

AN IRAQ UPDATE

HEARING

BEFORE THE

COMMITTEE ON FOREIGN RELATIONS UNITED STATES SENATE

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SECOND SESSION

THURSDAY, JULY 13, 2006

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AN IRAQ UPDATE

THURSDAY, JULY 13, 2006

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

The committee met, pursuant to notice, at 9:32 a.m., in room 419, Dirksen Senate Office Building, Hon. Richard Lugar (chairman of the committee) presiding.

Present: Senators Lugar, Hagel, Chafee, Coleman, Alexander, Sununu, Martinez, Biden, Sarbanes, Dodd, Kerry, Feingold, Boxer, Nelson, and Obama.

OPENING STATEMENT OF HON. RICHARD G. LUGAR, U.S. SENATOR FROM INDIANA

The CHAIRMAN. This hearing of the Senate Foreign Relations Committee is called to order. The committee meets today to review the situation in Iraq. We welcome our Ambassador, Zalmay Khalilzad, who has been on the job in Baghdad for just over a year. Ambassador, we are grateful to have you back today, safe and sound. We look forward to your update. As some of my colleagues are aware, you planned three other trips home during the last several months and graciously offered to testify each time before our committee. The events in Iraq, including critical efforts to name a Prime Minister and to finalize the Iraqi Government, required your presence in Baghdad. We are heartened that you have finally been rewarded with a break and that you are willing to share a part of that with us. We also appreciate the dedication of your Embassy team, which has worked under very, very challenging circumstances. Your efforts have contributed to several breakthroughs in forming a government that have opened new avenues for progress. The Iraqi Government under Prime Minister Maliki is inclusive and broadly representative. Significantly, it was approved by a vote of 95 percent in the Council of Representatives. Its diversity improves the prospects that the political and sectarian divisions that have cut violently into Iraqi society can be overcome to institutionalize a functional government. But the people of Iraq desperately need their government to deliver tangible benefits. The government must begin to show progress in solving the vexing security situation that has produced daily violence, including ethnic killings and suicide bombings. The government must have a strategy for dealing with militias that are responsible for much of the ethnic violence. We are interested in your views on the condition of the Iraqi security forces and whether they can become a reliable force for stability. Beyond disbanding the militias, the government

must build a Ministry of the Interior, a judiciary, and other civil institutions that are respected and capable of protecting the rule of law. The government also must establish effective institutions to fight corruption and create conditions that enable the economy to flourish. These include reliable electricity, communications and transportation, unambiguous commercial and investment laws, and the beginnings of a social safety net. The vast potential of the Iraqi economy is reflected by its growth during the past 2 years, despite the violence. The Oil Ministry reported another ray of hope in late June as production raised about 2.5 million barrels of oil a day, its highest level since the war began. Notably, 300,000 barrels were being pumped from the northern city of Kirkuk to Turkey.

Prime Minister Maliki has made progress in building ethnic and regional relationships that may contribute to stability. I was encouraged by his travels to Basra, where he saw firsthand the flaring violence, his engagement of the Kurdish Regional Government in their own territory, and his instructions to his ministers that they must not simply sit in the Green Zone. This week, he embarked on a trip to Saudi Arabia and other Persian Gulf States to gather support for a reconciliation initiative intended to bridge the gap between Shiites and Sunni Arabs. A preparatory meeting for an international compact on financial support for Iraq is scheduled to occur in Baghdad on July 20. We are interested to hear from you on the prospects for such a compact that might arise and what it might mean for stability in Iraq.

At the heart of efforts to bring security to Iraq and end sectarian violence is Prime Minister Maliki's 24-point National Reconciliation Plan. This plan is aimed at creating among Iraqis of all ethnicities a stake in being Iraqi. It encompasses the decommissioning and the reintegration of militias, the release of detainees who have not been charged, an effort to bring those willing to abandon violence into the political process, the reevaluation of security activities in the peaceful provinces, an appeal to regional governments to cease their support of the insurgency, and assurances to Sunnis and all minority groups that they will have a significant role in society. We are eager for your assessment of whether such a reconciliation plan can be implemented. If Prime Minister Maliki can bring enough groups on board, can a reconciliation plan reduce violence, stabilize the economy, and solidify the position of the government? What is the United States doing to support this effort?

Ambassador, we welcome you back to the committee. We look forward to our discussion with you this morning. As Senator Biden arrives, I will recognize him as appropriate for his opening statement, but we are most eager to hear from you. I would say to members of the committee, we are all cognizant of the work on the floor on behalf of the Homeland Security appropriations bill, which the leadership has indicated will be completed today, involving rollcall votes continuously throughout the day and maybe even interrupting our hearing. We ask for your indulgence, Ambassador, as we come and go, as may be necessary, but we will try to accommodate the questions of all Senators in due course. It will be the Chair's hope to conclude the hearing by noon so that you have some idea of your time requirements, as well as those of Senators.

I now call upon you for your testimony. Your full statement will be a part of the record—wait just a moment.

The distinguished ranking member has arrived just at the right time and he is recognized for his opening statement.

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

Senator BIDEN. Mr. Ambassador, it is a pleasure to see you. I was waiting for you in Baghdad. I was in the wrong venue. Thank you very, very much for being here and let me begin by saying, publicly, what an incredible job I think you are doing. I think you are, in my experience, one of the most gifted diplomats I have ever worked with and in the most difficult circumstance, actually, the two most difficult circumstances, Afghanistan and Iraq. I want to thank you and I am sure if Senator Jack Reed were here, he would—he probably already has extended his thanks to you and to your staff in Baghdad. We put a heavy burden on them and they got us in and out of Basra and Fallujah and Baghdad and I know you know better than anyone that that is not an easy task for them and I just want to publicly thank you and your first rate staff that is there.

I might point out, which everyone already knows, but these are civilians who were there at some considerable risk and I think we should recognize not only their significant professional input in terms of the diplomacy and foreign policy, just of personal courage and I want to acknowledge that.

We are fortunate, as I indicated, to have you and your staff in Baghdad and I would like to, Mr. Ambassador, talk to you about what it seems to be, for me, parallel realities. If you spend time as you have more than anyone, with our military and your staff, you can't help but come out of Iraq other than impressed with the job both the military and the State Department personnel are doing under very difficult circumstances. But for all the achievements, the larger reality is this, in my impression: That Iraq and the success of our mission there remains a prisoner of a terrible and growing violence and a lack of a sufficient plan—coordinated plan with the new government, as well—to stop it. I still don't see a clear strategy for victory in Iraq. I do see a strategy for preventing things from outright defeat but I don't—I did not come away with a clear strategy for victory.

As you have acknowledged, sectarian violence has trumped the insurgency and foreign terrorists as the main security threat in Iraq, although clearly—clearly the insurgency is a significant problem and it is spiraling in Baghdad in spite of the much publicized operations to secure the city with more than 50,000 forces. It seems to me that there are three overwhelming problems that feed the violence: First, the absence of a political settlement that gets the Sunni buy-in and a commitment from major groups to pursue their interests peacefully. Second, the absence of a governing capacity to deliver basic services to the Iraqi people, and third—and by the way, I mean as part of that, I mean the civilian agencies, the Ministry of Education, the Ministry of Agriculture, the Ministry of Justice, et cetera—and third, a significant unemployment problem that

is swelling the ranks of the militia, the insurgency, and criminal gangs.

In speaking to some of our flag officers there, several of them pointed to the fact—one actually used the phrase, “Senator, if you want me to be able to deal with the militias that have actually increased in their numbers since the election last December, get the Department of Agriculture working.” He said this used to be the breadbasket of the entire Middle East. If you could get that up and moving, he said, that would take care of the militia more than any single other thing that could happen, this in the opinion of one general. So, Mr. Ambassador, I know you know this better than we do but if we don’t make these challenges, I think we risk having traded a maniacal dictator for some chaos.

Let me say a few words about each one of these things. First, the actions of a political solution, the Sunni insurgence, in my view, won’t stand down and the Shia militia violence won’t stop and so how do we cut that Gordian knot? I know you recognize the centrality of a political solution. Last year, you pulled, I believe, a rabbit out of the hat. You were kind enough to put up with me being there as well, back in December. I remember vividly—vividly—and coming back, telling everyone who would listen, that your—I didn’t know how you did it but in the last couple weeks before that constitution was put out there, you essentially got an amendment to the constitution, saying this is open for further negotiation. I won’t go through the detail that you know better than I: Four months after the Parliament meets, that there is a committee about so and so forth. But you—I think that is the reason why there was such Sunni participation and I think that agreement averted a crisis.

But now, I’m told by a number of people that we are not any longer pushing the Iraqis to follow through with amendments, that somehow—I’m not mentioning anyone in particular and Senator Reed found the same experience—speaking to a number of people on the ground in Iraq last weekend. When I’d raise the amendment process, they said, well look, this is kind of—you know, maybe we should put that off, down the road. We’re going to move this further down. And from my perspective and I would like you to speak to that, I think that is a gigantic mistake. Maybe I’m wrong but I think it is a big mistake. Whether by amendment or some other mechanisms, the Shia-led government, it seems to me, have to take significant steps beyond ministries to get Sunni buy-in. In particular, I think they have to guarantee some form or another, some share of the single biggest resource that country has, is oil. In addition, the government has to be willing, I think, to move against a Shia militia with the same intensity that it moves against the Sunni-based insurgency.

After meeting with Prime Minister Maliki, I’m not sure—and again, you know him better than I do—he is an impressive man. But I came away not all assured. You know—you have been with me in those meetings. I’m very straightforward and he was very receptive to my being straightforward but the answers I got raised two possibilities with me. Either, one, he was so constrained by trying to keep together his Shia constituency, which is somewhat disparate, as we spoke to the Brits down in Basra. They said, “Look, there is not an insurgence here, there is a competition among Shia

who is going to be in charge when everybody leaves.” So I don’t know whether it’s that or whether a lack of desire on his part—I think he is more committed to dealing with demobilizing the militia than he is to getting Sunni buy-in. Maliki has contended with, as I said, the politics of the Shia coalition. If he gives up too much of the Sunnis or moves too harshly against the Shia militia, I think he risked losing support of his coalition. I would like you to speak to that at some point.

It seems to me, Mr. Ambassador, we need to keep up pressure to bring the Sunnis in, to keep the militia out, which will marginalize Sunni insurgents. But we shouldn’t be the only ones doing it because our influence is a diminishing asset. That’s why I think it is so urgent to get the international community and Iraqi’s neighbors in on this deal. I don’t see any plan beyond the so-called compact, which I’m anxious to hear you talk about because that has real promise. I know you’ve been pushing it for some time, the need to expand conversation. Now, maybe you’ve had full, unfettered support from all elements of the administration but my observation—and I want you to speak to that—but my observation is you haven’t. So I’m anxious to hear that.

The second challenge is the governing capacity and really the part that I’m focusing on more than I have in the past. If a government can’t do basic things like turn on the lights, provide clean water, make payroll, supply and sustain the army, then it seems to me, we’ll be leaving behind as we leave, a failing state. It seems to me we need this massive civilian effort to build Iraqi Government like the effort our military is making to train and build a capacity of the security forces in other ministries. We have that need. We need a massive effort. With your staff at the Embassy, they indicate there is such a plan. They indicate that there is such a plan. They indicate that there are clear tactics, targets, and benchmarks. I’m anxious—if you’re not prepared to do it now, at some point, you share with us those actual documents, those actual game plans, which I’m told exist.

After his visit, the President talked about sending some of the Cabinet Secretaries to Iraq and this is encouraging, even if it is 3 years down the road. He would go to State and AID, Agriculture, Commerce, HHS, and so forth and brought all the employees together and personally made an appeal. Personally make an appeal. As patriotic Americans, they know how difficult this is but ask for significant volunteers from our agencies to go into what I think are desperate agencies—one senior official, Mr. Ambassador,—said, “I’ll never complain about bureaucracy again.” He said, “I wish there was one here. I wish there was somebody to deal with.” So even as we start to drawdown our military forces, we have to make a massive civilian effort and if we don’t, I see two things: Complete chaos or the emergence of a military strongman as the training of an Iraqi Army outpaces the civilian reconstruction and out of frustration, the military takes things over. The third challenge is the massive unemployment. So that we can get to the Ambassador’s statement, I will put the rest of my statement into the record, but this issue is very, very important.

I’ll just give one example so my colleagues know what I’m talking about and I know they know as much about this as I do and maybe

more but meeting with the No. 2 military man in Iraq, he talked about the situation in Baghdad and around and near Sadr City and he said, "Look, we've built this great water treatment facility." He said, "It's the largest water fountain in the Middle East," meaning that folks can take their buckets and they can go and get the water and he raised the question about why—were we going to be able to get the water from this facility into the homes? And he said, the question was raised whether or not you bring in a large outfit with backhoes and engineers and bulldozers and do it and he said—and don't hold me to this. You'd know the number better than I but I can't remember whether he said 3,000 or 4,000. He said, "Let me have 3,000 or 4,000 Iraqis I can hire to dig ditches, to lay the pipe, to move this," he said, "that will help me more in terms of violence and insurgency in that part of that community than if you, in fact, give me more trainers over here." So there is a lot to talk about, Mr. Ambassador, no one better to talk about it than you and—excuse me one second.

Mr. Ambassador, I want to—I'm going to probably ruin his career but I want to particularly compliment you on Clarke Cooper. I don't know whether everybody knows him. He is a guy that leaves the embassy, gets in those helicopters on these CODELS and sits next to the guy with the nine millimeter machine gun and goes on every one of these, at least every time I've been there in the recent past. He is incredibly knowledgeable, he is one of the kind of guys I like at State and you don't often get and as you ask him a question, you get an answer. So I'm sure my colleagues have visited and all of us have, share my view but I see him in the audience there and I want to publicly compliment him. He has—does a first rate job, besides speaking the language, which is a nice thing to have a guy along who can do that.

Anyway, thank you very much, Mr. Chairman. Thank you, Mr. Ambassador, I'm anxious to hear from you.

[The prepared statement of Senator Biden follows:]

PREPARED STATEMENT OF HON. JOSEPH R. BIDEN, JR., U.S. SENATOR FROM
DELAWARE

Mr. Ambassador, welcome. I'm sorry that Senator Jack Reed and I didn't have a chance to see you in Baghdad last week. I look forward to catching up today.

We are fortunate to have someone of your caliber in Baghdad. I can't think of anyone better for such a consequential job. And your civilian team and our men and women in uniform deserve our gratitude for their courage and commitment.

Mr. Ambassador, it seems to me that there are two parallel realities in Iraq right now. If you spend time with our military and with your staff, you can't help but be impressed with the job they're doing, under very difficult conditions. But for all their achievements, the larger reality is this is my impression: Iraq—and the success of our mission there—remains a prisoner to terrible and growing violence and the lack of a plan to stop it. I still do not see a clear strategy for victory in Iraq—I see a strategy to prevent outright defeat.

As you've acknowledged, sectarian violence has trumped the insurgency and foreign terrorists as the main security threat in Iraq. It is spiraling in Baghdad in spite of a much-publicized operation to secure the city with more than 50,000 forces.

Three overwhelming problems feed the violence.

First, the absence of a political settlement that gets Sunni buy-in and a commitment from the major groups to pursue their interests peacefully.

Second, the absence of any governing capacity in the civilian agencies to deliver basic services to the Iraqi people.

And third, mass unemployment which is swelling the ranks of the militias, the insurgency, and criminal gangs.

If we do not meet these challenges, we risk trading a dictator for chaos.

Let me say a few words about each one.

First, in the absence of a political solution, the Sunni insurgents won't stand down and the Shiite militia violence won't stop. We have to cut this Gordian knot.

I know you recognize the centrality of a political solution. Last year, you pulled a rabbit out of a hat by engineering an agreement to allow the Constitution to be amended. That agreement averted a crisis and ensured Sunni participation in December's elections.

But now I'm told we are no longer pushing the Iraqis to follow through with amendments. That's a big mistake. Whether by amendment or some other mechanism, the Shia-led government has to take significant steps beyond giving them ministries to bring the Sunnis in. In particular, they must guarantee Sunnis a share of oil revenues. In addition, the government has to be willing to move against the Shia militia with the same intensity that it moves against the Sunni-based insurgency.

After meeting with Prime Minister Maliki—and he's an impressive man—I'm not sure about the government's ability or willingness to amend the Constitution or to effectively demobilize the militias.

Maliki has to contend with the politics of the Shia coalition. If he gives up too much to the Sunnis, or if he moves too harshly against the Shia militia, he risks losing the support of his coalition.

We need to keep up the pressure to bring the Sunnis in and keep the militia out, which will marginalize the Sunni insurgents. But we shouldn't be the only ones doing it because our influence is a diminishing asset. That's why it is so urgent we work the international community and Iraq's neighbors into the effort. I see no plan to do that, beyond the so-called "compact" which is limited to getting others to put more money into Iraq.

The second challenge is governing capacity. If the government can't do basic things—like turn on the lights, provide clean water, make payrolls, or supply and sustain the army—then we'll leave behind a failing state when our troops come home.

We need a massive civilian effort to build the Iraqi Government, like the effort our military is making to train and build the capacity of the security forces and ministries. Your staff at the Embassy indicate there is such a plan—with clear tactics, targets, and benchmarks. If so, you should share it with us.

After his visit, the President talked about sending some of his Cabinet Secretaries to Iraq. This is encouraging, even if it's 3 years down the road.

But I wish he had gone himself to each of our key agencies—State, AID, Agriculture, Commerce, HHS, and so forth—and brought their employees together and personally made an appeal to them to go to Iraq to help Iraq's ministries get up to speed.

Even as we start to draw down our military forces, we have to make this massive civilian effort. If we don't, we will see one of two things: Complete chaos or the emergence of a military strongman as the training of the Iraqi Army outpaces civilian reconstruction and, out of frustration, the military takes over everything.

The third challenge is massive unemployment. Angry young men are joining criminal gangs, insurgent groups, and militia at an alarming rate for one simple reason—they get paid.

We need specific plans to generate employment and give young men an alternative. The military has proposed solutions like investing in the agricultural sector, which can soak up lots of the unemployed. But the military can't do this alone.

The President's budget for civilian reconstruction is dropping precipitously. Foreign donors are not making good on old pledges or making new ones. Even with oil prices up, the resources aren't there to create jobs.

Mr. Ambassador, our generals made clear that we will begin leaving Iraq this year. But as we leave Iraq, it is very important what we leave behind. A few months back, I offered a comprehensive plan for a political settlement in Iraq and to overcome these fundamental challenges.

Whether what I proposed was right or wrong isn't the issue. What is the issue is the lack of a strategy for success in Iraq. The President owes that to our soldiers and their families, to the Iraqis, and to the American people.

The CHAIRMAN. Thank you, Senator Biden, and let me just say that I, for one, appreciate this Senator's indefatigable interest in the country. I think he has a room over there. I admire your stamina and your courage. I will call now upon our Ambassador. Your statement will be made part of the record in full but please do not

feel inhibited. This is your time, and we want to hear from you. Then we will have questions from our Senators. Please proceed.

**STATEMENT OF THE HON. ZALMAY KHALILZAD, AMBASSADOR
TO IRAQ, DEPARTMENT OF STATE, WASHINGTON, DC**

Ambassador KHALILZAD. Mr. Chairman, Senator Biden, and distinguished members, I welcome this opportunity to share my assessment of the situation in Iraq and my thoughts on the way ahead. I have seen many of you in Baghdad and I want to thank you for your visit and your interest in achieving a good outcome in Iraq. Your visit also means support for the many courageous Americans who serve in both military and civilian posts in Iraq. I appreciate, Mr. Chairman, your comments and Senator Biden, your comments about the Americans who serve in Iraq. I will be brief in my opening remarks and I look forward to exchanging views with you in the remaining time.

I'll begin by giving my bottom-line assessment. Americans should be strategically optimistic about Iraq, even as the continuing difficulties in Iraq will require tactical patience. The challenges of curbing sectarian violence or defeating terrorism are difficult and will require the full commitment of the Iraqi Government and the coalition to resolve. And it will take time. However, the political progress that has been made in Iraq has created opportunities and has put Iraq on the right trajectory. The balance sheet in terms of key developments during the past year has many positives, as well as some new and continuing causes for concern. The positive developments, which give the Iraqi Government and friends of Iraq real hope, create opportunities going forward to improve the situation in Iraq.

