

BEYOND IRAQ: ENVISIONING A NEW U.S. POLICY IN THE MIDDLE EAST

HEARING BEFORE THE COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES

ONE HUNDRED TENTH CONGRESS

FIRST SESSION

JULY 19, 2007

Serial No. 110-101

Printed for the use of the Committee on Foreign Affairs



Available via the World Wide Web: <http://www.foreignaffairs.house.gov/>

U.S. GOVERNMENT PRINTING OFFICE

36-827PDF

WASHINGTON : 2007

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
Fax: (202) 512-2104 Mail: Stop IDCC, Washington, DC 20402-0001

COMMITTEE ON FOREIGN AFFAIRS

TOM LANTOS, California, *Chairman*

HOWARD L. BERMAN, California	ILEANA ROS-LEHTINEN, Florida
GARY L. ACKERMAN, New York	CHRISTOPHER H. SMITH, New Jersey
ENI F.H. FALEOMAVAEGA, American Samoa	DAN BURTON, Indiana
DONALD M. PAYNE, New Jersey	ELTON GALLEGLY, California
BRAD SHERMAN, California	DANA ROHRABACHER, California
ROBERT WEXLER, Florida	DONALD A. MANZULLO, Illinois
ELIOT L. ENGEL, New York	EDWARD R. ROYCE, California
BILL DELAHUNT, Massachusetts	STEVE CHABOT, Ohio
GREGORY W. MEEKS, New York	THOMAS G. TANCREDI, Colorado
DIANE E. WATSON, California	RON PAUL, Texas
ADAM SMITH, Washington	JEFF FLAKE, Arizona
RUSS CARNAHAN, Missouri	JO ANN DAVIS, Virginia
JOHN S. TANNER, Tennessee	MIKE PENCE, Indiana
GENE GREEN, Texas	JOE WILSON, South Carolina
LYNN C. WOOLSEY, California	JOHN BOOZMAN, Arkansas
SHEILA JACKSON LEE, Texas	J. GRESHAM BARRETT, South Carolina
RUBEN HINOJOSA, Texas	CONNIE MACK, Florida
JOSEPH CROWLEY, New York	JEFF FORTENBERRY, Nebraska
DAVID WU, Oregon	MICHAEL T. McCaul, Texas
BRAD MILLER, North Carolina	TED POE, Texas
LINDA T. SANCHEZ, California	BOB INGLIS, South Carolina
DAVID SCOTT, Georgia	LUIS G. FORTUÑO, Puerto Rico
JIM COSTA, California	GUS BILIRAKIS, Florida
ALBIO SIRE, New Jersey	
GABRIELLE GIFFORDS, Arizona	
RON KLEIN, Florida	

ROBERT R. KING, *Staff Director*

YLEEM POBLETE, *Republican Staff Director*

ALAN MAKOVSKY, *Senior Professional Staff Member*

GENELL BROWN, *Full Committee Hearing Coordinator*

CONTENTS

	Page
WITNESS	
The Honorable Dennis Ross, Counselor and Ziegler Distinguished Fellow, The Washington Institute for Near East Policy	8
LETTERS, STATEMENTS, ETC., SUBMITTED FOR THE HEARING	
The Honorable Dennis Ross: Prepared statement	19
APPENDIX	
Question submitted for the record to the Honorable Dennis Ross by the Honorable Rubén Hinojosa, a Representative in Congress from the State of Texas	41
The Honorable Gene Green, a Representative in Congress from the State of Texas: Prepared statement	41
The Honorable Sheila Jackson Lee, a Representative in Congress from the State of Texas: Prepared statement	42
The Honorable Rubén Hinojosa: Prepared statement	43

BEYOND IRAQ: ENVISIONING A NEW U.S. POLICY IN THE MIDDLE EAST

THURSDAY, JULY 19, 2007

HOUSE OF REPRESENTATIVES,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The committee met, pursuant to notice, at 10:06 a.m., in room 2172, Rayburn House Office Building, Hon. Tom Lantos (chairman of the committee) presiding.

Chairman LANTOS. The committee will come to order. The minefield of serious policy issues facing the Middle East is readily apparent to anyone who gives the newspapers even a cursory glance. The region is peppered with conflicts and disturbing long-term trends with implications for United States foreign policy aims. It is impossible to tackle all these issues at once. In order to deal in a rational fashion with a dozen simultaneous crises, we must prioritize. We have to differentiate between major existential issues and the relatively more minor skirmishes that do not threaten to spread. Only with such a list can we clear the hurdles one by one.

The dangerous Iranian regime currently in power has presented us with the overriding issue of the entire Middle East. Ahmadinejad and his theocratic cohorts are working to destabilize security globally with their nuclear weapons program. They are targeting Israel specifically through sponsorship of terror groups and—according to Tehran’s own claims—hundreds of missiles. The distinguished ranking member Ms. Ros-Lehtinen and I are co-sponsoring two bills to tighten sanctions on Iran and to create a fuel bank that would expose Iran’s intentions to build weapons with its supposedly peaceful nuclear program. This legislative package is just the beginning; we must apply and keep pressure on Tehran until its nuclear ambitions are terminated completely.

The Iranian regime’s ascent to power has occurred in tandem with the rise of Islamist fundamentalist terror throughout the region. The gravity of the threat from terror organizations and their state sponsors must be underestimated. They have cleverly exploited a series of inter-locking political and social problems plaguing the entire region: poor governance, lack of freedom, defective educational systems, decaying intellectual life, poverty, unemployment, the youth bulge, ethnic and sectarian nationalism, interstate rivalries, and burgeoning populations of refugees. An effective and integrated U.S. foreign policy would address all of these interdependent social, economic, and political problems.

These issues manifest themselves in various national and regional conflicts that deserve a carefully crafted foreign policy. The

weary nation of Lebanon is now tenuously sovereign after serving for so long as little more than a training ground for terrorists and a colony for Syria. Its army thus far has acquitted itself well in its ongoing fight against terrorists who are based in Palestinian refugee camps. We must help the Lebanese Government maintain internal cohesion, fight off Hezbollah, and remain truly independent from Syria.

We must craft a policy toward Syria that prevents it from further disrupting stability across the region—in Iraq, in Lebanon, and in Israel—and that weans it from Iran’s sphere of influence. Bashar al-Asad should cease repression at home, end his regional subversion, and stop meddling in Lebanon once and for all.

Iran and Syria are among our top priorities, but not far behind is the Israeli-Palestinian conflict.

A realist peace agreement is indeed vital for the parties involved, but it is not the key to unlocking the whole Middle East, as many among the foreign-policy establishment argue. Their misguided theory that the region would be a completely harmonious, free, and well-governed haven if only peace could be reached between Israel and the Palestinians is absurd. But it is clear that an Israeli-Palestinian peace agreement, would not solve Syria and Iran, would not curtail Sunni and Shiite conflict raging in Iraq and across the region, and it would not bring peace to Lebanon.

That said, I certainly do not belittle the importance of the Israeli-Palestinian situation. For more than a half-century, a central pillar of our Middle East policy has been the monumental effort to achieve the security of the state of Israel. That will not come about unless the Palestinian issue is resolved. And of course, the Israeli-Palestinian matter has wide resonance in the Muslim community, particularly in the Arab world.

I am very cautiously encouraged by the decision of Palestinian Authority President Abbas to put an end to the Hamas government and to install in its place a government led by former World Bank official Salaam Fayyad, whom I know very well. I support the thrust of the President’s initiative to strengthen this new Fayyad government, although we await many of the details of the Administration’s plan, especially regarding assistance to Palestinian security forces.

So hovering over the peace effort is the question of whether Israel can undertake serious peace efforts—and whether we should push it to do so—with a Palestinian leader who controls only a divided population since the Hamas coup in Gaza last month. Abbas is well-known to all of us as a weak leader who refuses to reform Fatah by shaking up the corrupt old guard. The unity of the Palestinian people behind a strong, peaceful, effective, government will be a prerequisite for peace.

Any effort to make peace between Israel and the Palestinians would be a litmus test for two Arab nations above all others: Egypt and Saudi Arabia. Cairo must stop making excuses about the smuggling of weapons to Hamas and start cracking down in earnest. Cairo needs to use better intelligence and halt the arms trade by strangling it at its source in the Sinai, and not at the Gaza border.

As for Riyadh, the Saudis have talked a good game about peace but have done next to nothing to facilitate it. When the Speaker and I had a long session with the king of Saudi Arabia, it was clear that while he strongly advocates a Palestinian-Israeli peace, he's unwilling meaningfully to participate in bringing it about. The Saudis need to support the Abbas-Fayyad government, whose annual budget amounts to the tiniest fraction of the windfall profits Saudi Arabia has reaped from the spike in oil prices in recent times. And the Saudis need—at long last—to engage directly with Israel, the state with which it claims to seek a regional peace.

This morning we will have an overview of the Middle East minefield. The list is daunting, and it is true that our country is preoccupied with Iraq as long as we are engaged in that conflict. But our preoccupation in Iraq must not prevent us from taking what the French call a *tour d'horizon*, a tour of the horizon, of all the Middle East issues, and we will have a uniquely qualified witness to help us make more sense of this region.

I am now delighted to turn to my good friend and the distinguished ranking member, Ms. Ileana Ros-Lehtinen.

Ms. ROS-LEHTINEN. Thank you so much, Chairman Lantos, and it is a pleasure to have Ambassador Ross with us again. Perhaps no other region poses so many complex and dangerous challenges to United States interests and to the world as the Middle East. These range far beyond the current conflict in Iraq that includes Iran's aggressive ambitions, its efforts to acquire nuclear weapons and capability, as well as the increasingly belligerent attitude of the regime in Damascus and the rise of Islamic extremists and so many others.

The most central problem is the decades-old conflict between Israel and those who seek to destroy here, and these issues do not stand alone. All are interconnected; none have easy answers. Iraq currently dominates our United States attention here and policy regarding the region, but, over the long term, Iran presents the most dangerous national security problem confronting the United States in the region.

Iran remains the number one state sponsor of terrorism, actively promoting the murder of countless innocent human beings by supplying weapons, training, and sanctuary to terrorist groups, such as Hezbollah and Hamas. Iran's supply of money, training, and weapons to the Shiite Islamist groups in Iraq continues to fuel and augment instability in that country. The Iranian regime's ambitions extend beyond Iraq, including the domination of the Persian Gulf and control over the world's oil supply, and Tehran is actively seeking the capacity to manufacture nuclear weapons.

So, Mr. Ambassador, I would appreciate hearing your views on how the United States should deal with Iran, when our efforts to engage the country seem to have only encouraged it to continue to foment instability in Iraq, increase its support for terrorism worldwide, undermine our allies in the Persian Gulf, and accelerating its nuclear weapons program.

Also, in Syria, we are faced with a threat that compares to that of Iran a decade ago, given the Syrian regime's continuing support for international terrorism, its pursuit of advanced military equipment, especially surface-to-surface missiles, its active destabiliza-

tion of Lebanon, its refusal to negotiate with Israel, and its decade of anti-American policies. I do not conclude that the road to Damascus is a road to peace.

Syria is even emulating the Russian-Iran nuclear missile cooperation. The recent report submitted to Congress, in accordance with the Syrian Accountability and the Lebanese Sovereignty Restoration Act, which I had the pleasure of working with my friend from New York, Mr. Engel, says that Russia and Syria have continued their longstanding agreements on cooperation regarding nuclear energy.

Syria has expressed interest in developing its domestic nuclear capabilities, including for research and development, and Syria has reached out for foreign assistance from Russia and, likely, North Korea. The report adds that, with North Korean assistance, Syria has made progress toward domestic production of the 500-kilometer-range Scud C. It further highlights that Syria continues to provide political and material support, as well as a safe haven to Palestinian terrorist groups, such as Hamas.

So, Ambassador, what is your position on engaging with state sponsors of terror, including Syria and Iran. No matter the leverage that we may possess, does this not afford these countries an unwarranted and dangerous recognition of legitimacy? Should it not be a prerequisite that Syria and other rogue nations halt their sponsorship of terrorist groups, including Hezbollah and Hamas, before the United States comes to the negotiation table? And this leads us to the situation of the Palestinian territories.

The increasing violence by Hamas and other terrorist groups in the West Bank and Gaza has produced, indeed, a grave situation and an increasing threat to Israel and United States interests. President Bush has called for an international conference to address immediate security concerns, as well as wider obstacles to ensure peace and security, and, so far, the results have not been as encouraging as we might have hoped. Hamas has said that it will not participate in a conference. It will not recognize Israel's right to exist.

So, Ambassador, I would appreciate your assessment of the increasing chaos in Gaza and the West Bank and the impact that this has had on stability in the region.

Finally, Mr. Chairman, I would appreciate hearing the views of Ambassador Ross on the prospect that, in the wake of the Hamas takeover in Gaza, Israel's unilateral withdrawal from Lebanon in 2000 and disengagement from Gaza in 2005 and the push by some to abruptly withdraw from Iraq.

Is this the narrative of resistance that we are hearing about? Is this taking root in the Middle East? That is the idea that the problems with the United States, Israel, and other United States allies, both in the Middle East and beyond, are not to be solved at the negotiation table but by armed conflict and terrorist attacks. Some would argue that this narrative of resistance will contribute to the gradual erosion of our deterrent power and would greatly undermine our efforts in the region.

Ambassador, thank you for appearing before us today, and, as always, Mr. Chairman, thank you for calling these timely hearings.

Chairman LANTOS. Thank you very much. I am pleased to call on my friend from New York, the distinguished chairman of the Middle East Subcommittee, Mr. Ackerman.

