developed in the United States could actually be quite applicable for Iraq, both in a direct benefit as well as the psychological benefit to ensure them that we are going to try to promote policies that that oil belongs and should be used for the development of their people in long-term investments.

PREPARED STATEMENT

Mr. Chairman, I thank you for your patience here, but urge us to pursue that in a pretty aggressive way, because over the short, medium, and long term, it would be a great advantage to the country.

Secretary POWELL. Thank you, Senator. We are looking at the various models that we have used to do this so that a portion of the revenue doesn't get laundered through the government. Serving the people could mean going directly to the people so that they can make choices as to where they want the money to go. As long as the money stays in the country and circulates and generates growth within the country.

Senator LANDRIEU. Thank you.

[The statement follows:]

PREPARED STATEMENT OF SENATOR MARY L. LANDRIEU

December 7, 1941 was a date that changed the world. The Japanese attacked America, and we were dragged into World War II. After years of fighting, the United States succeeded in liberating two continents oppressed by Germany and Japan. On September 11, 2001, the United States was, once again, attacked because of her virtues as a country where we are free to practice multiple faiths, women are free to vote, and we are free to live the dreams so many people around the world only wish they could experience. Congress and the Administration share a vision that the military operations in Iraq and Afghanistan, in response to September 11th, will create a world where Americans can live in security. Moreover, the citizens of Iraq and Afghanistan and people around the world will be able to realize their dreams to speak and pray freely, have access to the classroom and the boardroom, vote and more. We are already seeing early instances of freedom blossoming in Iraq and Afghanistan. But, these aspirations will only thrive and become realities if America makes a long-term commitment to the promotion of liberty, justice, and civil society. At the end of World War II, America did not quickly end its presence in Japan and Germany. In fact, we are still engaged in both countries. The Marshall Plan was a long-term road-map to re-establish Asian and European economies and restore Germany and Japan as responsible members of the international community. The U.S. dedicated \$13 billion in aid for the reconstruction of Europe and Asia or \$88 billion in today's dollars. We must make a similar, long-term commitment to Iraq, Afghanistan, the Middle East and Southern Asia. We cannot sustain the successes of Operations Enduring Freedom and Iraqi Freedom if the United States is not dedicated, once again, to a long-term commitment in the Middle East and Southern Asia. A failure to maintain our presence will permit fanaticism and fundamentalism to re-emerge.

AFGHANISTAN

The President's budget request dedicates \$657 million for the reconstruction of Afghanistan. As Secretary Powell's testimony states, Afghanistan is no longer a haven for Al Qaeda; a transportation system is being established; a military and police force are being trained to respect civilian authority and the rights of Afghan citizens; and an accountable government to the people of Afghanistan is beginning to send anchor roots into the soil. But, we cannot rest here. Regrettably, the Administration requested no funding for Afghanistan in fiscal year 2003. Remnants of the Taliban and Al Qaeda still pose threats to Hamid Kharzai and his government. In fact, numerous assassination attempts have been made on his life. Moreover, they still pose a danger to our troops, and our troops continue to conduct operations in Afghanistan. Certainly, America cannot give the all clear sign in Afghanistan that the military threat no longer exists.

Nor, can we give the all clear sign that a civil society and personal freedoms are ready to stand on their own. In particular, women still face obstacles that prohibit them from full participation in Afghani society. Dr. Sima Samar was initially named Deputy Premier and Minister of Women's Affairs in the Kharzai government. Her nomination was defeated because she was deemed a threat to the status quo. Equality for women does not endanger society. Rather, it is a catalyst for economic growth and a check to ensure justice is not denied. As Paula Dobriansky, Under Secretary of State for Global Affairs recently said on April 11, 2003, "Ensuring women's rights benefits not only individuals and their families, it also strengthens democracy, bolsters prosperity, enhances stability, and encourages tolerance. It thereby helps every society realize its full potential, which is an overarching goal of our own national security strategy." Women captained the abolition movement to end slavery in the United States. An economic boom occurred simultaneously with the granting of the right of suffrage for women in the United States. Afghanistan's economic ascension will be tied to the increase of rights for its women. Democracy cannot be said to have been fully established until women have a say in their government and can take leadership roles in their communities.

Again, we have sewn the seeds of a bright future for Afghanistan. But, this future will only be realized if America maintains a strong economic and visible physical presence in Afghanistan.

LONG-TERM COMMITMENT TO IRAQ

The situation in Iraq differs little from that seen in Afghanistan last year. An oppressive regime was deposed, but confusion ensued soon after. Today, electricity, food, and water are still scarce in parts of Iraq. We must improve this situation in order to convince the Iraqi people that life without Saddam Hussein is better than life with Saddam Hussein. Again, we will only be able to convince the Iraqi people a new type of government is better for them if we make a long-term commitment to improving their plight. A quick departure will only allow Saddam's totalitarianism to be replaced with fundamentalism. Such a solution does not benefit the Iraqi people, the region, Israel, or the United States.

America must apply lessons learned from Afghanistan to make the transition more seamless in Iraq. Lt. General Jay Garner (retired) appears to be a wise choice to head the Pentagon's Office of Reconstruction and Humanitarian Assistance. Already, he has convened meetings with Iraqis representing a myriad of religious and political view-points to discuss the crafting of an Iraqi future based on a constitution built on the pillars of freedom and self-rule. As one Iraqi political aspirant said of the meetings with General Garner, "It was the first time I entered an open political meeting in Iraq in more than 35 years. Under Saddam there was no way to speak like this." It is hoped that these meetings will produce a solid foundation to allow the Iraqis to flourish.

Nevertheless, I am dismayed by comments from the Administration calling for the earliest possible exit from Iraq. Rather, we need to ensure our DOD engineers and civil affairs officers are available beyond the immediate future to rebuild Iraq's infrastructure and advise Iraqi civilians how to restore the fabric of a civil society. Such a move should not be feared within Congress, the Administration, or the Middle East as a heavy handed attempt to establish an American enclave in the Arab world. We should have no designs on an American colony in Iraq. But, it is folly to think that the reconstruction effort required by the DOD and an eventual transition to the Department of State to promote economic development can be done quickly. A long-term commitment will prove our sincerity to the fate and well-being of the Iraqi people. A quick exit will embolden fundamentalists and send a message to despotic leaders that they only need endure a short war and presence of American forces before they can return to power and their old ways.

We must also consider the establishment of a "permanent fund," like the one found in Alaska, that allows the Iraqi people to share in the riches of its petroleum resources. The people of Alaska receive a check each year based on the royalties collected from Alaska's oil. This revenue in the hands of Alaska's citizens has greatly benefitted the Alaskan economy and its citizens. A similar fund would benefit a cash starved Iraqi populace and ensure Iraq's oil riches benefit the people of Iraq and not outside interests.

ROLE OF IRAQI WOMEN

As in Afghanistan and the United States, Iraq will only truly thrive when its women can participate alongside men in government, commerce, medicine, and education. Saddam Hussein's regime was brutal to women. Such treatment cannot be permitted to occur in the new government. Saddam's regime crushed the voices of women through violence and intimidation. Under Saddam Hussein, rape was a common form of political torture. The wives, mothers, and sisters of Iraqi dissidents were often raped and even killed. Death was the proscribed punishment for women who "dishonored" their families, and "dishonor" was interpreted all too loosely.

However, Iraqi women have not always been subjected to torture and sexual discrimination. Prior to Saddam, Iraq was a country with a long history of prominent women in positions of leadership. Currently, women in Kurdish sections of Iraq enjoy freedoms not permitted by Saddam. As Undersecretary of State for Global Affairs Paula Dobriansky has said, "Kurdish women travel there freely, hold high-level economic and political positions and have been critical to the region's revival. Several Kurdish women serve as judges, and two regional government ministers are women." Arab women regularly frequent Kurdish hotels because there is a no-veil requirement in the Kurdish territories. What is possible in Northern Iraq is certainly possible throughout Iraq, but it will not be achievable if the United States does not provide a long-term stability that fosters and allows women to take a stake in society without fear of reprisal from Iraqi men.

CONCLUSION

The reconstruction of Iraq and Afghanistan can change the paradigm of governance in the Middle East and Southern Asia. However, this shift will not occur overnight, and it will not form without resources from nations, especially the United States, wishing to see democracy and liberty prosper in the region. The commitment must be lengthy, and the commitment must be made to men and women. While we need not duplicate the Marshall Plan in its entirety, there can be no doubt that a quick solution is no solution at all.

Senator LEAHY [presiding]. Senator DeWine.

Senator DEWINE. Mr. Secretary, thank you for being with us and thank you very much for your good comments about the men and women who represent us in the Foreign Service. It has been my experience, as I am sure it has been for members of the committee and Congress as we have traveled around the world, that these are our best and brightest and they are very dedicated people, and thank you for commenting about them and thank you for leading them.

I may also say it is always a privilege to deal with Secretary Armitage, as well. He is a pleasure to deal with, as well.

Let me say it was good to be at the White House yesterday, and thank you for your leadership and thanks to the President for his leadership in regard to the AIDS issue. I want to ask about that. I want to ask about the new Special Coordinator for International AIDS Assistance which we are going to appoint at State. Let me ask you how that is going to work, how that person is going to coordinate his or her work with HHS, CDC, NIH. How is that all going to come together?

Secretary POWELL. The coordinator will be in the Department of State, and I am still looking at the best organizational arrangement, whether it remains a special office or it actually becomes a

bureau. There is a lot of money here and I have to make sure I have the right kind of organizational structure for it.

But even though the person is lodged in State, the very title of "coordinator," or "special coordinator," suggests that he has a much broader role and I would expect that I would enter into memoranda of understanding and agreement with Secretary Thompson and with all of the other agencies of the administration that have an equity and an interest in how this money is used.

I don't think there will be any coordination problem, but this individual will be the one who would have the authority to allocate the funds to USAID, to HHS, and who would also be tasked with developing partnerships between government, private sector, and international organizations, whether it is UNICEF, WHO, UNDP, as to how the money will be spent.

Senator DEWINE. What is the time table on that?

Secretary POWELL. As soon as I can and as soon as we have the necessary authorities and appropriations from the Congress, we are on it. We are looking through the organizational arrangement, trying to establish the organizational arrangements now and we are looking at candidates for the job.

Senator DEWINE. Good. Let me turn, if I could, to this hemisphere, and I appreciate your efforts and so on in this hemisphere. It is vitally important, particularly meeting with the President of Colombia. I wish you well in that. I had the opportunity to travel to Colombia about a month ago and meet with him and the President is a courageous individual. We need to hang in there.

Secretary POWELL. I was there a couple months ago myself.

Senator DEWINE. I know you were. I know you were.

HAITI

Let me ask about Haiti continuing—my impression is, the situation continues to deteriorate. Assuming the OAS mission is unable to facilitate a political solution, where do you think we go from there? Let me just say, I support the administration's position. We cannot, with the current political situation in Haiti, we cannot channel money through the government of Haiti. Let me also add, before you answer the question, I believe for humanitarian reasons, as poor as the country is and what I have seen in Haiti, and I have traveled there many times, I believe we need to consider increasing the humanitarian assistance through the NGOs. There are a lot of places we can put that money to do a lot of good down there and that would be my pitch today—

Secretary POWELL. No, I—

Senator DEWINE [continuing]. But I would ask you, where do we go politically, do you think?

Secretary POWELL. You hit the key element there, Senator. This is a country and a people who are desperately in need of international assistance. We have tried to be as forthcoming as we can be, subject to the constraints that are placed on us by a government that simply hasn't been responsive to the needs of its people. We can't do much more with them until they solve the political problem.

I followed this matter very closely. You know my history with Haiti; I am the one that President Clinton sent down there with

President Carter and Senator Nunn, your former colleague, to talk to General Cedras and have President Aristide come back in. He did that, and that is going on 9 years ago and there hasn't been any improvement basically since then. And so I have always found it difficult to predict what is going to happen next politically in Haiti. They are just stuck in what I want to say is a time warp. This is a country that has had the opportunity to create a democracy longer than any other nation in the hemisphere or in the world, for that matter, almost 200 years, or over 200, or whatever the amount has been. It is a long period of time and they haven't been able to bring the pieces together because of squabbling and quarreling and the disparity of wealth between those on the hill and those not on the hill. But I would not know what to say to you honestly about where it is going next politically, but we have got to get past the current political crisis.

Senator DEWINE. Thank you.

Senator MCCONNELL [presiding]. Thank you, Senator DeWine.

Senator Harkin.

Senator HARKIN. Thank you, Mr. Chairman, and thank you, Mr. Secretary, for being here today, and thank you for your tremendous leadership during these very trying times.

I am going to have a question for you here, or a statement and a bit of a question which I guarantee you none of your staff ever prepared you for. But I believe it is important and it is something that requires U.S. leadership.

PEOPLE WITH DISABILITIES

As you know, Mr. Secretary, I have been a longtime advocate for people with disabilities, one of the main authors of the Americans with Disabilities Act. I think it is very important that any reconstruction supported with U.S. funding be accessible to people with disabilities and allow them to equally participate in civic and community life.

As we begin this crucial period in Iraq and Afghanistan, where these two peoples are rebuilding their futures, I know a lot of voices will be heard, and you are reaching out to different sectors of society in both of those countries. It is my hope that the administration would give some thought to reaching out to the disability community, and there are going to be a lot of people, obviously, that already are disabled in those countries for natural reasons or because of the effects of war, and I am just hopeful that as we begin this reconstruction, that we begin to impress upon them our hope and our, maybe more than hope, but our strong support for ensuring that their institutions are accessible.

Secretary POWELL. Thank you, Senator, and you are right, my staff did not prepare me for that question, but I didn't need it. It is a very good observation and I will try to find the right way to insert it into our thinking. My son, you may recall, was retired from the Army with 100 percent disability, and so I became very knowledgeable about 15 years ago what it is like to be in a wheelchair and on crutches and on a cane, or to drive a car with one leg that doesn't really work and what the access means. He is now fully functional, although still carries some of the consequences of his injuries.

But if you look at the Financial Times today, you will see two pictures of him and one of me, and both of us are being criticized.

So I have more than a passing interest or awareness of this subject.

Senator HARKIN. I appreciate that, Mr. Secretary, and in following up on that, I had spoken with Mr. Armitage about this about a year ago. In June, the United Nations in New York will convene a meeting of member nations to draft an international convention on the rights of individuals with disabilities. This, I think, is the second such meeting. The first meeting was last year, and that is why I called Mr. Armitage at that time.

Again, I would like to urge the administration and your leadership to take a role in the drafting of this convention, just as former President Bush took the lead role in helping us get the Americans with Disabilities Act through the Congress and signing it into law. So I would hope that we would really be forward on this and that you would send instructions down to be heavily involved. Since we have had 13 years of experience, some ups and downs, but good experience in how to deal with this, I think the United States should take a big leadership role on this important issue.

If I could just ask you, as a personal favor or professional favor, or whoever is in charge of this in your office, if I could be in touch with them or if they could be in touch with me, I would sure appreciate that.

Secretary POWELL. I will make sure that happens, Senator. Thank you.

Senator HARKIN. I appreciate that very much.

HUMAN SHIELDS

Last, if I have any time left, I have a constituent in Iowa who was born in my State, but his parents came from Kuwait. He happened to be back there visiting during the time of the first Gulf War. He was one of about 100 people that were used as human shields. Fortunately, he lived and he came back, a young man. He wasn't going to take this sitting down and he sued and he got a judgment against the government of Iraq. They had a lot of problems in getting the money for the judgment. That recently happened with the finding of some money in the Federal Reserve Bank in New York, by the way.

He and his attorneys have told me they have had a difficult time with the State Department on this, and now there is about 50—I could be off a little bit, but there are about 50 similarly situated people who are suing because they were used as human shields and other things like that, but they are U.S. citizens and they have gotten judgments, but there doesn't seem to be any money or something. They have got money against assets held by Iran. I hope that the State Department will look at that as a possible source of meeting the judgments rendered in favor of these claimants.

Last, I have another constituent who is one of the Iranian hostages and they sued, but because of the Algiers Accord, they can't get fulfilled. We have got to work this out. That was never a treaty. It was blackmail, pure and simple, by the government of Iran at that time in order for us to get our hostages back, and because of that Algiers Accord, we can't permit our citizens the right that they

ought to have—like we can sue governments, we can't sue the government of Iran to go after them for unlawful, illegal incarceration for all those days they were held.

Secretary POWELL. This is a very complex issue, Senator. In the Iranian case and the Algiers Accord, because of that accord, if we were to start paying claims using frozen Iranian assets, because of the nature of that accord, the Iranians would have then a recourse in international law and the cost of this might come back to the U.S. taxpayer.

With respect to Kuwaiti issues, there are frozen Iraqi assets and there are also compensation claims being paid out of the oil for U.N. Oil for Food Program for victims. But the real solution to this whole problem is the Victims of Terrorism Fund that we would like to see created, and we are still working with OMB and other agencies of the administration to get that one moving.

Senator HARKIN. One last thing, Mr. Chairman. I don't think our taxpayers ought to be paying for it. If they have got assets and they have got money, they ought to pay for it.

Secretary POWELL. If it flows through, if there are assets that are not protected in some way by other agreements that the U.S. Government has entered into and if we break those agreements, then there really are significant foreign policy implications to such—you know, walking away from agreements that have been entered into.

Senator MCCONNELL. How much time do you have remaining, Mr. Secretary?

Secretary POWELL. Mr. Chairman, it is almost 3. I am at your pleasure, sir, but I do have to get to the White House in due course for President Uribe, but whatever you want.

Senator MCCONNELL. If you have got a few more minutes, Senator Durbin, in an example of exquisite timing—

Secretary POWELL. He does that all the time, I have noticed.

Senator MCCONNELL. Yes, arrived at just the right time to get in one quick round.