They include a tectonic shift that has taken place in the political orientation of the Sunni Arab community. The Sunni Arabs who boycotted the January 2005 elections have largely participated in the political process with representation in the National Assembly and the government proportional to their share of the population. Shia Arabs, who have been the principle target of sustained attacks by terrorists, have exercised enormous restraint, even as some extremist Shia groups have opted for sectarian retaliation. Kurdish leaders remain committed to a future as part of Iraq and have played constructive roles in shaping a cross-ethnic and cross-sectarian government. Iraqi leaders succeeded in forming Iraq's first ever government of national unity, with nonsectarian security ministers, agreements on rules for decisionmaking on critical issues and on the structure of institutions of the executive branch and a broadly agreed-upon program. All elements of the Government of National Unity have endorsed Prime Minister Maliki's National Reconciliation and Dialogue Project, which is designed to address the fundamental issues dividing Iraqis and to induce elements of the armed opposition to lay down their arms and join the political process. A divide has opened up between the Iraqi Sunni Arab insurgency and al-Qaeda and irreconcilable elements, as evidenced by the fact that some insurgent groups have offered to provide intelligence or to conduct operations against the terrorists. Key regional countries, as well as the international community, have reassessed their perspectives on the future if Iraq, with more and more coming

to the view that the new government will succeed and opting to increase their nonmilitary involvement in Iraq.

At the same time, several challenges to Iraq's new government persist or have become more severe and will require adjustments and new efforts to resolve. Terrorists have adapted by exploiting Iraq's sectarian faultlines, and sectarian violence has now become the significant challenge to Iraq's future. The security situation in Baghdad remains extremely difficult as the capital has become the focal point of terrorist and sectarian violence. A few countries, particularly Syria and Iran, continue to engage in actions to destabilize Iraq, providing sanctuary, training, arms, and financing to the extremists fighting the new Iraqi Government.

In light of these developments, we are adjusting our strategy and policies. The central focus now is to stem sectarian violence, both by political and security measures, even as we continue other efforts to stabilize the country and get Iraq to stand on its own feet as soon as possible by taking increasing responsibility for its own security.

First, we are working with Iraqi leaders to enhance unity and to take political measures to defuse sectarian violence. Iraqi leaders will soon begin to work on developing consensus approaches to several key issues arising out of the new Constitution, including consideration of amendments under a fast-track process, enactment of legislation on the development of Iraq's oil and gas resources and a review of the de-Baathification Commission. In addition, Prime Minister Maliki's National Reconciliation and Dialogue Project will seek to capitalize on the expressions of interest among many insurgent groups to reconcile with the new government and join in a common fight against those who persist in terrorist actions.

Second, we are working with the Iraqi Government to improve the effectiveness of the Iraqi security forces and to adopt security measures to curb sectarian violence. Building on the successes in standing up Iraqi forces, the Iraqi Government and the coalition will implement plans to accelerate the upgrading of Iraqi combat and support capabilities. Prime Minister Maliki, as well as Minister of Interior Boulani, has made a top priority of reforming the Ministry of Interior, including the purging of sectarian forces in the police. Iraqi leaders, with coalition support, are developing a program to demobilize, decommission, and reintegrate foreign militia and other unauthorized military formations. The Iraqi Government and the coalition will take advantage of the reconciliation process to widen the division between Sunni Arab insurgents and al-Qaeda. The Iraqi Government and the coalition are also carrying out a series of focused stabilization operations that will target sectarian militants and develop enduring security in major cities, starting with Baghdad.

Third, we are supporting the Iraqi Government's new effort to increase regional and international political and economic support. The new contacts and cooperation between Iraq and key regional countries, such as Saudi Arabia, the United Arab Emirates, and Kuwait are encouraging. Iraq's neighbors and the international community can do more to help the Iraqi people, and we will work actively to ensure the success of Iraqi efforts, in cooperation with the United Nations, to develop an International Compact, which

will commit Iraq to key reforms in exchange for assistance needed to complete Iraq's transition to a free-market democracy. At the same time, we will work with the Iraqi Government to end the destabilizing policies of Iran and Syria.

Fourth, we are implementing programs to help Iraqis improve governance from top down and bottom up. Ministry advisory teams have been deployed to 10 key ministries. Five provincial reconstruction teams have been deployed and are engaged in efforts to improve local governance and jump-start economic development in provinces.

Fifth, as these political, security, and diplomatic actions are pursued, we will support the new Iraqi Government's strategy to realize the country's enormous economic potential. Prime Minister Maliki and Deputy Prime Minister Saleh have the right priorities, as explained yesterday in the speech to the National Assembly by the Prime Minister. They are prepared to move forward with the difficult actions—for example, curbing subsidies and fighting corruption that are essential to success. The United States and other friends of Iraq will help Iraq's new leaders deliver results.

In closing, I want to emphasize that despite the present difficulties, a path exists to success in Iraq. Moreover, the success of Iraq is critical to the evolution of the Middle East. Most of the world's security problems emanate from the region from Morocco to Pakistan and shaping its evolution has become the defining challenge of our time. The struggle for the future of Iraq is vital to the future of the world. If Iraqis work together against terrorism and sectarianism, and if we Americans and other friends of Iraq support them, we will succeed.

Thank you, Mr. Chairman.

[The prepared statement of Ambassador Khalilzad follows:]

PREPARED STATEMENT OF HON. ZALMAY KHALILZAD, AMBASSADOR TO IRAQ, STATE DEPARTMENT, WASHINGTON, DC

Mr. Chairman, Senator Biden, and distinguished members, I welcome this opportunity to share my assessment of the situation in Iraq and my thoughts on the way ahead. I have seen many of you in Baghdad, and I want to thank you for traveling to Iraq. Your visits demonstrate your interest in achieving a good outcome in Iraq and your support for the many courageous Americans working in the U.S. mission. I will be brief in my opening remarks, and I look forward to exchanging views with you in the remaining time.

I will begin by giving my bottom-line assessment. Americans should be strategically optimistic about Iraq, even as the continuing difficulties in Iraq will require tactical patience. The challenges of curbing sectarian violence or defeating terrorism are difficult and will require the full commitment of the Iraqi Government and the coalition to resolve. However, the political progress that has been made in Iraq has created opportunities and put Iraq on the right trajectory.

The balance sheet in terms of key developments during the past year has many positives, as well as some new and continuing causes for concern. The positive developments, which give the Iraqi Government and friends of Iraq real hope, create opportunities going forward to improve the situation in Iraq. They include the following:

- A tectonic shift has taken place in the political orientation of the Sunni Arab community. Sunni Arabs, who boycotted the January 2003 election, have largely participated in the political process, with representation in the national assembly proportional to their share of the population.
- Shia Arabs, who have been the principal target of sustained attacks by terrorists, have exercised enormous restraint, even as some extremist Shia groups opted for sectarian retaliation.
- Kurdish leaders remain committed to a future as part of Iraq and have played constructive roles in shaping a cross-ethnic and cross-sectarian government.

- Iraqi leaders succeeded in forming Iraq's first-ever government of national unity, with nonsectarian security ministers, agreements on rules for decision-making on critical issues and on the structure of institutions of the executive branch, and a broadly agreed-upon program.
- All elements of the government of national unity have endorsed Prime Minister Maliki's National Reconciliation and Dialogue Project, which is designed to address the fundamental issues dividing Iraqis and to induce elements of the armed opposition to lay down their arms and join the political process.
- A divide has opened up between the Iraqi Sunni-Arab insurgency and al-Qaeda and irreconcilable elements, as evidenced by the fact that some insurgent groups have offered to provide intelligence or to conduct operations against the terrorists.
- Key regional countries, as well as the international community, have reassessed their perspectives on the future of Iraq, with more and more coming to the view that the new government will succeed and opting to increase their nonmilitary involvement in Iraq.

At the same time, several challenges to Iraq's new government persist or have become more severe and will require adjustments and new efforts to resolve:

- Terrorists have adapted by exploiting Iraq's sectarian faultlines, and sectarian violence has now become the significant challenge to Iraq's future.
- The security situation in Baghdad remains extremely difficult, as the capital has become the focal point of terrorist and sectarian violence.
- A few countries, particularly Syria and Iran, continue to engage in actions to destabilize Iraq, providing sanctuary, training, arms, and financing to the extremists fighting the new Iraqi Government.

In light of these developments, we are adjusting our strategy and policies. The central focus is now to stem sectarian violence, both by political and security measures, even as we continue other efforts to stabilize the country.

First, we are working with Iraqi leaders to enhance unity and to take political measures to defuse sectarian violence. Iraqi leaders will soon begin to work on developing consensus approaches to several key issues arising out of the new Constitution, including consideration of amendments under a fast-track process, enactment of legislation on the development of Iraq's oil and gas resources, and review of de-Baathification. In addition, Prime Minister Maliki's National Reconciliation and Dialogue Project will seek to capitalize on the expressions of interest among many insurgent groups to reconcile with the new government and join in a common fight against those who persist in terrorist actions.

Second, we are working with the Iraqi Government to improve the effectiveness of the Iraqi security forces and to adopt security measures to curb sectarian violence. Building on the successes in building up Iraqi forces, the Iraqi Government and the coalition will implement plans to accelerate the upgrading of Iraqi combat and support capabilities. Prime Minister Maliki, as well as Minister of Interior Boulani, has made a top priority of reforming the Ministry of Interior, including the purging of sectarian forces in the police. Iraqi leaders, with coalition support, are developing a program to demobilize and reintegrate armed militias. The Iraqi Government and the coalition will take advantage of the reconciliation process to widen the divisions between Sunni-Arab insurgents and al-Qaeda. The Iraqi Government and the coalition are carrying out a series of focused stabilization operations that will target sectarian militants and develop enduring security in major cities, starting with Baghdad.

Third, we are supporting the Iraqi Government's new efforts to increase regional and international political and economic support. The new contacts and cooperation between Iraq and key regional countries, such as Saudi Arabia, the United Arab Emirates, and Kuwait are encouraging. Iraq's neighbors and the international community can do more to help the Iraqi people, and we will work actively to ensure the success of Iraqi efforts, in cooperation with the United Nations, to develop an international compact, which will commit Iraq to key reforms in exchange for assistance needed to complete Iraq's transition to free-market democracy. At the same time, we will work with the Iraqi Government to end the destabilizing policies of Syria and Iran.

Fourth, we are implementing programs to help Iraqis improve governance from the top down and the bottom up. Ministry advisory teams have been deployed to 10 key ministries. Five provincial reconstruction teams have been deployed and are engaged in efforts to improve local governance and jump-start economic development in the provinces.

Fifth, as these political, security, and diplomatic actions are pursued, we will support the new Iraqi Government's strategy to realize the country's enormous eco-

conomic potential. Prime Minister Maliki and Deputy Prime Minister Saleh have the right priorities. They are prepared to move forward with the difficult actions—for example, curbing subsidies and fighting corruption that are essential to success. The United States and other friends of Iraq will help Iraq's new leaders deliver results.

In closing, I want to emphasize that despite the present difficult situation, a path exists to success in Iraq. Moreover, the success of Iraq is critical to the evolution of the Middle East. Most of the world's security problems emanate from the region from Morocco to Pakistan, and shaping its evolution has become the defining challenge of our time. The struggle for the future of Iraq is vital to the future of the world. If Iraqis work together against terrorism and sectarianism, and if Americans and other friends of Iraq support them, we will succeed.

The CHAIRMAN. Well, thank you very much, Ambassador. We have good attendance today. In fact, you have brought together a quorum of the committee, right off the bat, which is not easily come by. Let me say that in view of that, we'll have a 7-minute question period and try to move rapidly with our colleagues. I'll begin the questioning by making the comment that I would like for you to respond to. As you are an observer, obviously, of what is going on in Iraq, you also observe what is occurring in America. There is increasing impatience in the public for progress on the part of the Maliki government, specifically, with regard to the priority of disarming the militias, if that is the key to the end of the insurgency. Likewise, there is some question as to whether the United States priorities are being achieved. I would cite among those the rule of law, religious freedom, human rights issues, and the role of women. Now, this is a difficult task for the American Ambassador. My question to you is, How much leverage do you have, or do you feel you have, in bringing about both support for the policies of ending the militia and, more positively, achieving the goals of an Iraqi democracy that embraces some of the objectives that I've mentioned?

Mr. KHALILZAD. Thank you, Mr. Chairman. Of course, the objective is an Iraq that is successful, and Iraq cannot be successful if militias and insurgents are allowed to operate, challenging the rule of law and the government authority. A successful country is one in which there is a monopoly and use of significant force in the hands of the government, in the hands of the state and in Iraq, what we have is with the liberation of Iraq that the existing institutions of the state were destroyed. So, new institutions are being built and we are in a transition in that process. We have state institutions being built: The army and the police. At the same time, power is diffused, military equipment has fallen into the hands of militias and insurgent groups. Because of the increased sectarianism, Mr. Chairman, the militias have become, more and more, forces that protect, or seem to protect, the Shia population in the sectarian conflict and respond to terrorist efforts to exasperate that faultline and the insurgent forces have become more—increasingly as protecting or presenting Sunni Arab interests. This unity government provides the opportunity for credible state institutions to be built and at the same time, for both these nonstate security forces that have emerged because of the difficult transition that I had referred to, that Iraq has been through, to build them down. This will be difficult, getting people who carry weapons to give up those weapons is not easy. It will require political agreement by the leaders of the different communities to that objective and then a plan of implementation that will require that some people as individuals be integrated into the security forces—provided

they meet the criteria—while others will be reintegrated into society and be trained for jobs that are in demand in this new Iraqi economy. That will take time and the resources—there will be a requirement of resources for that reintegration, besides the political will of the Iraqi leaders and part of those resources, I hope, will come through this compact process that I mentioned in my statement and you mentioned, Mr. Chairman.

So, this is going to be a very important issue for the success of Iraq and we will work with the Iraqi Government. I have to tell you, first of all, I can assure you that the people you have in the mission there work closely together. We see ourselves as a single team, good relations with General Casey and others involved. And at the same time, I can assure you that we have very good relations, good working relationship with the Prime Minister in the new government. This is a significant, positive development. I will have the opportunity to engage and to affect things in ways that take our interests into account.

The CHAIRMAN. Mr. Ambassador, do you have a gut feeling, as someone who is as close an observer of anyone I can think of on the scene, that a predominant majority of Iraqis, quite apart from this governmental group, really want to be Iraqis? Is there a sense of being Iraqi among them that gives us some hope that those who are attempting to disrupt that process as Sunnis or Shiites or militias or what have you, finally will be subordinated? And absent that, then are those who predict civil war, or separation of the groups in the country, likely to have the last date? What is your gut feeling as to whether there is this sense of wanting to be Iraqi?

Mr. KHALILZAD. We talked in the previous question, Mr. Chairman, about state-building issues. Here you are raising a fundamental issue with regard to nation-building. Iraq is a nation but it is really a new nation, in the sense that for the first time in the history of Iraq, perhaps, at least in the modern history of Iraq, you have the people of Iraq, the community leaders, engaging with each other about what does it mean to be an Iraqi and how do they relate to each other? In the earlier periods, external imperial powers ruled Iraq. Whether it was the Ottomans or subsequently, the Brits or an internal autocrat, they determined what it meant to be an Iraqi, without full participation of all communities of Iraq. And now, for the first time, all Iraqis are participating in the elections. They have sat across the table with each other, arguing about federalism, arguing about the nature of the state, what powers should be given to what institutions, rules and procedures for decision-making, programs and so on.

So, I think state institutions are being built and a new Iraqi nation also is being born. These processes, as we know from the history of our own country and the history of other old lands in Europe, are not easy. I know that you stated, Mr. Chairman, that the American people are impatient—and they are entitled to be impatient. They want to see results. They want to know that we are heading in the right direction, that we know what we are doing and I certainly appreciate that. But at the same time, I urge that we be patient because the issues that the Iraqis are dealing with are difficult, complicated issues that will take time to resolve and that we need to be agile and adapt and adjust as they move for-

ward. I believe that they are moving in the right direction, but there are also countervailing forces, both internal and regional, that will like this Iraq not to succeed.

So, in a sense, the struggle for the future of the Middle East is being fought in Iraq—we must do everything we can prudently to make sure the outcome is good for Iraqis, good for the region, and certainly good for the American people.

The CHAIRMAN. Thank you very much.

Senator Biden.

Senator BIDEN. Thank you, Mr. Chairman. As you've observed, Mr. Ambassador, there has not been much of a disagreement, if any at all, between me and the chairman on Iraq. I would just like to make two very brief, sort of opening comments, I guess. One is, I think the American people have been incredibly patient. It has been over 3 years. I can't think of another people who are in the world who would likely be as patient as our people have been. They have been, as you know better than anyone, we've expended well over 2,500 lives and thousands of injuries, billions and hundreds of billions of dollars. So I think their patience is—the reason I think their patience is running thin is that they are not sure there is a plan and staying the course. It's not political comment. That phrase doesn't look like, doesn't sound like to them that there is something new here that is going to happen.

And the second generic point that I would make is that back in December, having an opportunity to talk with you after the election, I remember us having a conversation that although the election was democratic, was it sectarian? As you know, the results—you know them better than I—if I'm not mistaken, I think the conclusion, reached a month or so after, was roughly 90-plus percent of the vote was a sectarian-cast vote. So, I must tell you, count me on the skeptic side about whether or not there is a real dialog beyond the leadership about being Iraqis. When I was—my most recent trip, like the last trip, there is increasing discussion that I hear and I'm told that takes place. I'm not speaking to that many Iraqis. As you know, we can't get out of the vehicles and go into the restaurants; we can't go into the shops, because of the situation relating to security. So I don't want to exaggerate on the base of my knowledge. But speaking to people I respect, including the people I most respect after you guys over there, are the press. Our press are there. I mean they are there. They are getting shot at and killed and as you do, I know. I've watched you in Afghanistan. The first people I go to speak to are the seasoned press people. And my impression is that there is a growing identification: I'm Sunni. I'm Shia, as opposed to I'm Iraqi. So count me as a skeptic on that, which leads me to this next point.

You state in your statement that there is a need to get the country, essentially, facilities up and running, provide everything from water to hope, safety, a step outside the front door and not step into sewage in the street, et cetera. One of the things that impressed me negatively was how the void of capacity—not will, not will. I think the Iraqi people have will. I think they are desirous of changing their circumstance and, obviously, they risk and lose their lives in an attempt to do that. But I'm not sure of the extent of the capacity because of four or five decades of them having been

given no authority, really. I'll give you one example. I can't remember what the bug literally is that ruins the date—that can ruin the date trees but there is some virus equivalent to the boll weevil and cotton and speaking to one of our senior officials who are saying they went to the Department of Agriculture and said, you know, you haven't sprayed these date trees in 4 years or 3 years or whatever. They have to be sprayed because this is both a national symbol and a future economic benefit and they're told, well no, the Iraqis have to work this out. Well, the Iraqis didn't know how to work it out. I was told they didn't know how to plan, they didn't know how to acquire the aircraft or helicopters to do it and when they did it, they didn't know how to follow onto it and finally, and maybe this particular military guy is wrong, said finally, we went ahead and sprayed the trees.

Underline the notion that something equivalent to what we have done with our military. We didn't say, let the Iraqis build their military, we brought in our single best military trainers, the best military trainers in the world who have risked their lives to actually go out and train their military. So I ask your folks, what is the plan to do the equivalent of that in training the Department of Agriculture how to get this massive capability up and running? What is the plan to get the Department of Justice actually functioning? For example, after Kosovo—you know, we went into Kosovo, as you know. A matter of fact, my son was one of the people from the Justice Department who went over there to literally teach them how to set up a criminal justice system with trained judges, et cetera and we made a significant investment. A long prelude to a short question. I ask that of your staff and they said, you know, we've changed from the Bremer model, which is we go in and just run the agency, the Ministry of Agriculture, and we have to let the Iraqis do it but we have to be more deft about doing it. I said, well what's the plan? Is there any place where you set priorities? Say look, if I were running the Department of Agriculture, these are the first five things you have to do to get it up and running, et cetera. And they said that they had, for the key ministry, clear tactics, targets, and benchmarks. I asked them—and this is mainly to get this in the record, Mr. Chairman, I asked them, would you provide to the committee those actual documents that you have, which lays out the tactics, targets and benchmarks for each of those civilian agencies. So my question is, Would you speak generally to that right now and would you be willing, Mr. Ambassador, to provide to the chairman and the committee, what specifically—not generically—specifically for each of those civilian agencies, what the plan is? That is my question and my time is up.

Mr. KHALILZAD. Mr. Biden, with regard to your overall observation, as I said and I believe this very strongly, that Iraq is going through a transition. In transition, by definition, there are different elements: Elements of old; elements of new. It is good and bad and mixed. Our role, as I see it, is to strengthen what is good and to contain and weaken things that are bad. Depending on what you look at, you could come to one judgment or the other. There is certainly in the mix, sectarianism, this is a fact and the dominant issue right now. So if you look at that as an issue, certainly it is growing. But at the same time, if you look at the agreement—and

I have sat through hundreds if not more meetings with Iraqi leaders in the process of negotiating, both in regard to the Constitution and with regard to the government formation. I believe that there is—you see the tendency to want to build a new Iraq with the rights of the different communities.