Mr. ACKERMAN. Thank you, Mr. Chairman. When Ambassador Ross left government service, the situation in the Middle East was not that great. Yasser Arafat and Ehud Barak had just failed to make an historic peace. The Palestinian Authority was instigating a revived Intifadah. Negotiations with Syria had, likewise, failed. Lebanon's Government was unable to exert its sovereignty throughout the country. Saddam Hussein's brutal regime was trying to worm its way out of comprehensive but leaking U.N. sanctions, and Iran was continuing to sponsor terrorism, working to disrupt the Middle East peace process and aggressively pursuing dangerous nuclear and missile technologies. Oh, for the good old days.

The picture today, however, is not just worse but much worse. It is worse in scope, scale, and degree. It is worse for our friends and worse for us with our foes. It is worse in terms of our options, and it is worse in terms of our assets. Our enemies are stronger, and we are somewhat spent. Our friends are less numerous, less capable, and, in general, less friendly.

The situation is not an accident. It is the outcome of the choices and the policies of the Bush administration. We are bleeding and isolated in Iraq. We are failing there, and only the President's intransigence and loyalty of his backers here in Congress stand between us and an ignominious but necessary redeployment.

Iran is months away from achieving a self-sufficient nuclear enrichment capability and, from that point, inevitably, a nuclear weapon.

Syria, having been ousted from Lebanon, is now on the verge of toppling the Lebanese Government and perhaps reigniting the civil war there.

And in Israel, the situation is dire. Perceptions of Israel's military-deterrent capability were badly diminished by the war in Lebanon. The Iranian nuclear threat grows incessantly. The threat of war with Syria grows daily. The threat from Hezbollah is as great as it ever was. A flood of Iraqi refugees could threaten Jordan's stability. From Gaza, rockets and mortar shells are falling on Israeli homes every single day. A Hamas takeover of the West Bank is prevented only by daily operations of the IDF and Shin Bet. The survival of Abu Mazen, Israel's only viable partner for peace, has never been in such doubt.

Al-Qaeda appears to have established itself in the Gaza strip, and if this is a record produced by Israel's greatest friend, hey, then what are friends for?

Our interests and equities in the Middle East have never been in such jeopardy and, in response to all of this chaos, where is the administration's focus? On a desperate, rear-guard action here on Capitol Hill to keep the surge alive until September and a content-free peace process meeting here that month with whomever is willing to have their picture taken with President Bush.

January 20, 2009, is a long time to wait for things to get better. I look forward to hearing from our distinguished and uniquely qualified witness.

Chairman LANTOS. I am pleased to call on my good friend and distinguished colleague from Indiana, the ranking member of the Middle East Subcommittee, Mr. Pence.

Mr. PENCE. Thank you, Mr. Chairman, and thank you for calling this hearing with such a distinguished witness. I yield to no one in my admiration for Ambassador Ross, who I would consider one of this generation's finest diplomats and scholars.

He has been practically everywhere, from my research, and contributed in any wide number of areas to U.S. foreign policy over the last two decades, and, as an American, I am grateful for that, and I trust his contribution will continue for many years to come.

I find, particularly, his large body of written work on the Middle East particularly enlightening in my work as the ranking member of the Middle East Subcommittee. I still maintain, however, that the Middle East is characterized by a virulent strain of political Islam that threatens our interests and Israel's and moderate Arab states, as well as innocent civilians, as we can see in the tragedy in Gaza today.

Mr. Chairman, I also believe strong American leadership, "statecraft," as Ambassador Ross calls it, has been practiced by this administration, however imperfectly. I hope that, in our criticism, we do not lose sight of the extraordinarily difficult terrain that the Middle East is, that our enemies have never relented, and that American values are threatened, whatever administration is in power.

I also stated, respectfully, a different view from Ambassador Ross, that Iran should be directly engaged on its nuclear program. I am dubious of this but anxious to hear more thinking on it today. I think the administration's strategy of international isolation is beginning to show some success. Thank you again, Mr. Chairman, for bringing such a distinguished witness before the committee, and I yield back.

Chairman LANTOS. Thank you very much. Mr. Smith of Washington. Mr. Rohrabacher of California.

Mr. ROHRABACHER. Thank you very much, Mr. Chairman, and, Ambassador Ross, we have known each other for many, many years, and I would echo the words of appreciation. We have had our differences, but let me echo the words of appreciation for your contribution over those many years.

You have done your best to try to further the cause of peace and justice and not always been successful, but I think that you can be very proud of the career that you have had, and I thank the chairman for inviting him here so we could have an honest discussion with an overview of the Middle East and the challenges we face.

Just a few thoughts, and these are a little bit different than the ones that have been expressed so far. I think we have a greater understanding now of the Sunni-Shiite split that many of us did not appreciate, the depth of that split, in Islam which will, I am sure, go on after there are new players here in the Congress and the United States that has gone on for a while.

Radical Islam, of course, seems to be cyclical, and I would be interested in your analysis of that, historically, that you have these times when radical Islam becomes prominent, and then things seem to go into hibernation again. Let us hope that goes into hiber-

nation quickly because that is having a major impact on our national security but also on our ability to solve problems, which gets me to the issue that I would like to ask you about and hope that we get to discuss this.

When dealing, as you have, with the Israelis and the Palestinians, and have done as much as you can to bring the situation to a point where there could be a possible resolution, because we all know that if that is solved, if that conflict between the Israeli people and the Palestinian people could be solved in a way that would bring peace to that particular conflict, then we would have a huge step in the right direction, and it would affect the entire world.

What I would like to ask you is just what do you believe that water, the issue of water, plays in this, and is this not an ignored issue that is of such significance that unless we deal with it, that there will not be a peace between the Palestinians and the Israelis?

Chairman LANTOS. The gentleman's time has expired.

Mr. ROHRABACHER. I would hope we cover that today, Mr. Chairman.

Chairman LANTOS. The gentleman from Texas, Mr. Hinojosa.

Mr. HINOJOSA. Thank you, Mr. Chairman. I am going to yield my time. I am delighted to see such an impressive witness coming to speak to our committee, and I look forward to hearing your presentation. Thank you.

Chairman LANTOS. The gentleman from Texas, Mr. Poe.

Mr. POE. Thank you, Mr. Chairman. We know that Iran arms terrorists in Iraq and Afghanistan, protects radical Islamic extremists who attack Americans, has a President who lusts after the annihilation of Israel, and yet there are those who are stumbling over themselves to continue to prop up Iran's energy sector.

Newspapers recently reported on how Iran's oily tentacles are once again reaching deep into Europe and Asia. The Nabocco pipeline will soon pump Iranian gas through Turkey, Bulgaria, Hungary, and Austria into Europe, and Japan's Oil Corporation may yet pay yen for Iranian crude oil.

Congress has tried to put a little more bite into the bark of the United States by passing tighter restrictions on entities that do business with Iran. I am curious about the effectiveness of enforcing these measures.

Secondly, what are we doing to really convince our friends to do the same, and how we are dealing with our so-called "allies" who still find ways to trade with Iran?

Lastly, is there really a possibility of a regime change in Iran, and is that, in your opinion, a workable solution? Thank you, Mr. Chairman.

Chairman LANTOS. Thank you very much. The gentleman from Oregon, Mr. Wu.

Mr. WU. Thank you, Mr. Chairman. I look forward to hearing from the distinguished Ambassador.

Chairman LANTOS. The gentleman from Puerto Rico, Mr. Fortuño. Mr. Barrett of South Carolina.

Mr. BARRETT. Mr. Chairman, in the interest of time, I will submit my opening statement for the record.

Chairman LANTOS. Any other colleague who would like to be recognized?

[No response.]

Chairman LANTOS. If not, Ambassador Ross, before introducing you, I am always puzzled by how someone as young as you can achieve the status of elder statesman. This is sort of a biological impossibility, and you have achieved it, and, for that, we tip our collective hats to you.

Ambassador Dennis Ross knows firsthand, and as well as any other American diplomat, the significant issues involved with achieving Middle East peace. His seminal work on the history of the failed attempts to create peace in the Middle East will be the most significant piece of work in that whole very important arena for decades to come.

Ambassador Ross was the United States' point man on the Israeli-Palestinian peace process in both the first George Bush administration and in the Clinton White House. He was instrumental in assisting Israelis and Palestinians in reaching the 1995 Interim Agreement. He successfully brokered the 1997 Hebron Accord. He facilitated the 1994 Israel-Jordan Peace Treaty, and he intensively worked to bring Israel and Syria together.

A scholar and a diplomat of extraordinary capabilities and talents, with more than two decades of experience not only in the Middle East but also in the field of Soviet studies, he served as director of Near East and South Asian Affairs on the National Security Council staff in the Reagan administration.

He currently serves as distinguished fellow at the Washington Institute for Near East policy. Having just read, for the second time, his most recent book on statecraft, I am truly delighted that our committee will have the benefit of your wisdom.

Ambassador Ross, the floor is yours.

**STATEMENT OF THE HONORABLE DENNIS ROSS, COUNSELOR
AND ZIEGLER DISTINGUISHED FELLOW, THE WASHINGTON
INSTITUTE FOR NEAR EAST POLICY**

Ambassador ROSS. Thank you, Mr. Chairman. Thank you, Ranking Member, and thank you, all the members, for your kind words.

I have just returned from several days in Jerusalem and Ramallah. I did submit a statement to the committee. What I would like to do is offer some comments drawn from that, but I am going to offer some additional comments beyond that.

I know that, having listened to all of you, what you are really interested in is more of a tour of the horizon than only the Israeli-Palestinian issue, although it is probably true that I am congenitally incapable of not addressing that issue. So, almost by definition, you can count on it.

Let me try to put some of the issues that you have mentioned into context. Mr. Chairman, I am going to use the word "statecraft." As you said, I do have a new book out called *Statecraft and How to Restore America's Standing in the World*, and I think it provides a useful context to look at a number of the issues.

What I would like to do is, at least, touch on Iraq, Iran, the Israeli-Palestinian issue. I would be very happy to get into Syria and all of the issues that were raised, but let me start by trying to, first, define the term as a way of trying to then frame all of these other issues.

When one talks about statecraft, typically one thinks of all of the tools related to the state and the capabilities that it has. What are the diplomatic tools that you have to pursue your interests? What are the coercive, hard, power tools you have, either to be used militarily directly or indirectly? What are the economic means that you have to try to influence the behavior of others?

What about the intelligence means that you have, either to identify threats or to identify possible opportunities? What about the informational capabilities you have to frame issues, describe issues, in a way that will persuade others around the world that what you want to do is the right thing? If they are already persuaded, then your task is a little bit easier than it would be otherwise.

If you look at all of those different instruments, and you are good at orchestrating them, integrating them, and carrying them out, that does not guarantee good statecraft because if it is in the service of objectives that do not make any sense, almost by definition, you are not going to be successful.

If you flip it, and you have very good concepts, very good purposes, the right objectives, but you do not know how to implement them, you are not going to have good statecraft.

So the essence of good statecraft is really the marriage between objectives and means. Now, it sounds logical, it sounds commonsensical, but it is not always so easy to do.

If you look at where we are today in the region, and many of you gave a very interesting tour of the region and some of the problems that exist in the region today, you will frequently see we have one set of objectives, but the means do not really match the objectives. We are not in a position where we can act to fulfill those objectives, given the means that we are applying. I will give you several examples.

Take the issue of democratic transformation. If you ask me, it is the right objective for the region. It is the right objective to realize that somehow you do have to drain the swamp, you do have to create good governance, you do have to deal with the sources of alienation that give rise to the ability of radical Islamists to recruit followers. There may be a very narrow strata of people who are true believers in radical Islam, but there are a lot of people out in the broader Middle East who sit on the fence and who are attracted. So you have to be able to compete there.

Was elections the right means to be emphasizing, to begin with? I think it is fair to say, at this point, it does not look like it was necessarily the right way to proceed, in terms of trying to produce a democratic transformation in the region. You have to create a context for elections, and that context did not exist.

I was not in favor of the elections in the West Bank and Gaza because I could see what the result was going to be.

So it is a reminder that when you have an objective, the objective may be right, but somehow the objective has to be informed by the circumstances and by reality.

I think it is fair to say, when you look at Iraq, when we went into Iraq, there was a gap between the objectives and the means, and I would say, in the case of democratic transformation or in the case of Iraq, what you need are reality-based assessments, not ideologically driven assessments. You have to see the world as it is. It

does not mean, by the way, that you have to give up your ambition. You can be quite ambitious, but you have to recognize the reality before you can change the reality, and you have to identify, through a reality-based assessment, what are the means you have, and what are the means that others have.

So with that in mind, let me take a look at some of the issues that we are now contending with. If we look at Iraq, the surge was not an objective. The surge represents means to an objective.

Now, the surge is designed to create a secure enough environment, at least in theory, so that the Iraqi leaders, whether they are the government or the other sectarian leaders, will find it possible to forge compromises and create some kind of national compact, something that has clearly been elusive since we have gone into Iraq.

I think, if you talk to any one of our military leaders, General Patreas or others, he will say, We are not going to succeed by military means. In the end, there is going to have to be a political solution within Iraq. Is the surge the means to being able to produce that?

Now, I would suggest the following: The fundamental problem we face today in Iraq, as it relates to forging a national compact is that we have Shiias, who, by the way, are not themselves fully unified, but we have Shiias, who are a majority, who act as if they fear they can lose power at any moment. Now, because they fear they can lose power at any moment, their impulse to share power is almost nonexistent.