GLOBAL AIDS

Senator DURBIN. If I could, and I will be very brief, I only have two questions. One relates to the global AIDS situation. Thank you for your leadership and thanks to the President. I think it is an extraordinary commitment by this administration and I hope that we can read into the statement this week by the President that the administration is committed to the approach on global AIDS that has been successful and proven, to urge abstinence as the first goal; fidelity, to be faithful, as the second goal; and the third goal, if necessary, to use condoms and other protection to avoid spreading the disease. Is that a fair statement of the administration's belief in how we should approach this global AIDS crisis?

Secretary POWELL. Yes, sir, and I think the President spoke to that yesterday in the White House, and the example he is using is how Uganda went after the problem.

Senator DURBIN. Exactly, a success story.

Secretary POWELL. And we have got a very fine booklet that USAID has put out that describes the Ugandan experience. I would be delighted to send one up to you, Mr. Durbin.

WEAPONS OF MASS DESTRUCTION

Senator DURBIN. My last question is unrelated to that. How important is it to the credibility of the United States and to your personal credibility as Secretary of State for us to actually find weapons of mass destruction in Iraq?

Secretary POWELL. Well, I think we will find them and I think it will be very, very helpful in not only making the case that we went in under, but I am the one who made the case before the United Nations on the fifth of February.

But it is important to remember a couple other aspects to this. When Resolution 1441 was passed by a vote of 15 to zero, every country that voted for that resolution accepted the fact that Iraq had weapons of mass destruction as a result of 12 years of avoiding answering the questions, as a result of all those years of stiffing the inspectors. So they were found guilty of possession of weapons of mass destruction on the eighth of November when 1441 was passed.

Also remember that some of the things we are looking for were not actual weapons but answers. You had x -number of liters of anthrax or botulinum toxin. You have never accounted for it. What happened to it? Now, we may never find that botulinum toxin. We are still trying to find out what happened to it. And the Iraqis said, we are not going to tell you. We are not going to show you anything. We are not going to answer the question. Any reasonable person should assume at that point that they were hiding something.

Now that our troops are there and we have exploitation teams around the country and as more and more individuals are being found or turning themselves in to be interviewed, I think we will be able to queue our efforts a little more effectively and find the infrastructure.

We are quite sure that they had facilities that might be called just-in-time factories for the development of chemical weapons. In other words, they might be making another product, but with just a few adjustments to its manufacturing process, it is making a chemical or biological weapon. Some promising leads have turned up, so I am quite confident we will be able to make the case and make it in a way that will be convincing to the world.

Senator DURBIN. Thank you, and thank you Mr. Chairman.

Senator MCCONNELL. Mr. Secretary, I am going to exercise the chairman's prerogative and ask the final question and then we will leave the record open for written questions for you and your staff to respond to.

BURMA

Clearly, one of the most outrageous and repressive regimes in the world is Burma. Nobody pays any attention to it. It abuses its people. It doesn't honor the results of the election that the National League for Democracy and Aung San Suu Kyi won in 1990. What, if anything, could we or any of our allies do to try to bring about the recognition of the election that was fairly won some 13 years ago in Burma?

Secretary POWELL. Mr. Chairman, your characterization of Burma is absolutely correct. It is a despotic regime and we condemn its policies, we condemn the manner in which they have kept Aung San Suu Kyi away from the political process and participation in civil society and civil life. But it has been difficult to find a solution to crack the rule of this ruling regime. We must continue to work within the U.N. framework, continuing to work with our ASEAN partners. I am sure that when I attend meetings later this spring, in June, in the region with our ASEAN partners and——

Senator MCCONNELL. Do any of the ASEAN partners care about this?

Secretary POWELL. They do, but they are at a loss, also, as to what to do. They care. Most of them are moving in the right direction, the direction we want them to move in, of democracy and representative government. But they have not yet generated the collective political will to apply the kind of pressures that might change the nature of this regime or this regime itself.

Senator MCCONNELL. I know you have a lot on your plate, but I would encourage you to pay some attention to this if you have any time at all because it truly is an outrageous regime.

Secretary POWELL. I shall, sir.

Senator MCCONNELL. Thank you so much for being here.

Secretary POWELL. Thank you, Mr. Chairman.

ADDITIONAL COMMITTEE QUESTIONS

Senator MCCONNELL. There will be some additional questions which will be submitted for your response in the record.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED BY SENATOR MITCH MCCONNELL

Question. What is the status of the State Department's review of U.S. assistance programs to Egypt?

Answer. We are reviewing all of our assistance programs in the Middle East beginning with our program in Egypt. The review is focused on ensuring that we are reaching as many Egyptians as possible with our aid; that our programs deliver assistance efficiently; that our funds promote the reforms targeted by the Middle East Partnership Initiative; and that we improve our measurement of results.

We have completed a review of activities comprising the majority of the total U.S. Government economic assistance program for Egypt. The areas reviewed so far include economic reform, education reform, infrastructure, environment, and democracy and governance. We expect to complete the review by late June. We anticipate that, as part of this review, we will be spending a larger portion of our assistance resources on programs that encourage economic, educational, and political reform. The Egyptian government supports these new areas of focus.

Question. How will democracy programs in Egypt be conducted in a manner free from the Egyptian government's oversight and interference?

Answer. The United States emphasizes the importance of a strong commitment to the rule of law, transparency, and good governance through its U.S. Agency for International Development Mission. A six-year, \$32.5 million grant, for an NGO Service Center, supports strengthening the institutional capacity of local Egyptian NGOs in the areas of internal governance, sound financial management, and advocating for citizens' interests and participation in civic action. This NGO Service Center is helping citizens to bring street lighting to slum areas, introduce garbage collection, advocate for the rights of children and those with special needs, obtain documentation essential for voter registration, and help women become important and active members of society.

During its September 2002 conference, Egypt's National Democratic Party adopted a policy document that advocated for movement toward a more open, democratic society with increased public participation. We support the strengthening of democratic institutions in Egypt and are working with reformers—both in and outside of the government—to ensure that our assistance furthers that objective.

As part of our on-going review of assistance programs to Egypt, we are examining new mechanisms to assist non-governmental organizations, to ensure that the most active and effective civil society advocates are represented in U.S. programming.

Question. How will the Middle East Partnership Initiative (MEPI) program ensure that U.S. assistance programs in the region will no longer be “business as usual,” and how will MEPI be coordinated with ongoing State and USAID education and health programs?

Answer. The Department of State and USAID have established a common set of Middle East Partnership Initiative (MEPI) goals and objectives for Arab education reform: to expand access and enhance quality of basic formal education and higher education, especially for girls, so that Arab youth are empowered and prepared to participate in the global marketplace. The MEPI expands the reach of USG-directed education reform programs, especially in making greater resources available in countries that lack an AID presence.

Building on pilot projects and through the development of country strategies, the MEPI will achieve increases in critical thinking skills, literacy (especially important for girls and women), English language skills, parental and community involvement, and early childhood education.

Further, the MEPI will narrow the gap in educational attainment between men and women, and expand partnerships between United States and Arab universities involving private sector and civil society partners.

These objectives guide MEPI education funding decisions; provide a basis for AID mission program reviews; and set the foundation for outreach and future competitive proposal processes.

The MEPI education goals and objectives also help establish common ground between the U.S. Government and our Arab partners. Enhanced funding for MEPI gives us leverage in forging bilateral and regional consensus on Arab education reform efforts. Moreover, the resources we bring to partnering relationships both test the commitments made by education officials and allow flexibility in supporting educators who may have the will, but not the tools, to foster innovation.

The MEPI builds on existing education development programs in the Middle East and North Africa. Health issues, by contrast, are beyond the scope of the MEPI, and will continue to be managed bilaterally through AID Missions and U.S. Embassy officers as appropriate.

Question. How can the United States assist Abu Mazen and Minister of State for Security Affairs Mohammed Yusuf Dahlan in cracking down on Hamas and other extremist organizations operating in the West Bank and Gaza?

Answer. We have made clear to the Palestinians that they must keep a clear end-point in sight as they take security steps: disarmament and dismantlement of groups that oppose a two-state solution and employ terror or violence to achieve their aims. This will not be easy, and will require the assistance of Israel, the United States, regional states, and others in the international community.

As Abu Mazen takes steps to consolidate control over the Palestinian security forces, the United States is ready to provide specific assistance through security channels.

SADDAM HUSSEIN'S SUPPORT OF TERRORISM IN WEST BANK/GAZA

Question. Has any information been uncovered in Iraq that provides new insights on cooperation between Saddam Hussein's repressive regime and terrorists on the West Bank and Gaza?

Answer. On April 14, U.S. military forces in Baghdad arrested Muhammad Zaydan (a.k.a. Abu Abbas), the leader of the Palestinian Liberation Front and suspected planner of the Achille Lauro hijacking in which one American citizen was killed. Abu Abbas' group is known to have infiltrated operatives into the West Bank during the current intifada. His arrest was a clear example of Iraq's harboring of Palestinian terrorists. Abu Abbas' interrogation has just begun and the full extent of his terrorist activities will not be evident until it is complete.

More time will be required to fully exploit thousands of documents seized during and subsequent to the war before a complete picture emerges of possible Iraqi links to Palestinian terrorists.

SYRIA

Question. Is the Administration considering keeping the oil pipeline that runs from Iraq to Syria closed until such time that Syria ceases its support of international terrorists, particularly Hizballah?

Answer. The Administration's policy regarding future Iraqi commerce, including oil, is that Iraqis will ultimately hold responsibility for making decisions about what they trade and with whom.

Regarding Syria, the Secretary has publicly conveyed our strong concerns about Syria's support for Palestinian rejectionists and Hizballah. As the Secretary outlined in his testimony, a new strategic dynamic is emerging in the region and Syria stands at a crossroads: it can make choices that will lead to improved relations with the United States or it can decide to continue current behavior and face further isolation. The Administration retains the full range of diplomatic, economic, and military options to confront states such as Syria that harbor terrorist groups and are developing weapons of mass destruction. We will continue to measure Syria's progress by its actions, not its words.

Question. To what extent is Iran hampering reconstruction and democratic reform in Iraq?

Answer. We are concerned about Iranian attempts to influence the outcome of the political process in Iraq, and to encourage the Shia to not cooperate with Coalition efforts to move this process forward. We expect the Iranians to support, or at the very least not obstruct the effort to establish a legitimate, stable, and representative government in Iraq. A stable Iraq at peace with its neighbors is vital for the future stability of the Middle East and is in the interest of all the states in the area, including Iran.

Question. Does Iran today possess the independent capability to produce its own nuclear weapons?

Answer. We do not believe Iran currently possesses the capability to produce independently a nuclear weapon. However, we are gravely concerned by Iran's ambitious efforts to acquire an indigenous capability to produce weapon-grade fissile material that we assess would be used to manufacture nuclear weapons. Unless these efforts are stopped, Iran might be able to produce its first nuclear weapon by the end of this decade. We are using all the diplomatic tools available to us to prevent that from occurring.

The February visit of IAEA Director General ElBaradei to Iran with his senior safeguards staff, followed by monthly IAEA inspections since then, has helped raise awareness, and growing concern, in the international community about Iran's nuclear program. The Iranian regime only recently publicly acknowledged an ambitious (and extremely costly) pursuit of indigenous nuclear fuel-cycle capabilities, including enrichment and "spent fuel management"—a euphemism for reprocessing. The IAEA has noted that Iran's nuclear program appears significantly more advanced than they had realized previously. It is highly unlikely that Iran could have achieved such an apparent state of technical progress in its gas centrifuge enrichment program without having conducted experiments with nuclear material, an activity that Iran denies. Such experiments would be a serious violation of Iran's safeguards obligations. The IAEA is thus examining Iran's nuclear activities and seeking answers to the many unresolved questions. We look forward to a detailed report on the inspection results to date from Dr. ElBaradei to the mid-June IAEA Board.

Question. The fiscal year 2003 Foreign Operations bill includes a provision authorizing funds "to support the advancement of democracy and human rights in Iran." What democracy and human rights programs does the State Department intend to support?

Answer. The State Department welcomes this authorization to expand our current efforts across the Middle East to foster greater democracy and respect for human rights to such a critical country as Iran. We believe it is expressly in the interest of the United States to include Iran in our current efforts to help get information to people throughout the region seeking political reform.

Iran is unique in the risks the Iranian people have taken to call upon their government for change. The Iranian government has ignored the call for constructive reform and chosen instead to continue pursuing destructive policies, including support for terrorism and pursuit of WMD.

We see a variety of opportunities for outreach programs, but because of the repression inside Iran against social activists, we will look largely to external non-governmental organizations to implement the programs, such as the International Republican Institute and the National Democratic Institute, as well as the media, and the Internet.

The Bureau of Democracy, Human Rights, and Labor (DRL) has begun programming fiscal year 2003 Human Rights and Democracy Fund (HRDF) money and is considering projects that would include Iran. The Middle East Partnership Initiative (MEPI) is seeking ways to work with nongovernmental organizations, such as developing a website with practical guidance on running election campaigns. Through DRL and MEPI democracy and rule of law programs, we will explore pilot projects to see what works and then build from there.

Meanwhile, we have recently launched a State Department website in Farsi that will give the Iranian people direct access to information about U.S. policy on Iran, including key policy statements, translation of the Iran Human Rights report, and excerpts from Patterns of Global Terrorism.

We hope for a continuation of this authority in fiscal year 2004. We would also encourage expanding this authorization to Syria and Libya, other countries sorely in need of help for proponents of democratic and human rights reform.

Question. Do you anticipate additional funds will be needed in the fiscal year 2004 foreign operations bill for relief and reconstruction in Iraq?

Answer. The funds requested by the President in his wartime supplemental request were arrived at following a comprehensive, seven-month interagency process. In the process of formulating this request, we were forced to make assumptions regarding the post-conflict situation, such as the amount of damage Saddam would do to his own infrastructure. We were also unsure of the state of the Iraq's civilian infrastructure after more than two decades of Saddam Hussein's misrule.

We tried to capture all the costs in the supplemental, and we are grateful for Congress' support for the President's request. However, some important factors are still unknown at this time, including the state of Iraq's infrastructure, its ability to finance its own reconstruction and humanitarian needs, the costs that may be incurred related to reprisals and the extent of refugee/IDP returns. The State Department, through USAID, as well as the military's Civil Affairs teams are working very hard right now to develop assessments of the situation on the ground.

We have begun the process of lifting our own sanctions against Iraq since the regime that was the target of these sanctions is no longer in power. We are also working in the Security Council for an immediate lifting of U.N. economic sanctions. This will allow the United Nations, contractors, and the Iraqis to bring in the goods they need to rebuild Iraq. It will also allow the Iraqis to start producing and selling oil to help fund their relief and reconstruction needs.

Question. What steps has the State Department taken to secure debt forgiveness for Iraq from Russia (estimated at \$7.6 billion) and France (estimated at \$2.25 billion)?

Answer. We have been working closely with Treasury colleagues on ways to address Iraq's debt. In the immediate term, we have told other creditors not to expect Iraqi debt payments, in order to not divert attention or resources from the immediate priorities of establishing a stable Iraqi government, meeting Iraq's urgent humanitarian needs, and beginning reconstruction.

Overall, Iraq's debt is a medium-term, not short-term problem. We need first to obtain reliable data on Iraq's debt and evaluate Iraq's debt sustainability and capacity to pay.

We have held informal bilateral discussions with visiting foreign government officials. USG officials also discussed the question of how to proceed with Iraq's debt at the spring World Bank/IMF meetings and in the G-7. In April, the Paris Club, of which both France and Russia are members, held its first discussion of Iraq. Creditor countries discussed the likelihood of an eventual multilateral debt treatment for Iraq, without coming to any strong conclusions.

We want a multilateral approach, which will maximize the debt relief to Iraq and give the country breathing room to proceed with rebuilding after the decades of Saddam's misrule while spreading the cost of that relief fairly among different creditors. The Paris Club, which has already begun data reconciliation and preliminary discussions of Iraq debt, is the forum that is best suited to provide maximum relief.

An eventual debt treatment should be based on objective, economic criteria and should include appropriate conditionality. Until Iraq is ready for a multilateral debt treatment, a process that could take about two years, creditors should understand that it is unrealistic for them to expect to be paid. A formal "deferral" of debt is not necessary, as long as countries do not try to coerce payment.

Question. How does the State Department intend to promote dialogue between the SPDC and the NLD in Burma at the upcoming ASEAN meeting in June?

Answer. The United States has long been a supporter of the efforts of the National League for Democracy and other members of Burma's democracy movement to bring democracy and national reconciliation to their country. We also strongly support the efforts of United Nations Special Envoy Razali Ismail to foster dialogue

between Daw Aung San Suu Kyi and the Burmese regime; national reconciliation is key to the future security and prosperity of the Burmese people. We have encouraged and will continue to encourage Burma's neighbors to support and work with Ambassador Razali.

Burma's political and economic problems threaten not only the livelihood of the Burmese people but also regional prosperity and stability. Three obvious examples are narcotics, refugees, and infectious diseases. In fact, in the international community, it is Burma's neighbors who suffer most directly from Burma's misguided policies. ASEAN was formed to preserve regional stability, and the ASEAN countries invited Burma to join the organization in the hopes that Burma would adopt international norms. We will work with ASEAN toward this goal.

Question. In February, Assistant Secretary Lorne Craner forcefully articulated the SPDC's lack of interest and political will in continuing negotiations with Daw Aung San Suu Kyi and suggested State's interest in additional sanctions against the junta. What sanctions are you contemplating, and how closely do you coordinate policy toward Burma with our allies—in particular the British?

Answer. The Administration has considered a full range of measures both positive and negative to encourage the military regime in Burma to take appropriate steps toward dialogue and national reconciliation. We already have in place an extensive array of sanctions, including an arms embargo, a ban on all new U.S. investment in Burma, the suspension of all bilateral aid, the withdrawal of GSP privileges, the denial of OPIC and EXIMBANK programs, visa restrictions on Burma's senior leaders, and a vote against any loan or other utilization of funds to or for Burma by international financial institutions in which the United States has a major interest. We have also maintained our downgraded diplomatic representation at the Charge d'Affaires level since 1990. We are keeping our options open and believe multilateral efforts are most effective. U.S. efforts are closely coordinated with special Envoy Razali, our allies and friends through frequent communication and meetings.