Senator BIDEN. I acknowledge that, Mr. Ambassador.

Mr. KHALILZAD. We see both.

Senator BIDEN. That's what I said, there are two realities. That is one of them. But there is the other reality.

Mr. KHALILZAD. We hope that the reality that I speak of will become dominant and we can contain and reverse the other reality that also exists.

With regard to the capacity of the ministries, it is very important. The model that we have embraced is to help in the short term; to help them do what needs to be done. But at the same time, build institutional capacity for self-reliance because if we do everything for them, there is the question of dependence that will develop in terms of the longer term. The American people, through you, the representatives, have been generous. We have this year about \$150 million for capacity-building; \$60 million of that will be spent in terms of short-term measures, from technical assistance, where they need computers and hardware and so forth, to hiring people that need to do the job when they can't do it, advising them in terms of planning, programming, budgeting, and the capability. We've done an overall assessment of the key ministries to see where the weaknesses are and how to deal with those weaknesses. But we do that through the Ministerial Advisory Team—MATs. Besides the immediate assistance to our MATs, and then the longer term program, which the bulk of our effort will go into—and we think that will take time to build institutional capacity to train Iraqis, building their civil service commission, building other institutions where their government officials will be trained. Due to the methods of Saddam Hussein and then the de-Baathification and the current problems of Iraq, capacity is limited in the ministries. I agree with you. It varies from ministry to ministry but we are—we do have a plan and I'll be glad to—

Senator BIDEN. If you have a plan—if you will indulge me. A plan for institution-building. If I can make a terrible analogy. There are a lot of new candidates for public office in the United States. They know exactly what they think. They are very bright. They know what they want to do.

Mr. KHALILZAD. Right, right.

Senator BIDEN. But they have to bring somebody in to say, by the way, here's what you have to do.

Mr. KHALILZAD. Exactly.

Senator BIDEN. You have to have a plan to go raise money. You have to have a plan to organize within these territories—you have to have a plan—that's the institution-building.

Mr. KHALILZAD. Right.

Senator BIDEN. What is—are we laying out that plan for them, not telling them what to do, how to build an institution?

Mr. KHALILZAD. We are. As I said, this is the responsibility of the Ministry Advisory Team to develop those plans. But at the same

time, institution-building, where Iraqi civil servants could be preened so that they can become self-reliant.

Senator BIDEN. But you'll take on board to us.

Mr. KHALILZAD. I'll take on board your request to submit our plans.

Senator BIDEN. Thank you.

The CHAIRMAN. Thank you very much, Senator Biden.

Senator Hagel.

Senator HAGEL. Mr. Chairman, thank you. Mr. Ambassador, welcome. Thank you for coming. I want to add my appreciation to what has already been noted by the chairman and Senator Biden and their recognition of our Americans who are serving in Iraq, both uniformed and nonmilitary personnel for the kind of work that they are doing, the effort that they are putting forward. You noted, Mr. Ambassador, in your remarks as did Senator Biden, that we have been in Iraq now about 3½ years and on the scale of conflict commitment and all that is part of the efforts that we are making and you talk about strategic vision. That represents longer, I believe, than the Korean war. We are a couple of months away from surpassing the length of World War II. Now the world is more complicated today. I think we recognize that and we do not judge threats and response to threats and challenges based on past conflicts. I recognize that. But as you opened your remarks this morning, Mr. Ambassador, with referencing tactical patience, strategic optimism, I want to go into that in some detail with the time I have and I'm going to ask you the question but I want to ask another question first. What do you mean by strategic optimism? You noted that much of the future of the Middle East is revolving around and is centered in the conflict in Iraq. I think that is certainly a central part. But I would also say that the northern and southern borders of Israel and what is going on there will have something to do with the future of the Middle East, as well as the outcome in Iran. The more bogged down we become—we are now engaged in two land wars—the more options that we take away from our arsenal of diplomacy and resources. You know that. You are a professional. You are the best we have and I really mean that. You know that. I introduced you twice to this committee and I was very proud of that. That isn't the question. The American public, occasionally, I think needs to be reminded that there is a difference, not unlike in Vietnam, when we asked our young men to sacrifice and fight and die in Vietnam. They had nothing to do with the policy. So we can question policy and ask about policy and occasionally, hopefully, put forward a contribution on policy without undermining the effort of our troops and I think occasionally, we need to remind the American public of that. Not only is that our constitutional responsibility here but it is our overall responsibility in government.

Now, you talk about—and I'll quote from your statement, "key regional countries as well as the international community have reassessed their perspectives on the future of Iraq, with more and more coming to the view that the new government will succeed and opting to increase their nonmilitary involvement in Iraq." And you mention it again in your statement. But isn't it true, though, that there has been very little new international assistance provided to

Iraq in the last 6 months? If my numbers are correct and I got these from the State Department, that only \$3.5 billion has been provided out of the \$4.6 billion that has been pledged from the international community. As far as I know, it is still unclear whether the Arab League will host a conference on Iraq. Unless you have something new to talk about on that, this is a followup, as you know, from November 2005 in Cairo. As you know and has said it, as I have said it and we have had discussions about this, there will be no resolution in the Middle East without a regional understanding and a regional resolution. You have just noted that in Iraq and I completely agree. But I'm not encouraged, Mr. Ambassador, with the lack of participation and effort and commitment I see from the neighbors. I also am concerned about—I don't see any effort to bolster or increase in the military as well. The United States continues to carry the burden: The dying, the fighting, the financing. And that really kind of loops me back to your point about strategic optimism. Where is the strategic optimism when we talk about how does that translate into Iraqi governance? We have talked about magnificent progress and contributions that have been made and successes: The Constitution; a freely elected government. How does that translate into day-to-day governance, security, supporting their own country, the corruption problem, our own inspector general's report on this a couple of months ago, the Iraqi inspector general. I understand where you have to be, to a certain extent on this, but if you could answer some of those questions, because we need a clearer understanding of the specifics, of the measurements, Mr. Ambassador, of what you are talking about here.

Thank you.

Mr. KHALILZAD. Thank you, Senator Hagel. I appreciate your statement about me. With regard to strategic optimism that I talked about, my judgment is that the participation of the Sunni Arabs in the political process—they've changed from opposing this change that took place in Iraq, to embracing it and wanting to work with it. It gives me strategic hope that the different communities, the three principle communities of Iraq: The Shia Arab, the Sunni Arab, and Kurds, are now working together to deal with the problems of state- and nation-building that I referred to earlier. That was a necessary step. You couldn't get Iraq on the right trajectory if one of the three principle communities, as it was the case a year ago, opposed it. Now that has changed. It was necessary but it is not sufficient. A lot more has to happen and that's where I was referring to the tactical patience, working through the problems that exist, given this fundamental requirement, which has now been met. It required patience. Now, of course, the question of a timeline that you talked about, Senator Hagel, I believe that the issue, the challenge that we face in this part of the world, which is to encourage this region which has been dysfunctional for a long time, which is the source of many of the security problems, is more analogous in a timeline to dealing with the Soviet threat, in my view, although it is not identical. We're talking about a transformation that will take decades to achieve, not all by military means, clearly, in most cases. In this case, we do have a significant military means as part of it. But the challenge of the broader change that is needed in this region, solving regional problems

such as the one that you talked about with regard to the Arab-Israel problem, talking about the evolution of Iran. It is a great people, a terrific civilization, right now, in a very difficult situation given the policies of the leadership there on some issues as well as some of the other challenges of this area. So this will take time and the outcome in Iraq will be very important in shaping where this region goes. God forbid, if we were to abandon this effort, the threat that will emanate from that possibility, from that scenario, would create, in my judgment, bigger problems than we face now. I believe that for good strategic reasons, as well as for moral reasons because we have had a role in bringing about these sets of circumstances in which Iraqis find themselves, that we can't abandon them. We need to help them stand on their own feet because it serves our strategic interests and we have a responsibility to see it through. But staying the course that Senator Biden was saying, in my view, is not doing everything exactly as you did before, adjusting as the circumstances warrant. I am not a believer in staying the course, do exactly what you did before although the circumstances would have changed.

Now, with regard to the regional situation and the international situation, your specific questions, Senator Hagel, I believe and I travel a lot in the region. I recently went to see the King of Saudi Arabia, the leadership of UAE before the Prime Minister went there. The fact that the Sunni Arabs are in, because most of the leadership of the Arab world is Sunni Arab, the fact that the Sunni Arabs are in the strategic issue that I talked about and the reconciliation plan that the Prime Minister offered, reaching out to the insurgency, had a big and positive impact in terms of how Iraq is now perceived by the Arabs—and they are willing to help. They are willing to help with the reconciliation because some of the insurgent groups are Sunnis that are still outside the political process. These countries can influence them and they are willing to facilitate meetings and encourage these people to participate in the political process. Also internationally, I believe that in the discussions that we already have had on the compact, countries that opposed this project at the beginning are now saying they want to participate. Some of their companies, particularly in the energy sector, are already reengaging because Iraq, unlike Afghanistan, has huge potential economically and the countries are beginning to sort of see how they could benefit from that and participate. Therefore, are looking for ways to enhance their engagement. So that is what I would say about the strategic level as well with regard to my regional and international assessment.

Senator HAGEL. Mr. Chairman, may I just add one thing? My staff representative noted that I said \$4.6 billion.

Mr. KHALILZAD. Right, that was \$13.5—

Senator HAGEL. It is \$14.6 billion that has been pledged, but only \$3.5 billion that has been given, is my understanding and again, I received these numbers from the State Department.

Mr. KHALILZAD. That is correct.

Senator HAGEL. Which I don't think stands up very well in your efforts, all of our efforts, in trying to engage commitments and connect those to reality.

Mr. KHALILZAD. Right.

Senator HAGEL. From the international community, specifically the region. Thank you.

Mr. KHALILZAD. I accept that, Mr. Hagel, that the Arab world has not forgiven back the level that some of the other countries have. Some of the pledges that you are referring to were Arab pledges that were then in Madrid, have now been delivered on and that is where I believe a change is taking place because the previous government was perceived by them as being a Shia-Kurdish government in which Sunnis were not participating. This is where I see the opportunity with this unity government that could have—is likely to have, in my view, given my talks with some of them—a positive effect.

Senator HAGEL. Is the Arab League going to follow up with a host meeting from the Cairo meeting last year?

Mr. KHALILZAD. The Ambassador of the Arab League in Baghdad told me that they are committed to holding a conference, that they will have a preparatory conference in Cairo. The nature of the mission has changed because when they started the initiative, the Sunni Arabs were not in the political process so they wanted to play a role in facilitating that. Since that has happened, the question is what is going to be the focus of this conference? My judgment is that it is going to probably be in support of the reconciliation part in terms of what remains of those forces that are not in. That becomes a little harder because we are talking about some insurgents and who is who. It has become a little more difficult because of who you have to reach out to. So they are doing this preparatory conference but they are committed to moving forward and we are committed, I can assure you, to helping them. We support this initiative and we will work with them.

Senator HAGEL. Thank you.

The CHAIRMAN. Thank you very much, Senator Hagel.

Senator Kerry.

Senator KERRY. Thank you, Mr. Chairman. Let me begin by saying also how much I have personally enjoyed working with you, Ambassador, with your staff and I congratulate all of you. I thank them for their service and what they are putting up with over there. That is very difficult. Also, since you are the principal representative to the troops and everybody over there, we all continually express our gratitude for their sacrifice and service. You are very skilled. But I think you are regrettably undermined by a lack of adequate central focus within the administration on some of these choices. I mean, the fact is that 2½, 3 years ago, a number of us on this committee were loudly calling for this international conference. It is finally happening, too many lives later, too many limbs destroyed and lives destroyed later. I mean, it is a tragedy that that kind of international effort isn't happening more. Senator Hagel has just referred to the money not given by those countries pledged. That really goes to some of the fundamental challenges that you face now because many of those countries are Sunni and there is, I think you will agree, a reluctance playing out among them because there is only a 20-percent Sunni population in Iran and that's what the insurgency is about. So is it fair to say that we are engaged in probably the most complicated and largest na-

tion-building experiment in the history of this country with the exception of ourselves?

Ambassador KHALILZAD. First, Senator, with regard to your broader point, I have no doubt that we have made mistakes in how we have dealt with this issue and although I don't tend to look back but rather to work with what I have to move forward, but I believe that no matter what one's view was and what one thinks about the mistakes, now that we are where we are, we need to do what we can to make this—

Senator KERRY. I understand that, Mr. Ambassador. The problem with the mistakes is that every time options have been put on the table and ignored, the situation gets more complicated. So the mistakes have to be taken into account in measuring what are our options now.

Ambassador KHALILZAD. Now, we have to know that you are right on how we got to where we are. I agree with that.

Senator KERRY. But let me speak to that for a moment. Let me just get the answer to that. Is this the most significant nation-building effort we've ever engaged in, except for our own?

Ambassador KHALILZAD. I believe that this is a very difficult, complicated enterprise that we have taken on. It involves state-building, it involves nation-building, it involves fighting terrorism—because that is an element of fighting terrorists, the global network that has also made headway in Iraq, although I believe that part of it has weakened in the past 12 months, but it is a very, very important, complicated, difficult task that we have taken on. Yes; I agree with that.

Senator KERRY. The presence of international terrorist enterprises is one of the reasons things are more complicated today in many ways, because the al-Qaeda presence, as you know, was not significant in the beginning but now is. I agree with you. I think that part of it has diminished. But let me come to the harder issues.

The number of insurgent attacks have increased from 5 per day in May 2003 to 90 per day in May 2006. The incidents of sectarian violence have increased from 5 per month in May 2003 to 250 per month in 2006. The number of Iraqis kidnapped has increased from 2 per day in May 2003 to 35 per day in May 2006. The number of civilian deaths has increased from 250 per month in 2003 to 1,500 per month in May 2006. So every indicator of violence and disorder is up. Now, on March 7 of this year, you said the potential was there for sectarian violence to become full-blown civil war. On Tuesday, you said, violence, sectarianism is now the main challenge to stability. Over 100 Iraqis have died in sectarian violence this week, including more than 50 in Baghdad alone on Tuesday. Yesterday, Haider al-Ibadi, a prominent Shiite legislator, said, "certainly what is happening is the start of the civil war." Saleh al-Mutlak, a leading Sunni legislator, described the recent violence, "as the start of the civil war." Do they know something that we don't know and that we are not willing to admit?

Ambassador KHALILZAD. With regard to your overall point about the levels of violence and the ratio between different elements within that violence, the date varies depending on what baseline

one chooses. I think at times, subsequent to your baseline of 2003, there have been higher—

Senator KERRY. Sure, but come to the heart of the question. The heart of the question is, Do these leaders, these members of the government who are defining a civil war, do they see something that we are unwilling to admit?

Ambassador KHALILZAD. With regard to the point that I was making, is that I believe that the attacks on the United States and the coalition part as a proportion of the level of violence, is down—has been down—and the sectarian violence has gone up, which gets us to the point of what you just said as to the bottom line. I believe that whether this is the beginning of a civil war or it is something that can be contained and reversed, only retrospectively we can judge.

Senator KERRY. But we are not judging it retrospectively because General Casey announced in the papers today that he is considering bringing troops in, in order to deal with this, put them into Baghdad because there is increasing violence.

Ambassador KHALILZAD. Right. No, I'm just—

Senator KERRY. What are our troops going to do to stop sectarian violence, when our generals have already declared that this cannot be resolved militarily, it has to be resolved politically?

Ambassador KHALILZAD. Let me say that whether we can judge that what is happening right now is the beginning of a full blown civil war, which was your question.

Senator KERRY. Let's not fight about full-blown, small-blown. It is a low-grade civil war.

Ambassador KHALILZAD. I just think that whether it is going to become a civil war or whatever the term, full-blown or not, will be something that we judge later on with regard to what happens subsequently. It will be, I think, a mistake to judge it, that this is the beginning of an overall civil war.

Senator KERRY. Let's not quibble over the descriptive term.

Ambassador KHALILZAD. OK, all right.

Senator KERRY. Let's agree that the violence is up, that there is increased sectarian violence.

Ambassador KHALILZAD. It is; I agree.

Senator KERRY. What are our troops—the heart of the question is, If you would agree it can't be resolved militarily?

Ambassador KHALILZAD. Well, I agree. I say the following, Senator Kerry, which is that in order to deal with this problem, you need both political steps and security steps.

Senator KERRY. I agree.

Ambassador KHALILZAD. You can't count on political measures—

Senator KERRY. The policy of the administration has been that as the Iraqi troops are trained, we will stand down. As they stand up, we stand down.

Ambassador KHALILZAD. Right.

Senator KERRY. We are told by our general that they will be fully trained by the end of this year.

Ambassador KHALILZAD. Right.

Senator Kerry. But we're not standing down. There has been no standdown. There has been an increase in the violence.

Ambassador KHALILZAD. I believe the policy has to be, and I believe it is, that we want Iraq to succeed and for Iraq to stand on its own feet, to take care of its own security. But that will be—that depends on building Iraqi capacity but also on conditions. I believe that is why we have talked always about a condition-based framework and there are places that there could be adjustments downward inside Iraq, in terms of the presence. There are places, because of conditions and the help that the Iraqis need, that we may have to increase the level of our forces. But that will be calibrated and we will do constant recalibration, depending on the circumstances. But the target, the objective is an Iraq that can stand on its own feet as soon as possible.

Senator KERRY. Let me just say this, Mr. Chairman. I know my time is up. It's hard to do this in 7 minutes and get through the kind of series of questions that are important to really understanding a point. So let me, if I could just summarize quickly.

You used the word abandonment earlier and you used the word adjustment now for success. None of us who have articulated alternative policies have suggested it as an abandonment or believe it is. In fact, in the policy that the three of us sitting here proposed as an alternative in the Senate, we specifically allowed the President the discretion to leave a certain number of troops to deal with training, to fight al-Qaeda, to protect American facilities, to have an over-the-horizon capacity in order to encourage success. But there is a strong belief based on a lot of the statements of Sunni and Shia politicians themselves about how our presence attracts insurgency and increases violence. I think there are plans right now within the military to actually garrison troops, begin to move them out, to take a very different posture, which is, in effect, the policy we've prescribed. So I think using the word abandonment is the wrong way to frame what the real choice is. The question here is how do we get success? There are many people who believe that it is only by pushing the Iraqis with the same kind of deadline that required the elections, the transfer of authority, the Constitution, all of which they met—with your pressure, I may add—that's the only way to really affect the kind of transition necessary.

Ambassador KHALILZAD. While I am in complete agreement with you, Senator Kerry, that we need to keep the pressure on the Iraqis to take on more responsibility, to deliver, to do the right thing. I appreciate the sentiment behind some of the efforts and I don't dismiss the utility of those efforts. So to the extent to which efforts to encourage self-reliance is the motive that is welcome. But the extent to which signals abandonment, undermine confidence, I think that will be counterproductive to our goal.

Senator KERRY. So you don't believe that General Casey in making a recommendation for a timetable for withdrawal has undermined the effort, do you?

Ambassador KHALILZAD. I don't believe that General Casey has recommended a timetable for withdrawal.

Senator KERRY. He made a presentation to the Pentagon with respect to plans.

Ambassador KHALILZAD. You know the Pentagon and I have worked—you know, I used to head the planning and policy shop there. We have a lot of plans and then adjustments are made as

the plans are reviewed. There has been no discussion yet with the Iraqi Government, on the way forward. When I get back, we will form a joint committee.

Senator KERRY. But that is specifically to talk about withdrawal of troops.

Ambassador KHALILZAD. But the conditions today—

Senator KERRY. I understand.

Ambassador KHALILZAD [continuing]. Today, for example, a whole province was turned over to the Iraqis, the province of al-Muthanna. They are taking the lead in terms of security for that province. So there will not be as much requirements as there was before. But in Baghdad, I believe now, we have a requirement for additional capability to bring down the level of violence. So there will be adjustments and we have to remain flexible with the goal, with the intent to bring the level of U.S. forces down and to get Iraqis to take on more and more responsibility.

Senator KERRY. But I am confident you would agree that when the Iraqi National Security Advisor, Mr. al-Rubaie wrote in the Washington Post a few weeks ago, that there already is an unofficial roadmap for foreign troop reduction that will eventually lead to a total withdrawal of U.S. troops, he was not undermining his own government, was he?

Ambassador KHALILZAD. No. I believe that all Iraqis, or most Iraqis, let me say, would like the foreign troops to go out. We would like the troops to come out but if you ask Iraqis, do you want them out now or in 6 months, I think you will get—the overwhelming answer will be no.

Senator KERRY. But our plans wouldn't do that. I just want it clear, our plan didn't do that.

Ambassador KHALILZAD. No; I'm not saying that.

Senator KERRY. So we should take the word abandonment off the table. We should leave the word success on the table. Different words.

Thank you.