On the other side, you have the Sunnis, and the Sunnis intellectually may recognize they are not going to dominate Iraq any longer, but emotionally they have not made that adjustment, and they see the Shiia not prepared, in fact, to reach out to them.

So the surge is not going to help you a lot in terms of producing the change of mind-set that is required, unless it is accompanied by a set of consequences. If you establish benchmarks, but they are never met, and there is never a consequence, you are very unlikely to see the Iraqi leaders that we are dealing with change their behavior.

Let us understand something. For them to change their behavior, you are asking them to make, in their minds, excruciating choices. The depth of not just the distrust but the disbelief in the other side is so profound that when you ask them to make compromises, the compromises, from their standpoint, are, in a sense, almost existential in terms of what they represent. So, given the excruciating nature of this, if there is not a consequence, you are unlikely to be able to succeed.

Could the surge, as a means, succeed, in my judgment? I would say you are talking about a 5- to 10-year program to have any prospect of that.

All right. If that is the case, what should our objective be today? For me, I would define our objective in the following sense: I would create a baseline objective. Right now, we are in a position where we cannot achieve the best. What we want to do is prevent the worst. For me, the baseline objective is containment.

Two measures of containment, I would identify. One is that the nature of the sectarian struggle that you see in Iraq today does not spill over and convulse the rest of the region.

Two is to recognize that we do not even know who the Osama bin Laden of this war is going to be. What do I mean by that? Osama bin Laden was part of the mujahadeen who went to fight the Soviet Union. He returned to Saudi Arabia. Look at Fatah al-Islam.

Mr. Chairman, I know you follow Lebanon very closely. Fatah al-Islam has been made up of jihadists who went to Iraq and came back. When I say, we do not know who the Osama bin Laden of this war is going to be, I am talking about the jihadists who go to Iraq and come back and may destabilize the rest of the region.

So containment has to deal with not only the sectarian strife not spilling over but finding a way to somehow contain the borders so the jihadists are not going in and out of Iraq.

Now, that is easier said than done. To me, it suggests the following course of means: Militarily, obviously, a disengagement has to be geared toward focusing on the issue of containment, not staying in the midst of a sectarian conflict. Politically, you are going to have to deal with all of the neighbors. Now, I will tell you, and it may surprise some, may not surprise others, I am not in favor of engaging Iran directly on a bilateral basis on Iraq.

Iran is never going to pull America's chestnuts out of the fire in Iraq, and the more we go to them, and, I must say, when the Secretary of State, in advance of the Sharm el-Sheikh conference, on a number of occasions publicly said she really hoped the Iranian foreign minister would come to the conference. This was at a time when the Iranians were not equivocating and attending only on the level of representation. Why did we care about what the level was? The more we looked like we were desperate for them to be there, the more it was going to raise the price, in their eyes, of what they might be able to get from us.

When I say you would have to deal diplomatically with all of the neighbors, you have to focus on what it is that they have in common. You have to focus on, what are the deals that might be forged by them for their own reasons, maybe with our help? Again, let me be more specific.

No one, none of the neighbors—not Iran, not Saudi Arabia, not Jordan, not Syria, not Turkey, not Kuwait—none of the neighbors will agree on what they want for Iraq, but they may agree on what they fear about Iraq. None of them have an interest in Iraq falling apart. People tend to forget that Iran has a population that is not uniform.

Less than 50 percent of the population is Persian. Do you think that they look favorably on the idea that Iraq falls apart? I do not. Is it really in their interests to see a complete convulsion within Iraq where they see the Saudis funding all of the Sunni tribes against the Shiia forces that they are funding? Unlikely.

Flip it. In the case of the Saudis, they are not real interested being in a position where they can get sucked into a convulsion within Iraq to protect the Sunni tribes or protect themselves.

So part of what may have to go on is how we work with all of the neighbors to try to forge understandings between them on con-

taining what is there. In the end, they may have their own interests in containment, and our challenge is to figure out the way to build on those interests.

Today, we help to preserve a kind of lid. We keep a lid on within Iraq, which makes it tolerable enough for everybody; not good, obviously, but tolerable enough for everybody there, inside and the neighbors, to live with what is. So one of the things we are going to have to do is figure out how you begin to play with their own sets of concerns.

I talked about what is basically a diplomatic strategy with all of the neighbors. I talked about probably a disengagement approach within Iraq. What I would do, again, if my baseline objective is containment, I would look for objectives that would be perhaps not the lowest common denominator, not preventing only the worst but seeing if you could do a little bit better. Soft partition may be a possibility.

Politically, what I would do is I would go to the Iraqi Government, and I would say, "We are going to negotiate a timetable for withdrawal with you. Now, we also think there should be a national reconciliation conference that does not disband until you have forged agreements."

We are working through a process within the Parliament now—we are not—they are—that is very gradual. It shows no prospect of producing any kind of reconciliation. I would basically negotiate a timetable for withdrawal with them that gives them an input into it.

I would suggest that there should be a national reconciliation conference, and the more they do to actually forge reconciliation, which may be more likely in circumstances where they understand we actually will be getting out, but they can shape the timing of our departure. The more you integrate the two of those; maybe you will change their behavior.

Now, I would have to admit to you, I am not optimistic. Had we done this 3 years ago, I think the chances would have been much greater than they are today, maybe even 2 years ago. At this point, I am not sure that it is even salvageable, from that standpoint, but, at least, I would make that effort, and then I would fall back to a containment approach.

Again, at this point, our eye has to be on the essential objective. The essential objective is to make sure what is happening in Iraq today does not spill over outside the region. That is Iraq.

What about Iran? Many of you raised Iran. Our objective, at least on the nuclear issue, is pretty clear, but here, again, I would say we have a mismatch between objectives and the means we are employing.

Look at where we are today. We want to prevent Iran from going nuclear. Now, what are we doing? We have slow-motion diplomacy operating at the Security Council. We have fast-paced Iranian nuclear development. There is a mismatch between these two. Is it impossible to prevent Iran from going nuclear? No, I do not think so because Iran has profound economic vulnerabilities, and those economic vulnerabilities that exist are acutely felt by, at least in my mind, a majority of the Iranian elite.

The Iranian elite is divided into three basic constituencies. One is the Revolutionary Guard. They believe in confrontation. They run the nuclear program. They are not backing off of it. They think, the more you confront the outside world, the more the outside world backs off. They want confrontation also because it allows them to keep the Khomeini flame alive. It allows them to emphasize a certain kind of organization domestically within Iran. So it suits their interests. But they are only one of three basic constituencies.

The most important constituencies are the Mullahs, whose main preoccupation is preserving their power and their privilege, and Khomeini, the supreme leader, lines up more with them, although he has a foot in the Revolutionary Guard camp. Now, they are the ones who are going to feel most profoundly what happens if there is an economic squeeze because they preserve social tranquility by basically using subsidies to pay off the public. The more they are not able to sustain those subsidies, the more they are put in a position where basically the very issue of social tranquility and social peace may not be preserved.

The question was raised, What about regime change? The interesting thing is, I do not have a high expectation that this regime will change before they would have nuclear weapons, but what is very clear is that this is not a regime that, whatever we may think, feels particularly secure. If it did, it would not arrest five Iranian-Americans who are hardly a threat to the regime, none of whom embody confrontation with Iran, all of whom are seen somehow by the Iranian elite, and certainly the Ministry of Intelligence, as being conveyors of the "Velvet Revolution," which they fear.

If they were so secure, we would not see them doing this. If they were so secure, they would not be preoccupied with bribing their own public through subsidies to preserve social tranquility.

So they have vulnerabilities to be exploited, but the pace of what we are doing in terms of squeezing them economically is so slow, so incremental, and, at this point, not yet having an effect, that we have a mismatch also in terms of timing. The clock is going to run out before we can change their behavior. They will have a nuclear capability, an enrichment capability, which is their objective.

Their objective right now is to create a new fact where they have achieved the enrichment capability. Maybe then they will discuss something. They will even invite in the outside, but they will have a clandestine program, they will have a breakout capability, their objective is to have nuclear weapons, but not everybody in that elite is prepared to pursue nuclear weapons at any price.

So what would I do, given that? I basically would approach it from four standpoints.

Standpoint No. 1: We have got to frame the issue differently than we are today. We frequently talk about the destabilizing consequence of Iran going nuclear. That understates it. Let us be very clear what it means for Iran to go nuclear.

When Iran goes nuclear, we are going to have a nuclear Middle East. Saudi Arabia will not allow Iran to have a nuclear weapon capability that is not matched by their own. They will not trust an American guarantee. They see an Iran with nuclear weapons as having a nuclear shield behind which they can engage in coercion

and subversion. They will create their own counter. My bet is they probably already have a deal with Pakistan, even today.

Now, if Saudi Arabia goes nuclear, do you believe that Egypt will say it is okay; Saudi Arabia will be the only Arab state with a nuclear capability? I do not.

I had a conversation a few months ago with a leading Egyptian official who said, When Iran goes nuclear, if Iran goes nuclear, it is the end of the nuclear nonproliferation regime. Now, we may say this is a regime that is flawed, but the fact of the matter is, it has worked a lot better than many believed at the time it was adopted in 1968. At that time, the projections were we would have at least 20 countries that were nuclear weapons states within 15 to 20 years.

Well, depending on how you count, we have eight or nine today. But if that Egyptian official is right, that it is the end of the NPT, then it is the end of an international regime that has, in fact, shaped the world and created prohibitions. The world, as we know it, will change. If Iran goes nuclear, it is a tipping point. It means we have a nuclear Middle East, it means we will probably see the end of the NPT, it means we will have 20 to 30 countries that have nuclear weapons capabilities who operate on much more of a hair trigger.

Now, if you frame the issue that way, and you go to the Europeans, who very strongly believe in international regimes, and the NPT is one of them, well, that may affect at least the political psychology within Europe.

Many of you were raising the issue of the Europeans providing support to the Iranians, which they do. They are taking part in the incremental approach to sanctions, and they are providing, the European Union is providing, close to \$20 billion a year in investment guarantees to their companies doing business with Iran. As long as that is the case, Iran will believe the economic lifeline is not going to be cut.

So you have to change the European calculus, and I would suggest three ways to do it.

First, I mentioned how the Saudis look at the Iranian threat. So they have a stake in preventing this from happening. Now, the Saudis have enormous financial holdings in Europe. We should go to the Saudis, develop a strategic approach on this issue, a division-of-labor approach. It should be geared towards, what are we going to do vis-a-vis the Europeans and the Japanese, who are the keys, in many respects, to its economic lifeline?

Many will say, well, look at the Russians. The Russians are not the key to the Iranian economic lifeline. The Russians may do business with them, but they are not the ones with commerce and investment and technology transfer. It is the Europeans who are.

So you go to the Saudis, and you get the Saudis to agree with us and work out a common approach for going to the European banks, to the European investment houses, and to the European governments, and the basic message is going to be, you can do business with us, or you can do business with Iran. I would suggest to you that that would do a lot to concentrate the European minds.

A second path that I would pursue: Today, in Europe, there is a greater fear of the use of force against Iran than there is of an

Iran with nuclear weapons. I would go to them. I think the administration should go, the Israelis might go as well, and I would say to the Europeans, "The path you are on makes the use of force more likely, not less likely. If you want to avoid the use of force, we need to ratchet up pressures now because we are running out of time."

The Israelis can make a very powerful case in this regard because the Israelis can say to them, You think this is a path that is going to avoid the use of force. It is not. It is going to make the use of force more likely because you are going to remove any choice. You think, at the end of the day, you can live with an Iran with nuclear weapons. We cannot, not because we do not want to, but because Iran declares that they will not let us.

When Ahmadinejad says, as he did a few weeks ago, that the countdown to the destruction of the Zionist regime is underway, this is simply something that he says on a regular basis. Even Rafsanjani, who is identified with what I would call the so-called "pragmatists" within Iran, 3 or 4 years ago, he said, It takes only one nuclear bomb to destroy Israel. We could absorb many more.

So Israelis say, Do not put us in a position where the only choice we have is to use force. Here again, you are conveying to the Europeans the path you are on makes the use of force more likely rather than less likely. So that is the second pathway.

The third pathway: The Europeans believe that the only way that you can ever do a deal with the Iranians is if we are actually at the table with them. I think one of you raised the issue of what is my view on the issue of engagement with Iran. I am not against engagement with Iran. I am also not against engagement with Syria, but I am not a believer, and I write about this in the book on negotiations, negotiations in statecraft are all about leverage. I am not a believer that you deal with these countries in terms that convince them that they have all of the leverage. That is why I was saying I was not an enthusiast for the Secretary of State looking like she was really anxious to have the Iranian foreign minister come.

I think, even today, the administration's position is they will not go to the table with Iran unless Iran suspends uranium enrichment. Now, I would go to the Europeans today, and I would say, "You want us at the table." Now, they believe that we need to be at the table, and this is based on their conversations with the Iranians. They believe the U.S. needs to be at the table because, at the end of the day, what the Iranians are most looking for are certain kinds of security assurances from us.

I would say to the Europeans, "You know what? We will join you at the table now, but you have to cut the economic lifeline. You cut the economic lifeline, and we will do it." In other words, what you are saying to them is take the steps that have a chance to concentrate the Iranian minds, and we are prepared to negotiate then, but if you do not do that, then we are on a pathway where nuclear weapons are going to be the result.

Now, I would say the one thing in all of these steps that I am suggesting, what is missing today is a sense of urgency. I am very worried that we are running out of time. I am very worried that the path we are on is one that, by the end of the year, the Iranians

are going to cross a threshold. You already have Mohammed el-Baradei saying that, by the end of the year, they will have 8,000 centrifuges. It is true that they have not solved the technological problems, but it is pretty clear they are building them because they think they can back fit or retrofit.