Question. A better coordinated approach is needed between those who manage Burma policy at the State Department on a day-to-day basis and those on Capitol Hill who follow Burma closely. This is an issue where there should be no policy differences between the Hill and the State Department. Please have those at the State Department involved in Burma brief the Hill on developments in Burma, as well as the State Department's intent to support the NLD and the U.N. special envoy's mission to bring about dialogue between the SPDC and the NLD.

Answer. We have frequent contact with interested parties in the Congress on this issue, including briefings, and will continue to do so. We remain strong supporters of the efforts of U.N. Special Envoy Razali to foster dialogue between Daw Aung San Suu Kyi and the Burmese regime.

Question. Is additional assistance required in the fiscal year 2004 foreign operations bill to meet the basic needs of refugees from Burma in Thailand?

Answer. The President has requested \$6.5 million for Burma-earmarked ESF funds in fiscal year 2004. We believe this amount will be adequate to provide for the basic needs of refugees from Burma in Thailand.

We anticipate spending \$3.0 million of fiscal year 2003 earmark funds on humanitarian-related projects coordinated by NGOs that provide health and educational services to refugee and exile communities on the Thai-Burma border. In addition to the ESF funds for Burma, Migration and Refugee Assistance funds provide food and health assistance to the 136,000 Burmese refugees in ten camps along the Thai-Burma border. In fiscal year 2003 the Bureau of Population, Refugees, and Migration has made grants of more than \$5 million to NGO providers in Thailand as well as funding 25 percent of UNHCR and 21 percent of ICRC appeals worldwide.

CAMBODIA

Question. Where is the Government of Cambodia securing the \$50 million in damages it owes to the Government of Thailand and Thai businesses as a result of riots in Phnom Penh in January?

Answer. Cambodian demonstrators broke into and burned the Thai Embassy on January 29, 2003, then moved on to methodically attack other Thai businesses, including the Samart and Shinawatra telecommunications firms. The demonstrators also burned down the Royal Phnom Penh Hotel and vandalized the Juliana Hotel. Damage to the embassy and Thai businesses has been estimated at about \$50 million, although business claims for compensation are subject to negotiation with the Cambodian government. In its Aide Memoire of January 30, the Royal Thai Government (RTG) set as a condition for restoration of normal relations the full compensation for all losses incurred by the RTG, its diplomatic personnel and Thai nationals.

The Cambodian government paid \$5.6 million as recompense for the Thai embassy. The funds were reportedly derived from Phnom Penh municipality revenue surpluses. Private claims are under negotiation; unconfirmed reports indicate future tax credits are being offered.

Question. Given the failure of the Cambodian Government to protect the Embassy of Thailand from rioters, has the State Department considered suggesting a more secure venue outside of Cambodia for the upcoming ASEAN meeting in June?

Answer. No. As Secretary Powell stated at the April 30 hearing, he plans to attend meetings in connection with the ASEAN Regional Forum and ASEAN Post Ministerial Conference, which are being held in Phnom Penh in mid-June with Cambodia as chair. Responding to direct requests from the United States and other missions, the Cambodian government has taken steps to improve security. The concrete steps taken to date include the provision of more security personnel for some embassies, closer coordination on embassy security issues, and stricter enforcement of regulations regarding the holding of public demonstrations. We continue to press for more action on safety. We note that Cambodians held the ASEAN summit last November without security problems.

Question. Does the State Department find any inconsistencies in its support for a Khmer Rouge tribunal that relies upon Cambodia's corrupt legal system and its repeated condemnation of the lawlessness and impunity that reigns in Cambodia today?

Answer. We remain committed to the establishment of a credible Khmer Rouge Tribunal inside Cambodia that relies upon U.N. participation, which sends a powerful message to the Cambodian people that the international community cares about their suffering and that those responsible will be held accountable. Given international involvement, we expect that the Tribunal will exercise its jurisdiction in accordance with international standards of justice, fairness, and due process. We also expect that passage and implementation of this agreement will meet the standards set out in U.N. General Assembly resolution 57/228 of December 18, 2002, to ensure a credible tribunal.

With many of the perpetrators very advanced in age and some having died without being held accountable, this may be the last opportunity for the people of Cambodia to see justice for the egregious crimes of the Khmer Rouge regime.

We continue to speak out strongly against political violence, corruption, and the climate of impunity in Cambodia. To help end this climate of impunity, we seek to promote the rule of law. The U.N.-Cambodia agreement presents a unique opportunity to seek justice for the people of Cambodia and to advance the rule of law. We recognize, however, that achieving a credible process will not be easy given the state of the judiciary in Cambodia today. After the July election, we will be joining other U.N. member states in seeking strong international support to help successfully implement the KR Tribunal. According to the U.N.-RGC agreement, should the RGC change the structure or organization of the Extraordinary Chambers or otherwise cause them to function in a manner that does not conform with the terms of the agreement, the United Nations reserves the right to cease to provide assistance, financial or otherwise, pursuant to the agreement.

Question. Does the State Department acknowledge—as former forestry monitor Global Witness asserts—that CPP is securing much needed funding for elections through illegal logging?

Answer. The Administration has long made clear its views on the responsibility of the Cambodian authorities to prevent illegal logging, most recently through an April 25 State Department Spokesman's Statement.

We have reason to believe that officials receive illegal logging revenues. However, we have no independent confirmation that the CPP is securing such funding for the elections. Corruption is a severe problem in Cambodia, as is illegal logging. Moreover, the State Department is concerned about the lack of serious election campaign finance regulation in Cambodia and other election abuses; the National Election Committee must show the world that it can properly regulate the elections. Aside from the overall election regulatory framework, our chief concerns regarding elections are to work to eliminate politically motivated violence, coercion and intimidation, and to seek equal access to the media for all political parties.

Question. Is Indonesia waging an effective war against terrorism, and does President Megawati have the political will necessary to clamp down on Islamic fundamentalists?

Answer. Since the terrorist attacks in Bali on October 12, 2002, the Indonesian government has waged a very effective campaign against terrorist networks on its soil. In the past six months, the Indonesian National Police have arrested over 60 suspected members of the Jemaah Islamiyah terrorist organization, which is believed to be responsible for the Bali atrocity and numerous other attacks. About 20

of those arrests have occurred within the past two weeks, which indicates that the Indonesian authorities remain committed to tracking and dismantling terrorist groups. Although the threat of terrorism in Indonesia still exists, the progress of the Indonesian police has disrupted ongoing planning of attacks and has eroded—but not completely eliminated—the ability of terrorist groups to carry out those attacks.

In addition, the trial of Jemaah Islamiyah's purported spiritual leader, Abu Bakar Ba'asyir, began on April 23. Ba'asyir is charged with seeking to overthrow the Indonesian government by violent means, and faces severe punishment for treasonable offenses if he is found guilty. His indictment also accuses him of approving a series of bombings of 38 churches in Indonesia in 2000, which resulted in 19 deaths. So far, there has been minimal public outcry against Ba'asyir's arrest and trial, which demonstrates the Indonesian people's rejection of terrorist tactics.

We continue to emphasize to President Megawati and the Indonesian government that the fight against terrorism is an ongoing endeavor, and must not be allowed to flag in the wake of these important arrests and prosecutions. The vast majority of the Indonesian public opposes terrorist violence, and will support the Indonesian government's efforts to clamp down on individuals and organizations that attempt to use violence to further political goals.

Question. What has been the response of the State Department to Indonesian politician Amien Rais's comments last month that President Bush should be tried by the United Nations as a war criminal?

Answer. The State Department does not make a practice of responding to every criticism of U.S. policy voiced by individual Indonesian politicians. However, the State Department has complained to the Indonesian government on numerous occasions, particularly during the recent hostilities with Iraq, about intemperate, inaccurate, and in some cases reprehensible remarks made by various political figures about President Bush and the United States. Those complaints have been registered both with the Indonesian Embassy in Washington, and directly with Indonesian government authorities in Jakarta.

Question. Two students recently received three year jail terms for burning photographs of President Megawati and Vice President Hamzah Haz. Do these draconian sentences indicate a backsliding of political and legal reforms in Indonesia?

Answer. The two students were sentenced under Article 134 of the criminal code. The sentences are inconsistent with internationally accepted human rights norms as well as treaties signed by the Government of Indonesia. Public opinion in Indonesia is divided, with some criticism of the government for prosecuting these cases, along with assertions that the students' actions are not appropriate in the Indonesian cultural context.

The open discussion of these cases in the Indonesian media indicates that Indonesia's transition to democracy is generally on track, although by no means complete. The outcome of Indonesia's experiment with democracy has profound implications for our strategic interests in preserving regional stability and strengthening respect for human rights and the rule of law. The U.S. Government will continue to assist Indonesia with its effort to create a just and democratic society.

Question. Two students recently received three year jail terms for burning photographs of President Megawati and Vice President Hamzah Haz. How will crackdown on freedom of expression impact election campaigning in the run up to parliamentary and presidential polls next year?

Answer. With substantial U.S. Government assistance, Indonesia has made considerable progress in its political reform efforts, and is on track to hold its first direct Presidential election and its next Parliamentary elections in 2004. The eve of an election year is bringing predictable political struggles to Indonesia, and members of the public are exploring avenues to voice their discontent with government policies. This is all part of the democratic process, and should be seen as evidence of continued growth rather than portents of instability.

To date, we have not seen a pattern of suppression of the public's freedom of speech or expression.

Question. Two students recently received three year jail terms for burning photographs of President Megawati and Vice President Hamzah Haz. Has President Megawati issued any public statements condemning the sentences?

Answer. President Megawati has not made any public comments on the sentences.

Question. Is the State Department concerned that Thailand has exercised extra judicial executions in its campaign to crackdown on drugs?

Answer. We are deeply concerned by the wave of killings that has accompanied Thailand's anti-drug campaign, which began on February 1, 2003. We have had numerous discussions with senior Thai officials in both Bangkok and Washington on this topic. In these discussions, we have urged that all these cases be thoroughly and credibly investigated, and that criminal charges be brought against any sus-

pected perpetrators. We welcome the Royal Thai Government's public declaration that all violent deaths will be thoroughly investigated, and that government officials who break the law will be held accountable for their actions.

Question. Has Thailand been a cooperative partner in the war on terrorism, and how concerned are you with terrorist activity in southern Thailand?

Answer. Thailand continues to cooperate closely with the United States on all aspects of counterterrorism, including intelligence, law enforcement and counterterrorism finance. Thailand was an active supporter of Operation Enduring Freedom, and Thai military engineers are currently doing reconstruction work in Afghanistan. Thailand has hosted several U.S.-Thai military exercises with significant counterterrorism components. It has also established an inter-agency financial crimes group to coordinate counterterrorism finance policy. Recently, Thailand indicated its willingness to join a critical border security program called the Terrorist Interdiction Program.

Despite recent advances in the global war on terror against both al-Qaida and Jemaah Islamiyah, the terrorism threat remains significant, and we must remain vigilant. As a major transportation hub, Thailand remains vulnerable to the activities of terrorists and their operatives. We are confident of the Royal Thai Government's commitment to the counterterrorism effort and continue to encourage Thailand and its neighbors in Southeast Asia to strengthen their ability to respond to terrorist threats.

Question. What is our exit strategy for Plan Colombia, and do you foresee continued substantial foreign assistance requests for Colombia?

Answer. United States policy towards Colombia supports the Colombian Government's efforts to strengthen democratic institutions, promote respect for human rights and the rule of law, intensify counter-narcotics efforts, foster socio-economic development, address immediate humanitarian needs, and end the threats to democracy posed by narcotics trafficking and terrorism. We will measure the success of our programs by their effectiveness in reducing illegal drug cultivation and terrorism, and fostering improvements in all areas of Colombian life.

It would be misleading to attempt to provide an expected time schedule for full achievement of United States objectives in the country; Colombia's deep-seated internal conflict dates back almost 40 years. Realization of U.S. policy goals will require a concerted Colombian strategy and effort—backed by sustained U.S. assistance over a period of years—to establish control over its national territory, eliminate narcotics cultivation and distribution, end terrorism, and promote human rights and the rule of law.

The Uribe administration has demonstrated a serious commitment to pursuing these objectives with a variety of counterdrug, humanitarian, and security measures. President Uribe has already demonstrated impressive progress towards achieving Plan Colombia goals. The GOC appears to be largely on track to fulfill its financial obligations under Plan Colombia and has taken measures to increase the percentage of GDP destined for security expenditures. The most recent CNC figures showing a decline in the amount of coca cultivation is encouraging. Nevertheless, Colombia will continue to need substantial U.S. help and support if it is to succeed in accomplishing its objectives. We are only halfway through the Plan Colombia timetable, and we would expect to continue significant assistance to Colombia at least through 2006. Over the longer term, and with continued progress towards achieving the goals that the Colombians and we have set for ourselves, we would expect to drastically reduce our financial support to Colombia.

Question. Does the State Department believe that Colombia is capable—politically, monetarily, and technically—of sustaining Plan Colombia, absent U.S. funding?

Answer. Plan Colombia is a six-year program originally instituted by then-President Andrés Pastrana in October 1999. From the outset, the United States government praised and supported this comprehensive effort to address Colombia's many, inter-related problems and, with Congressional support, has committed itself to help the Government of Colombia sustain Plan Colombia with training, equipment and funds. We are now about halfway through the Plan. Despite the Government of Colombia's remarkable progress in implementing the Plan, Colombia will need continuing United States assistance.

Colombian President Alvaro Uribe took office in August 2002; he immediately endorsed and expanded upon Plan Colombia. Politically, President Uribe has maintained public support for Plan Colombia and his own more stringent fiscal measures. Soon after his inauguration, Uribe imposed a one-time tax on the assets of the wealthiest segment of Colombians. Colombian authorities expect this tax to yield the equivalent of 1.2 percent of gross domestic product (GDP), between \$800 million and \$1 billion. The Colombian 2003 budget also calls for increased government de-

fense expenditures, which would increase military, and police spending. The Uribe Administration convinced the Colombian Congress to enact extensive, longer-term tax and pension reform packages and is moving ahead with a referendum on reducing government operating costs.

Monetarily, Colombia will continue to need substantial United States help and support if it is to succeed in defending its democracy and the rule of law from narcotraffickers while improving human rights and promoting development—all goals of Plan Colombia. In 2002 President Uribe promised President Bush that his government would, consistent with the 2002 Supplemental Appropriations Act, establish comprehensive policies to eliminate narcotrafficking as well as to reform the Colombian military and police. Uribe has delivered on his promise to furnish significant additional financial and other resources to implement those policies and reforms.

The Colombian government's national security strategy, will set out the Uribe Administration's plans to dedicate even more Colombian resources to improving security while fighting the drug trade. President Uribe has repeatedly stressed that Colombia is undertaking these commitments to ensure the effectiveness of joint efforts with the United States Government to achieve our common goals in combating narcotics trafficking and terrorism.

We have used U.S. assistance to give technical support, in the form of equipment, advisors and training to support Plan Colombia. It will take more time to train enough pilots, soldiers, judges, agricultural experts, and others that Colombia will need to staff Plan Colombia completely with Colombians, but we are well on the way.

Question. Reports indicate that while aerial spraying may be working in Colombia, increased coca growth is appearing in neighboring countries, including Bolivia (20 percent above 2001 levels) and Peru (5 percent above 2001 levels).

What is the State Department's strategy for curtailing this spill-over effect, and have Bolivia and Peru requested increased counternarcotics assistance?

Answer. We are very pleased that the recently-released CNC "Major Narcotics Producing Nations" report shows a 15 percent decrease in coca cultivation in Colombia for 2002, including an 80 percent reduction in the principal production area of Putumayo. This success in Colombia will increase the pressure to cultivate coca elsewhere, especially in Peru and Bolivia where there is a past history of coca cultivation. As long as coca is a good cash crop, people will farm it wherever it provides the most profit for the least risk and effort. This is the reason our attack against cocaine is based on a regional and global strategy.

Although our major attention and resource focus during the last three years has been Colombia, we have continued major and long-term programs in Bolivia and Peru to combat the immediate problem of coca cultivation and build permanent, professional capacity in each country to combat all facets of drug trafficking from raw resources to final product. We have smaller programs to improve the drug fighting infrastructure and regional cooperation (especially in controlling cross-border smuggling) in other countries neighboring Colombia and within the major drug trafficking transit corridors.

While there were increases in coca cultivation in Peru and Bolivia this last year, both countries are still well below their peak productions—over 70 percent less than in the mid-1990s. Because of past eradication success, the actual coca cultivation increase in 2002, while of continuing concern, is not as large as might appear based on percentages: a total 7,100 hectares increase for both countries combined, compared to a regional total of over 205,000 hectares. We are maintaining our fiscal year 2004 funding requests at the fiscal year 2003 levels for Peru and Bolivia, focusing on firming up the political support for counter-drug policies rather than program expansion. We will continue serious eradication and counter-drug institution building in both countries with the current fiscal year 2003 budget and fiscal year 2004 budget request.

Question. Did Armenia offer support to Operation Iraqi Freedom, and have they offered any assistance in the post-Saddam period?

Answer. Armenia has been and continues to be concerned about the situation in Iraq because of the sizeable ethnic Armenian population there. There are reportedly 30,000–40,000 ethnic Armenians living in Iraq, and between 7 and 12 Armenian churches in Iraq. Ambassador Ordway is in close contact with officials of the Armenian government to discuss contributions Armenia can make in the reconstruction of Iraq.

Question. There have been numerous discussions between the proponents of the CANDLE project for Armenia and the State Department.

Given declining funding levels for Armenia and the costs associated with this project—between \$40 and \$70 million—does the State Department intend to support this project?

Answer. The State Department is continuing discussions with the sponsors of the proposed CANDLE project. We previously requested a number of items from the CANDLE sponsors, including evidence of support from the Government of Armenia, commitments of funding from other donors and/or investors, and commitments of funding for ongoing operating costs. When these items are provided, the State Department will be in a position to consider providing additional funding for this project. Declining funding levels for Armenia will definitely play a part in our decision whether to provide further funding for this project.