The CHAIRMAN. Well, thank you very much, Senator Kerry. Let me just note for the record that the Chair has allowed questioning that has gone beyond 7 minutes on both sides, and in two cases by doubling the 7 minutes, but it has been a good dialog. At the same time, in fairness to all Senators, to the extent that Senators can keep their remarks within the time, that would be very helpful. I'll call now upon Senator Chafee, and in fact, will turn over the chair to Senator Chafee because a vote has been declared. Some of us may vote and come back. The next Democratic Senator would then be the candidate for questions after you, sir.

Senator CHAFEE [presiding]. Thank you very much, Mr. Chairman. Welcome, Ambassador. I think we all agree, as you have said, that we've embarked on a complex and difficult mission here and, in fact, that complex and difficult mission has cost over 2,500 American lives, many thousands of Iraqi lives, hundreds of billions of dollars, American dollars, and a whole new generation of veterans with very serious needs and of course, all the horrors that come with war, whether it is Abu Ghraib or Adetha. Where is this all taking us? In your last paragraph of your prepared statement, you say the success of Iraq is critical to the evolution of the Middle

East and then you say with very proactive words that “shaping its evolution” is the defining challenge of our time. So what is the evolution of the Middle East and how do you reconcile it with the facts, the vision with the facts and the facts being warfare in Gaza, warfare now in southern Lebanon, the threat of nuclear weapons in Iran and a very, very difficult and complex situation in Iraq, what is the evolution?

Ambassador KHALILZAD. Sir, the very reasons that you mentioned, the nuclear issue in Iran, what Senator Hagel mentioned with regard to the Israel-Palestine issues, with regard to the rise of extremism that produces terror, the lack of adequate progress in terms of building stable, democratic societies, are the reasons for why I call and I think many others have called this, the future of this region at the present time, the principle challenge for our strategy, for our national interests, for the future of the world. As was the European balance of power in the earlier centuries, whether you go to the 19th century, 20th century, how the Europeans related to each other and there were, obviously, complexities at that time, that the balance of power for a while, kept the peace and it didn't work and we had to come in twice, with huge sacrifices on the part of the American people, to restore order in the world, to put the world on the right trajectory. And now Europe is heading in the right direction and the same thing happened in Asia, of course. But now, for reasons that you talked about and the reason of the September 11 attack, this region is the issue that we confront although there are other issues and I don't want to diminish their importance. This requires a very patient, long-term strategy that not only deals with immediate crises, and the kind that we are seeing in Gaza or the kind we are seeing with the nuclear issue with Iran, but deals with the longer term, the underlying challenges with regard to education, with regard to building a civil society, with regard to building the infrastructure of modern states and societies. It is going to take time. For a while, we ignored these issues because we had other priorities.

Senator CHAFEE. Mr. Ambassador, can you be a little more specific on what the evolution, what the vision is for the Middle East?

Ambassador KHALILZAD. The vision? Well, the vision is what people everywhere want. What we are talking about in the Middle East is not that something different for them. People everywhere want to live in security. People everywhere want to have the ability to feed their kids, to—

Senator CHAFEE. We're not doing very well. Mr. Ambassador, we're not doing very well, if that is—

Ambassador KHALILZAD [continuing]. But if we weren't doing very well, then we wouldn't have the—

Senator CHAFEE. Security?

Ambassador KHALILZAD. If we were doing very well, then there wouldn't be a challenge any more. So this will be a success and a celebration. The reason we are talking the way we are is precisely because the region is not doing very well. What are the options, therefore? Is the option—

Senator CHAFFEE. One option, in your words, was that this was similar to the Soviet threat. You said that this morning.

Ambassador KHALILZAD. In terms of defining an issue. Well, of course, it is a unique—

Senator CHAFEE. What were the lessons of dealing with the Soviet threat? It was the cold war. It was containment, it was avoiding of conflict at every possible opportunity and wait out and allow new generations to come along.

Ambassador KHALILZAD. Sure, right.

Senator CHAFEE. We threw that model out the window and we're suffering the consequences. If this is your vision, this is your initiative, defend it.

Ambassador KHALILZAD. I would say that when I referred to the European balance of power as the defining issue of an earlier era, the Soviet challenge being the defining challenge of much of the 20th century, that this is the most—I meant it in the sense of the most significant challenge that we face. Clearly, both in terms of what the challenge is and how you deal with it is different. I mean, we didn't apply the Soviet model of containment when we were dealing with the balance of power problems of Europe. The instruments were different, the means were different, the threat posed was different and here, the means will differ. Military was the instrument in Afghanistan because of the 9/11 attack, so we had to get rid of the regime in Afghanistan. But in other places, the military isn't going to be the instrument. It will rely more on encouraging reform, political participation, buildup of civil society, reform of education systems and so on. So we need a grand strategy that has the different elements in it. I am not the person at this point with the responsibility to elaborate and detail, for each country of the region and the specific mix of things ought to be because I am, as you know, rather preoccupied with one country, Iraq, and that is quite sufficient to keep me preoccupied but I believe that when we think about Iraq, we need to know that there is this bigger context in which Iraq is playing out.

Senator CHAFEE. Would you say that what is happening—I know this is, you're, as you just said, preoccupied with Iraq, but what is happening in Gaza and now in southern Lebanon, is that going according to plan?

Ambassador KHALILZAD. I do not believe that if you are talking about our plans, that what is going on there and Gaza and in southern Lebanon, would have been according to our plan; no. But we're not the only players. Others are also players. They have their plans. And the question is, Do we acquiesce to their plans or do we keep working on our plan for a positive vision for a positive future for the region? This is a multiplayer, complicated process, the struggle for the future of this region and nation, a region with lots of faultlines. It will not be easy, but yet, given the nature of the world that we are in, the trust that we faithfully cannot, but in my judgment, my recommendation for your consideration is to do what we can to increase the prospect for it to go in the right direction.

Senator CHAFEE. In this vision, back to as you said, shaping the evolution of the Middle East—these are your words—do you honestly foresee a permanent presence, a military presence in the Middle East, an American military presence in the Middle East?

Ambassador KHALILZAD. Those are decisions that, of course, are way above my pay grade but certainly, I think the military is an

element of our strategies. It has got to be, to deal with the problems. How we configure our military posture to deal with the problems of the region as an element in an overall strategy, I'll leave it to the Pentagon planners and to the Secretary of Defense.

Senator CHAFEE. Seeing as I am holding the microphone, I'll continue until another Senator comes back and then go vote myself. I believe Tuesday you gave a speech to the Center for Strategic and International Studies. Is that right?

Ambassador KHALILZAD. Yes; I did.

Senator CHAFEE. And in that speech, I think you've made some similar comments this morning, also, about Syria and Iran. In that speech to the CSIS, you said that if Iran persists in its unhelpful actions, the Iraqi Government, as well as the United States and other friends of Iraq, will need to consider necessary measures to deny Tehran the ability to undertake destabilizing policies. So back to the reshaping of the Middle East, what do you have in mind there? With that sentence?

Ambassador KHALILZAD. This is about reshaping Iran and policies in Iraq. I had a very specific issue in mind and that is, Senator, that Iran is pursuing a two-track approach to Iraq. On the one hand, it has good state-to-state relations with the new Government of Iraq. But in addition, it is using its Quds forces, which is part of its Revolutionary Guards, as well as its intelligence and some surrogates in Iraq, to attack coalition forces to support militias. We discussed earlier the problem of militias for the success of Iraq. And what I was saying is that unless Iran abandons this second prong of its policy that is unhelpful to Iraq and to the coalition, and the Iraqi Government recognizes this, together with the Iraqi Government, we have to take steps to deal with that challenge. That was my intent, that we are cognizant of the second element and we are thinking, together with the Iraqi Government, what to do about it. We are considering options if Iran persists.

Senator CHAFEE. You led off that answer by saying there are some positive elements of the relationship between Iran and the Government of Iraq.

Ambassador KHALILZAD. I agree with that. As I said, it is a two-track approach and I was referring to the second track.

Senator CHAFEE. Are we working to—on the first track—to make that stronger?

Ambassador KHALILZAD. As you know, we did make an offer earlier on, to talk to the Iranians about the situation in Iraq and to have the opportunity to express our concerns with regard to the second track and to also express to them that we do not seek a hostile relationship between Iran and Iraq. They are neighbors. We want a good relationship between neighboring states in that region. Our goal has been an Iraq that set peace internally and in terms of the region, unlike Saddam, who went to war against Iran at a huge cost to both countries and Kuwait was a source of huge insecurity for the region. That is not the goal. Our goal is an Iraq that is both internally secure and has peaceful relations with its neighbors. For various reasons in terms of timing, those discussions did not take place. Now the focus is clearly in terms of a dialog with Iran on the nuclear issue and we'll see how things evolve from here forward. But I would not rule out that—and there are appropriate

circumstances that we will go back to an engagement on the Iraqi situation.

Senator CHAFEE. Thank you, Mr. Ambassador, for all your service.

Ambassador KHALILZAD. Thank you, sir.

The CHAIRMAN [presiding]. Thank you very much, Senator Chafee.

Senator Boxer.

Senator BOXER. Thank you very much, Mr. Ambassador. Thank you for your service. As I said when I supported you when you came before this committee, I also thanked your family at that time and I continue to do that. My trip to Iraq was a harrowing experience and fortunately, there was no particular incident. So you are facing this uncertainty every minute when you are there and I just want to say thank you for your service.

During your confirmation hearing, you expressed confidence that Iraq's sectarian divisions could be overcome and you still exhibit that confidence. At your confirmation hearing, you said, "there is a lot to build on to foster a focus on a united Iraq, an Iraq that brings the Iraqi people together rather than splits them apart based on ethnicity and sectarianism." Now, since you made that statement, incidents of sectarian violence have risen from 5 per month to 250 per month and you questioned the database. I'll put it in the record, Mr. Chairman, this is the Brookings Institution so this is solid data.

The CHAIRMAN. It is placed in the record.

[The Brookings Institution information submitted by Senator Boxer follows:]

THE STATE OF IRAQ: AN UPDATE

Categories	May 2003	May 2004	May 2005	May 2006
Iraq civilian deaths	250	1,000	1,000	1,500
Multifatalty bombings	0	9	36	56
Iraqis kidnapped per day	2	10	25	35
Iraqis optimistic about future (percent)	75	51	60	30
Iraqi police officers and soldiers in top two readiness tiers (out of four)	0	0	20,000	60,000
U.S. troop fatalities	37	80	77	68
Other foreign troop fatalities	4	4	8	10
Iraqi Army and police fatalities	10	65	259	149
U.S./other coalition troops (in thousands)	150/23	138/24	138/23	132/20
Estimated number of insurgents	3,000	15,000	16,000	20,000
Estimated number of foreign fighters	100	500	1,000	1,500
Daily attacks by insurgents	5	53	70	90
Monthly incidents of sectarian violence	5	10	20	250
Monthly attacks on oil and gas assets	5	7	10	3
Oil production (millions of barrels per day; prewar: 2.5)	0.3	1.9	2.1	2.1
Household fuel supplies (as percentage of estimated need; gasoline, kerosine, etc.)	10	73	93	83
Average electric power from official grid (in megawatts; prewar: 4,000)	500	3,900	3,700	3,800
Telephone subscribers (in millions; prewar: 0.8)	0.8	1.2	3.5	7.5
Real GDP per capita (in dollars; prewar: 900)	550	1,000	1,075	1,100
Eligible Iraqis voting freely in last election (percent)	0	0	58	77
Actionable intelligence tips from Iraqi civilians	100	300	1,700	4,400

Senator BOXER. Just yesterday, a gunman abducted two dozen Shiites from a bus station northeast of Baghdad, took them to a

nearby village and killed most of them. According to the French press, they were blindfolded and shot with their hands tied behind them. This latest tragedy comes just days after masked Shiite militiamen stormed through Baghdad, killing more than 40 Sunnis.

Now last month, a cable was sent from your Embassy in Baghdad—it had your name on it, doesn't mean you wrote it—it had your name on it and it was printed in the American press. It is titled, "Snapshots From the Office, Public Affairs Staff Show Strains of Social Discord." This cable describes how life has deteriorated for Iraqi nationals who work for you at the Embassy. I want to read just a few passages. "An Arab newspaper editor told us he is preparing an extensive survey of ethnic cleansing, which he said is taking place in almost every Iraqi province, as political parties and their militias are seemingly engaged in tit-for-tat reprisals all over Iraq." Continuing to quote this cable, "two of our three female employees report stepped-up harassment beginning in mid-May. Some groups are pushing women to cover even their face, a step not taken in Iran, even at its most conservative." Continuing the cable, "personal safety depends on good relations with the neighborhood governments who barricade streets and ward off outsiders. The central government is not relevant. Even local Leuchars have been displaced or coopted by militias. People no longer trust most neighbors."

So this is a very sickening report from the people who work for you. But even as the situation in Iraq worsens, the administration continually refuses to acknowledge the reality and let me give you an example, Mr. Ambassador, and I want to thank Senator Feingold for allowing me to precede him. I want to just show this very interesting juxtaposition of stories in yesterday's Post. Page A-10 contained the following descriptions of the views you expressed in a speech at the Center for Strategic and International Studies, just 2 days ago. You said, Sunnis generally—and you've said this today—have undergone a tectonic shift in their views about the new government and are increasingly turning away from the insurgency. Many are now considering the pursuit of their goals by means other than violence. But three columns away, in a separate article on Iraq, you are directly refuted by a Sunni legislator. I mean, you're saying the Sunnis have this great shift. This is what the Sunni legislator says and I'm reading from the story: Saleh al-Mutlak, a leading Sunni legislator, said the sectarian rivalries are tearing apart the 7-week-old government of Prime Minister Nouri al-Maliki. "This is a hopeless government. It has not done one good thing since it started and things are getting worse, not better," he said. "The Parliament cannot reach practical solutions because their minds are concerned only with their sect and not the interests of the nation. It looks like this government is going to collapse very soon." A Shiite legislator in the same article say, "Certainly what is happening is the start of a civil war."

And so how do you square your far rosier view with these Iraqis? I want to say, who should the American people believe? Let me tell you what my constituents believe, for the most part. Not all, but a strong majority. They think we ought to have a timetable to get out. We won the war. Our soldiers won the war. Everything they were asked to do they did, and now it is up to the Iraqi people.

That's what they think. I don't know, you come here with a rosy view and by the way, you're the best of them. You're the most direct of them. But you come here with a far rosier view than the Iraqis, than the legislators, who Senator Kerry quoted, and I'm quoting, and then let's look at what the Iraqi people think. Again, the Brookings Institution, only 30 percent of them are now optimistic, where a couple of years ago, 70 percent of them were optimistic.

So how do you square your view and who should the people in America believe? They're smart. Should they believe this administration that went into this war without a plan and is struggling every day to figure out another mission or should they believe the Iraqi people? By the way, a vast majority say that things will get better if there is a timetable for America's withdrawal.

Ambassador KHALILZAD. Senator, I have tried to level with the American people and with the Congress. I call it as I see it. Sometimes it gets me in trouble with people I work for. But the situation is as I described. There could be, obviously, honorable differences of view, an honest difference of view in terms of the assessment. I don't rule that out. My judgment is, as I've said in CSIS speeches, I said today, that sectarianism has become the dominant problem. But at the same time, the fact of the unity government, the fact that Sunnis were not in the political process a year ago, did not vote in that election, now, they've voted in the last election, as proportional to their numbers or negotiated with the government, a program to which they agree, a key part of which was a reconciliation, which the government has taken. I believe to these successes that terrorists have adapted, Senator Boxer, by focusing more on sectarian conflict. Sectarian conflict is a faultline that is being exploited.

Senator BOXER. Let me just stop you here, if I can.

Ambassador KHALILZAD. Let me say, let me say something on Mr. Mutlak. Mr. Mutlak is an opposition politician and we know about politics when you are in the opposition. He is not part of the government so I am not surprised by an opposition politician judging the government the way he did.

Senator BOXER. OK, are you surprised by the fact that 87 percent of the Iraqi people want to see us have a timeline? Are you surprised about that?

Ambassador KHALILZAD. I believe that the vast majority of the Iraqi people would like the American coalition forces to leave. But the vast majority of the Iraqi people also do not want the United States to leave immediately.

Senator BOXER. OK, well, we're not talking about—we're talking about a timetable, which is a big issue around this place and 87 percent say things will get better if there is a timetable put out. Let me, because my time is up and I've talked to the chairman. I promised him. I will just ask one more quick question here because I've written two letters to Secretary Rumsfeld, asking for a plan in the event of a full scale civil war. Now, the Pentagon has not provided that plan and instead refers me to the so-called National Strategy for Victory in Iraq. On Tuesday, the GAO called the Bush administration's Iraq strategy inadequate and poorly planned. Now

we've seen your cable, which I am sure you didn't write but had your name on it.

Ambassador KHALILZAD. No, no, I stand behind that cable.

Senator BOXER. That's fine. The cable in which—

Ambassador KHALILZAD. I salute the courage of the Iraqis who work with us in the difficult circumstances. They come every day to the Embassy and work.

Senator BOXER. I agree. They are very weary.

Ambassador KHALILZAD. That cable was a factual cable that I stand behind.

Senator BOXER. Well, I so appreciate that because that cable tells a story that the American people aren't hearing about what it is really like. But in that cable, a few of your Iraqi staff members asked what provisions would be made for them if you had to evacuate. So your Iraqi staff clearly believes a full scale civil war is a real possibility. So what I want to ask you is this: Since you have said we are not going to stay where we're not wanted—you've said that—since 87 percent of the people in Iraq want to see a plan for withdrawal, I'll tell you—and since your own people are saying, what are we going to do if there is full-scale civil war? Since you said there is a tectonic shift in the views in sight of the Sunnis and the leading Sunni legislator says it is a hopeless situation, will you please, for me, send me something that explains what are our contingencies if there is a full-blown civil war, because Rumsfeld won't get it to me. They send me on a journey through some plan that the GAO says is inadequate. Will you let me know? You don't have to answer it now. What are our plans for a contingency if there is a full-blown civil war or however you want to phrase it, call it?

Ambassador KHALILZAD. We are doing everything we can with the Iraqi Government, Senator Boxer, to prevent a civil war, to bring sectarian violence down. I have talked about that.

Senator BOXER. I'm not asking you that. I believe that so much. My question is, Will you send me what your contingency plans are? Your own staff is saying, what are the contingency plans and while we're at it, will you also give me your assurance that our military will not be handed over to the Iraqi Government to face any type of trial, because these are people who have already said they are going to give—they are considering amnesty for those who cut off the heads of our soldiers. I'm not turning a soldier over to them. I assume you agree with that.

Ambassador KHALILZAD. Sustained ethno-sectarian violence is the greatest threat to security and stability in Iraq. The violence in Iraq is terrible and regrettable, but it is not a civil war. The United States is doing all it can to support the Iraqi Government's initiatives to reduce the violence. This support is wide-ranging, from military support such as for the Iraqi-led and Coalition Forces-supported Baghdad Security Plan, to assistance for reconstruction and to improve essential services, to political encouragement of PM Maliki's national reconciliation efforts and the deepening of democracy and the rule of law.

All Department of State overseas facilities maintain a post-specific emergency action plan detailing the planned responses to a wide range of emergency situations. An evacuation plan is a standard chapter within these emergency action plans. U.S. Embassy

Baghdad maintains such an emergency action plan. Those aspects of the emergency action plan that deal with our contingency plans under various levels of violence are classified. As such, I am not in a position to discuss this in an open session. I can assure you, however that we are working hard to avoid a situation in which we would need to implement such a plan.

Senator BOXER. I would like a more detailed answer. That's not a good enough answer for me. Could you give me an answer in writing on this, how you feel about turning our soldiers over—

Ambassador KHALILZAD. Under the existing framework, U.S. forces are subject to the exclusive jurisdiction of the United States, consistent with longstanding U.S. policy of maximizing U.S. jurisdiction over our forces abroad. As issues have arisen, we have worked with the Prime Minister to address his concerns and we will continue to do so. I know that General Casey is absolutely committed to his forces acting appropriately. Any allegations of unethical or criminal behavior will be investigated and any servicemembers found to have committed violations will be held accountable. If the Prime Minister wants to know about particular cases, we are certainly open to discussions on that.

We're not going to turn our soldiers over to the Iraqis. I would like to give that answer very clearly.

Senator BOXER. That is a good, clear answer and you're going to send me something about—

Ambassador KHALILZAD. I will talk about the amnesty issue but turning over—certainly we will not turn over American soldiers. We have an agreement with Iraq on this issue, under the U.N. resolution, under the rules put in place by CPA.

Senator BOXER. But the Prime Minister wants to take another look at that agreement.

