

Senate Foreign Relations Committee
Chairman Richard G. Lugar
Opening Statement for Hearing on Iraq
July 13, 2006

The Foreign Relations Committee meets today to review the situation in Iraq. We welcome Ambassador Zalmay Khalilzad, who has been on the job in Baghdad for just over a year. Ambassador, we are glad to have you back and look forward to your update. As some of my colleagues are aware, you planned three other trips home during the last several months and graciously offered to testify before our Committee on each occasion. But events in Iraq – including critical efforts to name a prime minister and to finalize the Iraqi government -- required your presence in Baghdad. We are heartened that you finally have been rewarded with a break, and we thank you for your willingness to spend part of it with us.

We also appreciate the dedication of your Embassy team, which has worked in challenging circumstances. Your efforts have contributed to several breakthroughs in forming a government that have opened new avenues for progress. The Iraqi government under Prime Minister Maliki is inclusive and broadly representative. Significantly, it was approved by a vote of 95 percent in the Council of Representatives. Its diversity improves the prospects that the political and sectarian divisions that have cut violently into Iraqi society can be overcome to institutionalize a functional government.

But the people of Iraq desperately need their government to deliver tangible benefits. The government must begin to show progress in solving the vexing security situation that has produced daily violence, including ethnic killings and suicide bombings. The government must have a strategy for dealing with militias that are responsible for much of the ethnic violence. We are interested in the Ambassador's views of the condition of the Iraqi security forces and whether they can become a reliable force for stability.

Beyond disbanding the militias, the government must build a Ministry of Interior, a judiciary, and other civil institutions that are respected and capable of protecting the Rule of Law. The government also must establish effective institutions to fight corruption and create conditions that enable the economy to flourish. These include reliable electricity, communications and transportation; unambiguous commercial and investment laws; and the beginnings of a social safety net.

The vast potential of the Iraqi economy is reflected by its growth during the past two years, despite the violence. The Oil Ministry reported another ray of hope in late June as production rose above 2.5 million barrels of oil a day – its highest level since the war began. Notably, 300,000 barrels were being pumped from the northern city of Kirkuk to Turkey.

Prime Minister Maliki has made progress in building ethnic and regional relationships that may contribute to stability. I was encouraged by his travels to Basra, where he saw firsthand the flaring violence; his engagement of the Kurdish Regional Government in their own territory; and his instructions to his ministers that they must not simply sit in the Green Zone. This week, he embarked on a trip to Saudi Arabia and other Persian Gulf states to gather support for a

reconciliation initiative intended to bridge the gap between Shiites and Sunni Arabs. A preparatory meeting for an international compact on financial support for Iraq is scheduled to occur in Baghdad on July 20. We are interested to hear from the Ambassador on the prospects for such a compact and what it might mean for stability in Iraq.

At the heart of efforts to bring security to Iraq and end sectarian violence is Prime Minister Maliki's 24-point National Reconciliation Plan. This plan is aimed at creating among Iraqis of all ethnicities a stake in being Iraqi. It encompasses the de-commissioning and reintegration of the militias, the release of detainees who have not been charged, an effort to bring those willing to abandon violence into the political process, the re-evaluation of security activities in peaceful provinces, an appeal to regional governments to cease their support of the insurgency, and assurances to Sunnis and all minority groups that they will have a significant role in society.

We are eager for the Ambassador's assessment of whether such a reconciliation plan can be implemented. If Prime Minister Maliki can bring enough groups on board, can a reconciliation plan reduce violence, stabilize the economy, and solidify the position of the government? What is the United States doing to support this effort?

Ambassador Khalilzad, welcome back to the Committee. We look forward to our discussion with you.

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