Question. How might Aliyev's incapacitation impact negotiations over Nagorno-Karabakh?

Answer. A peaceful, mutually acceptable resolution of the conflict over Nagorno-Karabakh will require that both sides make politically difficult compromises. This will require strong leadership in both Armenia and Azerbaijan capable of selling an agreement to the two countries' publics.

Both President Aliyev in Azerbaijan and President Kocharian in Armenia have made clear that they are committed to the peace process. We believe that they play key roles in the search for peace.

Question. Has there been any notable progress in negotiations between Armenia, Azerbaijan, and Nagorno-Karabakh over the conflict?

Answer. Momentum generated at the Key West peace talks in April 2001 waned in 2002. This February, presidential elections were held in Armenia. Parliamentary elections will be held there in late May, followed by presidential elections in Azerbaijan in October. The political atmosphere surrounding these elections has caused both sides to adopt conservative approaches to the peace process, which will likely continue through the fall.

The OSCE Minsk Group Co-Chairs (United States, Russia, and France) continue to promote negotiations between the parties. The Co-Chairs instituted an additional level of talks in 2002 between Special Representatives of the two Presidents. These talks supplement the Co-Chairs' visits to the region and meetings between the Presidents. The Co-Chairs are working to lay the groundwork for serious negotiations as soon as the two sides are ready to move forward. We believe the period following the elections in Azerbaijan will provide an important new opportunity to make progress in the peace process.

Question. What are the next steps in engaging North Korea on a multilateral basis, and given past deceptions, how does the State Department determine whether the North Korean regime can be trusted to negotiate in good faith?

Answer. The Administration is actively considering next steps in light of our discussions in Beijing and our subsequent, ongoing consultations with South Korea, Japan, China, and other key concerned states and parties. Precisely whether and/or how we proceed on further multilateral talks remains to be determined, but we have not excluded the possibility of a further round of talks in Beijing, at which we would deem essential the participation of Japan and South Korea.

As to whether the North would negotiate in good faith, the United States seeks the verifiable and irreversible termination of North Korea's nuclear weapons program. We will not negotiate rewards or inducements to obtain this or North Korea's necessary compliance with the NPT, the North-South Denuclearization Declaration, or its other international obligations. If North Korea acts to terminate its nuclear weapons program the United States is prepared to consider a bold approach that would create a fundamentally new relationship, to the extent North Korea is prepared to address other long-standing American concerns in the areas of WMD and missile proliferation, its conventional force posture, and human rights and humanitarian matters.

NORTH KOREA

Question. How can North Korea be compelled to comply with its obligations under any agreement, and how can the North's compliance with agreements be adequately verified?

Answer. Any resolution of the nuclear issue must include the views of North Korea's neighbors, particularly the ROK and Japan. We are working with the international community to apply multilateral pressure to change North Korea's behavior and to ensure that North Korea responds to the international community's demands that it irreversibly and verifiably dismantle its nuclear weapons program and comply with its international obligations.

Verification will be an essential component of the elimination of North Korea's nuclear weapons program. The International Atomic Energy Agency (IAEA) is a logical partner to verify full dismantlement of North Korea's nuclear weapons program and establish an on-going monitoring program. If needed, the IAEA can access technical support from appropriate states to address any unique challenges that may arise.

Question. What more can the United States do to safeguard the human rights and dignity of the people of North Korea, including those seeking refuge in China?

Answer. I share your concern about the repression and suffering of the North Korean people and am committed to keeping human rights and humanitarian concerns high on our agenda with North Korea. During talks in Pyongyang in October 2002, Assistant Secretary for East Asian and Pacific Affairs James A. Kelly highlighted United States concerns about the deplorable human rights record of the North Korean regime. Assistant Secretary Kelly also raised these concerns in the talks on North Korea in Beijing April 23–25. Assistant Secretary of State for Democracy, Human Rights and Labor Lorne W. Craner has also raised concerns about North Korean refugees in the context of our human rights dialogue with China held in Beijing in December.

The involuntary return of some North Koreans in China to the DPRK is a matter of deep concern to this Administration. State Department officials in Washington and Beijing have expressed on multiple occasions our concern to the Chinese, and have pressed them not to return any individual to North Korea against his or her will. We consistently urge China to adhere to its international obligations under the 1967 Protocol on Refugees and allow UNHCR access to this vulnerable population in order to assess the status of these individuals.

In April, the United States, in close coordination with the EU, South Korea, and Japan, co-sponsored a resolution addressing the human rights situation in North Korea at the 59th session of the U.N. Commission on Human Rights (CHR). The resolution called on the Government of the Democratic People's Republic of North Korea to respect and protect the human rights of its citizens. The resolution, the first such on North Korea, passed by a vote of 28 to 10, with 14 abstentions.

Finally, the United States has been a significant donor of food aid to North Korea through the World Food Program's annual appeals. On February 25, I announced an initial donation of 40,000 tons of food assistance and that we are prepared to contribute as much as 60,000 additional metric tons of such aid this year. I am concerned about monitoring and access to all those in need in North Korea; we have conveyed this directly to the North Koreans. Additional food aid donations will be based on need in North Korea, competing needs elsewhere in the world and improvements in food aid monitoring in North Korea. Recognizing the deep and urgent need of the North Korean people, President Bush has made clear his determination that our food aid will not be used as a political tool.

Human rights and humanitarian concerns in North Korea will continue to have a prominent place in our North Korea policy, including our multilateral discussions on North Korea with South Korea, China, Japan, and others.

AFGHANISTAN

Question. To what extent is Iran hampering reconstruction and democratic reform in Afghanistan?

Answer. We do not believe Iran is hampering reconstruction in Afghanistan. However, we see continuing efforts to channel support to people inside Afghanistan working against the central authority. We have made clear that this is unacceptable.

To date, Iran has pledged support for the Government of Afghanistan and has played an active role at donor meetings. On December 22, 2002, Iran signed, with Afghanistan and Afghanistan's other five neighbors, the Kabul Declaration on Good Neighborly Relations that commits the nations to constructive and supportive bilateral relationships based on the principles of territorial integrity, mutual respect, friendly relations, cooperation and non-interference in each other's internal affairs. At the Tokyo Conference in January 2002, Iran pledged \$560 million (a mixture of grants and loans) over six years towards Afghan reconstruction. Since then, Iran has been actively engaged in the rehabilitation of the road from Islam Qala on the Iranian border to Herat in western Afghanistan and in the repair of electricity transmission lines, and has signed an agreement with Afghanistan and India to provide greater access to the Iranian port of Charbahar.

Iran has also worked positively with Afghanistan to support regional narcotics interdiction efforts and has provided \$3 million to support alternative livelihood assistance in provinces where the Afghan Government is destroying poppy crops.

Question. What preparations are taking place to support national elections in Afghanistan scheduled for June 2004, and are there any discussions taking place to postpone the elections in order to better prepare for the polls?

Answer. The United States supports the Afghan Government's commitment to holding the elections in June 2004, as called for in the Bonn Accords. We have budgeted \$22 million in ESF for fiscal year 2003, and requested \$30 million for fiscal year 2004, to support the Bonn-related activities. A modest portion of these funds will support the elections process.

Under the Bonn Accords, the U.N. Assistance Mission in Afghanistan (UNAMA) is charged with helping prepare for Afghan elections. UNAMA is preparing a budget for registration and elections, and initial indications point to costs well in excess of \$100 million. This budget remains mostly unfunded. Registration is nonetheless expected to begin in August 2003, and we are working closely with Afghan and U.N. officials to rally other donors to fill the anticipated funding gap. UNAMA also is supervising a national public education campaign, and the International Foundation for Election Systems (IFES) is completing an assessment of logistical requirements for the elections.

Question. What steps has Pakistan taken to rout Afghan terrorists from their soil, and is there any indication that these terrorists are in contact with active or retired Pakistani intelligence officers?

Answer. Pakistan is a key ally in the war against terrorism and continues its active measures against extremists and terrorists. President Musharraf has given Pakistan's full commitment to the United States to track down and apprehend Taliban and al-Qaida leaders.

Since the fall of 2001, Pakistan has apprehended more than 500 suspected al-Qaida/Taliban operatives and affiliates, including September 11 plotter Ramzi bin al-Shibh and al Qaida operational commander Khalid Sheikh Mohammed. It has moved against terrorists and extremists through its own legal system, and has committed its own security forces—and taken casualties—to pursue Taliban and al-Qaida in its border regions. We are pleased with this excellent and continuing cooperation.

We are aware of reports that some retired ISID intelligence officers, who are believed to have been strong Taliban supporters continue to speak in support of the Taliban. We are unaware, however, of any Government of Pakistan policy to support the Taliban or any other terrorists. We continue to discuss Pakistan-Afghan relations with President Musharraf and Prime Minister Jamali, and have received their assurance that Pakistan supports the Karzai government and is actively working to strengthen both the Afghan government and the two nations' bilateral relationship.

Question. What is the long-term economic impact of SARS on the China and Hong Kong economies, economic stability in China and Hong Kong?

Answer. The long-term impact of the SARS outbreak on the economies of China and Hong Kong will depend to a large extent on the duration of the crisis and, in the case of China, the geographic scope of the spread of SARS. So far, certain areas of China, such as Beijing and Guangdong, have had the highest incidence of SARS; other areas of the country have reported relatively low numbers of SARS cases, but China's capacity for disease surveillance in rural areas is relatively weak. Thus, it may be some time before the full extent of China's outbreak, as well as its effectiveness in containing it, is understood.

SARS has already delivered a strong short-term shock to both economies, especially in the tourism and travel sectors. Private economic estimates suggest SARS could cut China's GDP growth in 2003 by 0.5 to 2 percentage points. For Hong Kong, with an economy more dependent on travel and tourism, analysts have cut their estimates for 2003 GDP growth by as much as 1 to 3 percentage points.

However, most economists continue to assess that this shock will not lead to a broader and deeper economic crisis, unless the SARS epidemic continues to spread in the coming weeks and months.

The number of cases continues to grow in Mainland China, including in the rural areas, where public health infrastructure is weakest. However, China is now taking aggressive steps to contain and control SARS, including restricting travel, closing schools and other public places, and quarantine of those infected with SARS. The WHO and U.S. Department of Health and Human Services through its Centers for Disease Control and Prevention (CDC), at China's request, have fielded a small number of technical assistance teams throughout the country to provide epidemiological investigation and containment guidance. The WHO and CDC also has a team in Hong Kong. The United States and a number of other countries are now finalizing emergency assistance packages to help China control SARS. A number of private U.S. companies also are providing financial assistance and donating supplies to assist this effort.

Question. Given the firing of senior Beijing officials and the SARS-related rioting that recently took place near Tianjin, what are the political implications of SARS on the Chinese government's authority?

Answer. The SARS-related protests and disturbances that are taking place in China seem to be symptoms of the Chinese people's dissatisfaction with the way the SARS outbreak is being handled at the local level. However, President Hu Jintao and Chinese government senior leaders may very well feel as though their political legitimacy and credibility among the Chinese people are at stake. The April 20 dismissals of Health Minister Meng Xuenong were designed to demonstrate to the public that China's leaders at senior levels will be held accountable for any missteps in the fight against SARS.

Severe restrictions on travel, the forced quarantines of suspected and real SARS cases, and the creation of SARS-only clinics will continue to test the government's relationship with its citizens, many of whom deeply distrust the government. More protests are likely. The Chinese government, however, may fear that not implementing draconian measures will further the SARS virus' spread and could lead to a potentially fatal loss of public confidence in its leadership. Consequently, it appears willing to risk relatively small-scale local protests against its policies to achieve the larger goal of stamping out SARS.

Question. How might the initial response to SARS impact the new leadership of President Hu Jintao?

Answer. China's initial response to the SARS outbreak seriously damaged its international reputation and cast doubt on the willingness and ability of Hu Jintao and China's senior leaders to responsibly manage and contain the health crisis. Following the dismissals of Minister of Health Zhang Wenkang and Beijing Mayor Meng Xuenong from their posts on April 20, senior leaders, and President Hu in particular, have been much more active and forthcoming about the seriousness of the outbreak. They have provided daily updates on new cases and are showing a commitment to containing the outbreak. While these efforts have offset some of the damage done to the image of China's leaders, containing the outbreak is still the greatest challenge facing the Hu administration. It remains to be seen whether SARS is a challenge they can overcome.

Question. What leverage does China have over North Korea to continue multilateral dialogue, and are you confident that China will exert the appropriate amount of pressure on the North Korean government to continue this dialogue?

Answer. As a member of the United Nations Security Council Permanent 5 and as the neighbor, donor of aid, longtime ally, and largest trading partner of the DPRK, China has considerable influence with the North Korean government. We are cooperating well with the PRC on this matter, and China has consistently indicated its support for a non-nuclear Korean peninsula and has engaged seriously with the DPRK regime to emphasize to Pyongyang that its nuclear activities are unacceptable to the PRC and the international community. The recent multilateral talks in Beijing would not have happened without China's efforts to get the DPRK to the table. China's role as a full participant in those talks is a demonstration of the seriousness with which China now views the North Korean nuclear issue. We are confident that China's strong interest in and stated commitment to a non-nuclear Korean Peninsula will ensure that Beijing keeps appropriate pressure on the DPRK to reverse its present course, comply with its commitments, and address the serious concerns of the international community.

Question. What is the State Department's strategy for promoting democracy, human rights, and rule of law in China?

Answer. While we remain seriously concerned about human rights abuses in China and about several recent events such as the execution of a Tibetan without due process and the arrest of a number of dissidents, we have seen signs of incremental progress in the last year overall. Our strategy is to advance democracy, human rights, and rule of law through bilateral and multilateral channels, and through projects that advance long-term democratic and legal reform.

When we resumed the bilateral human rights dialogue in October 2001, we made clear that dialogue alone was not sufficient and tangible results would be required. During the December 2002 round of human rights discussions, the Chinese agreed to invite without preconditions the U.N. Special Rapporteurs on Religious Intolerance and Torture, the Working Group on Arbitrary Detention, and the leaders of the Congressionally-chartered U.S. Commission on International Religious Freedom. Since the October 2001 round of talks, China has released ten political prisoners, including China's "Godfather of Dissent" Xu Wenli and seven prominent Tibetan prisoners. In addition, the Dalai Lama's brother and personal representatives traveled to Tibet and Beijing for talks in July and September respectively. The President and the State Department have spoken out repeatedly against the persecution

of Uighur Muslims in Xinjiang, reminding the Chinese that the War on Terror should not be used as an excuse to crack down on those who express their political and religious views peacefully.

As for projects to promote reform, the Department made approximately ten grants for a total of \$7 million dollars in fiscal year 2002. We support legal reforms to protect citizens' rights at the grassroots, strengthen the provision of legal services to women, promote worker rights and the rule of law, and help realize judicial independence. We are funding programs to expand electoral democracy and increase transparency and public participation in politics. We are also supporting NGO's that define themselves as advocates for interest groups for the disenfranchised. In 2003, we will expand our efforts and continue to seek out cutting-edge programs.

Question. Has any evidence been uncovered in Iraq that indicates the transfer of Kolchuga radar system took place?

Answer. At this time, we have no confirmed evidence that Kolchugas are in Iraq. The question of whether Ukraine transferred Kolchugas to Iraq remains open.

Question. What support has Ukraine provided to Operation Iraqi Freedom?

Answer. Ukraine's deployment of a nuclear-biological-chemical (NBC) protection battalion to Kuwait was a welcome contribution to coalition forces. President Kuchma's personal support for the deployment was instrumental in obtaining Rada approval. Ukraine also provided heavy transport aviation for the coalition. We are currently discussing with senior Ukrainian officials possible Ukrainian participation in a post-conflict stability force.

Question. The Ukrainian Government continues to deny United States democracy-building NGOs the ability to register in Ukraine.

What steps has the State Department taken to ensure that the Ukrainian Government registers these NGOs, and what difficulties do these NGOs encounter working in Ukraine?

Answer. We are pleased that the Government of Ukraine recently registered the Institute for Sustainable Communities, an NGO involved in development of civil society. We are disappointed, however, that the government has not renewed the registration of International Democratic Institute or International Republican Institute projects, despite repeated promises over the past year to act on their application. We continue to raise our concerns about this issue at every opportunity and all levels of the government. While NDI and IRI have continued to operate effectively, their unregistered status has led to difficulties related to personnel and other administrative issues and renders them and their Ukrainian partners vulnerable to various forms of government pressure and harassment.

Question. Has the Ukrainian Government demonstrated a more firm commitment to the rule of law through greater respect and protection of human rights or transparent and fair resolution of business disputes involving foreign companies?

Answer. The Government of Ukraine has improved its human rights record in some areas, but serious problems persist, especially with respect to harassment and intimidation of journalists. Over the past several years, the Government of Ukraine has taken steps to improve the administration of justice, including the enactment in 2001 of the Law on the Judicial System and the Law on Enforcement of Foreign Court Decisions. Passage early this year of a forward-leaning Civil Code was undermined by concurrent passage of a retrograde and contradictory Economic (Commercial) Code. The judiciary continues to depend on the executive branch for funding, which limits its independence. In late January, the Government again expressed a commitment to resolve a number of long-standing disputes involving U.S. companies, but concrete progress in this area remains slow.

Question. What role is Russia playing in the reconstruction of Afghanistan, and what assistance has Russia provided to the Afghan MOD?

Answer. The Russian Government has pledged USD 46 million in military spare parts, vehicles, aircraft and supplies, but as yet nothing has actually been delivered yet. The Russians also were prepared to provide a combat search and rescue support during OEF. However, no emergencies requiring Russian assistance materialized.

Question. What is the status of the withdrawal of Russian military bases in Georgia?

Answer. At the Istanbul OSCE Summit in 1999, Russia and Georgia agreed that Russia would withdraw forces in excess of agreed levels by the end of 2000 (this task was completed by Russia on time); that Russia would disband its military bases at Vaziani and Gudauta by July 1, 2001; and that Russia and Georgia would reach agreement on the duration of the Russian presence at two remaining bases, Akhalkalaki and Batumi.