Ambassador KHALILZAD. Oh, we will. We are perfectly willing to discuss with the Prime Minister his concerns about the issue. If he believes that the American soldiers who violated the law, the Law of War, policy and rules of the United States, that they will go Scot free, he is wrong. They are prosecuted. The law is applied. If he wants to know what rule Iraqis can plan for in terms of getting informed about the different stages of particular cases, we certainly are open to a dialog and suggestions with him on that. But with regard to the turning over of the American soldiers to the Iraqis; no.

Senator BOXER. OK.

The CHAIRMAN. Thank you very much, Senator Boxer.

Senator Feingold.

Senator FEINGOLD. Thank you, Mr. Chairman. Thank you, Mr. Ambassador, for coming to testify in front of the committee. I know you are really busy and I hope that you know that all of us appreciate the incredibly hard work that you and the men and women who work with you are doing in Iraq. My colleagues have already discussed a range of important issues and I won't take a lot of time but I do want to talk about what has obviously become one of the largest questions we are facing in Iraq today: How long U.S. forces will remain there. Unfortunately, we can't get this administration to clarify for the American people about when our troops will come home and as Senator Boxer just alluded to, a new GAO study re-

leased this week points out that the President's National Strategy for Victory in Iraq, and I quote, "neither fully addresses how U.S. goals and objectives will be integrated with those of the Iraqi Government and the international community, nor does it detail the Iraqi Government's anticipated contribution to its future security and reconstruction needs."

I think the American people have every reason to feel misled and angry and worried about the fact that we've lost over 2,500 brave service men and women and hundreds of billions of dollars and we don't have any real clarity about when we'll bring our troops home. Instead, we have a seemingly unlimited troop presence in Iraq without any real benchmarks or timeline for ending the military mission. Now, I think that hurts our national security and apparently, it isn't really contributing to stability in Iraq.

So I want to focus on two specific issues today, the role of the United States military in Iraq now and in the future and our strategy for helping Iraq complete all of the tough political, economic, and security-related issues that it is currently undertaking. But again, I do want you to know that I appreciate and value the very hard work and the very difficult job you have.

Reiterating what Senator Kerry was talking about, giving your best estimate, Mr. Ambassador, can you tell us when you believe, as our lead diplomat and Chief of Mission Iraq that a majority of U.S. troops will be withdrawn from Iraq?

Ambassador KHALILZAD. As I said before, Senator, when I get back, there will be a joint group formed between us and the Iraqis to discuss a way forward in terms of drawdown of U.S. forces that are dependent on conditions. We have an elected Iraqi Government that is a unity government. We want Iraq to succeed, to stand on its own feet. We do not want the country to disintegrate into a sectarian civil war that will bring other countries in. So, we want Iraq to stand on its feet as soon as possible, as I've said. So I don't think it is appropriate, before we have started discussions with the Iraqis, for me here, to talk about a timeline that you are asking for. Besides, the President has said that he looks to General Casey to develop those plans, based on discussions that myself and General Casey will have with the Iraqis and to present it to him. I think it would be premature for me at this point, to—

Senator FEINGOLD. Although General Casey is already developing such plans, as you admitted.

Ambassador KHALILZAD. I said there are different plans and these plans have not been discussed with the Iraqi Government.

Senator FEINGOLD. But he has developed and presented such plans, whether or not—

Ambassador KHALILZAD. Not to the Iraqi Government.

Senator FEINGOLD. But to the administration.

Ambassador KHALILZAD. Not to the—I think to some, perhaps, people in the Pentagon, but not to the—

Senator FEINGOLD. That is—the Assembly is part of the administration.

Ambassador KHALILZAD. I would describe what he did was a working document.

Senator FEINGOLD. Fair enough. But there are plans being discussed and developed, at least in some parts of our government.

Ambassador KHALILZAD. Right.

Senator FEINGOLD. Let me shift to General Dempsey's, who is the head of training Iraqi forces, recent comments. The New York Times quoted the general a few weeks ago as saying that the Iraqi Army would be, by the end of the year, "fully capable of recruiting, vetting, inducting, training, forming the units, putting them in barracks, sending them out to the gate to perform their missions." You two have talked about the fact that by the end of this summer, the Iraqi Army battalions and brigades will be leading counterinsurgency operations with the coalition playing only mentoring and supporting roles. You also said that by the end of this year, they will be in the lead. Given this confidence in the Iraqi security forces and the President's standup and standdown strategy, what will the remaining United States forces in Iraq be doing there? And how long will it be before the administration articulates a clear vision for when our troops will come home from those functions, which presumably are going to be different from the functions they have now?

Ambassador KHALILZAD. I believe that with the completion of the numbers of the Iraqi Army, there will still be the challenge of helping Iraqis develop their own sustained manned and logistic capabilities, their own fire power, because currently, when they are in the lead, they still need U.S. support. So, I have said repeatedly that the current size, the current mission, the current composition of the forces are not ends in themselves for us. It is for the Iraqis to be able to do the job by themselves with minimal United States support. That is the goal.

Senator FEINGOLD. Well, I understand that but given the fact that these statements here, yours, as well as General Dempsey's, do suggest a—

Ambassador KHALILZAD. Yes; but if I could finish that answer because I was going to answer your question, which is with regard to the police, that is well behind compared to the army, in terms of doing the job. It will require adjustments in terms of vetting, in terms of reform of the ministry for the police to rise to the level in terms of effectiveness as the army. That will take time. And, of course, what happens with security also depends on the circumstances, what the other side is doing. Therefore, we will pull all of this together—

Senator FEINGOLD. Well, sure—

Ambassador KHALILZAD [continuing]. Senator, if I could finish.

Senator FEINGOLD. Well, my time is running out and I want to be able to say something else.

Ambassador KHALILZAD. We will pull all of this together in discussions with the Iraqi Government and come up with a way forward that will be presented to the President.

Senator FEINGOLD. Ambassador, I can understand that argument that when one of the major tasks is largely completed, which this seems to talk about, the Iraqi security forces, there are still issues with regard to the police. Nonetheless, the notion that there isn't a substantial opportunity to drawdown troops between now and the end of the year, if, in fact, this is true, doesn't make sense to me. To justify what 130,000 troops still being there, just for that function, to me, doesn't quite add up with regard to the present

standup and standdown strategy. If that major task is largely completed, we should be able to bring home a whole lot of the troops.

Ambassador KHALILZAD. I do not rule out the possibility that the circumstances could develop that would allow for some diminution, but it would be a mistake to talk about specific numbers at this time without, as I said, taking the conditions into account and discussions with the Iraqi Government into account.

Senator FEINGOLD. OK. You've suggested this week that you, "do believe that if one stays too long, we also add to the difficulties." Could you say a little bit about what you mean by that?

Ambassador KHALILZAD. Thank you for that, Senator. I think I mentioned before that there is an agreement in Iraq that the ultimate withdrawal of United States and coalition troops is desirable. But at the same time, there is a concern that if we leave too soon, that this could add to the problems of Iraq. Therefore, the challenge that we face is the right calibration of when is it too long, when is it too soon?

Senator FEINGOLD. I understand, but what is the problem if we stay too long? I want you to talk about—what are the downsides of staying too long?

Ambassador KHALILZAD. The downside of staying too long would be that we increase opposition to us that will give people a sense that we are seeking to occupy the country, and that we will run into difficulties. More difficulties not only politically in terms of our dealing with the government, but also with the people. There are clearly downsides to staying too long. But I want to urge you, the other Senators and the American people, that to leave too soon will be a strategic mistake and morally wrong.

Senator FEINGOLD. Mr. Chairman, my time is up but I've had good conversation with the Ambassador here and in Afghanistan and in Iraq, of all of these issues. I just want to respectfully submit—I think we've already reached the point where we have been there too long, that the difficulties that are associated with being there too long have outweighed the benefits in terms of the military, so I understand you need to calibrate it. I'm suggesting the calibration can be done now and that the weight is on the side of the difficulties and the downside. But I respect you and I look forward to working with you.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much, Senator Feingold.

Senator Alexander.

Senator ALEXANDER. Thank you, Mr. Chairman. Mr. Ambassador, thank you for your service. Continuing the discussion, my questions will begin by being—how does an American citizen measure what you call tactical patience? Following Senator Feingold's comments, how do we measure tactical patience in Iraq, both in terms of what we might call nation-building and in terms of constitutional development?

Earnest May, who is a professor at the Harvard School of Government, once wrote a book. I think it is called, "Thinking in Time," where he urged those of us in policy positions to think, to look at history and see what lessons we learn from there.

Senator Hagel mentioned earlier the length of World War II. He mentioned the length of the Korean war. But if we are accurately

thinking in time about nation-building, would that be the correct measure? I mean, wouldn't we—we're past the idea of the war in Iraq. We're at a point where a nation is being built. You're calling it a new nation. The United States of America was once called the First New Nation. So what lessons do we have there?

Some of the ones I think of in terms of nation-building, we may be approaching the time of World War II but we're not close to the time of our involvement after World War II in Japan. I mean, we've had U.S. troops there since 1945. The occupation of Japan ended 7 years after the war. We've had troops in Germany since 1945. West Germany wasn't set up until 4 years after the war, fully sovereign in 1955. In Kosovo, United States troops have been there now for 7 years. So that's one way to measure tactical patience for nation-building. In terms of constitutional development, Iraq, you say, is a new nation. If America was the first new nation, our Constitution came 11 years after our Declaration of Independence. Giving women the right to vote came 120 years after our Constitution. We still—we're denying equal opportunity to African-Americans 180 years after our Constitution. So as we Senators and we citizens sit here in the United States looking at Iraq in a period of nation-building, what is the measure of tactical patience?

Ambassador KHALILZAD. Thank you, Senator Alexander. I believe that the issues that we face are state-building, nation-building, and fighting terror. Those are the three things that we are doing in Iraq. With regard to nation-building, the key issue, in my judgment, is constitutional agreement; we still have a set of issues left that have to be addressed. Second, there has to be the issue of what happens with the de-Baathification, because in the aftermath of the liberation of Iraq, the party was outlawed and a commission was established to look at people who were candidates for jobs or were in the government that could not hold positions. It has become a controversial issue that needs some closure on that. There are issues also, which gets into state- and nation-building, which covers both—that is building new institutions of the state: The police who are truly credible and respected and we know from our own experience how difficult and complicated that can be, and the institution of the army. But the war of terror, of course, element is a separate track, related because they are seeking to undermine our state- and nation-building efforts. There, in my judgment, the process overall will take time to do, as you say. You can't do these important things in 2, 3 years. But it doesn't have to be—the mix of instruments that we apply to it will not be the same. I think, assuming if things move in the direction that we're working for, it will allow for a significant diminution in the role of the military, not a complete elimination of the role of the military, but allow for an increase relatively and other instruments of our policy, to cope with the situation, to encourage a successful state- and nation-building program and defeating terror in Iraq. So you're right that the war model, in terms of a timeline, is not the right model for what we are doing: A state/nation-building and a war of terror model needs to be applied in this case.

Senator ALEXANDER. My other question is, it's been suggested that maybe a solution is a federation, three states, Kurdistan, a

Shia state, a Sunni state. If that were to happen, what would the consequences be?

Ambassador KHALILZAD. Well, the Constitution allows for Iraqis to organize themselves the way they see fit, but I think it would be a mistake for us, for the United States, to say and impose that on them. I think the process for imposing such an outcome on Iraq will cause huge difficulties, intensifying sectarian violence. But if democratically and voluntarily, they want to federalize the rest of Iraq in that way, that is available to them constitutionally. But that's not what they want at the present time, the Sunni Arabs. Generally, they want a stronger central government at this point, thinking the problem is not too strong a central government but too weak a central government. The assumption using the same argument saying: Well, since the center is preoccupied with issues of security, let's allow the providences and the regions to do more things for themselves. These are perfectly legitimate big issues that the Iraqis need to come to an agreement on, and they have agreed, thank goodness, for a path to deal with this, for resolving this issue in the agreement at the end of the drafting of the constitution. I think we ought to be supporting a constitutional process, rather than kind of suggesting that we divide the country along sectarian lines.

Senator ALEXANDER. Thank you, Mr. Ambassador. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Senator Alexander.

Senator Nelson.

Senator NELSON. Thank you, Mr. Chairman. Mr. Ambassador, it's good to see you. What message do you want to send to Tehran about their involvement in Iraq?

Ambassador KHALILZAD. The message has two parts. Part one is that we favor good relations between Iraq and all its neighbors. The United States is not seeking to impose its differences with Iran on the Iraqis in terms of dealing with Iran. The second part of the message, however, is that Iranian efforts to undermine this new Iraq by sending arms, training militias and extremists, by sending money to them, to keep Iraq weak so that Iraq will not be able to play the traditional balancing role vis-a-vis Iran as a significant power in its own right, is unacceptable to the Iraqi Government and to us. We are looking for, and the Iraqi Government also is, for an adjustment in Iranian policy. And if that adjustment doesn't come as a—to Iraqis and those of us who are supporting Iraq will look at measures to be able to deal with that challenge, by the second element of the Iranian policy.

Senator NELSON. Earlier today in this hearing, you suggested that some of this Iranian influence was with the direct approval of the Government of Iran. To what extent are Iranian groups, independent of the Iranian Government, operating in Iraq?

Ambassador KHALILZAD. There are things I can speak about with confidence, that I believe the Iranian Government does directly bear a responsibility for when its particular forces, such as the Quds Force, does things. There are things where, of course, information is contradictory and this is not an appropriate forum to get into that, but I think there are things that I am pretty confident

that has direct Iranian Government involvement, that are disturbing.

Senator NELSON. Because of that you consistently lobbied for limited talks between the United States and Tehran concerning Iraq and in March were granted the authority to undertake those talks. How did that come about, and what were the results?

Ambassador KHALILZAD. You know, Senator, prior to my assignment in Baghdad, I was the U.S. Ambassador to Kabul, to Afghanistan. I had been involved in the process in Bonn, to set up the Afghanistan Government. At that time, I had been given the authority to engage the Iranians on the issue of Afghanistan. When I moved to Baghdad, I asked for similar authority in Iraq and the President granted me that authority. Based on that, we talked about the possibility of some meetings with them. Because of various reasons, those meetings have not taken place yet and now the focus is clearly on the nuclear issue. I think at an appropriate time, if it is warranted, we would be, of course, willing to engage them on our concerns on the issues related to Iraq.

Senator NELSON. To what extent do you think that Iran may now be exacting revenge on Iraq for the Iran-Iraq war?

Ambassador KHALILZAD. I believe that there is a desire on the part of the Iranians that is motivated by two things. One is the war that you talked about, to make sure Iraq doesn't become a power that can pose that sort of a challenge to Iran. But at the same time, I think what Iran is doing is motivated by ambition, which Iran is seeking and it believes that it is its natural right to be the preeminent power in that region. It sees itself as a power on the rise and, therefore, wants Iraq not to reemerge as a balancer, as a strong country in its own right and it also fears the rise of a kind of an independent Shia center of gravity, if you like, in Iraq—and Iraq is an older Shia community than Iran. So, yes; I think there is a history of the war that forms their views, their policies but also ambition is as well.

Senator NELSON. I want to keep the name of Captain Scott Speicher in the front and center of your mind as we continue to look for some evidence that will help that family bring long overdue closure to this tragedy. Finally, as you know, the United States Senate approved, with approximately 70 votes, a resolution stating that there should be no amnesty granted to Iraqis who have killed Americans. As the Iraqi Government is considering a plan for reconciliation, I would like you to remember that, and I would appreciate any comments that you have regarding this.

Ambassador KHALILZAD. First of all, Senator, thank you for your concern with regard to Captain Speicher. I got your letter a while back and I have been cognizant of his case since I was in a panic during the gulf war. General Casey and his people are doing everything they can with regard to Captain Speicher. I have communicated your concern to him. Second, with regard to the amnesty issue, I think the vote, if I'm not mistaken, a reaction to some ideas or comments expressed by some Iraqi leaders that if someone has killed an American, he could receive amnesty but if has killed an Iraqi, he will not or he would not. While I believe that to end the war in Iraq, as all other wars, amnesty is a part of the package of things that need to be done. But I can assure that there will not

be a discrimination against those who have sacrificed their lives to liberate Iraq and give Iraqis the opportunity that they have. I also recognize, however, that the biggest homage that could be paid to the brave American soldiers who sacrificed in Iraq would be for the cause that they fought for to be embraced by those who fought that cause. You can rest assured that will be firm and that there will be no discrimination against the American men and women who gave their lives and sacrificed for Iraq.

Senator NELSON. These forums allow us to remind the executive branch of the sense of the Senate.

The CHAIRMAN. Thank you very much, Senator Nelson.

Senator Obama.

Senator OBAMA. Thank you, Mr. Chairman. Mr. Ambassador, it is good to see you again. I know that you've already been bombarded with questions and I apologize, I wasn't here for the whole hearing, so some of my questions may be repetitive.

I really want to focus on the political situation and its connection to security, because I think the basic premise of the administration's strategy for the last several years and certainly when I spoke to you in Baghdad, was the central part of your strategy. Was that as the political situation clarifies and stabilizes, the insurgents will become more isolated? There will be trust built between the various religious sects and ethnic groups within Iraq and based on that political victory, the military needs will lessen.

Now, I am one who has held off a—despite having the feeling that it was a mistake for us to go in and that the American people would not have signed up for the ambitious project that you've just outlined at this hearing, I've been wanting to say, now that we're in, let's see if we can make it work. So I was heartened when we had Prime Minister Maliki and the appointment of the Interior Minister and the Defense Minister. What I am concerned about is that it seems as if the steps that you had outlined, politically, have taken place and there has not been a corresponding lessening of violence. In fact, there has been a continuing escalation of violence. I think anybody who heard the news a couple of days ago where militia members were randomly pulling people off the streets, checking their IDs and executing them, would not say that the security situation has improved. You've got Prime Minister Maliki declaring a state of emergency in Baghdad. Sectarian violence gets worse. You've got the Prime Minister visiting Basra, saying we're going to initiate a government crackdown. No improvement.

I guess my question is two-fold. One, at what point do we actually see improvements on the security situation as a consequence of the political steps that have been taken or have we reached a point now where there is such a disconnect between—and such a lack of confidence in the central government, that no matter what the Prime Minister is doing or the Defense Minister is doing or Interior Minister is doing, that the violence has taken a life on its own. If that's the case, then what plan—I don't know what plan we're on now—Plan F or G. You know, what's the next plan?

Ambassador KHALILZAD. Senator, thank you for a very thoughtful question. I believe that the steps we have taken politically were necessary steps to deal with the violence issue. You couldn't deal with the violence issues successfully, couldn't place yourself strate-

gically to deal with the violence without having the political progress that had to take place—with the Sunni Arab community accepting to play its role in the political process. The question is, there is no doubt that—well, let's just say it hasn't been sufficient, as you say correctly and others have adapted to this, particularly the terrorists, by focusing, extenuating the sectarian faultline that was there, to exploiting it. Since they have adjusted to our strategy, which was to bring people together, they are trying to push a button, work on an issue that can keep us from succeeding. I believe that I outlined in my statement, steps that need to be taken politically and securitywise, to deal with the sectarian violence issue to bring it under control. And I believe those are issues having to do with militias, with the insurgency and bringing those two elements that are principally responsible, besides terrorists, to this violence increasing end of control. The reform of the Ministry of Interior, which we talked about when you were there, I think we now have a Minister that we can work with to reform the Ministry. There are instances in which the militia gets support from elements in the Interior of Ministry when they are involved in sectarian violence, so we have to deal with those. Those are difficult issues of state- and nation-building that we've talked about earlier. But I believe that this government, has 6 months or so, to bring the sectarian violence under control and if it doesn't, then I think we would have a serious situation because now, politically, you have the forces, all the key forces in the government. So if the people come to view that this government cannot deal with it, then there will be a serious issue.

Senator OBAMA. Can I focus on that point? I've always found you to be very open and thoughtful and all of us feel that you've made an enormous contribution with your presence there, so I hate to get you in trouble. But I'm going to try to pin you down on what you said. If this government has not significantly reduced sectarian violence in about 6 months, then we've got real problems. Right? If I'm hearing this correctly, what I'm hearing you say is that at that point, the Iraqi people will have the confidence and the central government will have eroded to the point where its not clear what we do now. I guess the question then becomes, what do we do then? Because you may be back here in 6 months and I'm going to feel bad when I read back this transcript and say, 6 months is up and the sectarian violence continues. So at that point, how do you respond to Senators Kerry or Feingold when they say, OK, look, at some point, we have to cut out losses here. This thing is not working and something entirely different is going to have to be tried that does not involve this sort of—I was a little worried when Senator Alexander mentioned us being in Japan for 45 years and Germany—as far as I know, we weren't spending \$100 billion a year during that 50-year period. Why don't you respond to what I think was a fairly open-ended question? Take it where you will.