They are making progress, and the nature of that progress is such that if we do not ratchet up the pressure, and very soon, we are going to find we have very few choices. If we say that it is intolerable for Iran to have nuclear weapons, well, that means actually we are going to prevent them from having it. So if you do not want to have to use force, you had better use the other means that are available today but will not last forever.

What about the Israelis and the Palestinians? I said I am just back from there. Let me emphasize what our strategic objective should be. Our strategic objective today should be the following: There is a struggle between Fatah and Hamas that needs to be put in a larger frame. Basically, it is an issue between whether the Palestinians are going to have an identity as a secular, national movement, or they are going to be an Islamist movement.

If things stay as they are today, based on the conversations I have just had with large numbers of Palestinians—I have met Palestinians across the board. I did not meet Hamas, but I met independents. I met every faction of Fatah, from the old guard to the young guard to the third generation and the fourth generation. I met those from age 25 up to those who are in their sixties and seventies.

What I found is uniformly, within Fatah and among independents, there is a conviction that if Fatah does not remake itself, does not have new faces, does not show it can organize itself at the grassroots and begin to respond to needs at the public level, not at the needs of the faction, that Hamas will do, in the West Bank, what it has done in Gaza. That is uniformly understood and expressed. From that standpoint, Gaza was a wakeup call.

The issue, again, needs to be framed in terms of a secular national movement or an Islamist movement. Will we have a national conflict which is difficult to solve but is solvable, or will we have a religious conflict which is not? Will we have the most evocative issue in the region controlled by an Islamist movement which will have implications beyond the Israelis and the Palestinians, or will we not? Those are the stakes.

Once you have established that as the stakes and what you have to basically deal with as your objective, then you ask yourself, again, are we working at the right level and with the right kind of urgency?

I have appeared here several times, but you may recall, Mr. Chairman, I appeared in the spring of 2005. Now, I had written an article in the *Washington Post*, which I was reminded of by someone who saw me in Israel, that was entitled at the time, "Race Against Time," and I was focused on what was necessary to make sure that Abu Mazen built his authority so that he could be seen as successful and that his way, the way of nonviolence, worked.

At the time, I suggested here that a billion-dollar fund be created by the Gulf Cooperation Council states to create immediate jobs through housing construction; a social safety net and pensions to

pay off the dead wood in the security forces. At the time, you may recall, you were suggesting an amendment, that the administration's request for monies should be made conditioned on whether or not the Gulf States were going to also provide monies.

What we both were focused on was we were in a race against time. Well, I would submit to you, today, the stakes are even greater. We lost the opportunity then. One thing about statecraft: I say that timing is to statecraft what location is to real estate. When you miss moments, they do not come back, and the whole world, as you know it, changes.

Now, again, I come back and say, what we are doing; is it focused at the right level, and is it characterized by the right kind of urgency? It is a rhetorical question. It is not.

I can tell you one other thing I found among the Palestinians: Today, among Fatah, everything I described about the wakeup call and the recognition of what is at stake with Hamas is apparent. They all say we need new faces, they say, we need to remake ourselves; they all say, we have to take on corruption; and I will tell you that the personal rivalries within Fatah have not changed. That is the bad news.

The one interesting piece of good news is that Salam Fayyad, who is the new prime minister, is the one person they all accept and support right now. He is not a member of Fatah, by the way; he is an independent. But what is the undercurrent of what they all say is that they will support him for now. What it means is he has to deliver soon.

Our clock should be a 90-to-120-day clock. What are the two measures on which he has to deliver, two measures on which Palestinians will feel the difference? They are not going to feel words. Embracing him without delivery will damage him, not help him. They are going to feel changed realities on the ground.

Now, there are two different realities that affect the lives of Palestinians every day. One is mobility, and the other is employment. Now, I will tell you, the likelihood of affecting mobility is very limited in the near term, for a simple reason.

Fayyad, in this government, is trying to develop a security capability for their own reasons, by the way, because they want to have law and order. But their capacity to deal with terrorist threats against Israel is going to be profoundly limited, and so long as that is the case, whatever we hear being said publicly about using roadblocks or checkpoints, it is not going to happen because if the net effect of lifting checkpoints or changing the character of mobility is that you have dead Israelis, you are going to see that end very quickly.

If the Israeli approach is going to be to be as forthcoming as they can be, the scope of mobility will not change dramatically in the near term, whatever anybody says.

So if you cannot affect the mobility, then you need to affect the economics. I go back to the idea of a billion-dollar fund coming out of the Gulf States. Saudi Arabia right now is focused. I heard from every Palestinian that they are pushing for reconciliation between Hamas and Fatah. Everybody in Fatah and the independents said that is a recipe for guaranteeing that Hamas will come back in and, over time, take over the West Bank. The Saudis may see this

as buying off a problem in the near term, but it will basically mortgage their longer-term future.

If Iran is able to use the Palestinian grievance as a club on which to beat all other Arab regimes, which they will if Hamas dominates the Palestinian cause because if Hamas dominates the Palestinian cause, it guarantees an ongoing conflict with no possibility of resolution.

So the Saudis' stake is, in fact, to ensure that they do not succeed. The Saudis' stake is to ensure that the secular nationalists dominate this movement, not the Islamists.

We should not be framing this issue in terms of extreme versus moderate because, in the Middle East, no one understands what that means. They understand what "Islamist" means because they know who Hezbollah is, they know who Hamas is, and they know who Iran is.

So the key right now is frame the issue in terms of secular versus the Islamists, find a way to buy time. The more you show that Fayyad's way is working practically on the ground, at least through economics, you build his authority. As you build his authority, he will be able to do more in the security area.

Now, I heard, again, from Palestinians I spoke to, there is a need in three different areas to be working. One is security for their own reasons. That will be gradual. Two is economics, where they need to have some kind of dramatic change quickly. Fayyad is someone who understands the need for transparency. Now, he also needs a management team. He cannot be a one man band.

So there has to be a set of when we work with him, we also have to have our own conditions. His intentions and his purpose are very clear. We do not make his life easier by relaxing our conditions. He is someone who actually needs the conditions because it provides leverage for him and his own internal context.

A political process that is seen as being real. I think one issue that was raised was the international conference that the administration has called for. If the international conference is not going to be prepared, if it has no clear agenda, if it becomes a forum where all of the speeches become speeches where the maximal positions on each side are laid out, and if there is no follow-on to it, it will be seen as one more step that discredits diplomacy and shows that, again, the Hamas line is the right line.

We do not need to add to cynicism about diplomacy. We need to show diplomacy making a difference for the better. So if you want to focus on this, focus on a process that is going to be prepared, with a clear agenda, with rules basically spelled out for what goes on within this in advance, and with clear follow-on steps.

If you go back to 1991, when we had the Madrid conference, we negotiated a letter of invitation. We negotiated it because it had clear ground rules, criteria, and spelled out what was actually going to happen there and afterwards. If the same is not done by the administration now, it is a misplaced focus, and it will not help.

Where we need to be focusing is doing what we can to get the Saudis and others and the donors to deliver quickly. Right now, there is a plan. The President called for a new donors' conference. I am very worried it will be a replay of all of the past donors' conferences, where it will take another month or 2 to hold it; when it

is held, there will be all sorts of promises made; the dollar figures will look very impressive; and none of that will materialize within the next year.

I said, and I heard, do not embrace Fayyad if you are not going to deliver for Fayyad. So we are in a race against time. We have to buy him time. He has to do his own things on the ground. No one can substitute for that, but we should be focused on how you get material assistance on the ground very quickly so he can show that his way is working. If that is the case, you buy him time. Over time, he will do more on the security front. The more that is done on the security front, the more the mobility will go up.

The three levels of issues are security, economics, and political. Make sure, and this gets you back to the heart of what statecraft is all about, make sure, in each area, your objective is tied to your means, and you are very clearly focused on what you have to get done and how soon you have to get it done.

I am afraid we are still in the business-as-usual mode, and if Salam Fayyad and this government now, with Abu Mazen, does not succeed, then we are going to find, the next time I come back here, we are going to be talking about how Hamas has now increased its strength in the West Bank and is working to take over the entire Palestinian movement. If that is the end result, and we are not in a position, what Congressman Ackerman said about waiting until 2009; there is no waiting until 2009.

We do not have the luxury of standing still. You wait until 2009, and you do not keep your eye on what the ball is, the ball is making sure that the secular nationalists prevail in this competition so that, by 2009, when there is a new administration, you still have the possibility of resolving this conflict. If, by 2009, Hamas has come to dominate, which is a distinct possibility if we do not do what is necessary with a sense of urgency, we will be out of the conflict-resolution business in the Middle East, and the consequence of that will be felt beyond the Israelis and the Palestinians. I will stop there.

[The prepared statement of Mr. Ross follows:]

PREPARED STATEMENT OF THE HONORABLE DENNIS ROSS, COUNSELOR AND ZIEGLER
DISTINGUISHED FELLOW, THE WASHINGTON INSTITUTE FOR NEAR EAST POLICY

With the presidential campaign under full swing, voters might ask themselves which candidate would restore statecraft to the conduct of American foreign policy. Given the challenges we face internationally and our standing in the world, it is readily apparent that something must change in our foreign policy. Is statecraft the answer? Is statecraft even well understood? Some may think that statecraft involves knowing how to use all of the assets of the state—diplomatic, economic, military, intelligence, informational—to protect our interests worldwide. But suppose that the next president leads an administration that is expert in knowing how to integrate and use all these resources effectively. What happens if these tools are employed to fulfill objectives that make little sense or are simply unachievable? The short answer is that we will have had foreign policy and bad statecraft.

The same is, of course, true if we have the right objectives but don't know how to employ the tools and weight of the state to pursue them. Good statecraft requires matching concepts and the wherewithal to implement them. Bad statecraft and bad policies almost always reflects a mismatch between objectives and means.

Think bad statecraft is the exception? Consider Iraq. Our objectives never matched our means. The administration was never unified in its purpose or execution. Our assessment was faith-based not reality based, leaving the Bush administration assuming that everything would fall into place when Saddam was removed,

not fall apart. When it fell apart the administration was left without a workable strategy and it has grappled for the last four years with trying to come up with one.

The larger purpose of the Bush administration has been democratic transformation, believing that ultimately the way to defeat terrorists is to produce democratic governments to replace the oppressive and corrupt regimes that breed anger and alienation throughout much of the Muslim world. Much like in Iraq, the President's goals are laudable and far-reaching. The problem has been that the president promoted an ambitious agenda of transformation but has presided over an administration that has consistently sought to employ only minimalist means. Trying to get by on the cheap has characterized the administration's approach whether it was in Iraq or Afghanistan or even on pushing a two-state solution in the Israeli-Palestinian conflict.

In none of these cases did the administration understand what would be required to act on its goals. In none of these cases did the administration have a clear idea of what it was getting into or the obstacles it would have to overcome or the means it would need to do so. Statecraft does not require dispensing with ambitious objectives. But it does require seeing the world as it is not as we wish it were. It may be very important to transform the world, but any administration must understand reality before it can change it.

Past administrations have succeeded in pursuing ambitious objectives. With the Berlin wall coming down, the first Bush administration set an objective of unifying Germany in NATO. Few thought this possible because they thought Gorbachev and the Soviets could never accept it—after all, they would be swallowing not only the loss of their German ally but the integration of a unified Germany into the opposing bloc. Also, it was clear that the British and French, with leaders close to President Bush like Margaret Thatcher and Francois Mitterrand, were hesitant as well, fearing a unified Germany might come to dominate Europe.

And, yet President Bush, Secretary of State Baker, and National Security Advisor Scowcroft saw the stakes; they understood that nothing was going to prevent unification once the wall came down; that it was a mistake to make the Germans feel different and not trusted; that it was better to embed Germany in the institutions of Europe; and that a neutral Germany caught between the blocs would be a source of competition and instability if its neutrality led it to decide that it must ensure its own security by acquiring an independent nuclear capability.

President Bush and Secretary Baker acted quickly to establish the principles that should guide the approach to German unification internationally. They worked intensively to frame the objective so others would accept it. They developed a diplomatic mechanism (the 2 + 4 process involving the two Germanys and the U.S., the UK, the French, and Soviets) that brought the occupying powers together and permitted them to negotiate the terms and pace of unification while also allowing Soviet leader Gorbachev to show he had a hand in shaping the outcome. And through non-stop communication conducted over the course of countless trips and phone calls, the President and the Secretary fashioned a change in our NATO doctrine to give Gorbachev what he asked for: the ability to declare during his party congress that NATO was no longer an enemy.

A similarly intensive effort, reflected in repeated trips by the Secretary of State and visits and phone calls by the president—who became known as the “mad dialer” in the White House—characterized George H. W. Bush's approach to developing the coalition for responding to Iraq's invasion of Kuwait in 1990 and its ouster from that country in 1991. Contrast the approach to Turkey at that time with the current Bush administration's efforts to gain Turkish support for the war in Iraq.

In both cases, Turkish support was critical to the coalition and our military operations. In 1990, Secretary Baker made three trips to Turkey in the space of a few months and President Bush called Turkish President Turgut Ozal during this period close to sixty times—calls that became part of the public story in Turkey at the time. In the run-up to the war in 2003, the highest level visitor from the administration was the deputy secretary of defense, Paul Wolfowitz; useful but not a substitute for the secretary of state, particularly given the need to give Turkish leaders an explanation that our common effort was not simply about paving the way for the use of force.