Vaziani was disbanded and transferred to Georgia on time; while the Russian regular military unit at Gudauta has been withdrawn, Russian "peacekeeping" forces remain at the base.

At this point Russia and Georgia need to resolve two key remaining issues: the duration of the Russian presence at the Akhalkalaki and Batumi bases, and the status of the Russian presence at Gudauta, including related transparency steps.

In the most recent Georgia-Russia Ministerial-level meeting on these issues in February, the two sides exchanged ideas on Gudauta, but there was no movement on the question the duration of the Russian presence at the two other bases. Russia insists that, absent large financial support, it will need 11 years to close the two bases. Georgia insists Akhalkalaki and Batumi should be closed within three years.

We are encouraging the two parties to intensify their efforts to resolve these remaining issues.

NATO Allies have made clear that we will not submit the Adapted Conventional Forces in Europe (CFE) Treaty for ratification by parliaments until key Istanbul commitments—on the CFE flank, Georgia, and Moldova—are fulfilled. Good progress is currently being made in Moldova with regard to withdrawal of Russian military equipment and munitions; NATO Allies now regard the flank reduction commitment as having been met.

Question. Given declining foreign assistance to Russia, what are the State Department's plans for continuing democracy and rule of law programs in that country?

Answer. Russia has made remarkable progress in economic reforms, but still faces challenges to its democratic development. FREEDOM Support Act (FSA) funding is slated to decline beginning in fiscal year 2004, but democracy and human rights programs will continue for several years to come. During this time, we will increasingly focus on democracy and rule of law to ensure that we consolidate and sustain the progress made over the past decade. We will seek to advance structural changes that are needed to create a hospitable environment for Russian civil society.

FSA technical assistance programs have played a vital role in advancing progress toward rule of law in Russia, including supporting every aspect of the development of the new criminal procedure code, which has drastically changed the roles for Russian judges, prosecutors and defense attorneys. Our focus is now on helping the Russian bar consolidate the gains it has made, particularly by sponsoring professional education events to help the bar hone its advocacy skills.

In addition to FSA democracy programs, we will continue to support civil society development and democracy via National Endowment for Democracy, Embassy Democracy Commission, U.S.-Russian citizen contacts, and professional and student exchanges.

Question. What is the State Department doing to end harassment of foreign aid workers in Russia by their intelligence services?

Answer. The U.S. Government is deeply troubled by a pattern of harassment by Russian special services of Americans (and others) involved in cooperative programs in Russia. This is inconsistent with the spirit of the broader U.S.-Russia relationship. We have firmly urged senior Russian Government officials, including the Foreign Minister and the Director of the Federal Security Service, to put a stop to such activity—much of which we believe stems from Soviet-era thinking in the security service bureaucracies.

Official harassment includes but is not limited to: groundless allegations against the Peace Corps; harassment of the coordinators for U.S. Government assistance in the Russian Far East and for the Library of Congress funded Open World exchange program; and the denial of re-entry to the AFL-CIO Solidarity Center field representative, an OSCE Mission to Tajikistan staffer, and several missionaries.

Recently the Russian Government informed us it has relented on its decision to deny transit to the OSCE Mission to Tajikistan staffer, an American citizen. We continue to press Moscow to re-think its other decisions of this type, emphasizing these are damaging to Russia's image abroad and working against President Putin's pledges to build a strong, open civil society and robust democratic political system.

Question. What steps has the State Department taken to ensure that Russia more fully complies with international human rights laws in Chechnya?

Answer. We remain concerned by continuing, credible reports of violations of human rights and humanitarian law in Chechnya by Russian federal forces, forces of the Kadyrov administration, and Chechen separatist fighters. The most serious include arbitrary detentions of civilians, disappearances, and extrajudicial executions. These incidents are continuing—and in some respects reportedly have increased—despite President Putin's injunction to stop the large-scale security sweeps that used to result in such abuses. We continue to press the Russian government, including in our private meetings and through our vote for the Chechnya resolution at the UNCHR this spring, to put an end to these abuses and to investigate and bring to account the persons responsible, as well as to work for a durable political settlement.

Some Chechen separatist fighters have carried out terrorist attacks against civilians, including the assassination of local government officials. Some Chechen group seized a theater in Moscow last October and carried out a suicide truck bombing of the main government building in Grozny in December. We have called on the Chechen separatist leadership to repudiate, in word and in deed, terrorist acts and individuals, be they Chechen or international. The evidence so far suggests they have much more to do in this area.

On the political side, we are encouraging the Russian Government to follow through with public commitments it has made in relation to the March 23 constitutional referendum in Chechnya. We hope this will initiate a political process including democratic elections for institutions of self-government acceptable to the people of Chechnya, and ultimately lead to a political solution of this long and tragic conflict.

QUESTIONS SUBMITTED BY SENATOR PATRICK J. LEAHY

Question. Mr. Secretary, I mentioned Mr. Gingrich's speech in my opening statement. There are hundreds of former Congressmen in this town. They give speeches every day. You know why this one caught my attention? Because I believe that his sentiments are shared by senior officials in this Administration.

These officials favor force over diplomacy. They believe in going it alone. They believe that alliances and international institutions impede, rather than promote, U.S. interests. They believe that the Pentagon, not the State Department, should be handling key aspects of foreign policy.

Mr. Secretary, why are the State Department, and the idea of multilateralism, under such attack in this Administration?

Answer. This Administration is fully engaged multilaterally on a host of issues around the world. From HIV/AIDS and SARS to transnational terrorism, we are working closely through regional organizations, the United Nations, and other international agencies. We are actively developing a reconstruction effort in Iraq that will include the contributions of many nations, and as the interim authority grows into a full representative government for the people of Iraq, international institutions will play an important and significant role there.

Question. Only a couple of years ago, Condoleezza Rice was saying, and I quote: "We don't need to have the 82nd Airborne escorting kids to kindergarten."

We all know that Dr. Rice was exaggerating for effect. But, I agree with her basic premise: we don't want the Defense Department, whose mission is fighting wars, too deeply involved in nation building.

Despite that, the White House and the Pentagon wanted all the reconstruction funds for Iraq to be controlled by the Pentagon. I and others here did not support that, but we gave the discretion to the President to apportion the funds. Who's in charge over there? General Garner? General Franks? I have a Defense Department chart that shows who is responsible for which pieces of the reconstruction program. The State Department isn't even mentioned. Do you have any role yet, or is the State Department just an observer?

According to the AP, the President is expected to declare the end of major combat in Iraq by the end of this week. Shouldn't the State Department then assume responsibility for the relief and reconstruction phase?

How much of the \$2.4 billion has been spent, if any, and by which agencies? How much of it do you expect to be managed by State and USAID? What is—or will be—the U.N.'s role?

Can anyone compete for U.S. aid contracts, or are you going to punish companies from countries that didn't agree with us at the United Nations?

Answer. The situation on the ground in Iraq remains unstable; as such, there is no question that General Franks, as the military commander, is the governing authority and will remain so until stability is established and we are prepared to start handing off to civilian authorities. Creating a stable environment means, as a first step, ensuring that Saddam's entire ruling infrastructure and security apparatus is dismantled and disarmed, including irregulars and paramilitary forces, locating and securing WMD, and eliminating any residual terrorist infrastructure.

The establishment of a secure and stable environment still remains the key task in meeting Iraqis' immediate humanitarian needs. Therefore continued coordination with military forces, including civil affairs units and the Army Corps of Engineers, is of vital importance.

With respect to the Office of Reconstruction and Humanitarian Assistance (ORHA), there are currently dozens of State Department employees working with General Garner, including five Ambassadors. Deputy Assistant Secretary of State

Ryan Crocker has supported General Garner and Presidential Envoy Zalmay Khalilzad's efforts in the two regional political conferences that have started the process of establishing an inclusive, representative Iraqi Interim Authority. The State Department's Bureaus of Near Eastern Affairs (NEA), International Narcotics and Law Enforcement Affairs (INL), Economic and Business Affairs (EB) and Democracy, Human Rights and Labor (DRL) have been actively involved with ORHA for some time in a wide range of efforts, including supporting Iraqi efforts in the reconstruction of the criminal justice sector, the development of a prosperous, market-based economy and the establishment of democratic processes. Along with USAID, the State Department's Bureau of Population, Refugees, and Migration (PRM) is heavily involved in assisting United Nations, other international organization, and NGO humanitarian efforts on behalf of the Iraqi people.

As we transition from immediate security and humanitarian priorities, to institution building and the establishment of an economic and political process out of the interim authority, the State Department will play a greater role, as will other civilian government agencies.

Most of the \$2.4 billion appropriated for Iraq Relief and Reconstruction has not yet been allocated to individual agencies as assessment missions are still ongoing. We expect that USAID will control the largest portion of these funds for reconstruction along with State Department for remaining humanitarian needs, once allocated.

We are also calling upon the United Nations to play a vital role in Iraq. We have introduced a Security Council Resolution that establishes the position of a U.N. Special Coordinator to coordinate participation by the U.N. and other international agencies in humanitarian assistance and economic reconstruction, and assist in the development of a representative government. The Coordinator will also support international efforts to contribute to civil administration, to promote legal and judicial reform and human rights, and to help rebuild the civilian police force. There is a tremendous amount of work to be done, and U.N. expertise will be instrumental. As a practical matter, the Coordinator will serve as a principal point of contact for the United Nations in working with the Coalition and the Iraqi people.

Reconstruction contracts funded by U.S. taxpayers will be let in accordance with all relevant federal procurement regulations. USAID has been allowed to waive a provision of law in order to allow foreign firms to compete for reconstruction sub-contracts, and we have worked hard to ensure that our coalition partners and others are aware of these opportunities. All the information needed to compete for these projects is posted on the Internet at www.usaid.gov.

Saddam's regime continually put political favoritism and personal enrichment above the needs of the Iraqi people when making its procurement and contracting choices. The United States and our coalition partners will not do the same. We are confident that a new, representative Iraqi authority will not do so either.

Question. Mr. Secretary, the Administration used the possession of weapons of mass destruction (WMD) by Saddam Hussein as the primary justification for going to war. We seemed certain that Saddam Hussein had large numbers of WMD.

Yet so far, no such weapons have been found.

With all of the looting that followed after the fall of Baghdad, I am concerned that these weapons may now be outside of Iraq in the hands of terrorists.

Is there any credible information that these weapons have been smuggled out of Iraq? If so, could that pose an even greater threat than Saddam Hussein? Do we believe that they are still inside Iraq? Have they been destroyed?

Or, did we have bad information to begin with about the existence of these weapons?

Follow up

What happens if we haven't found anything in 6 months? 12 months? What conclusions should we reach—that they are in someone else's hands? That they never existed? That Osama Bin Laden or other terrorist network has them?

Answer. Iraq is now being disarmed. Coalition forces are engaged in searching for and securing WMD assets. What is emerging is that capabilities are more dispersed and disguised than we thought. All sources of information are being pursued. Even though we have no firm evidence that WMD has been smuggled out of Iraq, we will continue to watch carefully and act upon any information or indications we receive.

We are confident that WMD will be found. On-site inspection of suspect sites for hidden materiel is a daunting task. We are searching an area the size of California. And we are not talking about finding something as large and as stationary as an ICBM silo. Chemical and biological munitions can be hidden anywhere and production facilities could be set up in a building the size of a small house—or a basement. Likewise, Iraqi missiles, though larger, are mobile systems that are easily concealed. Recall also that the Iraqis had years to prepare underground and other fa-

cilities for the express purpose of hiding their WMD and missiles from U.N. inspectors.

We are also beginning to get cooperation from Iraqi scientists and former officials as well as computer files and documents that provide the clues and keys. We are interviewing some of these people and continue to seek others. With their help, we will find Iraq's WMD. And while some individuals are, indeed, proving helpful, we are talking about a cultural change. People have to be certain that the climate of fear and intimidation is truly gone for good before they will be willing to talk about the past.

The inspection process will take time to ferret out the Iraqi WMD. But be assured that it will do so. We are working closely with our Coalition partners, deploying multinational teams of experts to search Iraq.

Rather than set artificial deadlines, we are committed to staying the course until the job is done. Coalition forces continue to follow up leads, examine suspect sites and interview Iraqi scientists. We are confident that WMD will be found and we will ensure that it is eliminated.

Question. The Supplemental contains \$10 million for "Investigations and research into allegations of war crimes by Saddam Hussein and other Iraqis, and for a contribution to an international tribunal to bring these individuals to justice."

We specified "international tribunal" because the Iraqi judicial system is corrupt, bankrupt, and lacks credibility. This is the same reason why we have supported international tribunals to prosecute Serbian, Rwandan, and Sierra Leone war criminals.

However, we hear that the Administration is proposing an Iraqi tribunal to try accused war criminals. Why the different approach? Doesn't this risk the kind of "victors justice" that has been discredited in the past?

Answer. We believe that members of Saddam Hussein's regime who are responsible for crimes committed against Iraqi citizens should be held accountable before an Iraqi-led process, that could include tribunals and truth and reconciliation commissions. It is our policy to encourage and help states to pursue credible justice rather than abdicating their responsibility or having it taken away. Based on our consultations with Iraqi jurists and lawyers inside and outside Iraq, we believe there are qualified Iraqis who are ready and willing to accept the mandate of justice. Our goal is to help create the conditions that will allow them to make the essential decisions, while at all times providing the necessary international support and expertise. We believe this approach has the best prospects both to ensure accountability for the crimes of the previous regime and to help re-establish the rule of law in Iraq.

Question. The Defense chapter of the Supplemental contains \$25 million for aid to foreign countries to combat terrorism. This is a foreign aid program which should be funded by this Subcommittee and run by the State Department, not the Pentagon. I am also told that the Pentagon is seeking legislative authority to manage similar programs, with even more funding, in fiscal year 2004. Aren't you concerned about this? Should the Pentagon make its own foreign policy and manage its own foreign aid budget? As a former Chairman of the Joint Chiefs, doesn't this divert the Pentagon from its primary war fighting mission?

Answer. The Global War on Terrorism and combat operations in Afghanistan and Iraq require that we be responsive and adapt quickly to circumstances in extraordinary ways. It is in our interest to assist our foreign partners as they engage in operations against terrorists that threaten the United States and our friends and allies. The \$25 million in the Defense chapter of the President's Emergency Wartime Supplemental will be used to assist key foreign partners in improving capabilities to conduct counter-terrorist combat operations. The State Department has and will continue to work closely with the Pentagon as we press on in our fight against terrorism. Indeed, the legislation requires the concurrence of the State Department before proceeding. I want to assure you, however, that I have no plans to relinquish any of State's foreign policy prerogatives and authorities.

ISRAEL LOAN GUARANTEES

Question. The roadmap lays out a path to a peaceful settlement of the conflict. Are the terms of the roadmap negotiable? When Israeli officials say they disagree with various provisions in the roadmap, how do you respond?

Every U.S. Administration, including this one, has said it opposes the settlements, but the construction continues, as does the violence. What settlement activity is currently going on? Do you expect the settlement expansion to continue, despite the language in the supplemental?

Answer. *Regarding the roadmap.*—The roadmap is a framework for the broad steps Israel and the Palestinians must take to achieve President Bush's vision of peace, and thus offers a way for both sides to restart direct negotiations. There are obligations and difficult choices ahead for both sides. We have presented the roadmap to both sides and now look forward to their contributions on how best to move ahead on implementation.

Regarding Israeli settlements.—Settlement activity is simply inconsistent with President Bush's two-state vision. As President Bush stated, "as progress is made toward peace, settlement activity in the Occupied Territories must end." This view has been made abundantly clear to the Government of Israel. In addition, consistent with the legislation that authorized the loan guarantees for Israeli, Israeli expenditures on settlements must be deducted from the loan guarantees.

COMPLEX EMERGENCY FUND

Question. Among the increases is \$100 million for an emergency fund for "complex foreign crises." Isn't this essentially a blank check? What limits would there be on the use of this fund? Could it be used for weapons? Since you have asked for this authority "notwithstanding any other provision of law," what is to prevent the fund from being used to supply weapons to an autocratic government that violates human rights?

Answer. The fiscal year 2004 budget requests a new \$100 million U.S. Emergency Fund for Complex Foreign Crises ("Fund") to provide the President the necessary flexibility to respond quickly and effectively to a wide range of unforeseen complex crises. At present, no contingency account exists for these types of crises, and we frequently are forced to cut ongoing programs to meet urgent needs. Such crises may include: peace and humanitarian intervention operations to prevent or respond to foreign territorial disputes; armed ethnic and civil conflicts that pose threats to regional and international peace; and acts of ethnic cleansing, mass killing, or genocide. The Fund may not be used for natural disasters, as existing contingency funding is already available to meet crises related to those situations.

As proposed, the "notwithstanding" language of the Fund gives the President broad flexibility to provide whatever type of assistance would be needed to meet the requirements of a particular situation, including defense articles and services. In each case, however, it is the President who must make the determination that a complex emergency exists and that it is in the U.S. national interest to furnish assistance in response. Reserving this decision for the President ensures that any provision of assistance under the Fund's authority will be consistent with longstanding U.S. policies supporting responsible arms transfers and respect for human rights.

DEVELOPMENT ASSISTANCE

Question. Despite the \$2.5 billion increase above the fiscal year 2003 level, the President's fiscal year 2004 budget request would cut funding for the Development Assistance account by \$14 million. This account funds everything from agricultural research to children's education to environmental conservation to democracy building. It funds the bulk of our programs to alleviate poverty. How do you justify cutting these programs?

Answer. The \$2.5 billion increase represents a commitment by the Administration to lay a sound foundation for improving the lives of impoverished people. This includes \$1.3 billion for the Millennium Challenge Account that will increase and better target development assistance and programs to alleviate poverty.