Ambassador KHALILZAD. What I would like to say, Senator, is that we have to work with the Iraqi Government in the course of the next 6 months to bring the sectarian violence under control, to encourage them to do the steps that are necessary, both on the political and on the security track, and we will need to help them on

the security track to bring it under control. I do not believe that one can table in but I think to reverse the trajectory—

Senator OBAMA. I'm saying there is measurable improvement that people can see.

Ambassador KHALILZAD. Exactly. I think this is a challenge for the government and I have explained it to the Prime Minister and I'm sure when he comes here, you and other leaders of our country will have an opportunity also to speak with him. But this is very important, in my view, that progress is made on this issue, and I think given there is a new government, that the permanent impression that it will make is very important to all the people. I think they are moving in the right direction. I'm encouraged by the steps that he has taken but more needs to be done and concretely, and we need to help them.

The CHAIRMAN. Thank you very much, Senator Obama. Let the Chair mention that we're going to have a vote, as I understand it, at noon. The Ambassador needs to leave at about noon. We have two Senators still to be heard. So I'm going to call upon Senator Coleman, and if he could be helpful and give Senator Dodd a moment or two, that would be helpful.

Senator DODD. Mr. Chairman, permit me to inquire, is it appropriate for us to be able to—I'd like to ask unanimous consent that we can submit some questions we're not going to get to the Ambassador.

The CHAIRMAN. That's an excellent suggestion. The Senators should do that and hopefully the Ambassador can respond properly.

Senator Coleman.

Senator COLEMAN. Mr. Ambassador, first, like every one of my colleagues, thank you for what you are doing. You are an extraordinary leader in extraordinarily difficult circumstances and your efforts and talents are greatly appreciated. So it is just very important to articulate that again. Talk a little bit about corruption. The stories about corruption regarding oil supplies at a massive, massive level and perhaps tying some of that in to fueling the insurgency. I was going to ask you the overall question about what is funding the insurgency. You can kind of have that in the back of your mind, but where are we at in terms of getting a handle on corruption? Is there a sense of the rule of law in Iraq? If we don't settle those things, then in the end, we're going to be faced with huge problems in addition to all the security issues.

Ambassador KHALILZAD. Corruption is a big problem. In part, it is because of the subsidy system that exists, which motivates and provides opportunities for people to make money exploiting the different market prices and what subsidized prices are. The government is moving to reduce subsidies with regard to fuel. I think they have taken some courageous decisions in that regard. I am very encouraged by that, moving toward a free market, market prices that will help. But also, it is important that the institutions monitoring and responding to corruption and government is strengthened. They have those institutions. They need to be strengthened. I mean, courage by the Prime Ministers, their stand on this is very strong, very firm, and I am encouraged by the Minister of Oil's stand with regard to this issue. Yesterday, the Prime Minister went to the assembly and described that he could report to the as-

sembly names of people who were under investigation for charges of corruption. As to the financing of the insurgency, I think I can say that it is multiple sources. Some money comes from outside, in my view. I can't go into too much detail in this forum, but also from smuggling and from some of the hostage taking. Those are also sources of money for the insurgents.

Senator COLEMAN. I was just told that we have a full and firm commitment that if you can cut off the economic support, that you have somewhat of a chance of slowing down the veracity of the effort. Since there is limited time, Mr. Chairman, I will yield the rest of my time back for my colleague from Connecticut.

The CHAIRMAN. I appreciate the thoughtfulness, Senator.

Senator Dodd.

Senator DODD. Well, I, too, appreciate the thoughtfulness. Thank you, Senator. I apologize to you, Mr. Chairman, and to you, Mr. Ambassador. The timing was not perfect this morning. I had an amendment they asked me to offer on the floor of the U.S. Senate dealing with homeland security issues so I apologize not being here at the outset to hear your remarks. And I apologize to the chairman and Senator Biden as well, for not being here earlier. Thank you for your presence and again, thank you for your dedication and your work. I want you to understand here, I think all of us probably feel that whatever criticisms we have are not focused on you, specifically. There is a huge task you have and I have great respect for the efforts you make.

I'm going to focus on two quick questions, if I can. Picking up on some of the things I'm told that you raised earlier, one has to do with the issue of your suggestion. I think it was made in a speech. You may have made it as part of the response to a question here today, of increasing the U.S. force strength around Baghdad, from 40,000 to 55,000 troops. Let me make two points here if I can. One is about a year ago, Senator Reid of Rhode Island and myself were in Baghdad meeting with U.S. military commanders and one of the points that was made about a year ago was that there was a very good likelihood that the city of Baghdad could be policed effectively by Iraqi forces. We are now told—I think the numbers—my colleagues will correct me here or you will—are some 265,000 Iraqis are in uniform and trained to one degree or another.

Let me pose the question to you by referring to a cable that was reported in the Washington Post, that you sent to the Secretary of State, which you point out here that we—describing the difficulties of our employees at the U.S. Embassy. We cannot call employees in on weekends or holidays without blowing their cover. Likewise, they have been unavailable during multiple security closures imposed by the government since February. A Sunni Arab female employee tells us that her family pressures, the inability to share details of her employment, is very tough. Mounting criticism of the United States at home among her family members also makes her life difficult. She told us that in mid-June, that most of her family believed the United States, which is widely perceived as fully controlling the country, is punishing populations as Saddam did but with Sunnis and very poor Shiites now at the bottom of the list. My point and the question to you is, if, in fact, you are making, you are reporting this kind of a problem that exists, why in the

world would we be suggesting at this juncture to increase the presence of U.S. soldiers there when our own military people a year ago felt that the Iraqi forces would be able to handle Baghdad and wouldn't it be wiser for them to take over that responsibility, rather than increasing the U.S. presence, if, in fact, this woman is correct in her perception?

Ambassador KHALILZAD. First answer, thank you for what you said about me. With regard to the increasing forces in Baghdad, I think it is very important that Baghdad, which is now the scene of the sectarian violence, the focal point of the struggle—sectarian struggle that terrorists are encouraging and exploiting. Together with Iraqis, the plan that was developed has not produced the results that we were anticipating. That plan is being adjusted. As to what specific measures should be taken in terms of additional U.S. forces there, I have not made any public statement or recommendations on that account. This is something that General Casey has a responsibility for, if there are adjustments to be made with regard to our force presence there.

Senator DODD. What is your view? You're correct. I misspoke. I said you and it is General Casey.

Ambassador KHALILZAD. Right.

Senator DODD. But do you disagree with General Casey about that?

Ambassador KHALILZAD. Well, I defer to General Casey, of course, on military matters because that is his area of responsibility.

Senator DODD. But this is a political question, too, because your cable indicates, "we're having trouble with our own employees because of the perception of the U.S. controlling the country."

Ambassador KHALILZAD. Right.

Senator DODD. What is your advice on that point?

Ambassador KHALILZAD. With regard to the cable, Senator, I stand behind that cable. It just shows that dedicated Iraqis take the risks that were described to come and work with us to build this new Iraq and we very much appreciate their service. I feel a responsibility toward them as I do toward the other employees from third countries or from the United States who work there for us and with us. But I believe with regard to the attitude toward the United States, people want security. They want to be able to send their kids out to school and come home, be able to go out on the street. There is this view in that region, in Iraq in particular, that if the United States wanted to end sectarian conflict, it could happen immediately. Therefore, they believe how could it be that we are there, in control, as you say, and this happens. They would like the sectarian violence to end and they have a misperception about that ability to control everything, an exaggerated view of our capacity. I think that clearly, as a matter of principle, politically, we prefer Iraqis to secure Iraq. That is the principle, the right thing to do and I support that. But if under some set of circumstances, in order to contain a situation or deal with a situation, they need our help. It is important for us and I defer to General Casey as to the specifics of what that help could be and that we provide that help.

Senator DODD. Let me jump in quickly, if I can, with a second question. I'd spend more time on that point with you but I hear your answer. That is, I gather in response to a question earlier about Iran and the earlier authorization you had to engage, if it was appropriate in some contact conversation with Iran, and I gather your answer was that it is timing, things have changed, the matters have moved to the nuclear weapons issue and the like and that you also said earlier that there was sort of a good news/bad news, that there was a very good relationship between the Iranian Government and the Government of Iraq but obviously there was continuing support for Shia militias that are coming out of Iran as well. I'm somewhat concerned. I want you to respond to this if you will. Why wouldn't it be possible, given the importance of the nuclear question and the ongoing relationship, have you been denied authorization—I mean, it seems to be opening up these doors that would open up conversations not limited to merely Iraq-Iranian relationships but also this issue, which is paramount in our view, why wouldn't we allow you to pursue a dual track, if that would produce some results?

Ambassador KHALILZAD. Senator, at this point, of course as I said, the focus is on the nuclear issue but I would not rule out the possibility of engaging them with regard to the Iraq situation, under the right circumstances, if we judge that it would be productive in terms of what we seek in Iraq. But I think tactically, at this point, the focus of dealing with Iran is very much on the nuclear issue.

Senator DODD. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much, Senator Dodd. I announced a while back the Ambassador would have to leave at noon. Senator Sarbanes has arrived. Can you accommodate the Senator for—all right. We have a 7-minute limit and hopefully we can observe that, Senator Sarbanes.

Senator SARBANES. Thank you very much, Mr. Chairman. Mr. Ambassador, I join my colleagues in welcoming you before the committee. When did you move from being Ambassador to Afghanistan to being our Ambassador to Iraq?

Ambassador KHALILZAD. June of last year, Senator. But I didn't assume my role until July.

Senator SARBANES. June 2005?

Ambassador KHALILZAD. June 2005; yes, Senator.

Senator SARBANES. Now, I'm sure you continue to follow the situation in Afghanistan, having spent so much time there and done some very skillful work. The situation there seems to be deteriorating on us. Would you agree with that?

Ambassador KHALILZAD. I am very concerned about the situation in Afghanistan, Senator.

Senator SARBANES. I'm tempted to attribute it to your departure but I don't want to overdo that point. So what do you attribute it to, this deteriorating situation in Afghanistan?

Ambassador KHALILZAD. I think clearly that there is a game. You'll have to forgive me, I've got my hat full in Iraq so the details are not on top of in great detail.

Senator SARBANES. Sometimes you get a better perspective when you are some distance removed.

Ambassador KHALILZAD. Right. But there is clearly increased attacks from the Taliban and it is very—whether that is as a result of new finances, new equipment, new people joining them, how the situation in terms of worsening, perhaps, between Afghanistan and Pakistan. I've seen from the media some increased contentiousness between those two countries—and certainly it is evident that there is an upsurge, an increase in Taliban activities against the government.

Senator SARBANES. Would you say that United States focus and attention and the commitment of resources to Afghanistan has been diverted away, beginning with our entry into Iraq and continuing over this time period? If you were the all-knowing decision-maker, would you want to commit more focus and resources into Afghanistan?

Ambassador KHALILZAD. Success in Afghanistan is very important, Senator, in my view—9/11 was planned there and it is specifically important because of that. The Afghans, when I was there and I believe it continues to be the case, want to work with the United States, generally. I mean, of course, there are Taliban who have a different agenda, but generally, and President Karzai is a good partner. He is a good leader.

Senator SARBANES. Would you say that he has a greater legitimacy as the leader of his country, given the process by which he was chosen, than perhaps exists in Iraq, with respect to their leadership?

Ambassador KHALILZAD. Well, at present, Karzai clearly is the elected leader of Afghanistan, a democratic election, he campaigned across the country on an agenda. He had opponents and he won. The Government of Iraq is a legitimate government, a unity government. Everyone has been elected. I don't want to make comparisons but there is no question that President Karzai is elected. On your point about diversion to Iraq, I was in Afghanistan when—after Iraq and I have to tell you, I respectfully disagree with that because during the period I was there, while Iraq was going, our focus and assistance for Afghanistan also increased. I do know what has happened since I left but certainly, when I was there, when we managed to, thanks to your leadership—

Senator SARBANES. You were a very strong champion, actually for that position and I recall you coming here on a number of occasions to press that issue.

Ambassador KHALILZAD. Right. And you were kind enough, both the Senate and the House, to provide for additional resources for Afghanistan.

Senator SARBANES. I know those who were here at the dais with me took a major lead in—

Ambassador KHALILZAD. Absolutely.

Senator SARBANES. Senator Biden and Lugar and Hagel and Senator Dodd, I know, constantly pressed that issue. Let me go on because the time is limited.

Ambassador KHALILZAD. Yes, sir.

Senator SARBANES. I know you have to depart. I understand that the United States is now calling on the United Nations to help put together an international compact of donors, is that correct?

Ambassador KHALILZAD. The Iraqi Government is, along with the United Nations, cochairing an international conference on Iraq, in which Iraqis will commit themselves to certain goals and timelines in exchange for political and economic support from the international community.

Senator SARBANES. Now, I understand earlier—

Ambassador KHALILZAD. And we support that.

Senator SARBANES [continuing]. Yes. I apologize—I wasn't able to be here at the outset so if some of these questions are redundant, I apologize for that. But earlier in this hearing in response to Senator Hagel, you said that of the \$14 billion that had originally been pledged for Iraq, only \$4 billion of it has been received. Is that correct?

Ambassador KHALILZAD. I think that is largely correct; yes, Senator.

Senator SARBANES. Why do you think we've had so much trouble getting those contributions to come through?

Ambassador KHALILZAD. Part of it that I am aware of, that I deal with in the neighborhood of Iraq has been the reluctance of some of the Arab countries who pledged to deliver on, and they have been slow because of their concern about the government there. The Sunni Arabs and most of the Arab countries are Sunni Arabs—have taken a negative view of the previous government, which did not have elected Sunni members. Now that there is a unity government with Sunnis fully participating, in my judgment, there is a transition to a more positive attitude.

Senator SARBANES. Could I interject right there?

Ambassador KHALILZAD. Yes, sir.

Senator SARBANES. Is it your judgment that we are fully over the hump of having a unity government, that that has now been worked out in a lasting way or does it still remain a very shaky situation with respect to a unity government?

Ambassador KHALILZAD. Well, there is a unity government but it faces the challenge of sectarianism on the street. This is the best government, in a sense, to deal with it but at the same time, of course, I can understand that continuing sectarian violence can strain relations inside that government. So I suppose, an opportunity and a challenge, but there is the issue of integrating some of those other elements that are not in yet, insurgency, which was first necessary to bring the political leadership of the Sunnis and now the Prime Minister reaching out as part of the reconciliation, to the insurgency to be brought in and we support that. The Arab governments in the neighborhood can help and that is why they went to Saudi Arabia, Kuwait, and UAE to seek their help and they have offered to assist them.

Senator SARBANES. Speaking of the neighborhood—and I'll close with this—could you very quickly run through for us the roles that are being played by the neighboring countries with respect to the situation in Iraq? I understand earlier you spoke at considerable length on Iran so I'll leave that aside on the assumption that it has been covered. But you could go through the other countries and give us some sense of the roles they are playing?

Ambassador KHALILZAD. I believe Syria is also playing a mixed role with a lot of negative in it. Turkey, Jordan, Kuwait, Saudi

Arabia—some of them have been playing a positive role. Others are beginning to engage positively, such as the Saudis, with a visit of the Prime Minister. I think they can do more and I would like to see them do more. I have urged them that on their concern about Iranian influence in Iraq, that the best way to deal with that is for them to engage this new Iraq, to engage, among others, the Shia population of Iraq, which during the time of Saddam, because they were in the opposition, they were based in Iran and Iran gained some influence over some of the groups. But now that Iraq has become independent, with the engagement from the Arab States, there can be a lesser need for them to rely exclusively on Iran and if they isolate this new Iraq, they will push it toward reliance on Iran and that would not be in their interests. I think there is an adjustment that is taking place there, in a positive direction and I regard that to be an opportunity for the new government.

Senator SARBANES. Do you expect these countries to be part of this effort at the United Nations, the compact to provide reconstruction assistance?

Ambassador KHALILZAD. Absolutely.

Senator SARBANES. How about Egypt? Would they be also a part?

Ambassador KHALILZAD. Certainly Egypt is an important Arab country that can help in many ways, although how much it can help financially will be—I think we are looking more to the Gulf States to do the heavy lifting on the financial front. Iraq is indebted to them substantially because during the Iran-Iraq war, they assumed a lot of debt. That needs to be forgiven. The Arabs have done less than Western powers in terms of debt forgiveness. They have shown a willingness to do that and there is also the issue of assisting with reconstruction efforts and this compact is the opportunity and we anticipate that they will play a leading role.

Senator SARBANES. So what is the timetable on that compact?

Ambassador KHALILZAD. Well, as I said, this is an Iraqi project with the United Nations as a cochair. We think the first meeting will be of the preparatory committee on the 20th of July in Baghdad. Then there is the idea of a ministerial second step during the U.N. General Assembly meeting in New York and then a final conference before the end of the year.

Senator SARBANES. Thank you.

The CHAIRMAN. Thank you very much, Senator Sarbanes. Ambassador, we thank you very much.

Senator BIDEN. Mr. Chairman, may I take 60 seconds to make a closing comment? Thanks for being here, Mr. Ambassador. I come away from my recent trip and discussions with you as well, today, is that I believe there is an inevitability we're drawing down American forces, regardless of what happens on the ground. I think it is going to start as early as September. I think that because of all the reasons you've stated about the Iraqis as well as us. I think the only question left is, what are we going to leave in the wake here and I hope I get a chance to talk to you more about Sunni buy-in in a larger way because it seems to me, that is one of the giant keys to this. But we're drawing down, we're drawing down no matter what happens.

The CHAIRMAN. Do you think we'll leave the Ambassador in the wake?

Senator BIDEN. Well, they may want him to be President or Prime Minister.

The CHAIRMAN. Let me ask. Senator Hagel, do you have a final comment?

Senator HAGEL. Not anything other than to thank Ambassador Khalilzad and to also extend that thanks to all of the people you represent. We know, as you have heard here, how difficult this is. So thank you very much.

Senator DODD. That is an important point. I would hope, despite the issues raised in a table like this, there is no limit to the amount of respect we have for the people who serve in our embassies, the people in uniform in that country put their lives on the line every single day and one should never confuse questions being raised about policy and our deep commitment and respect for those who are out there trying to make things happen in a positive way. It is very important you bring that message back, Mr. Ambassador.

Ambassador KHALILZAD. Thank you, Senator Dodd, for that. I appreciate that and Senator Hagel, thank you very much.

The CHAIRMAN. Ambassador, let me just conclude by saying we admire your personal wisdom and courage and we wish you well.

Ambassador KHALILZAD. Thank you, Mr. Chairman. It is an honor to have been with you.

The CHAIRMAN. The meeting is adjourned.

[Whereupon, at 12:20 p.m., the hearing was adjourned.]

ADDITIONAL QUESTIONS AND ANSWERS SUBMITTED FOR THE RECORD

RESPONSES OF AMBASSADOR ZALMAY KHALILZAD TO QUESTIONS SUBMITTED BY SENATOR RICHARD LUGAR

Question. As part of his 24-point National Reconciliation Plan, PM Maliki has prioritized disarming the militias. They were also outlawed by the Constitution and opposed by U.S. policy prior to that. What will the key be to making this a reality this time? Will the United States have a role?

Do you continue to have sufficient leverage in ensuring U.S. priorities are achieved and we don't allow the Iraqis to lose sight of rule of law, religious freedom, and human rights issues?

What if the reconciliation plan falls through? What and who is doing the planning for the worst case outcomes?

Answer. The U.S. Government is committed to working closely with the Government of Iraq (GOI) in developing a disarmament, demobilization, and reintegration (DDR) program as the vehicle to bring militias back into civil society. International/regional neighbor action is also critical in stemming material support for militias. The mechanics of the DDR plan require the GOI establish a plan that reintegrates these former armed group members under the Iraqi National Reconciliation and Dialogue project.

A viable reintegration plan will require political, economic, and educational reforms designed to help members of these groups transition back into society. This plan will address jobs, integration into Iraqi military and police forces, and influencing those both inside and outside of Iraq who are supporting the militias.

The Civilian Police Assistance Training Team (CPATT) works closely with the Ministry of the Interior to eliminate human rights abuses. To date, the Ministry has taken a number of steps to curb corruption and human rights violations. The MOI relieved 3 brigade commanders whose units were receiving frequent abuse reports, allocated \$4 million to renovate current MOI detention facilities to U.N.-international standards, conducts human rights training during police training, and directed the formation of an MOI Center for Ethic, Integrity and Leadership.

The United States remains engaged with Iraqi political, religious, and civil society leaders to assist in the transition from government formation to governing. While there are still many challenges that lie ahead to address the pressing needs of the Iraqi people, PM Maliki remains focused on a long-term strategy to ensure success of the Iraqi Government.

Question. What are the objectives of the International Compact that the administration hopes to put into place? What will it encompass? Will the compact involve a wider involvement than the Council of Ministers? What are we doing to ensure its legitimacy?