High level visits are an essential part of statecraft, especially for coalition building. In the first instance, nothing replaces face-to-face discussions in which doubts and potential problems can be addressed. In addition, by their very nature, they give the host government a public explanation for its actions. The Turkish public was just as dubious about war with Iraq in 1990–91 as it was in 2003. But the Baker visits gave the Ozal leadership a platform to show it was raising its concerns and the US leadership was taking them into account—and Turkey was getting something for its support. Would better statecraft have made a difference in 2003?

With the Turkish parliament rejecting the US request to stage forces from Turkey by three votes out of more than the 500 cast, it is certainly a possibility.

Clearly, given the world we face today, effective statecraft has never been more urgently needed. As we assess the challenges of Iraq, Iran, Afghanistan and Pakistan, the Arab-Israeli imbroglio, the struggle with radical Islamists, North Korea, Darfur—or even the rise of China—where can we confidently say that our objectives and our means are in sync? Where can we say that the Bush administration has defined its objectives clearly and in a way that others internationally—or even within the administration itself—fully accept? Where do we see the kind of intensive diplomatic and communication efforts that leave little to chance, avoid misunderstandings, and succeed in combining our means with those of others to increase our leverage and reduce that of our adversaries?

One might argue that Iraq casts a shadow over everything the administration does and limits its credibility with others. Perhaps, but the administration certainly retains leverage if it knows how to exercise it. If, for example, it is serious about preventing Iran from going nuclear then its diplomacy—incremental and deliberate at the UN Security Council—must match the frenetic pace of Iran's efforts at uranium enrichment. If the administration is thinking about matching ends and means then its focus must shift outside the UN.

The Europeans, Japanese, Indians and the Arab Gulf states represent the economic lifeline to Iran. They see the use of force against Iran as worse than an Iran with nuclear weapons. If they thought their current posture of slowly ratcheting up pressures on Iran—and not cutting them off from credit guarantees, new investments, or provision of gasoline—made the use of force more and not less likely might not they change their behavior? Similarly, if the Bush administration offered to join negotiations now with Iran on the nuclear issue in return for these countries cutting the economic lifeline might not they agree to do so?

For the Palestinians today, the key question is whether they will have a secular future or an Islamist future. Our stake in a national, secular future for the Palestinians is very clear. Without that, there will be no prospect of peace, and Islamists will control the most evocative issue in the region. We should quietly be making that point with the Saudis. Pushing now for a national unity government will only strengthen Hamas, and Hamas's long-term success will mean that Iran will be able to use the Palestinian grievance and ongoing conflict as an instrument to keep the Saudis and others on the defensive.

Beyond this, our essential challenge is going to be how to ensure that Fatah succeeds. While many in Fatah understand the stakes and what is necessary, the call for new faces in Fatah means that the old faces have to be willing to step aside. There are no signs that they are ready to do so. Is Abbas ready to push them? It will go against his very nature to do so. But there is no alternative, and our role and new Middle East envoy Tony Blair's role will require constant pushing in this regard. But we can't just push. We must also deliver real resources. If there was one other refrain I heard from Palestinians, it was "Don't embrace Abbas and Fayyad unless you are also going to deliver real goods to them." Supporting them with great words will only destroy their credibility if we do not also deliver noticeable assistance that will at least improve the economic situation on the ground.

Results on the ground and real hopes will help Fatah. Secretary of State Condoleezza Rice would do well to keep this in mind. A credible negotiating process is one thing; a symbolic event like an international conference where only hard-line speeches are given that highlight how little prospect of agreement there is, and where there is no practical follow-up, is another. Palestinians are not looking for symbols now. They know the difference between symbols and reality. Let's hope the Bush administration does as well.

Ultimately, statecraft is about recognizing where we (and others) have leverage and knowing how to marshal it. That requires seeing the world as it is, adjusting to others when necessary, making sure they have an explanation for what they do, knowing how to employ coercion effectively, and recognizing when to employ carrots with our sticks. That is how one matches objectives and means, and our next president and his or her team will need to be a master of doing so.

Chairman LANTOS. Let me thank you, Ambassador Ross, on behalf of all of us. You have given us an enormous amount of very challenging material, and I know all of us are anxious to look for further clarification.

Let me begin with an issue which cuts across many of the specific topics you raised, and that is the subject of dialogue.

The administration seems committed to the notion that when we engage in a dialogue, we do the other party a big favor, and it is almost incomprehensible, given our history of decades of dialogue with the former Soviet Union, where we engaged in dialogue with the Soviet Union at a time when thousands of nuclear-tipped missiles were aimed at American cities, and with the exception of a very narrow band of ideologues, very few on the American political scene questioned the desirability of dialogue.

I took my first codel to the Soviet Union in 1981, at a time when the Cold War was at its height, and every year thereafter I went with a group of colleagues to the Soviet Union and to the central east European satellites for a dialogue, and while I certainly do not claim that it was our dialogue that resulted in the implosion of the Soviet Union 18 years later, the dialogue, nevertheless, contributed to it, as did all of our attempts to open up cultural exchanges, academic exchanges, educational exchanges, even business.

The administration was violently vituperative vis-à-vis Speaker Pelosi when she and a small group of us went to Damascus a couple of months ago, and the administration today is hostile to the concept of dialogue.

Sunday, I had the opportunity of spending an hour with a television audience in Tehran via television. They were calling in with a variety of comments about my opening remarks, and we had a very lively exchange with a very wide range of people in Iran, in Tehran and outside of Tehran, because, quite clearly, there is a great deal of intellectual ferment, opposition to the Ahmadinejad regime, and many conflicting views within Iran.

This is not the kind of a Soviet-type, totalitarian police state that we used to know in the 1970s and eighties. There is far more diversity here. There is far more openness and dialogue.

What is your general advice to the administration on the subject of dialogue? Is dialogue not in the American interest because it at least explores the possibility of some constructive engagement, which we clearly do not have. If the administration establishes preconditions for a dialogue, it guarantees that the dialogue will not come about.

So the question is, is it in the American interest to open up a dialogue with Syria? Is it in the American interest to open up a dialogue with Iran?

After about 50 years of no dialogue, it was my privilege to open up the dialogue with Albania, and while I certainly do not claim sole credit, a few months after the dialogue was established, we had diplomatic relations between Albania and the United States, and, today, Albania is one of our most enthusiastic supporters in Europe.

I similarly had the opportunity of opening up the dialogue with Libya. Today, we have diplomatic relations with Libya: Cultural, economic, educational, and commercial ties.

Similarly, a few years ago, at a time when there was no dialogue with North Korea, I had the privilege of opening up a dialogue with the purpose of getting North Korea to return to the Six Party Talks. Thanks to the very able diplomacy of Secretary Hill, the Six Party Talks have resumed. The North Korea nuclear plant, at the

moment, is closed down, and there is a possibility at least that we can make the Korean Peninsula a nuclear-free zone.

Why is the administration so rigidly opposed to opening up a meaningful dialogue on the part of the administration, as well as on the part of Members of Congress, both with Syria and Iran?

Ambassador ROSS. Well, let me give you my impression of the administration's position, and then let me give you how I would respond myself.

I think the administration has operated on a premise that there are regimes that fall outside the pail, as it were, and because of their behavior, they make themselves illegitimate, and anything you do by talking to them begins to create a sense of legitimacy, so, therefore, you do not want to do that.

Let me suggest what my approach is. I have basically a number of different criteria in mind, something I also wrote about in the book. One, I think, if you are going to deal with, say, a country like Syria or Iran, before you do that, you had better be very clear on what your objective is. Why are you doing it? What do you hope to achieve by doing it? Sometimes you have to weigh that against what you think the risks are, but what you think the risks of not doing it are.

Secondly, let us take a country like Syria. You do not go into this without also considering your friends and keeping them very much in mind and then talking to them. If we were, tomorrow, suddenly start talking to the Syrians, then the fear level in Lebanon would go through the roof.

Now, that may not be a reason not to begin a talk, but it does suggest that you had better be very closely consulting and discussing with the Lebanese what you intend to do, how you intend to protect their interests, why you are doing this, so that they, in a sense, do not become quite alarmed and feel you are undercutting them.

So when you are dealing with these kinds of regimes, you have to consider, What is the effect on those who are your friends or your allies?

Thirdly, you should keep in mind what I call the state versus nonstate. I put Syria and Iran in a different category than Hamas or Hezbollah, where, under no circumstances, would I be talking to them until I see a change in behavior because they are not states. So you draw a distinction in terms of that.

Fourthly, I would focus very heavily, in a country like, in the case of both Iran and Syria, there is a high potential for them to misread you. If, for a long period of time, you have established a position where you are not going to talk, and then suddenly you turn around and say, "Now we are ready to talk," then the odds of them misreading that and saying, "Ah, you see? We do not have to change a thing. They need us more than we need them."

You do not want to mislead them, so you have to approach this in a way that is designed to, in my mind, I like to concentrate their mind first. I talked about the Iranians first going to the Europeans. Cut the economic lifeline, no investment, no technology transfer, no credit guarantees, so that they see what the cost is. But then you are talking in terms of saying, "Look, we are not threatening you with words." I am very much against a policy that is tough rhetori-

cally and soft practically. That is the worst of all worlds because you alarm others, and you do not impress those you are trying to impress.

I think our policy toward Syria has been largely tough rhetorically and soft practically. Are we fully carrying out all of the elements of the Syrian Accountability Act? With the Syrians or the Iranians, I want them to see what they are losing first because then they take the words seriously. If you are not backing the words with actions that make it clear that the costs are real, and they are beginning to be borne, you are not going to get their attention. But if you do that, then you open a door and say, "But there is a door here, and you can walk through it."

One of the reasons you have to be very clear in what your objective is, is because you have to know what you are going to talk to them about. People in the administration have said to me, "We do not want to talk to Syria because we know that Syria wants Lebanon," and I said, "I need to explain something to you about negotiations. Negotiations do not mean surrender unless you go to the negotiations and surrender. Believe it or not, when you are in a negotiation, the word 'no' works."

So we should not be afraid to negotiate. I think, oftentimes, the message we send is we think we are not up to it, but we should know what we are getting into. We should not just make an impulsive decision. We should not do it because suddenly we think others will be happy that we are doing it.

When we are doing it, we need to take into account the effect on our friends and our allies, so you keep them informed, you talk about it with them in advance, and you keep them fully in the picture while you are doing it, and, as I said, with countries like Syria and Iran, concentrate their minds first, and the posture should be soft rhetorically and tough practically.

I also would like you to comment on how you envision the new responsibility of Tony Blair as a player in the Palestinian negotiations.

Ambassador ROSS. I think he can make a contribution, especially if his focus is on the buying time and the need to produce something very quickly on the ground that is going to be felt. You do not have to produce everything at once, but you have to produce enough so that people, the Palestinians, would feel something is changing, and that gives them a reason to give Fayyad more time.

Inevitably, Blair is going to be focused on what his mandate is because who he is dealing with is going to focus on what his mandate is. In the Middle East, I can tell you, if you are an envoy without a mandate, that is recognized usually within about, I would say, 3 to 4 seconds. In this part of the world, there are two things to be aware of: Conspiracies are like oxygen, so everybody breathes it, and power is an important currency.

So he must be seen as being authoritative. He must be seen as being able to deliver what he says. He is going to enter into a situation where, at least among the Palestinians, I can tell you there is enormous skepticism. I heard repeatedly, "Well, if he could not do things as prime minister, why should we believe he will do it as an envoy?" And I said, "Because, as prime minister, he had lots of other responsibilities, and now he has only one." But they are

not going to take his arguments or my arguments. They are going to see what difference he makes.

He needs to pick an objective very quickly that he can act on and deliver on. If he does that, then he would actually begin to remove the skepticism, and he will be listened to.

Those who say that he comes in, and he is seen as being too close to the President, or it is because of Iraq, in the case of the Palestinians and Israelis, whatever they are saying about Iraq, their focus is on each other, especially the Palestinians. Their focus is on what is going to happen to us? They see themselves in an existential struggle right now. You can put me down as not being in favor of talking to Hamas because it will undercut those who actually feel they are in an existential struggle right now. That is not in our interest to do that.

Chairman LANTOS. My final question is, how do you explain the, to me, incomprehensible attempt, yet again, by Saudi Arabia to bring about a merger of Fatah and Hamas? The King of Saudi Arabia, a couple of months ago, ordered the leadership of Fatah and Hamas to Riyadh and forced them to create a national unity government, which resulted in a coup d'état by Hamas in Gaza and the splitting of the Palestinian movement, in a formal sense. There are now two Palestinian entities under different management.

Why is it that the Saudis do not see that by their attempt, by bribing the parties, which is their only mechanism, they will be creating only more severe problems for themselves in the long run?

Ambassador ROSS. It actually goes back to, I think, a comment that Congressman Rohrabacher made when you were talking about the Sunni-Shiia divide. The Saudis are seeing everything through an Iranian lens and the Sunni-Shiia divide. They look at Hamas, and they say, "They are Sunni." Why can't we wean them away? Why can't we accommodate them?

When the Palestinians were fighting each other, from their standpoint, that was an awful thing, in any event, but they look at Hamas, and they feel that, in fact, they are able to persuade Hamas, or they are able to bribe Hamas, and that is where, I think, their focus has been. It is a near-term focus; it is not a longer-term focus. They might argue, well, nothing is going to be possible in terms of a resolution without Hamas.

For those who think that Hamas can moderate themselves, they ignore what Hamas says and what it does. I am always struck by people who twist themselves into a pretzel to look for hints, and then they pay attention to the hints, and they ignore the behavior. If you want to change Hamas, the only possibility is for Fatah to become competitive.