In fiscal year 2003 the Development Assistance account and the Child Survival and Health Programs fund were requested as a single account, and the combined total of the fiscal year 2004 request level for these two accounts remains the same. However, within this straight-lined level, there is a significant increase in the HIV/AIDS program, which in turn requires offsetting reductions in other sectors. The reduction of the Development Assistance account therefore reflects a nominal shift of funds to the Child Survival and Health Programs Fund to reduce the impact of decreases in the Child Survival, Maternal Health and Infectious Disease programs. Effective programs in these areas are also key elements in our programs to alleviate poverty.

DEVELOPMENT ASSISTANCE FOLLOW UP

Question. The total amount requested for Development Assistance for fiscal year 2004 is \$1.345 billion. That is less than my tiny State of Vermont spends on public education. Do you believe that this is enough for the richest, most powerful country in the world to spend on combating global poverty?

Answer. The \$1.345 billion requested for Development Assistance is only one component of the entire program to address global poverty. The total amount requested for USAID and other related economic assistance programs is, in fact, nearly \$11 billion.

In addition to Development Assistance, global poverty issues are also addressed with funding made available through other accounts. For example, the Economic Support Fund focuses additional funds primarily in the Middle East, and separate accounts address similar issues in Eurasia and Eastern Europe. The Public Law 480 Title II program alleviates food security issues throughout the world.

As part of the fiscal year 2004 request, the Administration is also launching a major new initiative, the Millennium Challenge Account. The MCA, when fully funded in future years, will be a major component of the United States contribution towards global development, and will increase its core development assistance by 50 percent.

The MCA will serve as an incentive to poorer countries to adopt sound policies that provide their citizens an escape from poverty. Countries that rule justly, invest in their people, and promote economic freedom will energize individual initiative, mobilize domestic capital, attract foreign invest, and expand markets. These conditions in turn will enable these countries to become part of the global market, a key to economic growth and poverty reduction.

MILLENNIUM CHALLENGE ACCOUNT

Question. (a) Mr. Secretary, \$1.3 billion of the President's fiscal year 2004 budget request is for the first installment of the new Millennium Challenge Account. I support this, although I do not agree with the Administration's plan to create a new corporate bureaucracy to manage it. Why not establish a bureau at USAID with flexible authorities to manage these funds?

Answer. The MCA is a truly new approach. First, it is selective, targeting those countries that "rule justly, invest in the health and education of their people, and encourage economic freedom." Second, the MCA establishes a true partnership in which the developing country, with full participation of its citizens, proposes its own priorities and plans. Finally, the MCA will place a clear focus on results. Funds will go only to those countries with well-implemented programs that have clear objectives and benchmarks.

A new institution is the best way to implement and highlight this innovative and targeted approach. The existing agencies that might administer the MCA—State and USAID—both have many other bureaucratic mandates and priorities. The MCA will complement the assistance they provide to address key U.S. priorities, such as humanitarian crises, failed states, infectious disease, and regional challenges. Unlike the MCA, such assistance cannot be based solely on country performance or business-like partnerships.

Because of its unique mandate, the MCA will need flexible personnel and program authorities to carry out this targeted and innovative concept. If it is to respond to developing country priorities, for example, it cannot be earmarked to fund specific areas. The MCA should start with a clean slate—an innovative, flexible, narrowly targeted, and highly visible Millennium Challenge Corporation (MCC)—that can give it the best chance to succeed and show that this approach works.

Question. (b) This was supposed to be new money, yet both the Child Survival and Health account, and the Development Assistance account, are being cut in the President's budget. How do you explain this?

Answer. For fiscal year 2004, the Administration has requested \$1.495 billion for the Child Survival and Disease Program and \$1.345 billion for the Development Assistance account, for a total of \$2.840 billion for both accounts. This request is identical to the total Administration request for the two accounts in fiscal year 2003. In addition, the President is making new requests in fiscal year 2004 of \$450 million for the Emergency Plan for AIDS Relief and \$200 million for the Famine Fund, which will also contribute to child survival.

Question. (c) I also have questions about eligibility for the Millennium Account. Countries must show that they are taking serious steps to combat corruption, support health and education, and good governance. That makes sense. But a country like Brazil would not be eligible for the MCA because its per capita income is too high. Brazil is a country of 100 million people of immense importance to the United States, where a small percentage of the population is very rich and the vast majority is desperately poor. Shouldn't we look at ways to use the MCA to promote better policies in regions of a country with such serious needs, and of such importance to the United States, as Brazil?

Answer. The MCA is a targeted program, designed to spur economic growth in the poorest countries. We recognize that some countries with per capita GDP above the MCA cutoff still have large pockets of poverty. Such countries also have greater wealth and more access to international capital and investment. They are better able to address challenges on their own. Brazil, for example, attracted \$71.9 billion in foreign direct investment over the last three years. Investor demand for Brazil's April 29 bond issue was more than seven times the \$1 billion actually sold. MCA beneficiaries are not able to attract such funds.

Eligibility for the MCA is not the full measure of our relationship with any country. The United States has many initiatives, in the trade as well as the aid arena. Brazil is the third largest beneficiary under our Generalized System of Preferences for tariffs and would benefit from successful conclusion of FTAA negotiations, which it co-chairs with the United States. We will continue to make available select USAID funding, as well as OPIC and EXIM financing. (EXIM's third highest country exposure is with Brazil.) Brazil recently received about \$1 billion in World Bank and Inter-American Development Bank loans for human development and social support programs, and other international financial institution funds will also remain available.

Question. We have given hundreds and hundreds of millions of dollars in aid to Pakistan since September 11. Yet al Qaida and Taliban fighters continue to find sanctuary in Pakistan, and to launch attacks against U.S. forces in Afghanistan. Can't this be stopped?

Answer. Pakistan is a key ally in the war against terror and continues to take active measures against extremists and terrorists. The Government of Pakistan is fully committed to tracking down and apprehending Taliban and al-Qaida leaders. Pakistan's success in disrupting imminent attacks against our interests has saved United States and Pakistani lives.

Since the fall of 2001, Pakistan has apprehended over 500 suspected al-Qaida and Taliban operatives. Pakistan has committed its own security forces—and taken casualties—in pursuit of terrorists in Pakistan's major cities and border regions. We are supporting Pakistan in these actions, and United States and Pakistani forces work closely together in our efforts to eliminate the Taliban and al-Qaida threat.

President Karzai visited Islamabad on April 23 and held what we understand were very productive discussions on these issues. He and President Musharraf have reportedly agreed on new measures to enhance their cooperation on security issues. We are hopeful this type of cooperation will also reduce the number of terrorist attacks and save lives.

Question. The Karzai government is increasingly seen as incapable of wielding authority outside of Kabul. Aren't you concerned? Shouldn't the U.S. military be showing more muscle against the warlords, to back up the central government and keep Afghanistan from sliding backwards?

Answer. The United States takes seriously the need for the Afghan government to extend its central authority throughout Afghanistan. Improving the capacity of the Transitional Islamic State of Afghanistan (TISA) and enhancing its authority outside of Kabul are fundamental aspects of our policy. We are actively seeking ways to increase our assistance through TISA ministries and finding ways to better link our local programs to and through TISA. Provincial Reconstruction Teams have been deployed to Gardez, Bamiyan and Konduz. Other PRTs will follow to Mazar e-Sharif by early June (led by the UK), and then Jalalabad, Parwan, Kandahar, and Herat. One of the objectives of the PRTs is to extend TISA authority by linking TISA to local government through reconstruction projects. These teams have State and USAID officers as well as potential assignment of USDA and HHS officers. Afghan National Army (ANA) units are also deploying to the same areas as the PRTs. In addition, we are working with the Germans to extend police training from Kabul to all eight PRT areas of operation.

The United States also remains actively engaged with our Coalition partners in rebuilding and training an Afghan National Army and National Police Force to increase security throughout the country and to build the foundations of a stable Afghanistan under central authority. The key to expanding central authority over regional commanders and various warlords in the near-term is the Disarmament, Demobilization and Reintegration (DDR) program. Japan is the lead nation for DDR and is supported by the U.N. Assistance Mission to Afghanistan. Significant progress in DDR implementation has been made over the last few months. President Karzai has announced a start date of 22 June. The United States is currently reviewing ways and methods where we can help this essential program move ahead and succeed. The best approach to Afghan security is to stay the course of developing indigenous security institutions and promoting disarmament under international auspices.

Question. The President's fiscal year 2004 budget request would cut funding for the former Soviet Union from \$755 million to \$576 million. Aid to Russia would fall from \$148 million to \$73 million. I know of many programs to promote legal reform, improve health care, combat organized crime, improve market-based agriculture, clean up toxic pollutants, and other initiatives that will be shut down because of this cut. Does that make sense to you?

Answer. Part of the apparent large cut in the overall fiscal year 2004 request for FREEDOM Support Act (FSA) assistance reflects a shift in funding for educational and professional exchanges from the FSA account to the ECE account in the Commerce, State, Justice appropriation request.

The lower request level also recognizes, particularly for Russia, progress already achieved on reform, especially economic reform. Programs in this area will likely be phased out over the next several years.

We realize that Russia continues to face challenges in democratic development. We are developing a strategy to phase out FSA assistance to Russia over the next several years that will seek to ensure a legacy of sustainable institutions to support civil society and democratic institutions. During this time, we will increasingly focus on democracy and rule of law to ensure that we consolidate and sustain the progress made over the past decade. We will seek to advance structural changes that are needed to create a hospitable environment for Russian civil society.

FSA technical assistance programs have played a vital role in advancing progress toward rule of law in Russia, including supporting every aspect of the development of the new criminal procedure code, which has drastically changed the roles for Russian judges, prosecutors and defense attorneys. Our focus is now on helping the Russian bar consolidate the gains it has made, particularly by sponsoring professional education events to help the bar hone its advocacy skills. In 2001, an inter-agency task force identified health as one of the three priority areas for FSA assistance in Russia. Russia has one of the highest rates of increases in infection of HIV/AIDS. Multi-drug resistant TB is another serious problem, particularly in prisons. Funding for health programs has increased over the last two years and we plan to continue these programs for some years to come.

Some anti-crime activities that had been funded under FSA, such as programs to combat organized crime and money laundering, will likely continue, perhaps at different levels, with alternate funding sources.

Our strategy is not yet complete, so we don't have all the answers. But we are determined to help Russia preserve the remarkable gains she has made since 1992 and to complete the transition into a market-based democracy.

Question. Mr. Secretary, I have long felt that the United States—under Republican and Democratic administrations—has failed to devote anywhere near enough time and effort to build a strong relationship with our southern neighbor, Mexico. I thought that would change with the election of President Fox, who is by far the best hope Mexico has had in recent memory. President Bush seemed to feel the same way, but what we have seen amounts to little more than photo ops. Now we hear that since Mexico did not support the United States in the U.N. Security Council, President Bush is not taking President Fox's phone calls. Why haven't we made more of this opportunity to build closer relations with Mexico, and what can we expect in the coming year or two?

Answer. Our bilateral relations with Mexico and the Fox administration remain close and cooperative. We have taken advantage of the opportunity for closer relations presented by a democratically-elected government in Mexico which shares our commitment to the rule of law, human rights, and free markets.

The Bush and Fox administrations have, over the past two years, worked closely together to combat transnational crime in all its aspects, including terrorism, trafficking in illicit drugs and in people. Our law enforcement relationship with Mexico has never been better. Similarly, our cooperation on border security is excellent, as demonstrated by the April 23–24 meetings between Homeland Security Secretary Ridge and Mexican Governance Secretary Creel in San Diego. We very much hope to see proactive cooperation from Mexico in resolving issues currently in dispute, including Mexico's water debt to the United States and its use of non-tariff barriers to impede U.S. agricultural exports to Mexico.

We were indeed disappointed that the Fox administration did not, in the face of Iraqi intransigence on disarmament, support a successor resolution to UNSCR 1441. We certainly hope that Mexico will support us when resolutions regarding the lifting of sanctions and other post-conflict actions to benefit the people of Iraq are put before the Council.

Question. Mr. Secretary, I admire Colombian President Uribe and I want to support him. I think his Minister of Foreign Affairs and Minister of Defense are superb. Colombia is now the third largest recipient of United States aid.

We are spending over half a billion dollars a year in Colombia. We are spraying hundreds of thousands of acres of coca. Over the past three years, we have given the Colombian military all kinds of new aircraft and equipment. It is now going to cost hundreds of millions of dollars a year just to operate and maintain the aircraft. Are we going to be paying for this? What's the end game?

Answer. U.S. assistance pays for much of the operations of the rapidly expanding military and national police air programs that support counter narcotics activities. However, one of the principal central objectives of U.S. counter-drug assistance is to develop the capability of both the Colombian Army Aviation Brigade and the Colombian National Police Air Wing to operate and maintain their programs without the support of USG-funded contract pilots, mechanics and technical personnel.

For the military, after an extensive recruiting and training program, we will have sufficient pilots for all three types of helicopters by mid-2003. We are providing these pilots the operational experience and professional guidance for them to mature into command pilots, a process that averages two years. We have trained a total of 127 military helicopter pilots, 29 of whom have advanced to Pilot in Command or Instructor Pilot status. As this pool of aviators matures, we will draw down the number of civilian contract pilots.

Training of mechanics takes years to impart the necessary skills and practical experience, but we are making progress and are steadily increasing the number and skills of military helicopter mechanics. Many observers are not aware of the youth of the Colombian Military Aviation Brigade—it had only one helicopter as recently as six years ago. Our progress must be measured against the tremendously increasing needs of this growing program.

For the national police, the primary and overriding goal has been to bring illicit coca and opium poppy cultivation under control as quickly as possible. This last year's 15 percent reduction in coca cultivation is a strong indication that we have turned the corner. At present, there are no available Colombian police spray pilots, and hence the use of civilian contract pilots is required. However, our program hires Colombian pilots to the maximum extent possible, and we are now identifying potential CNP pilots as candidates for 2003 spray plane training.

The Colombian National Police Narcotics Directorate (DIRAN) Air Service has been established for a significant period, is essentially self-sufficient in pilots and has an effective maintenance capability requiring only some civilian contractor assistance.

Question. For fiscal year 2003, we modified the human rights conditions so the Administration can now provide 75 percent of the military aid immediately. Only 25 percent is subject to the conditions. I supported this for one reason, and it was not because the human rights situation is improving. In fact, according to a February report of the United Nations Human Rights Commissioner:

"There was 'a significant increase in reports of violations attributed directly to members of the [Colombian] security forces, as compared to the year 2001.' These reports included torture, excessive use of force and executions.

"The U.N. human rights office 'was unable to observe any significant progress in terms of trials, whether criminal or disciplinary, of public officials responsible for serious human rights violations . . .'

"The Colombian armed forces continued to tolerate and in some cases collaborate with paramilitary forces. Paramilitaries continued to expand operations in areas where the presence of the Colombian armed forces was high.'"

The reason I agreed to change the conditions was because I know of the tremendous pressure you are under to continue military aid. You can now disburse 75 percent of the aid immediately. But that means we expect the State Department to insist on full compliance with the conditions before releasing the remaining 25 percent of the aid. We want to see significant progress on human rights, which we have not seen in the past. Do you agree?

Answer. We recognize that Section 564, Division E of the fiscal year 2003 Omnibus Appropriations Act (Public Law 108-7) revises previous law, allowing obligation of 75 percent of the funds for the Colombian Armed Forces prior to certification. We appreciate your decision and believe it is fully consistent with U.S. policy to strengthen democratic institutions, promote respect for human rights and the rule of law, intensify counter-narcotics efforts, and end the threats to democracy posed by narcotics trafficking and terrorism in Colombia.

The Administration takes the Colombia human rights certification process very seriously and will review all evidence pertaining to the human rights conditions when deciding whether conditions found in Section 564(a) have been met. As in the past, we will insist on full compliance will all human rights conditions prior to making his determination and certification.

In recent years the Colombian Armed Forces has taken a number of necessary steps to improve its human rights record and sever military-paramilitary ties. Nevertheless, both we and the Government of Colombia recognize that serious problems remain, and we use every opportunity to engage Colombian government and military officials on concrete measures they should take to improve their human rights performance.

Question. The President's fiscal year 2004 budget request contains only \$100 million in Foreign Operations funds for the Global Fund to Fight AIDS, TB and Malaria. That is \$150 million less than we appropriated in fiscal year 2003. What kind of message does that send?

Answer. In his State of the Union address in January, the President announced an historic five-year, \$15 billion Emergency Plan for AIDS Relief, including a \$1 billion pledge to the Global Fund, bringing the total U.S. commitment to the Global Fund since its inception to \$1.65 billion—nearly one-half of all money pledged to the Fund to date. The \$100 million request for the Global Fund in the fiscal year 2004 Foreign Operations request contains only half of President Bush's total request, \$200 million, for the Global Fund in fiscal year 2004. The other \$100 million is contained in the budget request for the Department of Health and Human Services.

This \$200 million, if approved by Congress, will be the first installment of the \$1 billion that the President has pledged to the Global Fund for fiscal year 2004 through fiscal year 2008, as contained in his Emergency Plan. The United States has been the most consistent financial supporter of the Global Fund and has made the longest-term pledge, providing a benchmark for other donors. The election of Secretary of Health and Human Services Tommy G. Thompson as the Fund's Board Chair is another sign of the U.S. government's support, and its commitment to ensuring that the Fund is accountable and sustainable.

The President's five-year, \$15 billion Emergency Plan for AIDS Relief is the most aggressive initiative yet proposed to fight HIV/AIDS, and will include the largest AIDS treatment program to date. The Emergency Plan will, if approved by Congress, continue U.S. government funding to the Global Fund and to HIV/AIDS programs in more than 50 countries, and focus about \$9 billion in new money on 14 of the hardest-hit of these countries in Africa and the Caribbean. The goals of the Emergency Plan are to prevent 7 million new infections, provide treatment for 2 million people, and provide care and support for 10 million people, including children orphaned by the disease and HIV-positive people in the 14 focus countries.

Question. Mr. Secretary, last August several Americans were killed and injured in an ambush near the Freeport gold mine in Papua, Indonesia. There is credible evidence that elements of the military were responsible, and that the military continues to obstruct efforts to investigate that crime. Because of this, the Administration has not resumed the IMET program with Indonesia.