Answer. The International Compact with Iraq is an Iraqi initiative supported by the United Nations and the World Bank. The objectives of the compact are for Iraq to commit to reforming its political economy so that will become self-sustaining over the next 5 years. In return, Iraq's international partners (countries and international organizations) will commit to providing the assistance needed until Iraq is capable of meeting its goals with its own resources. While the content of the compact will be mainly economic, dealing with such vital sectors as oil, electricity, and agriculture, and such important topics as subsidy reform, social safety nets, and fighting corruption, the document will also point to the importance of Iraq continuing to make gains with security and its political institutions.

The Government of Iraq, the United Nations, and the World Bank are organizing the work effort for the compact so as to directly engage key Iraqi ministries into the process. Iraq's provincial governments will also be involved in the process of formulating the compact. We expect that the resulting document will receive the endorsement of Iraq's Council of Ministers.

Legitimacy will also derive from the endorsements the compact receives from the international community, in particular Iraq's Gulf Arab neighbors and their official financial institutions.

We are encouraging the Iraqis to view the compact as a framework for focusing their efforts for engaging international actors and organizations—to begin on economic matters.

Question. Beyond the compact, are you involved in increasing the contributions of international actors and organizations, or are you encouraging the Iraqi ministers to lead this effort?

Answer. In every appropriate venue, we continue to urge international support for Iraq politically, economically, and in the security area by upgrading diplomatic relations, supporting capacity-building programs, concluding bilateral debt forgiveness agreements, disbursing existing pledges, seeking new donor support and seeking support for security and stability.

In coordination with the Iraqi Government, our international engagement strategy includes consultations by U.S. Government principals with regional and other countries, and outreach to international organizations, NGOs, and international financial institutions. I personally engage Iraq's neighbors such as with my recent visits to UAE and Saudi Arabia. Foreign ministerial and bilateral meetings, international summits, official visits, and many congressional delegations are also reinforcing our objective of increased international support for the new Iraqi Government. Most recently, the G-8 summit provided such a venue for engagement.

Question. You have spoken about Syria and Iran. With fingers being pointed at Damascus and Tehran for destabilizing activities with respect to Iraq, and also for backing the intransigence of Hamas and Hezbollah with respect to Israel, what is the sense of Iraqis of their ability to deal effectively with these neighbors?

Answer. Despite public statements signaling their interest in dialog and cooperation with Iraq, it is the position of the United States Government that Syria and Iran continue to support destabilizing activities with respect to Iraq. Syria continues to turn a blind eye toward insurgents' entry into Iraq and has claimed difficulty with controlling transit. Iran continues to undertake destructive activities in Iraq, and adversely affect the new national unity government's efforts to promote national reconciliation.

The Iraqis understand that solutions will require coordinated and simultaneous actions across the political, economic, and security tracks. The Government of Iraq understands that it must lead these efforts, including carrying out an initiative focused on national reconciliation. For instance, the Iraqis are coordinating closely with the Arab League, calling for Iraqi parties and Arab States to support Iraq and respect the political will of the Iraqi people, bolstering any outside interference or influence.

Senior Iraqi officials have made their views about Syrian and Iranian actions in Iraq known to the officials of those governments. While the details of those con-

versations are confidential, there is no doubt that Syrian and Iranian officials know the kinds of conduct that Iraqi Government officials deem objectionable.

Question. Being aware of this committee's involvement in improving our government's ability to handle reconstruction and stabilization missions—especially from the civilian component—can you evaluate the operations of the few PRTs that have been established to date? Describe the challenges you are facing in staffing the civilian side robustly enough to be effective and the challenges they are facing? Can they move and operate effectively in the current security environment?

Answer. Five PRTs are currently operational in Tamim (Kirkuk), Ninewa (Mosul), Babil (Hillah), Baghdad, and in Al Anbar (Ramadi). PRTs have always been a part of our strategic plan to coordinate reconstruction and capacity-building efforts. We initially fielded three U.S.-led “proof of concept” PRTs in Kirkuk, Mosul, and Hillah. Based on that experience, we have refined the PRT concept to shape logistics, security, and staffing to match specific needs in each province.

PRT deployment is conditions-based. For U.S.-led PRTs, we use existing logistical and security resources at current U.S. Regional Embassy Offices (REOs) and Forward Operating Bases (FOBs). The security environment in each province is key factor in the timing of the PRT rollouts and the mix and composition of security resources for each PRT. In some cases, this may mean State and Multi-National Forces–Iraq (MNF–I) share security. In others, one or the other is in the lead. Joint analysis between the Embassy and MNF–I continues as we collaborate on PRT deployments.

To date the Department of State has filled State-designated positions in Iraq, including the PRTs, with volunteers. In the summer 2006 assignment cycle, State thus far has filled 99 percent of the open positions for Baghdad and more than 85 percent of the PRT positions. In recognition of our need for additional expertise in the field, Secretary Rice approved, in June, the augmentation of PRT staffing by an additional 45 positions, drawn from several civilian USG agencies. We have reached out to the Department of Agriculture and USAID to fill 6 Agricultural Specialist and 11 Economic Reform and Private Sector Development positions, respectively. At the same time, State is identifying expertise from within State, the USG interagency community, and from qualified private citizens hired by the Iraq Reconstruction Management Office (IRMO), to fill the remaining 28 augmentee positions with political/foreign affairs, public affairs, and rule of law professionals. USAID and the Department of Justice already are providing development and rule of law expertise at currently operational PRTs.

The PRTs are working closely with provincial governments to establish effective linkages with the central government, and to help local officials plan and prioritize provincial government direction and activities. This work includes assisting Iraqis in preparing budgets, identifying funding and staffing needs, and developing fiscal responsibility. Additionally, PRTs continue to provide assistance in coordinating civil construction, including advising provincial authorities on communication with their constituents and enhancing delivery of provincial and municipal services.

Question. Assess the abilities of the Iraqi ministries to perform basic functions of government? Do we have sufficient civilian expertise to provide the advice and assistance they need to stand up ably, through ministerial assistance teams or what have you? The Iraqi economy has managed to grow despite all of the violence, yet corruption in the oil sector and elsewhere has been described as systemic. Is the Maliki government taking steps to step up enforcement and increase penalties for those who are caught?

Answer. Increasing the capacity of Iraq's national-level ministries and local government bodies is a critical part of our strategy to support Iraq's transition to democracy and self-sufficiency. Tens of thousands of Iraqi officials, at great personal risk and sacrifice, are working to keep the Iraqi Government functioning and deliver essential services. Embassy Baghdad's National Capacity Development (NCD) program will assist the new government by addressing urgent needs (short-term track), and employing a longer term approach to foster indigenous capacity development (medium-term track).

Embassy is finalizing a baseline assessment of capacity across the key ministries. Efforts are underway to attend to the highest priority identified needs, including programs to address cross-ministerial deficiencies as well as those targeted to specific ministry needs. Ministry Advisory Teams (MATs) are the implementation vehicle for the short-term approach and consist of Iraqis, U.S. Senior Consultants, USAID, donors, and other partners. The MATs will facilitate Iraqi ownership of ministry priorities as well as provide a vehicle for donor participation and coordination. To provide an example, the Electricity MAT is led by the Ministry's Head of

Training and is soliciting proposals to address infrastructure management, legal and regulatory reforms, tariff reforms, and technical training. Embassy also plans to place a Bicultural-Bilingual Advisor (BBA) on each MAT, as well as provide BBAs to strengthen the overall operations of the Prime Minister's Office.

The medium-term NCD approach is complementary to the short-term approach. Immediate support will be given to the Iraqi National Training Center to build government-level capacity in key ministries, followed by international assistance to strengthen the curriculum and capability of the national as well as regional training centers. This approach also employs civil service reform and Iraqi-led training programs to foster indigenous capacity development. Embassy is currently developing metrics to measure the progress of ministerial capacity development during our NCD effort. Full partnership and cooperation from the GOI will yield faster returns and facilitate Iraqi ownership.

Coordination pivots on our senior consultant to each ministry to ensure that all of our operational and capacity development and training efforts are complementary and in many cases synergistic. NCD program efforts are also being coordinated with the work of Provincial Reconstruction Teams (PRTs) at the provincial and regional levels, and will also go hand in hand with anticorruption initiatives. The new government will provide a longer term, more stable political environment for capacity development and several of our international partners have expressed interest in assisting specific Iraqi ministries.

While corruption remains a major obstacle to the reconstruction and stabilization of Iraq Prime Minister Maliki has made repeated statements reaffirming his commitment to fighting corruption in Iraq, most notably in his June 12, 2006, address to the Iraqi Parliament. The Iraqi Commission on Public Integrity, the Iraqi inspectors general, and the Central Criminal Court of Iraq continue to work together to combat corruption in the Iraqi ministries and Embassy Baghdad, through the IRRF and FY06 supplemental funds continue to assist in the efforts of these Iraqi anticorruption institutions.

Question. U.S. reconstruction appropriated funding is waning, and little more has been requested. Describe what this is doing to our reconstruction priorities and goals.

Answer. We have already disbursed \$15 billion of the \$20.9 billion in IRRF I and II, and expect to conclude most of our major infrastructure projects by the end of 2006. These programs were intended to jump-start the Iraqi economy, and facilitate Iraq's transition to self-sufficiency. These programs are already having an impact, for example, providing roughly one-third of Iraq's electricity generation capacity, stabilizing oil production, and improving delivery of water and access to sewage. As we wrap up these infrastructure programs, we are increasingly focusing on programs to build Iraqi capacity to manage their own affairs. Under the 2006 supplemental, we are beginning a program to increase the capacity of 10 key Iraqi ministries to carry out core functions, such as budgeting and personnel management. We also are implementing programs to improve Iraq's ability to operate and maintain USG-funded projects, protect critical energy infrastructure, and develop local government capacity. We have requested \$771 million in FY 2007 to continue programs to build Iraqi self-sufficiency, as well as to support economic policy reforms and democracy programs.

Question. In addition to the constitutional review process, the Constitution itself requires enacting legislation for dozens of provisions, many of them related to human rights and freedom guarantees. Is the Iraqi Parliament showing progress on these fronts, and are they being provided capable advisors as needed? What agency/contractor/grantee has the lead for this?

Answer. The Iraqi Parliament, also known as the Council of Representatives (CoR), has made no significant progress during its first month in drafting legislation related to human rights guarantees in accordance with articles in the Constitution. The CoR is currently out of session, but will resume work in September. The constitutional review process will likely begin in earnest in the fall.

U.S. Embassy Baghdad—drawing on State Department, USAID, and other agency expertise—is providing legislative drafting assistance to the CoR. Embassy Baghdad also has been working closely with the United Nations and the United Kingdom, for instance on the Human Rights Commission legislation. The United States will remain engaged to assist the Iraqi Government in guaranteeing human rights and freedom for all Iraqi citizens.

Question. Under the previous government, the Ministry of Interior (MOI) received very poor marks. Accusations continue to be levied at the active police force suggesting that loyalties are misplaced, the force is infiltrated or worse. Is Minister

Boulani capable of turning the Ministry around so that it can gain the confidence of all Iraqi communities? Do you have any oversight purview of the MOI, or is that all handled by the Defense Department?

Most Americans cannot fathom the level of violence that is being described daily in Iraq, much less what motivates people to perpetrate such acts? Can you explain what you see? Are average Iraqis frustrated because they do not have access to justice? Do they think the system or institutions will fail them? How has this changed since you have been there?

Answer. Minister Jawad Al-Bolani faces the monumental task of overcoming corruption, human rights abuse, and sectarian influence to establish a transparent and accountable ministry capable of planning, organizing, managing, and sustaining Iraq's civil security forces and helping to establish the rule of law in Iraq. We believe that he can and must rise to the challenge. The U.S. Government is committed to helping him succeed.

As the Chief of Mission, I coordinate with the Multinational Force–Iraq (MNF–I) Commander to provide policy guidance and general direction to our efforts to build the capacity of the Ministry of the Interior. The Department of Defense, through CENTCOM and MNF–I, provides tactical guidance to ministerial advisors.

Effective rule of law in Iraq requires four institutions: Effective laws, police to enforce them, courts to administer justice, and prisons to incarcerate offenders. The United States, its coalition partners, and international agencies are helping Iraq strengthen the rule of law by building a legal system that instills confidence in the Iraqi Government and ensures security for its citizens. Despite these efforts, progress in developing and implementing both the institutions and processes to foster the rule of law in Iraq have been limited. Although there have been some positive developments, delay in the GOI formation resulted in a loss of momentum and rule of law initiatives slowed.

The MOI has made significant progress during the last 2 months. A major crime unit was disbanded for extensive involvement in corruption and terrorist activities. Recent investigations have identified a list of MOI personnel whom the De-Baathification Committee identified as being senior Baath Party members. The end result will likely be the firing of a large number of personnel based on Iraqi law that prohibits Baath Party members holding specific government positions. High profile prosecutions in connection with human rights abuses in MOI detention facilities will be a significant step toward increasing the credibility of the MOI as a national institution.

Question. The Embassy has had problems filling positions with adequately qualified individuals willing to serve in such dangerous environment for periods long enough to be truly effective. As we are in another turnover period, 2 years after the Embassy opened, describe what you are doing to improve this situation.

Answer. The Department of State has 137 authorized Foreign Service positions in Iraq of which 135 personnel have been identified for the summer 2006 cycle (99 percent fill rate); 41 of the above positions located in the Regional Embassy Offices/ Provincial Reconstruction Teams (REOs/PRTs) or temporarily attached to military units as political advisors. The Iraq Reconstruction Management Office (IRMO) currently has 173 personnel in Iraq, including ministerial advisors (80 percent fill rate) and 32 candidates in the pipeline. To date, the Department's package of recruiting incentives has enabled us to staff nearly all our positions. Certain positions are filled by individuals who have the requisite professional skills but who are not at the requested grade or level; we continue to reach out personally to employees who meet all requisite qualifications to encourage them to serve in Iraq. The standard tour of duty in Iraq is for 1 year because of the extreme danger and hardship that our personnel endure. We are pleased that our employees have been so responsive to the challenges of serving in Iraq, we are proud to have an all-volunteer cadre there, and we continue to look at all options that will allow us to provide the best staff possible for Embassy Baghdad and constituent operations.

In addition to the Department of State positions, we are pleased to report that of the 48 additional positions we requested of the interagency in March, 40 have been filled. Moreover, 8 agencies combined have offered up the names of 24 volunteers willing to serve 3-month rotations in Iraq as part of our public affairs Global Outreach (GO) teams. The first GO team is on the ground and assisting U.S. and international journalists to facilitate coverage of reconstruction stories.

The Department of State continues to host interagency meetings to encourage the continued staffing of these positions, to discuss recognizing and compensating all USG civilians adequately for their service in Iraq, and to review the legislative and regulatory impediments that complicate service of USG civilians in war zones such as Iraq. Thanks to the support of Senators Lugar, Warner, Biden, and others, many

of those legislative impediments have been removed with the amendments offered with the passage of the FY 2006 Iraq supplemental, which President Bush signed into law on June 15.

RESPONSES OF AMBASSADOR ZALMAY KHALILZAD TO QUESTIONS SUBMITTED BY
SENATOR JOSEPH R. BIDEN, JR.

Question. Please provide the committee with an updated assessment of the governing capacity of the key Iraqi ministries. Please also provide the committee with the detailed plans on the strategies and benchmarks for building the capacity of each of these ministries. Which ministries have the best leadership and potential, and which ones do you worry about? What are the biggest obstacles you face in standing them up? How are international reconstruction efforts being coordinated to ensure that they assist in building Iraq's governing capacity?

Answer. Embassy Baghdad's National Capacity Development (NCD) program is an integral component of transitioning U.S. support from reconstruction to building Iraq's capacity to govern effectively and deliver essential services. With the new Government of Iraq (GOI) in place, Embassy is finalizing a baseline assessment of ministerial capacity across the key ministries. The NCD program will address urgent needs during the first year of the new government (short-term track) as well as medium-term initiatives. Ministers were briefed on the NCD program shortly after new government formation, and Embassy has also obtained the support of the Prime Minister's Office and the Council of Ministers Secretariat to strengthen inter-ministerial and provincial relations.

Ministry Advisory Teams (MATs) are the implementation vehicle for the short-term NCD approach and consist of Iraqis, U.S. Senior Consultants, USAID, donors, and other partners. The MATs will facilitate Iraqi ownership of ministry priorities as well as provide a vehicle for donor participation and coordination. Efforts are underway to address the highest priority needs, including programs that address cross-ministerial deficiencies as well as efforts that are targeted to specific ministry needs.

The medium-term approach is complementary to the short-term approach and immediate support will be given to the Iraqi National Training Center to build governate-level capacity in key ministries, followed by international assistance to strengthen the curriculum and capability of the national as well as regional training centers. This approach also employs civil service reform and Iraqi-led training programs to foster indigenous capacity development. Embassy is currently developing metrics to measure the progress of ministerial capacity development during our NCD effort. Full partnership and cooperation from the GOI will yield faster returns and facilitate Iraq ownership.

Coordination pivots on our senior consultant to each ministry to ensure that all of our operational and capacity development and training efforts are complementary and in many cases synergistic. NCD program efforts are also being coordinated with the work of Provincial Reconstruction Teams (PRTs) at the provincial and regional levels, and will also go hand in hand with anticorruption initiatives.

Having the new government in place for 4 years will facilitate the transition from U.S.-led training and mentoring to Iraqi-led capacity building with international donor and NGO assistance. The World Bank has also been working to expand Iraqi ministry capacity over the last 2 years through two targeted programs. Other donors have also expressed interest in working with the Iraqi Government to address specific needs.

Question. Please submit a progress report on the Provincial Reconstruction Teams (PRTs). How many teams are deployed? What is the schedule for deployment? What are the staffing levels? Why can't they be established faster? Do they have enough resources? What have been their key accomplishments? What lessons have been learned?

Answer. Five PRTs are currently operational in Tamim (Kirkuk), Ninewa (Mosul), Babil (Hillah), Baghdad, and in Al Anbar (Ramadi). An additional two, Salah ad Din and Diyala, are completing staffing and will be inaugurated by the end of August. Also, one coalition PRT has been established, in Basrah, led by the United Kingdom. PRTs have always been a part of our strategic plan to coordinate reconstruction and capacity-building efforts. We initially fielded three U.S.-led "proof of concept" PRTs in Kirkuk, Mosul, and Hillah. Based on that experience, we have refined the PRT concept to shape logistics, security, and staffing to match specific needs in other provinces.

PRT deployment is conditions based. For U.S.-led PRTs, we use existing logistical and security resources at current U.S. Regional Embassy Offices (REOs) and Forward Operating Bases (FOBs). The security environment in each province is a key factor in the timing of the PRT rollouts and the mix and composition of security resources for each PRT. In some cases, State will secure the movement of PRT members, while in other cases, Multi-National Forces–Iraq (MNF–I) will provide site security. Joint analysis between the Embassy and MNF–I continues as we collaborate on PRT deployments.

Recruiting civilian staff has been a challenge; to date, the Department of State has filled State-designated positions in Iraq, including for the PRTs, with volunteers. Once accepted, the State “quick hire” process requires 60–70 days to bring a candidate on. Thus far in the summer 2006 assignment cycle, State has filled more than 98 percent of the open positions for Baghdad and more than 85 percent of the PRT positions. In recognition of our need for additional expertise in the field, Secretary Rice recently approved the augmentation of PRT staffing by an additional 45 positions. We have reached out to the Department of Agriculture to fill 6 Agricultural Specialist positions and to USAID to fill 11 Economic Reform and Private Sector Development positions. State is taking the lead in identifying expertise from within State, the USG interagency community, and from qualified private citizens hired by the Iraq Reconstruction Management Office (IRMO), to fill the remaining 28 augmentee positions with political/foreign affairs, public affairs and rule of law professionals. USAID and the Department of Justice are already providing development and rule of law expertise at currently operational PRTs.

Resource support for PRTs varies somewhat depending on circumstances. Some PRTs were built within REOs and inherited REO assets, while other PRTs were built on the infrastructure of FOBs and need to be provided for separately. This is to be expected. However, overall, the PRTs are working effectively with provincial governments, establishing linkages between the central government and the provincial governments and helping local officials plan and prioritize provincial government direction and activities. This work includes assisting Iraqis in preparing budgets, identifying funding and staffing needs, and developing fiscal responsibility. Specifically, in Ninewa, PRT support helped in the formation of a provincial charter, crucial to defining the provincial government baseline. Additionally, PRTs continue to provide assistance in coordinating civil construction, including advising provincial authorities on communication with their constituents and enhancing delivery of provincial and municipal services. In Tamim, PRT support helped to develop the first two phases of a master plan for Kirkuk City, and in Babil, PRT support helped to develop and implement an action plan to address the approximately 6,000 IDPs that have sought refuge from sectarian violence.