If Fatah is competitive, then Hamas has to make its own choices in terms of adjusting to the realities of the Palestinian society. My guess is they are more likely to adjust in those circumstances, but they, right now, are riveted on the Sunni-Shiia divide and the ability to wean Hamas away.

Chairman LANTOS. Ms. Ros-Lehtinen.

Ms. ROS-LEHTINEN. Thank you very much, Mr. Chairman. Thank you for that, and thank you, Mr. Ambassador, for your assessment of the situation. I think you have made your point very clear that

our objectives have to be aligned with our means and our strategies.

I wanted to ask you to comment on the implementation of that strategy during the Clinton administration, particularly as it related to the Arab-Israeli conflict. What was the outcome of our efforts, and would you agree that the chief flaw distorting United States policy on the Arab-Israeli peace negotiation has been our wishful thinking about the strength of the commitment of the Palestinians to negotiations, and how is that commitment seen today?

On the issue of Syria, Mr. Ambassador, what form do you think that this upsurge in Syrian interference in Lebanon affairs will take? As we know, Syria has asked its citizens to leave Lebanon. They have talked about what they deem as expected eruptions in the U.N. Security Council about the international contingency between the Lebanese-Syrian border. Will there be more political assassinations upcoming, more terror? How do you see that happening?

On Iran, Mr. Ambassador, you have discouraged the United States from engaging Iran diplomatically, as you have pointed out throughout your testimony, without significant leverage. Given the unwillingness of European nations in the U.N. Security Council to impose meaningful, tough sanctions against Iran, would your proposal have practical implications and applications?

Then, lastly, on Iran, we have seen that facing this declining energy crisis, Iran has had to impose rationing and increase the price of domestic gasoline that spurred riots in Iran by ordinary citizens. So it seems like the financial pressure that the United States and some of our allies have placed on Iran really has been successful in deterring financial foreign investors and severely impacted and curtailed Iran's oil production.

So why should the United States take the sting out of this economic isolation by engaging Iran diplomatically before the regime has begun to change its behavior, as you pointed out? Thank you, Mr. Chairman.

Ambassador ROSS. Let me go through each of those. I think the key was not so much wishful thinking vis-à-vis the Israelis and the Plaintiffs and Arafat. We had seen in Arafat someone who took a risk when he crossed the threshold and recognized Israel. By the way, what Arafat did, Hamas will not do.

One can say that he did not live up to what he said, but, at least publicly, his position was that he recognized Israel. Hamas will not do that. At least publicly, he renounced violence, even if he did not, in fact, live up to that. They do not renounce violence.

So for those who say, "Let us be softer on Hamas than we were on Arafat," I find it hard to understand, but we made certain judgments about Arafat based on the risks he took. There were threats against him once he recognized Israel and joined the Oslo process. We and the Israelis actually provided information to him and protected him from time to time because of that.

The people around him were saying he was prepared to do what was necessary. They seemed to believe it. So, in a sense, we became misled by that. There was a series of mistakes, I think, in retrospect, that we made, but the most important, from my standpoint, was we never tested him on the issue of whether he was pre-

pared for an end-of-conflict deal. You can ask, which we did. We thought we tested, but we never came up with the right test. Unfortunately, I figured it out too late.

The right test would have been to basically say to him and to the Israeli prime minister at the time, "We are not going into permanent status negotiations until the two of you are prepared to publicly say to your publics, simultaneously, if you want, that neither one will get 100 percent of what they want on Jerusalem, refugees, and borders. We need you to condition your publics on the idea of compromise on the core issues."

My guess is Arafat would not have done that. Now, when he did not do that, then we would have said, "Okay. We are going to redefine our objective." Again, it gets back to the issue of objectives and means. "It is pretty clear to us now that you are not capable of resolving the conflict. You can live with the process, but you cannot live with a conclusion. So what we are going to do is we are not going to walk away from the process, but we are going to refocus the process. We will focus on increasing Palestinian independence from Israeli control. We will focus on improving the economic realities here. We will focus on institution building among Palestinians. We will focus on connections between the Palestinian and Israeli societies. In other words, we will do all of the things that go into making peacemaking possible later on, in effect, after you."

That was our mistake. We became convinced that he would do a deal when, in the end, he was not prepared to do it, and we needed to test him in a way that was different than the way that we did.

On the issue of Syria, I do not believe that Syria will relax any of its pressure on Lebanon. I think it will continue to do that. I think there was a fatal flaw with the way 1701 was written. It put all of the burden of decision-making on one of the weakest players, the prime minister of Lebanon.

The idea that he had to request international forces to prevent arms from coming across the Syrian border was a fatal flaw because it meant you had to ask him to sanction a confrontation with Hezbollah, and his first objective, at that time, was the unity of Lebanon, not a confrontation.

By the way, I was saying it at the time, I did not understand why we went along with that because it guaranteed that the Syrians would be able to rebuild Hezbollah, in direct violation, militarily, in direct violation of 1701, which they have been doing.

We had the Secretary General of the United Nations saying, "They are violating 1701, and they are doing it with impunity. There is no consequence."

I think this is one of those areas where, in fact, a great deal more attention should be given, and the focus should be on stopping the rearming of Hezbollah, in direct violation of 1701, and if it continues, there should be a consequence. I do not understand why there are no consequences for these kinds of Syrian behaviors.

That is why I say, I do not like policies that are tough rhetorically but soft practically. In a sense, the message you send to the Syrians is, we lose nothing by doing this, and we gain nothing by stopping it.

So, for me, I think we have to keep our eye on that ball, the fact that there is a tribunal now, and understand that the tribunal is seen as an existential threat by the Syrian regime, and, I suspect, the more they see that, the more you will see them seek to do more to destabilize Lebanon because every time they are threatened existentially, they will try to show, here is the consequence of doing it.

So we need to focus on what is the most important thing for us right now vis-à-vis Syria? How do we want to change Syrian behavior? I would start by focusing on the border between Lebanon and Syria. Make it a real border. There is no way today that the Lebanese have the capability to police that border. I do not know why you cannot go back and revisit 1701 from the standpoint of saying, "There is a violation, and we are going to correct it." That is where I would put new emphasis right now.

As I said, I just came back. When I went out to Israel, I was interviewed by the Israeli press, and I said, I am worried about the fact that Syria looks like it is preparing for war. Now, I was not saying that because I think that Syria is actually going to start a war. I do not think they are going to start a war. But if you look at what Syria is doing in terms of its capabilities right now, they have 20,000 rockets, long-range, surface-to-surface rockets, with a longer range, more accuracy, and a greater payload than anything Hezbollah has.

They have built up dramatically their anti-air capability, anti-aircraft missile capability, and their anti-tank capability, designed to offset Israeli advantages in air and armor. They have repositioned their forces in a way that is designed to make them more capable in a forward defense position, again, not that they are necessarily looking to start a war, but it is as if they are positioning themselves in anticipation of a war, and there have been directives given, apparently, that say, be ready for war.

So one of the reasons to talk about this publicly is that we do not end up with a war through inadvertence because it goes on in the shadows. I think there should be more attention, on our part, given to this, again, publicly.

Here, we have to call attention to the Russians. It is like 1967 all over again. The 1967 war was attributed, in no small part, to the Soviets giving the Syrians false information that Israel was, in fact, mobilizing forces on the border for war, and that was used to get Nasser to put forces into the Sinai.

Now, the Russians are telling the Syrians that Israel is planning for a war with Syria. These are the kinds of things we ought to expose. If you want to reduce the risk of war, you had better expose it.

On Iran, I think that one of the reasons I say I would engage them is because I am trying to change their behavior. Now, what are they trying to do? Their aim, as I said, is to create a fait accompli. They want to basically present to the world the reality that they have the capability now that they are a nuclear power, they can enrich uranium, and it is irreversible. Then maybe they will say, We will do some kind of deal, but it is not going to be all-encompassing. It certainly will not be the kind of intrusive verification that would allow you to find all of their capabilities.

I want to increase the pressure on them now. I do not want to wait. I think if we stay exactly where we are, nothing is going to change. I am trying to find a way to ratchet up the pressure on them so that their behavior changes. That is why I said, "Let us work with the Saudis to increase the economic pressures in Europe to change what Europe is doing. Let us, ourselves, or maybe with the Israelis, focus on making it clear to the Europeans that the chance of the use of force is going up, not down, because of what they are doing or not doing."

Then I say, if you want to make it more likely for the Europeans to change course, and they feel we need to be at the table with them, I am willing to say okay, but I want them to impose the economic price first.

In answer to the chairman's question on dialogue, my point was, with regimes like the Iranian regime and the Syrian regime, I am not against talking to them, but I want to talk to them after I have concentrated their mind. I want them to see what they are actually losing.

There is something very interesting about the Iranians that is worth sort of recapping again. You know, a year ago, when the British, the French, and the Germans offered them an incentives package, which included light-water reactors, if their purpose was, all we want is civil nuclear power to generate electricity, light-water reactors do that. They are good for that, not good for generating fissile material. And they said no.

Now, the interesting thing is not just that they said no; the interesting thing is that it generated no public debate among their elite, but starting in October, when you had discussions at the Security Council on sanctions, suddenly Rafsanjani releases a secret letter that Khomeini had written to explain why he was ending the war with Iraq back in 1988. The commentary in the Iranian press at the time was: This shows that you have to adjust your ideology to reality.

As soon as they began to see what the price was, at least potentially, they began to debate among themselves whether it was worth it to continue on this. Now, the problem is the price has not been made acute. You are quite right that we have had some success. I think the Treasury Department has been the most effective one in the administration. What Stuart Levy has done has been quite effective, but it is still very limited in terms of its scope. I want to broaden the scope.

You asked me what I would do. We got what we needed out of the Security Council already. The Security Council has adopted two Chapter 7 resolutions, mandatory resolutions. The most important point is Iran was supposed to stop its nuclear program. All right. It has not. Limited sanctions have been imposed. We are now working on a third one. The third one still does not deal with the economics. That is why I go outside of the Security Council. The Security Council has already given us an umbrella of legitimacy to go outside the Security Council to focus on real, extensive, economic sanctions.

For a country that is forced to import, you know, nearly half of its gasoline, which is the real reason it had to ration gasoline, I do not know why that is not an issue that is not on the table as well.

You know, if we say we are not taking the military option off the table, why wouldn't we take an embargo off the table? We have got to concentrate their minds so they see what they are actually going to lose. Right now, they see a potential, but the potential is not being translated into reality.

The reason I talk about engagement the way I do is because I think it is one other means we have to actually increase pressure on them, not reduce the pressure. I do not want to reduce the pressure on them. I do not want to mislead them. That is my fear, that they think actually they are going to be able to continue on the path they are on because the real price will never be imposed.

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

Chairman LANTOS. Mr. Ackerman?

Mr. ACKERMAN. Thank you very much. Ambassador, your presentation was an absolute tour de force. Thank you very much.

Ambassador ROSS. Thank you.

Mr. ACKERMAN. You talked about the things that could be done to strengthen the Palestinian Government and Abu Mazen. The things that most Palestinians are concerned about right now are the conditions on the ground, and you named the two as mobility and employment, mobility being very difficult because that depends on the Israelis' need for assurance on their security concerns, and then go to employment.

Employment has been greatly dependent on the ability of Palestinians to access the Israeli economy up until this point, and a lot of the mobility issues prevent that from happening; hence, a lot of the situation as we see it.

You, logically, point to a different method of employment, and that is the investment of \$1 billion by the friends and neighbors of the Palestinian people. That is all well and good, but it would take some time in doing to first get them to agree, and I do not know how long we would have to wait for them actually to pony up \$1 billion, and, after that, unless you are going to parse that out, consider that employment, you have to build an infrastructure and industry and business and trade and commerce, et cetera, et cetera. This is all going to take a lot of time, and the situation on the ground is not going to change so quickly.

The first question: Are there other deliverables that the Palestinians can be helped with in strengthening their position vis-à-vis Hamas? The ones that come to mind almost exclusively would be going to final status issues where progress could be shown. I am not advocating; I am asking.

The second question: I was intrigued by your unquoting Teddy Roosevelt, in that the worst possible approach would be to speak loudly and carry a small stick. Can you speak, in terms of Syria and their involvement in Lebanon? We have to let them know that there are consequences, and I think, indeed, that has been the problem. There have been no consequences anywhere for anybody in this whole debacle. I will speak only right now of the Syrians.

I think the dilemma that we face on most of these issues is: What should the consequences be? I think this is one of the most difficult and thorniest things. You know, just leaving things on the table without exercising them is not a consequence.

Ambassador ROSS. Let me make several points. First, on the issue of housing construction and the time it would take and all of that, I would remind you of one thing. In 2002, the then-leader of the UAE, Sheikh Zayed, provided \$55 million to build Sheikh Zayed City in Gaza. It was designed by Palestinian architects, Palestinian contractors, Palestinian laborers. It was not a huge amount of money.

The UAE is actually much more likely to respond more quickly than the Saudis if you got them to say, "All right. We are going to commit to monies for building four Sheikh Zayed Cities," you could actually begin that process fairly quickly. So even if you cannot produce the billion-dollar fund that I would like to see, you might be able to get, and we should be focused on, and maybe Tony Blair should be focused on, at least producing something like that.

You will bear in mind that the Palestinians were the backbone of the construction industry in Israel, so they have the means there, and you could move fairly quickly on that, and that would put people back to work immediately. Even the message of people going to sign up for jobs, knowing they were going to get it, would have a psychological effect, and I am looking as much for psychological effects as I am for anything else, number one.