I do not believe we should cut off all relations with the Indonesian military. But if we are going to give them aid or training, they should show that they want to reform. No one, including former U.S. diplomats who know the Indonesian military, says they have any interest in reform.

Can we be confident that the Administration will not resume IMET until there is a thorough investigation and we know whether the military was involved in the assassination of the Americans, and that those responsible will be punished?

Answer. We are under no illusions about the Indonesian military's poor human rights record, and IMET is not a reward for the military's past behavior. Whether we proceed with IMET or not, we will be relentless in our pursuit of justice for the murder of American citizens. Unrestricted IMET does, however, provide exposure for foreign civilian and military personnel to alternative value systems in settings where they are challenged to think for themselves. It also enhances future access for the United States. As we have indicated earlier, we will consult with the Congress before proceeding with obligation of these funds.

Due to our concerns about human rights abuses and stalled military reforms, U.S. interaction with the military is limited in scope. IMET will help provide education to key Indonesian military officers in areas directly related to reform and professionalization of the military.

We see IMET as a precursor to reform. Without knowledge and training, there is little chance of developing sufficient numbers of reform-minded officers to make a difference in the larger institution. We must also be realistic; IMET is a long-term program that will require many years of continuity to achieve significant results by annually sending a handful of officers to U.S. schools. The importance of a \$400,000 IMET program has been exaggerated both by proponents and opponents; we can, at best, expect gradual results. In the past, IMET graduates have been the most likely pool of reformers in Indonesia.

The FBI is continuing its investigation and we continue to assign it the highest priority in our policy concerns with the Indonesian government. Indonesian Government actions in this case are an important factor in our evaluation of future military assistance programs for Indonesia, along with other factors such as U.S. national security interests, counter terrorism cooperation, respect for human rights, civil-military relations, political developments in Indonesia, and the regional strategic environment.

Question. Mr. Secretary, as you know, the Mexico City policy requires private non-governmental organizations to agree not to spend their private funds to advocate for safer abortions even where abortion is legal, if they also receive funds from USAID.

When President Bush reimposed these restrictions on his first day in office, he said the Mexico City policy was necessary to reduce abortions. It has now been two years since the President imposed these restrictions. What evidence do you have that this policy is reducing abortions.

Answer. In restoring the Mexico City policy, the President said that taxpayer funds should not be used to pay for abortions or to advocate or actively promote abortion, either here or abroad. He also stated that one of the best ways to prevent abortion is by providing quality voluntary family planning services.

The President has demonstrated support for family planning by consistently requesting \$425 million dollars for international family planning and reproductive health activities in fiscal years 2002, 2003, and 2004, a level that was higher than funding levels in the previous five years before he took office.

While reliable data on the incidence of abortion is absent in many countries, there is evidence that abortions have declined where family planning services are made available. For example, in Russia, because of limited contraceptive availability, abortion had been used as the major method of family planning. However, the recent increased availability of modern family planning methods has contributed to a greater than one-third drop in the abortion rate. Similar results have been seen in Hungary, Chile, Colombia, Mexico, South Korea, Kazakhstan, and Ukraine.

FAMINE IN AFRICA

Question. Mr. Secretary, there is an ongoing famine in sub-Saharan Africa that has placed approximately 40 million people at risk of starvation. During consideration of the last 2 appropriations bills, I joined with other Senators to add more than \$1 billion in food aid to deal with the situation—only to see the House, working with OMB, significantly reduce these funding levels in conference.

Humanitarian NGOs, the UN, and even people in the Administration say there simply is not enough food aid to deal with the crisis. And, if something is not done soon, the situation in Africa will get even worse.

It will be months before fiscal year 2004 food aid is available. In the interim, what does the administration plan to do to address this crisis?

Answer. The Administration has allocated over 1.2 million metric tons of food aid over the past year to southern Africa, Ethiopia and Eritrea, valued at \$713 million. Approximately 450,000 metric tons of this food is currently en route to Ethiopia and Eritrea, the two countries of most concern in the coming months. Additional large contributions to sub-Saharan Africa are also in the planning stages, for delivery in the region near the end of the fiscal year. These commodities have been resourced by USAID through the funding mechanisms of Public Law 480 Title II, the Bill Emerson Humanitarian Trust, and through the U.S. Department of Agriculture's 416(b) authority.

USAID's Office of Food for Peace (FFP) will pre-position food stocks in the United States and Africa using current resources for use in the interim period in question. In addition, FFP maintains an unallocated budget reserve, which will be tapped near the end of the fiscal year to ensure that the flow of food aid remains constant and directed to the areas of most concern.

USAID has given top priority to the food aid crisis in sub-Saharan Africa over the past year, and has provided close to half of all the food aid provided to the region. USAID will continue this high level of attention to the region over the foreseeable future.

Question. What is the Administration's position on membership in the International Coffee Organization (ICO)? Beyond ICO membership, what is the Administration's plan to address the collapse of coffee prices around the world that has devastated the economies of developing nations?

Answer. The Administration is currently reviewing the issue of whether the United States should rejoin the International Coffee Organization (ICO). As part of this review, the Department of State has reached out to industry, the NGO community and Members of Congress. Formal review under the United States Trade Rep-

representative-led Trade Policy Review Group process will be initiated in the near future.

In response to the hardships faced by coffee producers because of the on-going coffee crisis, the Administration believes that it is essential to promote the development of alternative economic opportunities over time, while supporting initiatives to help producers improve coffee quality and develop new markets more immediately.

Over the medium term, economic diversification will be the key to resolving this problem. In the case of Central America, one of the hardest hit regions, we are negotiating a free trade agreement that will provide a host of alternative development opportunities. Progress in the WTO on reforming agricultural trade would greatly assist the rural areas of developing countries around the world.

Meanwhile, we are taking steps to alleviate the coffee crisis through a range of USAID assistance programs to both small and medium producers in coffee-exporting regions around the world. USAID activities support coffee and diversification efforts in over 25 countries in Latin America, Africa and Asia. The main objectives of the USAID programs are to assist farmers that cannot effectively compete in the coffee sector to diversify their activities and identify other sources of income and employment and create sustainable small holder coffee systems that provide significant income, employment and social, where the potential exists for the production of high quality coffee.

USAID is also actively coordinating with the World Bank and the Inter-American Development Bank. USAID co-wrote a paper with the IDB and the World Bank in 2002 that outlined a strategy to address the coffee crisis in Central American by increasing the ability of efficient producers to compete more effectively while encouraging inefficient producers to exit the coffee sector for other activities in which they are better able to compete.

USAID investments in Latin America & the Caribbean will total over \$63 million to address the coffee crisis through humanitarian relief, agricultural diversification and improved competitiveness within the coffee sector. In addition, a regional Coffee Quality Program will invest \$8 million dollars to improve product quality and marketing, and to establish business linkages in Central America and the Dominican Republic. Over the next five years, USAID/Colombia will invest \$7 million to promote specialty coffee as an alternative to illicit drugs.

Question. Mr. Secretary, I want to ask you about the free trade agreement you are negotiating with Central America. I recently met with Nicaraguan President Bolaños, who I have great respect for. I am concerned about how this agreement may affect Nicaragua's fragile democracy.

Nicaragua will need substantial assistance to get through a difficult transition to free trade. Without help, free trade applied too quickly could throw hundreds of thousands of poor subsistence farmers out of work. The free trade agreement should include a bold and imaginative program of aid to help them adjust to a new economy without destroying their democracy. We should also enlist the cooperation of the World Bank, the IM and the Inter-American Development Bank. I'm prepared to work with you on this. I'd appreciate it if you would keep me informed about how you plan to do this.

Answer. Preparing Nicaragua and the other countries of Central America to take fullest advantage of the free trade agreement in addition to the transition to free market economies is part of the USG's strategy for the actual negotiations. Representatives from State, USAID, USTR, Commerce and other departments participate in the interagency CAFTA trade capacity building (TCB) working group, which identifies country-specific TCB needs and organizes donor coordination to respond to those needs. This working group is also reaching out to NGOs, international financial institutions (including both the World Bank and the Inter-American Development Bank), and the private sector as appropriate. The working group also meets with the Central Americans during the trade talks to assess progress and identify other needs under TCB. The next round of talks will take place May 12-16 in Guatemala.

USAID has several mechanisms, including its Program Supporting Central American Participation in the FTAA (PROALCA), that may be tailored for CAFTA needs. PROALCA intends to open a new \$4 million window for technical assistance which may be used by Nicaragua as well as other Central American countries. Under the Opportunity Alliance, USAID is supporting the re-orientation of agriculture programs toward more trade-related activities, such as non-traditional agricultural exports.

Question. In territory controlled by the LTTE, there are innocent civilians, including children, who have lost limbs or suffered other serious injuries and disabilities as a result of the conflict. This is what the Leahy War Victims Fund was designed

to address. Can't we permit USAID to meet with representatives of the LTTE to discuss ways to make this assistance available through reputable NGOs?

Answer. The United States intends to provide substantial reconstruction and humanitarian assistance in Sri Lanka, through international and local NGOs of our choice, including to benefit people in LTTE controlled areas of the North and East. Assistance will be provided consistent with U.S. law and will include funding from the Leahy War Victims Fund. The LTTE has been designated as a foreign terrorist organization pursuant to section 219 of the Immigration and Nationality Act, as amended, and pursuant to Executive Order 13224, but such designations would not preclude U.S. government officials from meeting with the LTTE.

The United States does not negotiate with terrorist organizations and has never engaged with the LTTE. We are currently considering, however, directly informing the LTTE and the government our plans for providing assistance to persons residing in LTTE-controlled areas.

QUESTIONS SUBMITTED BY SENATOR MARY L. LANDRIEU

Question. Is the United States committed to a long-term presence in Afghanistan to establish peace and security?

Answer. Yes. President Bush made clear in a Joint Statement with President Karzai on January 28, 2002 that a lasting and permanent solution for Afghanistan's security needs must be based on strengthening Afghanistan's own capabilities. Nothing has changed in the intervening months. The United States contributed over \$900 million in assistance to Afghanistan last year, and with continuing Congressional support, we will match that level again this year. This money is going to support projects for health, education, refugees, agriculture, infrastructure, empowering women, as well as security.

Provincial Reconstruction Teams (PRTs) led by the United States are combining military presence, civil affairs workers, and representatives of the Karzai government to extend the benefits of security to all regions of Afghanistan. Following our lead, other coalition members plan to take the lead on PRTs of their own.

Meanwhile, our contributions to Disarmament, Demobilization and Reintegration (DDR) and the training of the Afghan National Army (ANA) are beginning the long-term process of shifting power from regional commanders to a well-equipped, professionally trained military. Eight battalions already are trained and deployed throughout Afghanistan, and the people of the country have welcomed them.

To underscore our long-term commitment to Afghanistan, a series of high-level officials, including the Secretary of Defense, the Secretary of Health and Human Services, the President's special envoy to Afghanistan, and the Deputy Secretary of State, have visited Afghanistan in the last month, and the Secretary of Agriculture is scheduled to visit later in 2003.

These efforts are having a visible impact on Afghanistan and are laying the groundwork for a new constitutional government and elections next year. With Congress' support, we will continue to build a democratic Afghanistan and help the Afghan government bring the benefits of peace and security throughout the country.

Question. Are we dedicating enough funds to the reconstruction of Afghanistan? (\$896M to date, not including fiscal year 2004 request)? After all, the Marshall Plan had a price tag of \$88B in today's dollars. Can we expect future supplementals and money in the fiscal year 2005 request to fund Afghan reconstruction? Do you still support a funding goal of \$8B for Afghanistan, as you have previously stated?

Answer. Assistance from the United States and other donors has been sufficient to address Afghanistan's key needs in a timely fashion. We provided over \$900 million in assistance per year in fiscal year 2002 and fiscal year 2003 (including supplemental packages each year).

Last year, a key priority was humanitarian assistance, and over one-third of our assistance was directed to assist returning refugees and help avert famine. This year, the humanitarian crisis has eased, permitting us to direct much of our assistance toward rebuilding infrastructure and the Afghan government's institutions and security capabilities. At the same time we are funding ambitious health, education and agricultural projects and supporting preparations for a constitutional assembly this fall and elections next June.

The Administration has requested almost \$700 million for 2004 (not counting funds to be expended by the Department of Defense), which, together with resources from other donors, should be sufficient to address anticipated funding needs. We are developing the fiscal year 2005 request, though final decisions have not been made.

In late 2001, the World Bank and the Asian Development Bank estimated Afghanistan's cumulative five-year funding needs (to be funded by all donors) to be

in the range of \$8 billion to \$12 billion. This remains a reasonable estimate, and we have worked closely with Afghan leaders to help raise funds from international donors.

Question. What are we doing to ensure Afghan women will have a direct role in society to vote, work, go to school, and serve in the new government? Would you support a call to require that a set percentage of aid be directed toward the advancement of Afghan women, or be conducted by women led relief organizations?

Answer. Life for women under the Karzai government represents a dramatic improvement over the serious and systematic abuses of the Taliban regime. Some women, primarily in Kabul, have begun discarding the burqa, the head-to-toe veil that had been rigidly enforced by the Taliban. Women are once again permitted to work outside the home, and female civil servants and teachers have returned to work. Girls flocked to the schools when they re-opened in March 2002, and it is estimated that of the 3 million new students this past year, 35 percent were girls. The Ministry of Education is hoping that girls will make up 50 percent of the students soon, and estimates that numbers were up when schools opened again in March 2003. Within the Afghan government, the Ministers for Public Health and Women's Affairs, as well as the Chair of the Human Rights Commission, are women, and many more women serve as Deputy Ministers, Office Directors, and in mid-ranking governmental positions. As Afghans write a new constitution and devise a new legal system, we are impressing upon them the importance of upholding and respecting internationally recognized human rights standards, including the rights of women.

Afghanistan established a Commission to Combat Trafficking in Persons and created a Human Rights Commission with well-known human rights champion Sima Simar as its chairperson. The United States provided start-up funding and technical assistance to the Ministry of Women's Affairs to refurbish the building, provide technical advisors to the Ministry, and establish a women's resource center with internet access, computer training, and print and video materials on human rights at the Ministry.

The United States, through USAID, provided over one million textbooks in 2002, many of which benefited Afghan schoolgirls. The United States has helped rebuild and rehabilitate more than 230 schools to date, and plans to do an additional 1,000 more and provide training for teachers, most of whom are women, as part of a package of \$61 million of support for primary education over the next three years.

The U.S. government is supporting the Ministry of Women's Affairs in its efforts to open a network of women's resource centers in each of Afghanistan's 32 provinces. Such centers will provide a safe place where women will receive training in a range of subjects, including human rights, political participation, and job skills training. USAID is funding the construction of 14 provincial centers, and grants by the U.S.-Afghan Women's Council will fund educational programs in these centers. Education is fundamental to progress for women.

These projects specifically target and benefit women, while others, such as school rebuilding efforts, benefit all Afghans, including women and girls. For that reason, and because of the need for flexibility in a fluid situation, establishing earmarks or set percentages of aid would hinder rather than help our efforts to assist Afghan women, as would mandating aid delivery to specific organizations.

Question. What is the proper mix of funds to fight HIV/AIDS on a global level—how did State and HHS determine what to contribute to the Global Fund versus bilateral assistance from the United States to selected countries? The budget only contains \$100M for the Global Fund. Is the United States still committed to the Global Fund? The G-8 has not met its original goals for the Global Fund, either.

Answer. We believe that the President's Emergency Plan for AIDS Relief, as the largest, single commitment in history to an international public health initiative involving a single disease, contains the proper mix of funds for this Administration to address the HIV/AIDS pandemic on a global scale. The President's \$15 billion Emergency Plan for AIDS Relief (PEPFAR) calls for spending, over 5 years:

- Approximately \$5 billion for continuation of existing programs in nearly 50 countries;
- An additional \$1 billion for the Global Fund to Fight AIDS, Tuberculosis and Malaria; and
- About \$9 billion for the President's new 14-country initiative.

The Plan seeks to prevent 7 million new infections, treat 2 million HIV-infected people, and care for 10 million HIV-infected individuals and AIDS orphans. To accomplish these goals, implementation of the Plan will be based on the Ugandan model involving a layered network of medical centers and the ABC (Abstinence, Being Faithful, and, when necessary, Condom use) approach to stemming the tide of HIV/AIDS.

PEPFAR increases financial and technical assistance to both bilateral and multi-lateral activities. Bilateral programs and the Global Fund complement each other's contributions to the fight against HIV/AIDS and should both receive increased support. Bilateral programs are vital for technical assistance and capacity building. The projects financed by the Global Fund usually build upon the foundations established by bilateral programs.

The United States is firmly committed to the Global Fund. The \$100 million request for the Global Fund in the fiscal year 2004 Foreign Operations Appropriations budget request contains only half of President Bush's total request, \$200 million, for the Global Fund in fiscal year 2004. The other \$100 million is contained in the fiscal year 2004 budget request for the Department of Health and Human Services.

The President's announcement of a \$1 billion pledge to the Global Fund brings the total U.S. commitment to the Global Fund since its inception to \$1.65 billion—nearly one-half of all money pledged to the Fund to date. The United States has been the most consistent financial supporter of the Global Fund and has made the longest-term pledge, providing a benchmark for other donors. The election of Secretary of Health and Human Services Tommy G. Thompson as the Fund's Board Chair is another sign of the U.S. Government's support, and its commitment to ensuring that the Fund is accountable and sustainable.

The President looks forward to the G8 Summit in Evian as an opportunity to urge other governments and private donors to join us in increasing efforts to combat this disease both domestically and internationally.

Question. Is the Administration committed to realizing its new plan for \$15B over 5 years? Will cuts be made to other foreign aid programs in order to pay for the AIDS initiative, or will the commitment to fighting AIDS be in furtherance of our commitment to international development?