While there are many PRT accomplishments, carrying out diplomatic functions and building provincial capacity in the middle of a war has proved a challenge, and many lessons have been learned in the process. Our original timeline for the program was optimistic and has been adjusted to reflect experience.

Question. On June 1, the Regional Embassy Office (REO) in Mosul closed. Why was REO Mosul closed? How many staff worked at REO Mosul and what became of them? How many staff are assigned to PRT Ninewa and how will the closure of REO Mosul impact it? Which of the REO Mosul’s functions will be covered by PRT Ninewa and which will not? It is my understanding the REO Mosul was responsible for a larger geographical area than PRT Ninewa. How will this larger geographical area be served after the closure of REO Mosul?

Answer. Forward Operating Base (FOB) Courage, on which the REO in Mosul was located, was closed after the Department of Defense reorganization and security assessment in Iraq determined that it would close by June 2006. Thus, maintaining the REO in Mosul without the security provided by the military would have been too expensive.

After its establishment at REO Mosul in November 2005, PRT Ninewa took over the majority of REO Mosul’s functions. These functions and personnel transferred with the PRT in the move from FOB Courage to FOB Marez. The support staff, however, did not. While this left the PRT fit to operate, the loss of functions that were provided by these personnel has impaired the capability of the PRT. For instance, the PRT no longer has a dedicated IT staff member to maintain communications and the IT systems, and unfortunately, the support provided by FOB Marez has been limited at best. The REO staff not connected with PRT operations will either depart Iraq at the end of their assignments this summer, since their REO positions will be closed upon their departure, or moved to other locations in Iraq, including Baghdad or another REO.

Currently there are 8 Department of State (DOS) personnel, 20 Department of Defense (DOD) personnel and 5 DOD contractors assigned to PRT Ninewa. PRT Ninewa staffing and activities have not been changed by the closure of REO Mosul. Under the terms of the joint DOS/DOD PRT initiative established in the fall of 2005, DOD is to fund all infrastructure, life support, and operating costs for PRTs located on DOD installations and DOS is to fund all infrastructure, life support, and operating costs for those located on DOS installations. With the closure of REO Mosul and move to FOB Marez all DOS operational support has been reallocated within Iraq. The provincial outreach and political reporting functions of the REO are replicated in the PRT.

REO Mosul had responsibility for Ninewa and Dohuk provinces. The PRT is chartered to cover only Ninewa but has retained some connection to Dohuk by housing the IPAO formerly responsible for Dohuk reporting. Once the PRT in Erbil is established, it will assume responsibility for Dohuk.

Question. During the negotiations that led to the formation of the new government two extra constitutional mechanisms were set up to try to win consensus on critical issues—a 19-member national security council and a ministerial security council. How effective have these organs been? How much consensus is there within Prime Minister Maliki's Cabinet? What are the areas of disagreement?

Answer. During Iraq's Government formation negotiations in early 2006, only one additional body was created to build political consensus on critical issues—the National Policy Council (NPC). The 18-member NPC had its first meeting on June 27, in which members discussed its structure, rules, and regulations. The next meeting, scheduled for July 15, will take up votes on the rules of procedure and the General Secretary. The effectiveness of the NPC has yet to be determined as it has had only one meeting: However, progress in setting up the NPC indicates the dedication of all parties to creating a cross-sectarian forum for building consensus on critical issues.

The Ministerial Committee for National Security (MCNS) was established earlier in 2005 as a forum for discussion on security issues between the Government of Iraq (Prime Minister and security ministers), the United States Embassy, the British Embassy, and the Multi-National Forces–Iraq (MNF–I). As a result of its effectiveness in enhancing Iraqi-United States-United Kingdom-MNF–I coordination on security issues, the MCNS continues to meet on a regular basis (weekly, or more often, as needed).

Consensus within the Prime Minister's Cabinet on critical issues is evident in the broad support for the Prime Minister's government program. Ministers agree that several key issues are top priorities, including progress on security, particularly in Baghdad; the delivery of essential services such as electricity; and a plan for reconciliation through national dialog. While there is broad ministerial support for the government program, areas of disagreement exist on how best to solve the myriad challenges facing the Iraqi Government, such as how best to “solve the problem of militias . . . politically, economically, and in terms of security” as called for in the National Reconciliation and Dialogue program. Nonetheless, the NPC and MCNS are forums for increased dialog, providing significant opportunities for the Iraqi Government and other key players to come together and reach a consensus on critical issues.

Question. On July 9, the Los Angeles Times reported on a recent assessment by State Department police training contractors. The report, entitled “Year of the Police In-stride Assessment, October 2005 to May 2006,” says that “despite great progress and genuine commitment on the part of many Ministry [of Interior] officials, the current climate of corruption, human rights violations, and sectarian violence found in Iraq's security forces undermines public confidence” in the government. Please provide the committee with a copy of the State Department assessment described in the Los Angeles Times. What is your own assessment of the Iraqi police force? What changes are needed—in our own strategy and within the Iraqi Government—to professionalize the Iraqi police?

Answer. National Security Presidential Directive 36 (NSPD 36) conferred primary responsibility for developing the capacity of the Iraq civilian police upon the DOD Central Command (CENTCOM), which has in turn assigned the mission to the Multi-National Security Transition Command–Iraq (MNSTC–I)'s Civilian Police Advisory Training Team (CPATT). The Department of State's Bureau for International Narcotics and Law Enforcement Affairs (INL) is providing police personnel to serve under MNSTC–I/CPATT's operational command. The report referenced in your question was prepared by CPATT, and we are happy to provide a copy of it to the committee along with this submission.

The international community has learned through hard experience in the Balkans, Afghanistan, Haiti, and elsewhere that building effective and professional police forces that operate within democratic and human rights norms is challenging and takes time. Iraq is not unique in that respect.

Despite the challenges, progress in developing the capacity of the Iraqi police has been made on many fronts, MNSTC-I is on track to reach its goal of training and equipping 135,000 civilian police by December 2006. Its police development program includes 8 weeks of basic training for new recruits within Iraq and at the Jordan International Police Training Center (JIPTC); 3-week transition training for existing Iraqi police; and various specialized and advanced training courses. International Police Liaison Officers (IPLOs) supplied by INL provide advisory services, guidance mentoring, and technical advice.

Iraq police instructors now conduct the vast majority of the instruction for the 8-week basic police skills courses taught to new recruits. The JIPTC has far exceeded its goal of training 32,000 Iraqi police, graduating 36,000 recruits to date.

We have increased the number of International Police Liaison Officers (IPLOs) supplied by INL from 500 to 690 officers. This increase has allowed for greater access and support to Iraqi police at the provincial headquarters, district, and stations levels. As a result, the Iraq police have increased their patrols and are actively conducting investigations. Although still a target, the Iraq police have stood their ground and defended their police stations from insurgent attacks.

A new police force is not built overnight. The climate is challenging, but there is progress.

Question. According to a National Public Radio news report last month, Iraqi army recruits in some areas must pay bribes of up to \$600 to join. Please describe the vetting program for the army and police. How would you assess the corruption levels within the Ministries of Defense and Interior?

Answer. The Government of Iraq (GOI) is increasingly taking the lead in the recruitment and vetting of current and prospective members of the Iraqi Security Forces (ISF). Although the vetting procedures for applicants are largely in place, some of the policies necessary to enforce compliance remain under development at the ministerial level.

The payment of a recruitment bribe is not a common practice as the ministries have taken a number of steps to curb corruption, including recruitment bribes, and mentor all personnel on professional ethics and responsibilities as members of Iraq's Security Forces.

The vetting process is administered by MoI and MoD separately for the police and military respectively. Vetting procedures for both ministries include criminal background checks, security screen interviews, and de-Baathification compliance. MoD applicants are immediately disqualified if they have prior level-4 Baath Party affiliations or a known history of human rights violations.

The role of MNF-I is to assist Iraq in this recruitment and facilitate data collection and analysis, the results of which are passed directly to the MoI and MoD. MNF-I and the GOI continue to work together to further develop and refine recruitment and vetting processes for Iraqi Security Forces.

Question. In your testimony you noted that sectarian violence has surpassed terrorism and the insurgency as the primary cause of instability in Iraq. What is the plan to deal with the militias? What is the extent of militia infiltration in the police, the Facilities Protections Services, the army? How will the militias be purged from the security forces?

Answer. It is important to state upfront that militia units are not absorbed into the Iraqi Security Forces (ISF). Individuals are recruited and vetted in accordance with Government of Iraq (GOI) policies and distributed throughout the ISF to create more ethnically and religiously diverse forces. The Iraqi military has developed an oath in which all recruits swear allegiance to the country of Iraq and loyalty to the principles of the Constitution.

The U.S. Government is committed to working closely with international partners and the GOI to build a nation whose unity is not threatened by violence from armed militias. A continued commitment of resources and political support to assist the new GOI with the implementation of a solution to this problem is imperative. International/regional neighbor action is also critical in stemming material support for militias.

Solutions will require coordinated and simultaneous actions across the political, economic, and security tracks. The Government of Iraq must lead this effort, in the context of a national reconciliation. Multi-National Forces-Iraq and the Embassy are developing a suggested plan to assist Iraqi leaders with the militia problem,

which would include establishing a comprehensive civil-led political-security hierarchy. Any solution will need to address militias at the local, provincial, and national levels simultaneously. Standing up and building local respect for ISF in areas currently under militia control is another critical element of a successful plan.

A viable reintegration plan will require political, economic, and educational reforms designed to help members of these groups transition back into society. Our suggested plan will address jobs, integration into Iraqi military and police forces, and influencing those both inside and outside of Iraq who are supporting the militias. Dismantling of armed militias will be a substantial challenge; each has a unique power base and ties to political and religious leaders. Solutions require a conditions-based approach and may be incremental.

Question. In your speech at the Center for Strategic and International Studies on July 11, you said, "We are implementing plans to accelerate the evolution of the Iraqi Army from a light force that is dependent on the coalition for logistics and combat support into a heavier force that not only can take on well-armed enemy units more effectively but also can operate with less reliance on the coalition." How do we ensure that in arming the Iraqi Army we are not providing arms that will eventually work their way to insurgent or militia groups? How dependent are Iraqi Army units upon American support? How long will it be before the Ministry of Defense is capable of exerting control over significant numbers of forces? What is the Iraqi role in planning operations?

Answer. Coalition Military Transition Teams are embedded with every Iraqi battalion, brigade, and division, and provide daily guidance and mentorship. In addition Iraqi units are partnered with coalition units. These partnerships, combined with the expertise and leadership taught through the institutional base, are critical for development of both unit proficiency and leadership essential to increased operation effectiveness. Through the embedded transition teams and coalition partnerships the USG is assured of Iraqi weapons accountability.

Multinational Corps-Iraq (MNC-I) continues to provide logistic support to the Iraqi Armed Forces on a regular basis. Some self-reliance is achieved with Iraqi Army units using their own process; however there is still sufficient work to be accomplished. Multinational Forces-Iraq continues to work with MNC-I and Multinational Security Transition Command-Iraq (MNSTC-I) to help the Iraqi Government develop a defense logistic system. MNSTC-I has recently formed a transition working group tasked with ensuring that MoD properly supports all ISF life support requirements. Of the nine planned Motorized Transportation Regiments (MTR) that provide mobility and sustainment support for the Iraqi forces, four are fully operationally capable. The MTUs will not be fully fielded until December 2006.

As of July 24 the Iraqi Army has 4 division headquarters, 21 brigades, and 75 battalions in the lead. Iraqi Army Forces have demonstrated an increased capability to plan and execute counterinsurgency operations. The number of counterinsurgency operations conducted independently by Iraqi forces as a percentage of total combat operations continues to increase steadily.

Question. For some time the administration has said that its plans to withdraw its forces from Iraq will be based on conditions on the ground. Since the December elections, American troop levels have declined by approximately 30,000. Yet, during this time violence rates have to be increasing, particularly in the capital city. What specific criteria will be used to make the determination on American troop levels?

Answer. In the immediate term, our overall goal, as the President has said, is to stand down our forces as the Iraqi forces stand up. As Iraqis take on more responsibility for security, international forces will increasingly move to supporting roles in most areas. In many cases, this may allow for personnel reductions or delays in previously scheduled deployments.

A determination of specific Iraq units rated as "Iraqi Lead with Coalition Support" marks the point at which a unit can control its own area of responsibility and, therefore, allow coalition units to focus elsewhere. As of May 15, 2006, there were 2 Iraqi divisions, 16 brigades, and 63 Army and National Police battalions with security lead in their areas of responsibility.

While one of the conditions for transfer of security responsibility at the provincial level to Iraq is an assessment of threat levels, there are other conditions which bear on that decision: Capability of the Iraqi Security Forces (such as the Iraqi Lead with Coalition Support category above), capability of Iraqis to govern, and readiness of MNF-I forces to support the ISF.

It is the combination of all of these factors, not just the level of violence, that leads to a decision of whether or not to transfer a province to Iraqi control and re-mission MNF-I to a another role.

Additionally, as the Iraqi Security Forces become increasingly capable of planning and conducting security operations independent of the Multi-National Forces, we pledge our continued support to them and the Government of Iraq as they seek to provide peace and prosperity for all Iraqis.

Question. One provision of the National Reconciliation program is a review of the de-Baathification program. How will the new program be structured? Will there be an appeals process? How will the program's fairness be assured? Given that Prime Minister Maliki was involved in implementing the earlier, stricter de-Baathification policies, how committed is he to the review? How much goodwill do you expect the program to win from disaffected Sunni Arabs? How much resistance is there to the review within the United Iraqi Alliance?

Answer. One of the key provisions of Iraq's National Reconciliation and Dialogue initiative, launched by Prime Minister Maliki on June 25, is a reconsideration of de-Baathification. Announcement of the Reconciliation Initiative was only the first step in the development of a detailed plan. De-Baathification program structure and operating principles will be developed in the course of the national dialog on reconciliation. The U.S. Government will remain engaged with the Iraqi Government and other Iraqi leaders to encourage rapid implementation of the de-Baathification review, as well as a fair de-Baathification process.

Iraqis from across the political spectrum, including Sunni groups such as the National Dialogue Council, have made public statements in support of the Reconciliation Initiative. Prime Minister Maliki personally vetted the elements of the initiative before he announced the program to the Council of Representatives, and, given his overarching goal of reconciling Iraqis, we have every reason to believe that he is committed to de-Baathification reform. Sunni leaders have been lobbying for de-Baathification reform for months, and positive Sunni statements about the reconciliation initiative (and increased Sunni participation in the process) flow at least in part from the GOI's evident willingness to reconsider de-Baathification. Some Shia hard-liners are wary of de-Baathification reform, but Shia leaders have been publicly supportive of the initiative, indicating a willingness to compromise in order to help bring Iraq's various communities together and stem Iraq's sectarian violence.

The Iraqi Government and the United States will remain engaged to ensure that reconciliation is a success.

Question. According to a recent United Nations report, there are roughly 1.3 million internally displaced people in Iraq, at least 150,000 of whom have been displaced in sectarian violence since the Samarra Mosque bombing in February. What is the status of these internally displaced people? How is humanitarian assistance being delivered to them? What is being done to facilitate their return home? For those unable to return home, what is being done to find permanent housing? What is being done to tamp down the level of sectarian violence?

Answer. According to the Ministry of Displacement and Migration (MoDM) the primary reasons for displacement since the bombing of the Al Askariyya Mosque in Samarra in February are direct or indirect threats or attacks on families based on sectarian ties. To date, most of the internally displaced persons (IDPs) have been accommodated by host families and the support network of mosques. The humanitarian aid community has established a number of camps, however the number of IDPs in these camps, while fluid, remain relatively low. Most Iraqi IDPs as well as the humanitarian assistance community view the camps as a last resort and seek host family solutions.

At this time, U.S. Government assistance to IDPs falls primarily under the purview of USAID and its implementing partners. Since April 2003, USAID has provided \$183,000,000 in assistance, including the recent contribution of \$7.1 million for an IDP rapid response capability. These funds are expected to last through December 2006. Since the Al Askariyya Mosque bombing in February, USAID has provided humanitarian assistance through its four implementing partners to more than 100,000 IDPs displaced by sectarian violence. In FY 2006, the State Department provided UNHCR with \$7.9 million and ICRC with \$5.6 million, which indirectly benefits IDPs and is considering a \$1.3 million contribution to a USAID implementing partner to continue building the capacity of MoDM.

The MoDM is the primary mechanism for Government of Iraq (GOI) to respond to IDP emergencies. The MoDM coordinates the Iraq Government response by assessing needs, collecting data, monitoring IDP movements, and coordinating IDP assistance activities. Local charitable organizations, particularly in the south, are engaged in providing humanitarian assistance to IDPs and other vulnerable groups in Iraq. The United Nations Commissioner for Refugees (UNHCR) and the International Committee for the Red Cross (ICRC) also provide IDP assistance, although

they are not budgeted for protracted IDP assistance inside Iraq. The U.S. military also has the capacity to support IDPs for short periods of time under special circumstances, however, most IDPs are wary of utilizing this assistance out of fear that they risk being targeted as collaborators.

It is unclear at this time how many IDPs would return to their homes if they could. While some IDPs are trying to sell or rent their homes, indicating a reluctance to return, the majority have not made any decision to return or seek permanent resettlement. Permanent resettlement of IDPs has not yet been explored.

The increase in sectarian violence is a major concern to us and is one of the prime issues raised at every level with Iraqi governmental and political leaders. The violence in Iraq only underscores the importance of our mission there. Helping the Iraqi Security Forces develop their capacity to secure their own country while carrying out a campaign to defeat terrorists and neutralize the insurgency is and continues to be our objective.

Question. On July 8, the Financial Times reported that the United States is seeking to establish a high financial threshold for other countries to participate in the so-called “international compact” for Iraq. The article says: “The United States had reportedly suggested a threshold of \$450 million in assistance pledges for countries to take part. But it was lowered to \$200 million, so that Kuwait, UAE, Saudi Arabia, Japan, South Korea, Italy, Spain, United Kingdom, United States, and Canada will be invited, as well as France and Germany—due to the amount of debt they have forgiven Iran will be a member but not, at this stage—Russia or China. There are questions over Egypt, amid concern that it could prove unhelpful if left outside the tent.” Why have we proposed a threshold to participate in the compact? Is this the best way to ensure other countries join in the search for a solution in Iraq? Why have close allies such as Great Britain opposed this approach? Why aren’t political and security issues being included as central items in the compact?

Answer. The Iraq Compact is an agreement between the Government of Iraq on one side and the international community, represented by the United Nations, on the other. The Financial Times article misses some important ways the international community will participate in the compact. First, the Government of Iraq and the United Nations discussed thresholds only in regard to a Preparatory Group that will advise on formulating the compact document. The compact itself is open to the participation of the entire international community, and the United States and all of Iraq’s allies will help the Iraqi Government and the United Nations attract the broadest possible participation in building this new framework.

Twenty countries and international and regional official financial institutions have already been invited to be members of the “Preparatory Group” for the compact. The Preparatory Group is assisting the United Nations and Government of Iraq in formulating the compact, and helping enlist broader participation and support. The drafting of the compact is being done by an executive committee involving the World Bank, United Nations, and the relevant Iraqi ministries and provinces.

Important to the success of the compact will be outreach by Iraq and the United Nations to enlist the participation and support of the Gulf Arab countries and financial institutions in that region. We are encouraging Iraq and the United Nations in these efforts.

Simultaneous progress on political, economic, and security issues has long been an acknowledged reality for success in Iraq. The Iraq compact focuses primarily on reforming Iraq’s political economy, and will help bring hope through greater economic prosperity. This kind of progress is essential to build better political cooperation and enhance security. The Iraqis and the United Nations recognize that economic success is likewise contingent upon Iraq making progress with its political and security issues as well. The compact will encourage the forward-looking aspirations that Prime Minister Maliki has announced, and in some areas is already implementing, in major initiatives on security and reconciliation.

Question. An oil committee has been established to report back on questions such as the sharing of revenues and central government control over oil revenues. How much progress has the committee made? When do you expect its work to be done? How much independence does the committee have? What are the most contentious issues the committee is facing? What mechanism can be used to give the Sunni Arabs and other minorities a fixed share of the oil revenues?

Answer. The Government of Iraq has reformed the National Energy (NEC) under the leadership of Deputy Prime Minister for Economic Affairs, Barham Salih. The NEC membership includes the Iraqi Ministry of Oil, the Iraqi Ministry of Finance, and the Kurdish Ministry of Natural Resources. The NEC will look to the respective ministries to provide guidance on the drafting of regulations for the creation of a

national oil company and the sharing of oil revenues. The U.S. Government is willing to provide legal advice to the Iraqi committees if asked.

The most contentious issue will be how to distribute revenues. Many issues have been discussed, and the Iraqis continue to look at different models to find what serves their country best.