Number two: There are other kinds of things that could be enormously helpful quickly, again, to Fatah and to Fayyad. Fayyad is trying to reorient his budget to deal much more with getting monies to localities and the municipalities and dealing even with developing, almost taking what I call a page from the Hamas playbook, which is, how do you begin to develop enough deliverables at the local level? What are some of the things that are required, or even some of the things that are requested?

I met with a lot of these 25- to 35-year-olds, some of the young Fatah activists. What were they asking for? They were asking for youth clubs to be financed, they were asking for IT centers so they could develop data to organize themselves, they were asking for clinics, and they were asking for after-school programs.

I met with a group of doctors from Kalkiya, and they said that right now, they were providing free medical care for 3 weeks. I raised the issue: What if you could create a network with all of the other doctors in every one of the major West Bank cities, and you organized it so, in fact, you could be providing free medical care for every city under your banner? They said that would be great. Now, we might need medicines, we might need some doctors, some additional specialists. These are not high-cost kinds of programs, and yet they would be felt immediately.

So I think we need to be somewhat creative in terms of how you can be responding in the near term. It is not all big-ticket items that will take a long period of time, number one.

On the issue of showing progress on the permanent status issues, that would be great, except whatever is being said, I do not see Abu Mazen rushing to concede the right of return for refugees, which is a *sine qua non* for any permanent status deal. He will be accused of being a betrayer by Hamas. Others will say, "Well, what are you getting in return?" and even if you show the Israelis acting, I am not so sure that we are going to see the prime minister of

Israel, in his current political condition, racing to concede on Jerusalem right now either.

So the problem is not that it would not be desirable; the problem is, what is the likelihood that this is what they are going to do anytime soon? You need, at least, to create some context and some conditioning for that coming, and that does not exist right now.

On the issue of consequences, one of the reasons I drew attention to 1701 and borders is, what is the one thing that might affect the Syrians quickly? That the border between Syria and Lebanon becomes real because they use that border to basically engage in everything they are engaging in, to subvert, destabilize, kill, to get weapons in there. They have never, in truth, really treated Lebanon as an independent state.

If you really want to have a consequence that they would feel, make the border real. There might be other things that we could think about, but that would be one place I would start because the international community would all support it. It is not like you are asking for something that is going to be declared as being illegitimate. So that is, at least, one thing that occurs to me.

Chairman LANTOS. Mr. Berman?

Mr. BERMAN. Thank you, Mr. Chairman, for holding this hearing. This idea of one witness with experience and serious thoughts about how we move ahead and a chance to go back and forth, I think, is very valuable, and I appreciate your inviting him and using this format.

There are several issues I would like to explore with you. There are people coming to us, talking to us these days, who have a different view on the Israeli-Palestinian situation than you are articulating here today.

They are saying, nothing that tries to draw a division between a secular, nationalist, Palestinian movement and an Islamic movement is going to work, that isolating Hamas and building up Abu Mazen, where our policy seems to be going, although I am not totally sure that the administration, at least some people in it think about the alternative, but this is where they seem to be going, is going to succeed, that the cite, the piece I read where some Hamas official likened Hamas, his aspirations for Palestine, like the Islamists of Turkey, an alternative that, in a certain context, seems moderate and workable.

Yes, Hamas has some obligations. They have got to get control of Gaza. They have got to stop the Kasam rockets from firing. But if they meet that test, you are going to have to deal with what is going on in Gaza, that Hamas in the West Bank is potentially quite strong, and then they use the Saudis, the people who did Mecca, who are now talking about reconciliation, who, as you said, see things through the Sunni-Shiite prism, as undermining your efforts to create that billion-dollar fund that would allow you to do what needs to be done to strengthen Fatah and reform Fatah and build institutions and create jobs and all of that.

These people, some of them are people that you worked with very closely. They are people who feel strongly about Israel's right to exist but think, notwithstanding their rhetoric, notwithstanding the reasonableness of the conditions that have been set out by the President and the Quartet for dealing with Hamas, that we should

try to find ways to get through all of that and become promoters of—I would not call it a “ Hamas option ” but an option that deals with both factions here.

Elaborate a little bit more on whether there is anything to what they are saying and the problems with what they are saying.

Ambassador ROSS. The essence of what they are saying is, and here is the logic: The logic is that Hamas is a profound social force among the Palestinians. You will never be able to ignore or isolate them or deny them, and, by not dealing with them, you leave them no choice but to be extreme. If you dealt with them, they would begin to moderate themselves. That is the essence of it.

What is the problem I have with it? The problem I have with it is that I see no evidence of the moderation. They will cite individual statements, but they will not cite what is on Hamas TV, where, for example, you educate kids with the idea of becoming martyrs by killing Israelis. They kill off their Mickey Mouse because the Israelis go and kill off the Mickey Mouse.

Everything they do, in terms of what they say to their own public, what they are educating their own public to do, is extreme and brooks no possibility of coexistence, number one.

Number two: Just to give you a sense of things, I have made two trips now in the last 6 weeks. Six weeks ago, when I was seeing a wide spectrum of different Palestinians, again, mostly within Fatah, not entirely—some independents as well—there were two points of view within Fatah. One was you cannot deal with Hamas because Hamas is basically not even really Palestinian. At the end of the day, they want to be part of the Umah. They are part of an Islamic empire.

Another school of thought was, you can deal with them. There are ways we can cut a deal when we need to.

Now, when I just went back, the people who were saying before that you can deal with them, they say, “ Look, we cannot deal with them until a series of conditions are met. One, they have to renounce their own government that they have set up; two, they have to recognize Abu Mazen; three, they have to recognize all of the previous agreements; four, they have to give back what they took; and, five, they have to disband their militia. ” These are the people, by the way, who were saying, “ You can deal with them, ” before. They are not saying it now.

I am not saying there are no circumstances under which I would ever deal with Hamas, but to deal with Hamas at this point, after they staged a coup in Gaza, and bear in mind, this was a coup that was planned. One thing the Saudis are ignoring is, at the very moment they were doing the Mecca deal, they were planning all of this.

I am one of the few people who has actually been in the Preventive Security headquarters within Gaza. It was a fortress. They tunneled in from the outside. That was, at least, a 6-month enterprise. This was not something that they just did on the spur of the moment. They were planning it for a long time. Talk to Abu Mazen right now, and he will say, Even though they were talking to me, they were planning to do this.

So if you now say, “ Let us go talk to them, ” you say, “ It is okay. Planning the coup was fine. Throwing people off of buildings was

fine. Walking around with laptops where you would identify the Fatah people that you would kill, that you would knee cap, that you would simply intimidate; that was fine. All that behavior is okay," well, for me, it is not okay.

If you were to act on it now, you would also undercut the very people who want a secular national future for the Palestinians. If you want, for me, the only way to ever get to a point where you might be talking to Hamas is through one of two avenues, and I do not exclude either one.

One is, it is not inconceivable to me that, in fact, because Hamas now has to govern in Gaza, that they might be prepared to go along with a real cease-fire with the Israelis. They might. It is not impossible, but a real cease-fire is not the kind that they have adopted before, which is they say, "We will not carry out any attacks, but it is okay if the Popular Resistance Committee does. It is okay if Islamic jihad does. It is okay if rockets are fired against the Israelis, and, oh, by the way, Hamas is not firing the rockets." The people who say that neglect to point out that Hamas provides the rockets.

So you do not get to have it both ways, and this idea that, you know, we will ignore these behaviors tells them it is okay to continue to behave that way.

So (A) if they would do a real cease-fire where they would impose it, where they would stop acts of resistance—I will tell you an interesting story because it apropos.

The summer before last, I was in Gaza, and I happened to go into Gaza the day after a bombing in Natania. This was at a time before the elections, after Abu Mazen had postponed the elections but reset them for January. So I was sitting in Gaza, and I was speaking actually to Zeata Abamur, who is a Palestinian independent, who was Abu Mazen's channel to Hamas, and he had a number of business people there with him.

I said, "You know, I do not understand one thing. Hamas needs these elections." This was July 2005. I said, "Hamas needs these elections because when they have these elections, it is going to catapult them. It is going to change them. It is going to make them not only a legitimate force, but they are going to become an arbiter of the Palestinian future. So they need these elections as a strategic objective. I do not understand why they countenance bombings in Israel because if this goes on, the Israelis may well prevent the elections from taking place. Can you explain it to me?" Zeata Abamur said, "Well, I was with Mahmoud Zahari yesterday, and I asked him the same question you are asking me, and he said, 'Yes, the elections are in our strategic interests,' but he said, 'but that is resistance. We cannot stop resistance.'"

Now, if there is a real cease-fire where they stop resistance, okay, then you begin to change the realities. Right now, I am in favor of preserving subsistence assistance, humanitarian assistance to Gaza and exploring whether anything beyond that is necessary to prevent a collapse in Gaza. But for developmental assistance, no way. Investment, no way, unless Hamas wants to play by the rules. If Hamas wants to play by the rules, okay, then they begin to change themselves.

In other words, the key is Hamas tells everybody the world has to adjust to us; we do not have to adjust to the world. My attitude is, no, it does not work that way. They do not get to have assistance and help from the outside unless they play by certain rules. If they are, then my attitude toward Hamas changes. If they do a real cease-fire where they impose and stop "resistance," then my attitude changes.

But to say, "We are going to deal with them now, and they do not have to do anything," and they have just engaged in this kind of behavior, which signals who they are, why is there such a shock among the Fatah people? It is not just because of collapse but because so much of the Palestinian ethos and narrative has been, you can never have a fitnah, meaning a civil war, because we are the weakest players, and if we fight each other, we simply serve everyone else's interests. Anyone who would engage in that would discredit themselves with the Palestinian people.

Mr. BERMAN. That was the Abu Mazen line for years.

Ambassador ROSS. I accepted it for a long time, too. But now they say, apparently, that does not apply to Hamas because they planned this. They carried it out.

Mr. BERMAN. One follow-up, Mr. Chairman. You may not want to answer it. If our policy should bank and do everything imaginative and be real in terms of what deliverables for this secular, nationalist faction, what do you think of, I guess, the great man theory of progress here of the role of Marwan Barguti in terms of this, with all of the blood on his hands, all of that? Is there anything about him that is essential to the development of the institutions, the improvement on the ground, the reform, getting rid of the corruption?

Ambassador ROSS. You know, it is interesting. I think I was asked that question in Israel by a very wide spectrum of Israelis, inside and outside the government, while I was there, almost every day that I was there, which means it is an issue that is clearly being brooded, being discussed and being debated.

My own approach to this would be that not only is there a legal dimension, but, obviously, there have been Palestinian prisoners who have been released in the past. If you look at some of those who were released in the last exchange with Hezbollah by Prime Minister Sharon, you will see people who had committed acts that, you know, would have, presumably, precluded them ever being released.

This has to be part of a process. There is a series of milestones that needs to be achieved on the Palestinian side. As they are, certainly, this is one factor, I think, that could be considered in that context. To do it at this point, I think, is premature, and, in any case, I do not see it being politically feasible in the Israeli context. But if you actually have a process that is underway where you begin to see Palestinians actually acting—there are very interesting steps that have been taken so far, and it is clear that the Israelis understand the stakes as well.

You have a deal on fugitives that has been struck. These were the 178 on paper. They were on Israeli lists. These were people that the Israelis were going after. The people on this list; they are going after them for a reason.

Mr. BERMAN. People are skeptical about whether they intend to comply with the contract, but we will see.

Ambassador ROSS. Well, I will tell you something. Right now, my impression, from dealing with both sides, being out there, the essence of that deal looks to me to be one that is going to be respected. By the way, it has precedent. It was done before. This has happened before where fugitives disarm. They gave up their weapons. They agreed to a statement that they would not carry out attacks against Israel, and they agreed that they would not be moving outside of their cities, and, in return, the Israelis said, "We do not go after them any longer." That was done before, and, I will tell you, in the past, that held for several years at a time.

So that has been done. In Ramallah, one of the things I was struck by: There is, for the first time, unprecedented, a very significant armed, uniformed presence on the street designed primarily to show that there is an authority, and there is order. I mean, they are managing the traffic.

They are not limited to the locations they used to be. It used to be, the only uniformed, armed people you would see, they would be in front of the Mocata, they would be at the prime minister's office, they would be in front of the Legislative Council, but you would not see them throughout the city. You do now, and it is very conscious, and it is clear that part of the plan is to extend that to other cities.

It is not that there is not an effort being made now to begin to establish security for Palestinian reasons, in the first instance; law and order, in the first instance. What is one of the interesting elements of competition between the two sides right now? Hamas is saying, "We have restored order in Gaza." Of course, you know the way they have done it.

They go to a clan like the Bocher clan, and they basically pulled out, and they killed members, the whole families, and say, "This is what is going to be done to everybody else." So, yes, they are establishing it in their own unique way, but here also is the Palestinian Authority trying to do the same thing, at least in terms of saying, "There is going to be order," because the issue is governance.

That is why I say assistance needs to be provided. It needs to be provided with conditions. You will not make it easier to build institutions if we just do monies, and it is business as usual, and it is done the same way before because then you have large monies going, and the Palestinian public perception will be it goes to the same people with the same results.

Mr. ACKERMAN [presiding]. Ms. Woolsey?

Ms. WOOLSEY. Thank you, Mr. Chairman. Thank you, Ambassador Ross. I was in Israel the week—with a group—the week before the Gaza—I call it "turnover"—you guys have a whole other—

Mr. ACKERMAN. Collapse.