Answer. The Administration is fully committed to implementing its new plan for \$15 billion over 5 years to the global effort against HIV/AIDS as an additional component of our international development activities. Of the \$15 billion, roughly \$10 billion is new money for the President's new fourteen-country initiative and increased support of the Global Fund to Fight AIDS, Tuberculosis and Malaria, in furtherance of our commitment to international development, with the remaining funds allocated for the continuation of existing programs.

Question. Is the United States committed to a long-term presence in Iraq to establish peace and security? Wouldn't a short-term departure only allow the forces of fanaticism and fundamentalism to re-emerge?

Answer. The United States is committed to helping the Iraqi people establish a whole, free nation at peace with itself and its neighbors, and governed by the rule of law. As President Bush has said, the United States will remain in Iraq as long as necessary to achieve these objectives, but not a day longer.

Question. What are we doing to ensure Iraqi women will have a direct role in society—to vote, work, go to school, and serve in the new government? Would you support a call to require that a set percentage of aid be directed toward the advancement of Iraqi women, or be conducted by women-led relief organizations?

Answer. The United States recognizes the vital role Iraqi women will play in the creation of a unified, free Iraq. We are committed to equal rights for all Iraqi citizens. This includes the full participation of women in social, political and economic life, including in reconstruction efforts and in Iraq's future government.

Iraqi women participated in the first two political conferences held by the Coalition, and the conference statements affirmed the importance of the role of women. Given the difficult circumstances under which the first conferences were held, we were unable to reach out to sufficient numbers of Iraqi women to secure their participation. Serious efforts are currently underway to identify larger numbers of Iraqi women to participate in future meetings and to take part in the rebuilding of Iraqi institutions and the drafting of new laws.

Despite a brutal dictatorship, Iraqi women have continued to make great strides in education and in professions over the past decades. We want to ensure that this progress continues and that Iraqi women will make the contributions that their talent, ambition and dedication to their country's future will enable.

United Nations Security Council Resolution 1483, introduced by the United States, the UK, and Spain calls for the establishment of "the rule of law that affords equal rights and justice to all Iraqi citizens without regard to ethnicity, religion, or gender."

We do not support the establishment of a set percentage of aid to be directed to any particular issue or group of organizations. We do not believe that this is necessary to achieve our goal of equal rights and the participation of women in the rebirth of Iraq and its institutions. Supporting the educational, political, economic and social development of women and girls is a key, identified priority in many of the

relief and reconstruction programs that the USG supports through funding to the United Nations, other IOs, NGOs and independent contractors in the areas of education, democratic governance, civil society and legal reform. We are also committed to ensuring that as Iraq makes the transition to a free market economy that women, as well as men, are provided with the training and support necessary to thrive in this new business environment.

Question. Secretary Powell, you have served as both Chairman of the Joint Chiefs and now Secretary of State. Is the Administration pursuing the proper path with DOD in the lead? How long should DOD be in the lead? Is there a transition plan for State and USAID to takeover the more traditional roles of foreign assistance and economic development? Is there an effective liaison system in place for DOD to call upon State's expertise when necessary?

Answer. The President has determined that the Department of Defense has the lead for our activities in post-war Iraq. The State Department has supported DOD's lead strongly. First, during the activities of the Office of Reconstruction and Humanitarian Assistance (ORHA) and, now, within the framework of the Coalition Provisional Authority (CPA).

Both State and USAID have provided, and will continue to provide expertise to this DOD-led effort, detailing of personal on-the-ground to ORHA and CPA to fulfill the U.S. objective of assisting the Iraqi people to establishing a free and democratic nation that is a responsible member of the international community.

State and USAID will continue to carry out the President's wishes, cooperating with and supporting the DOD in every way possible to reach a successful conclusion in Iraq.

Question. How will you judge when the violence has stopped and the Palestinian Authority has lived up its end of the bargain? Who will determine when safety has been achieved? Russia? The EU? The United Nations? How will be power be shared between the United States, United Nations, EU, and Russia?

Answer. We've always said that we are prepared to send in U.S.-led monitors if this would prove useful to the parties, to observe and coordinate with both sides, to look into claims or charges that one side might make against the other. We're not talking about an armed, interpositional force, but a coordinating group on the ground, which could grow into a larger group over time that could serve a monitoring function. We have been in close consultation with Palestinian leaders to develop a plan for assisting the Palestinians with security, and the United States, working with other interested friends in the region and from the Quartet will assist the Palestinians in that regard. We have been clear that any monitoring arrangement would be U.S. led and have a U.S. face.

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Question. As we begin to tackle the issues of "winning the peace" in Iraq and continue our efforts in Afghanistan as well, I hope that the U.S. Government's programs will devote attention to improving the status of women. Women are so important for caring for children and educating them. In addition, women should have equal access to participation in politics and in business and the work place, as well. If I were to select one area for emphasis, it would be education. What are our plans for reconstituting the educational systems in Iraq and Afghanistan and for encouraging equal access to schooling for women and girls?

Answer. In Iraq, the U.S. Agency for International Development (USAID) has awarded a contract to Creative Associates International to address immediate educational needs and promote participation of the Iraqi people in a sustainable, effective and decentralized educational system. The U.S. Government's goal is to ensure that children will be able to start the new school year in September 2003 in a system dedicated to education, not propaganda. Equal opportunity for girls is an urgent goal of a reformed educational system.

The rehabilitation of schools is critical, including ensuring sufficient electricity, water and sanitation facilities, and sufficient equipment and supplies to facilitate learning. We also recognize the importance of ensuring proper compensation to teachers for their efforts. In support of our efforts to build the foundations of a democratic society in Iraq, it is important that we work with Iraqis to ensure that such values as pluralism and equality are taught in schools.

We will also support community awareness and social mobilization programs which highlight the importance of children returning to, and staying in school, with a particular emphasis on ensuring that girls offered are full and equal opportunities.

In Afghanistan, girls' education has improved dramatically under the Karzai government, no small achievement after the serious, systematic discrimination of the Taliban regime. Girls flocked to the schools when they re-opened in March 2002, and it is estimated that of the 3 million new students this past year, 35 percent were girls. The Ministry of Education is hoping that girls will make up 50 percent of the students soon, and estimates that numbers were up when schools opened again in March 2003.

The United States, through USAID, provided over fifteen million textbooks in 2002, many of which benefited Afghan schoolgirls. The United States has helped rebuild and rehabilitate more than 230 schools to date, and plans to do an additional 1,000 as well as provide training for teachers, most of whom are women, as part of a package of \$61 million of support for primary education over the next three years.

The U.S. government is supporting the Ministry of Women's Affairs in its efforts to open a network of women's resource centers in each of Afghanistan's 32 provinces. Such centers will provide a safe place where women will receive training in a range of subjects, including human rights, political participation, and job skills training. USAID is funding the construction of 14 provincial centers and will provide funding for the centers, including health education programs, daycare, etc. (\$5 million of the fiscal year 2003 funds to be obligated by Summer 2003). Education is fundamental to progress for women and, moreover, for Afghanistan as a whole.

Question. After all the commitment and even heroic actions by our troops, first in Afghanistan and now in Iraq, will we have the wisdom and steadfastness to follow through on our commitment to promoting democracy? How well are we doing with our previous efforts? Why are funds for the promotion of democracy in Eastern Europe ("SEED funds") being cut, just when we need examples of U.S. determination and perseverance and good models for the democratic development of Afghanistan and Iraq?

Answer. Since 1989, the Support for East European Democracy (SEED) Act has promoted important U.S. national interests and strategic goals in North Central and South Central Europe. Indeed, many SEED-funded programs have provided excellent role models and experienced personnel as we set up similar programs in Afghanistan and Iraq.

With the graduation of the northern tier countries, the SEED program has shifted its focus southward. This region could still pull in our allies and ultimately the United States to uphold vital interests, as the past conflicts in Bosnia-Herzegovina (Bosnia) and Kosovo and more recent insurgencies in southern Serbia and Macedonia demonstrated. SEED assistance provides a defense. It funds important peace implementation programs that have laid the foundation for longer-term development through the rise of democratic institutions and market economies. It also supports the region in its drive for integration in Euro-Atlantic institutions, as witness the historic November 2002 invitation to seven more SEED-recipient countries to join NATO, and the December 2002 invitation to eight to join the European Union.

To facilitate continued reform and transition in Southeastern Europe, SEED assistance supports innovative models, technical assistance, and training. SEED funding fosters civil security and rule of law in these transitional societies, increases adherence to democratic practices and respect for human rights, and promotes broad-based economic growth. Many in the region have made important progress toward achieving the objectives of the SEED program: development of democratic institutions and political pluralism and of free market economic systems. All the recipients are now democracies, and all are experiencing economic growth. Extensive SEED investments during recent years have successfully helped the region overcome crises, so that in fiscal year 2004 we can continue to reduce the overall request while maintaining the momentum of the reforms underway. The Department's fiscal year 2004 budget request shifts \$10 million in funding for educational and cultural exchanges to support the above efforts from the SEED account to the Educational & Cultural Exchange account under the Commerce-Justice-State portion of the budget.

AGAINST STONINGS

Question. Here in the Senate I have sponsored a resolution, Senate Concurrent Resolution 26, against executions by stoning. If passed, it would simply ask you to work with the international community to promote international standards of human rights and to encourage the repeal of laws permitting stoning.

Will the State Department devote attention to this egregious violation of human rights, which affects women so disproportionately? What can our diplomacy do to encourage the Nigerian government to save Amina Lawal and other women who may be sentenced to death by stoning in parts of Nigeria where shari'a law is in effect?

Answer. Thank you for this important question. I can assure you that we are devoting attention to this issue, which as you say, affects women disproportionately. Stoning is an exceptionally cruel form of punishment that violates internationally accepted human rights standards and norms.

We are closely monitoring the case of Ms. Lawal, and those of other Nigerian men and women facing similarly harsh sentences. We have repeatedly told the Government of Nigeria that it must adhere to its commitments under the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights, both of which ban cruel and unusual punishments and prohibits death sentences in all but the most severe crimes.

The good news to date is that Nigeria's Minister of State for Foreign Affairs has said repeatedly that there is "no way" a stoning sentence would be carried out in Nigeria. He has given public assurances that the Supreme Court would "supersede" the Shari'a system if necessary to stop the execution of a stoning sentence. Also, in his last National Day address on October 1, Nigerian President Obasanjo noted that no stoning sentence has ever been carried out in Nigeria. He told the Nigerian people that none ever would. And, Nigeria's Attorney General has said that harsh Shari'a punishments violate Nigeria's Constitution and international commitments.

That said, DRL is monitoring these cases closely because there has not been a final resolution in Nigeria to the Lawal case, and stoning has not been banned. The Nigerian constitution does not provide for federal intervention in cases active in state courts; only through the appeals process will federal issues of the constitutionality of harsh Shari'a sentences be aired.

Please know that we will do what we can to help Amina Lawal and others facing this fate, and to encourage an end to this cruel practice.

WMD THREATS OUTSIDE THE FSU

Question. The threat of weapons of mass destruction is perhaps the greatest concern in our war against terrorism and was a major reason for our incursion into Iraq. However, our nonproliferation efforts to date against biological and chemical weapons, as well as nuclear devices, have been limited to the countries of the former Soviet Union. Last year an effort to expand the authorization of Nunn-Lugar legislation was scuttled in the House.

Is the State Department working with the Departments of Defense and Energy to obtain authorization to expand our counter-proliferation efforts to include countries beyond the states of the former Soviet Union? How successful and sustained have our nonproliferation efforts been and what are the obstacles to such expansion and fully effective implementation?

Answer. The Nunn-Lugar "Cooperative Threat Reduction" (CTR) Program is only one part of U.S. nonproliferation activities. While CTR is currently limited by law to the states of the former Soviet Union (FSU), the Departments of State and Energy have nonproliferation program authorities to operate globally and are doing so. In addition to these authorities, the President has requested for fiscal year 2004 that the Congress give him authority to use up to \$50 million in CTR funds outside the FSU. Although almost all the countries in the world have become parties to the Nuclear Non-Proliferation Treaty, and a large majority have adhered to the Chemical Weapons Convention and Biological Weapons Convention, we face significant nonproliferation problems. But while the news has been grim from South Asia, Iran, North Korea and, until recently, Iraq, we have also achieved important successes.

Beyond the FSU, the State Department runs two important global programs. One is the Nonproliferation and Disarmament Fund (NDF), which tackles tough, urgent problems, such as the removal of highly enriched uranium from Vinca, Serbia to safe storage in Russia, and destruction of WMD-capable missiles in Eastern Europe. The NDF also has developed and deployed an automated system, "Tracker," that already enables nine countries and 63 ministries to inventory and account for weapons-sensitive exports/imports, and its use is expanding. NDF is working towards building an international consortium to support Tracker.

Second, our Export Control and Related Border Security Assistance Program (EXBS) runs programs in 35 countries, aiming to help our partners control the flow of dangerous technologies and materials in the most dangerous parts of the world. Our EXBS Program draws on expertise from a number of agencies, and coordinates closely with efforts by the Departments of Energy and Defense to strengthen other countries' controls on transfers of WMD and missile-relevant technologies.

We have important partnerships with key governments to prevent the spread of these technologies, through the Missile Technology Control Regime (MTCR), the Australia Group (AG) for chemical and biological weapons technologies, the Nuclear Suppliers Group and the Zangger Committee for nuclear transfers, and the Wassenaar Arrangement for sensitive weapons technologies (including shoulder-fired anti-aircraft missile systems, MANPADS). We are constantly working to make these nonproliferation regimes more effective.

Another important partnership is with the International Atomic Energy Agency (IAEA), whose safeguards program aims to ensure that civilian nuclear facilities remain civilian, and provides critical assurance that nuclear material in civil nuclear programs is not misused for non-peaceful purposes and that covert nuclear activities are not being pursued. We are prepared to back tough safeguards with increased funding.

At the same time, we must continue to focus significant effort on the still sizable residual stocks of dangerous materials from the massive WMD establishment of the former Soviet Union. The Administration has accelerated funding for a number of projects. The Departments of Energy, Defense and State have collaborated under the CTR and other authorities to improve security at Russian storage facilities, to consolidate stored fissile materials, to stop new production and to purchase or downblend nuclear material from former nuclear weapons to reduce supply. The State Department provides the diplomatic lead for several threat reduction programs of the Defense and Energy Departments. We are also responsible for the U.S. Government's involvement in the International Science Centers in Russia and Ukraine, which employ former Soviet weapons scientists in peaceful, commercial projects—to reduce the temptation for those scientists to hire themselves out to proliferators.

Question. Student Visas and security.—In the aftermath of 9/11, we have significantly tightened security procedures for people visiting our country for temporary purposes. At the same time, we must strike a balance that will allow free travel and exchange of visits which are so characteristic of American society. With regard to the issuance of visas for foreign students, I have found the need for better coordination between the Department of State and the new Department of Homeland Security. Since February of this year, men from certain high-risk mid-East countries who fail to register their departure will find their student visas canceled. However, Homeland Security has not yet proposed any method for reviewing or waiving the ineligibility of those put into the NSEERS automated system for such violations. I hope you will work with Secretary Tom Ridge to remedy this apparent blind spot in our visa adjudication process.

Answer. The DHS NSEERS regulations, 8 CFR 264.1(f)(8), state that if an alien fails to fulfill the departure control requirements upon leaving the United States, he or she will thereafter be presumed ineligible under section 212(a)(3)(a)(ii) of the Immigration and Nationality Act for admission to the United States. In an INS [DHS] memorandum of December 20, 2002, the agency provided field guidance relating to returning NSEERS violators citing factors that can be used at the Port of Entry to allow applicants to overcome this regulatory presumption of ineligibility. With DHS concurrence, the State Department provided subsequent guidance to all Embassies and Consulates transmitting these factors to consular officers to use in determining whether NSEERS violators can be issued visas. The instructions to posts stated that Consular Officers “can issue visas to aliens entered into lookout as NSEERS violators, provided that the applicant can demonstrate good cause for the violation and/or reasonable assurances that the applicant will comply with these requirements in the future.” The instructions further stated that “Although Conoff cannot guarantee any applicant that this procedure will ensure an applicant with NSEERS violations will be admitted to the United States, these procedures are consistent with the DHS guidelines and should in most cases be sufficient to allow the alien to be admitted to the United States.”

Question. Do you believe that we are dedicating enough to the Foreign Operations budget to effectively carry out our national diplomatic goals?

Answer. Yes. The requested fiscal year 2004 Foreign Operations budget that funds programs for the Department of State, USAID, and other foreign affairs agencies is \$18.8 billion. This represents a 16 percent increase over the fiscal year 2003 funding level and does not include the fiscal year 2003 emergency wartime supplemental of \$7.5 billion.

Today, our number one priority is to fight and win the global war on terrorism. President Bush recently identified the battle of Iraq as a part of this larger war. The budget furthers this goal by providing economic, military, and democracy assistance to key foreign partners and allies, including \$4.7 billion to countries that have joined us in the war on terrorism.

The budget also promotes international peace and prosperity by launching the most innovative approach to U.S. foreign assistance in more than forty years. The new Millennium Challenge Account (MCA), an independent government corporation will redefine "aid." As President Bush told African leaders meeting in Mauritius recently, this aid will go to "nations that encourage economic freedom, root out corruption, and respect the rights of their people."

Moreover, this budget offers hope and a helping hand to countries facing health catastrophes, poverty and despair, and humanitarian disasters. Such funding will combat the global HIV/AIDS epidemic, meet the needs of refugees and internally displaced persons, and provide emergency food assistance to support dire famine needs. In addition, the budget includes a new proposal to enable swift responses to complex foreign crises.

SUBCOMMITTEE RECESS

Senator McCONNELL. Thank you all very much. The subcommittee will stand in recess to reconvene at 2 p.m., Thursday, June 5, in room SD-192. At that time we will hear testimony from the Honorable Andrew S. Natsios, Administrator, Agency for International Development.

[Whereupon, at 3:06 p.m., Wednesday, April 30, the subcommittee was recessed, to reconvene at 2 p.m., Thursday, June 5.]