Ms. WOOLSEY. Well, no, before it was handed over. Every single meeting we had with the Israel leaders in our conversations, people would say, "Abbas is a poor negotiating partner. Abbas cannot be trusted. Abbas is not strong."

I would say, "Look, Israel, United States, we are the adults here. We have had governments for a long time. Why aren't we helping

him? Why aren't we teaching him? Why aren't we bringing him along?" Oh, we cannot. He is not strong enough. He is not this; he is not that. And, you know, everybody in the room got really sick of me asking this question to every single one of the leaders, but the answer was always the same.

After that election, I did not want to be right, but excuse me, now look what they got. So my fear is that we are marching down the same path of absolute shortsightedness with Iran and with other situations and including what is still going on in the Middle East.

We have to do something differently, and you are helping us here see what we have done, but stubbornness and not understanding where we used to be in the standings in the world, anyway, before Iraq, that we have some real power that does not all have to be bullyish. It can make sense, when you say, "helping the Palestinians" and things.

Tell me how we would expand that so when we leave Iraq, we do not end up in the same kind of situation, how we are going to get the neighborhood, the region, together so that we can have some stability, at least, in the region somewhere.

Ambassador ROSS. Well, by comparison, the Palestinian areas today look like they are tranquil and calm and organized and stable and progressing compared to Iraq.

Ms. WOOLSEY. Well, excuse me, but we are going to leave Iraq, and are we going to have a role?

Ambassador ROSS. What I would suggest for Iraq, I think we have to have a very clear objective right now, and the objective has to be, at a minimum, how do you contain what is in Iraq so it does not spread outside Iraq? That has to be your baseline objective.

It is going to be very hard to bring order to Iraq if Iraqis themselves are not prepared to forge any kind of national compact, and we see very little evidence of that. I was saying, a little earlier, the main problem we face today, at least on a sectarian basis, is that Shiia continue to believe that they will have power taken from them at any moment, and, therefore, they will not share power. The Sunnis are convinced that they may not dominated things any longer, but, at least, emotionally, they have not gotten used to the idea that the Shiia will be the dominant force within Iraq.

I think that the prospect of getting them to change politically is not going to happen unless they decide that there is a high cost in not doing it. If you ask me where we are going to be in Iraq somewhere down the road, 10 years from now, I can envision an Iraq that has a central government that has very limited powers, provinces that have very extensive autonomy, some means for sharing revenues and resources, and the question is, do you get there through a process of exhaustion, where they have exhausted themselves, or do you get there through a process of transition?

I am much less hopeful that you can manage a transition today, but I have not given up. Now, I said, earlier, we should be saying to the Iraqi Government, "Look, we are going to negotiate a timetable for our withdrawal with you. You have an input into it. But if you are smart, what you will do is, let us create a national reconciliation forum that does not disband until you work out all of the big issues."

Maybe it is too late for that, but the fact is, we have never really tried it, and we certainly have not tied it to negotiation with them on a timetable for us. That gives you a lever.

The problem that I see with the surge is that the surge is still us carrying the load and them paying no consequence when they do not meet any of the benchmarks. Is it hard for them to meet the benchmarks? You bet, because the gap between them is so profound. It is—I used the word before—excruciating for them to do the kinds of things we want them to do. It is excruciating for them to form a national compact because they disbelieve each other so much.

But you do not get anyone to make excruciating decisions if there is no cost for not making them. So you have to find some way. My baseline is containment to prevent what is there from spilling outside. I would go above that, in terms of soft partition as a possible option. I think the option, the prospect of a reconciliation, is very low, but I would still—

Ms. WOOLSEY. Mr. Ambassador, we could talk about this. I do not agree with you on hardly any of that, but you are an Ambassador, and I am just me, wanting to get out of Iraq. But I am talking about we are going to go. How do we get the region—how do we get Saudi Arabia? I mean, aren't there a lot of interests that they need stability also?

Ambassador ROSS. I thought you were asking me about what to do within Iraq. You are asking about what to do outside of Iraq.

Ms. WOOLSEY. I am sorry. I meant outside of Iraq, to bring people together.

Ambassador ROSS. Well, look, one of the things I would do right now, we have basically misread the situation. We assumed that the Saudis, Jordanians, and others would have a common stake with us in what is going on in Iraq, and they do not, and the reason they do not is because they do not want Shiia dominance in Iraq, pure and simple. Everything is seen through that lens.

On the other hand, they do not have an interest in what is going on Iraq spilling over into their border. One of the things we should be doing is we should be trying to see if there is a way to forge compacts between all of the neighbors, including the Iranians with the Saudis and others.

There will be no deal on containment of Iraq if there is not a deal between the Saudis and the Iranians because they will be the ones who will basically finance the competition internally. The Saudis will finance all of the Sunni tribes, the Iranians will finance the Shiia militias, and unless they each see that this can be a risk to them, they will not change their behavior.

So the one thing they have in common is not what they want in Iraq but what they fear about it. So, if you ask me, part of our strategy now should be a diplomatic strategy, not to be working bilaterally with each on this because it is not a deal they are going to strike with us; it is a deal they have to strike with each other, and that is where our effort should be.

If you go back to the Iraq Study Group, they talked about a regional initiative, a regional conference. I am in favor of a regional conference, but the regional conference should then have a working group that should be meeting all of the time. There is no such

thing as diplomacy that is episodic: "Well, we will meet every 2 months."

You know, you either pick an objective and work toward it and intensively focus on where you have leverage, where they have vulnerabilities, bring them together in three-way meetings, and see if you can work out certain understandings or not. Now, maybe you cannot succeed. Maybe it will not work, but we have not tried it, and what we have tried has not worked.

So what I would say is you need a containment strategy for Iraq, and a containment strategy for Iraq inevitably has to have a diplomatic dimension.

Ms. WOOLSEY. Thank you.

Mr. ACKERMAN. With the deep gratitude of the committee, we thank you for your very in-depth and thoughtful responses to our questions, and the committee members are thanked for their thoughtful questions as well.

We owe you a debt of gratitude. We have learned a lot. We have a lot to think about together. Let us hope we can come up with some reasonable solutions. The committee stands adjourned.

[Whereupon, at 12:15 p.m., the committee was adjourned.]

APPENDIX

MATERIAL SUBMITTED FOR THE HEARING RECORD

QUESTION SUBMITTED FOR THE RECORD TO THE HONORABLE DENNIS ROSS, COUNSELOR AND ZIEGLER DISTINGUISHED FELLOW, THE WASHINGTON INSTITUTE FOR NEAR EAST POLICY, BY THE HONORABLE RUBEN HINOJOSA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Question:

For much of its history, the Middle Eastern economy has failed to provide an acceptable standard of living for many of its citizens, despite the region's tremendous mineral wealth. Unfortunately, the inability of the Middle Eastern people to be hopeful about their economic and financial future has become a root cause of the region's instability and discord. Ambassador Ross, I am greatly interested in hearing how you would assess American efforts to grow the Middle Eastern economy and to instill economic stability in the Middle East?

Response:

As of the time of printing, no response was received by the committee.

PREPARED STATEMENT OF THE HONORABLE GENE GREEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Mr. Chairman, thank you for holding this hearing to look at U.S. policy option in the Middle East beyond our involvement in Iraq.

Two of the major problems in the region that have received less attention from this Administration, due largely to the focus on Iraq, are Iran's nuclear program and Iran and Syria's support for the terrorist groups Hezbollah and Hamas.

Iran's actions over recent years have challenged our efforts to stabilize Iraq, threatened the security of the elected government of Prime Minister Fouad Siniora in Lebanon, and prevented the Israeli-Palestinian peace process from moving forward by funneling funding and arms to terrorist groups that attack Israel. Even more troubling are Iran's efforts to develop a nuclear program.

We are well aware of numerous comments made by Iranian President Mahmud Ahmadinejad regarding Israel, and a nuclear armed Iran is a proposition no state in the region or elsewhere wants to see. Preventing this from happening should be the main focus of this Administration outside of Iraq.

Secondly, Iranian and Syrian funding for Hamas, Hezbollah, Islamic Jihad, and al Qaeda should be a top priority for the Administration as well. Their funding of these groups, especially Hamas and Hezbollah, threatens the security of Israel, and the stability of the Siniora government in Lebanon.

There was an AP story just this morning in which U.S. Ambassador Zalmay Khalilzad accused Syria and Iran of playing a negative role in Lebanon and said there is clear evidence of arms smuggling across the Syrian border to terrorist groups.

Through these actions, these two countries continue to be a destabilizing force in the region and should be the primary focus of our diplomatic efforts in the region.

President Bush recently announced a new initiative for moving the Middle East peace process forward by providing financial support to the Palestinian Authority and calling for an international conference this fall to talk about creating a Palestinian state along side our closest ally in the region Israel.

While Palestinian President Mahmoud Abbas has made significant strides in isolating Hamas as the radical group it is, and to this point appears to be taking legitimate steps to move the peace process forward, he still has limited power in the Pal-

estinian territories, and Hamas is continuing to smuggle weapons and funding into Gaza due to the lack of security along the southern border.

For this process to move forward, President Abbas must have legitimacy both with the Israelis, and in his own country, and the security situation along the border and throughout Gaza must improve.

I look forward to hearing from the witnesses today with their take on U.S. policy challenges in the Middle East, and again I thank the Chairman for holding this hearing.

PREPARED STATEMENT OF THE HONORABLE SHEILA JACKSON LEE, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF TEXAS

Thank you, Mr. Chairman, for convening today's important hearing. Though Iraq is perhaps the most pressing issue that we, as Americans, face today and certainly mandates continued attention, I also believe we must look beyond Iraq to do precisely what the title of today's hearing calls upon us to do: to envision a new U.S. policy in the Middle East. Let me also take this opportunity to thank the Ranking Member of the Committee, and to welcome our distinguished witness, Honorable Dennis Ross, Counselor and Ziegler Distinguished Fellow, The Washington Institute for Near East Policy. I look forward to your testimony.

Mr. Chairman, we currently have about 160,000 troops stationed in Iraq, as part of what I and many of my colleagues have always believed to be a faulty policy. The tragic loss of our American sons and daughters, the chaos and destruction we have inflicted on Iraq, and the immense financial obligations of the war have been far from the only negative outcomes of this Administration's military pursuits. Mr. Chairman, I fear that we will be combating the serious declines in U.S. standing and credibility throughout the world for much of the foreseeable future.

If there ever was a time for effective and innovative diplomacy, this is it. If there was ever a time to make a serious effort to engage in a true dialogue with our colleagues around the world, that time has come. As the troop increase in Iraq is currently demonstrating, the way forward cannot be through increased arms and fighting. Instead, it must be through skilled diplomatic engagement and multilateralism.

This is why I introduced H.R. 930, the "Military Success in Iraq and Diplomatic Surge for National and Political Reconciliation in Iraq Act of 2007." This legislation would make diplomacy and statecraft tools of the first, rather the last, resort, as has been the case for the past four years. It declares that the objectives for which military force in Iraq was authorized have been achieved, and therefore the authority to use this force has expired. This legislation is a clear statement that a diplomatic surge must be the way forward in Iraq.

Mr. Chairman, I also believe we must carefully redefine our regional priorities. I support democracy, and I support the ability of people to choose their governments and their leaders, but I believe it poses a serious problem when power is given to groups, like Hamas, that have been classified as foreign terrorist organizations. This is an issue that has not yet adequately been addressed by the foreign policy of this Administration.

Beyond Iraq, there is no shortage of difficult issues in the Middle East. A prime concern continues to be Iran. I find Iran's support of terrorist organizations, pursuit of nuclear weapons, and dismal human rights record to be extremely worrisome. I have long been an advocate of a free, independent, and democratic Iran. I believe in an Iran that holds free elections, follows the rule of law, and is home to a vibrant civil society; an Iran that is a responsible member of the community, particularly with respect to the proliferation of nuclear weapons.

Another issue is the ongoing Arab-Israeli conflict, and the peace talks there that appear to have reached a stalemate. Ambassador Ross, as a key participant in the round of talks that nearly saw success under the Clinton Administration, I look forward to your insights on how to proceed on this delicate issue. Having traveled extensively in the Holy Land, I believe in its immense value and potential, and I look forward to working to resolve this tragic conflict.

Mr. Chairman, when we look at the Middle East today, it is easy to, as this Administration seemingly has, get bogged down in Iraq. Iraq is a serious issue, and one that very well may define this 110th Congress. But it cannot be allowed to dictate American foreign policy to the entire region. I strongly urge a thoughtful reassessment of U.S. regional objectives and priorities, the implementation of effective and innovative diplomacy, and the comprehensive use of public diplomacy to increase U.S. credibility, not only in this critical region, but throughout the world.

Thank you, Mr. Chairman, and I yield back the balance of my time.

PREPARED STATEMENT OF THE HONORABLE RUBÉN HINOJOSA, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF TEXAS

Chairman Lantos, I appreciate your leadership in calling this hearing to address the myriad of issues confronting the Middle East. For generations, the people of this volatile region have suffered through instability, economic difficulties, and poor leadership. Our nation has taken an active role in the REGION; however, our participation has caused further tensions as often as it has been beneficial.

We are therefore all grateful to your attendance here today, Ambassador Ross, to shed light upon an area of the world that has been mired in perpetual darkness for far too long. I am greatly interested in the perspective you have developed over your distinguished career of working towards diplomatic solutions to the problems facing the middle east. Of particular interest to all of us are the conclusions you have reached regarding America's efforts to instill democracy and build stability in the region.

Chairman Lantos, thank you again for calling this hearing to address our nation's role in promoting peace in the Middle East. I eagerly anticipate our panel's testimony.

