

OPENING STATEMENT  
SENATOR RICHARD LUGAR  
NOMINATION HEARING  
NOVEMBER 21, 2003

The Foreign Relations Committee meets today to consider the nominations of Mr. David Mulford as Ambassador to India and Mr. James C. Oberwetter as Ambassador to the Kingdom of Saudi Arabia.

Mr. Mulford brings extensive public and private experience to the position of U.S. Ambassador to India. In the past ten years, he has served as Chairman and Chief Executive Officer for Credit Suisse First Boston. From 1984 through 1992 he was Undersecretary and Assistant Secretary for International Affairs at the Treasury Department. The breadth of his experience will be important as we expand and solidify our strong relationship with India.

The United States and India have worked hard to develop mutual trust and closer ties during the past few years. We have improved our counterterrorism and defense contacts, and we now conduct regular joint military training exercises. Our cooperation also is expanding through hundreds of exchanges in science, public health, law enforcement, and other fields. In the area of trade, India is gradually opening its markets. We expect to see reductions in tariffs and other trade barriers so that U.S.-India commerce can achieve its full potential. We also hope to see greater cooperation between India and the United States in the World Trade Organization.

Even as U.S.-India ties have strengthened, we are concerned about the stability of India-Pakistan relations, especially after last year's crisis. We are pleased that both countries have taken some steps to reduce tensions. Our Ambassador to India must encourage bolder steps that foster long-term stability and normalization between India and Pakistan.

We also must look for new ways to cooperate with India on nuclear non-proliferation. We have encouraged India to bring its export controls in line with international standards. However, the nuclear Nonproliferation Treaty prohibits recognition of new nuclear states, and the Nuclear Nonproliferation Act of 1978 precludes U.S. nuclear cooperation with countries that have not accepted IAEA safeguards on their nuclear facilities. While mindful of our broader global nonproliferation objectives, we still hope to find ways to work with India -- and with Pakistan -- to promote nuclear security and to encourage Indo-Pakistani dialog and confidence-building measures.

Mr. Mulford, we look forward to hearing your ideas on continuing the momentum of our relationship with India.

Mr. Oberwetter comes highly recommended by the President to take on the challenging role of guiding the U.S. Embassy in Riyadh and our Consulates in Jiddah and Dhahran. Mr. Oberwetter has worked in Governmental and Public Affairs for Hunt Consolidated Inc. for

many years. He has served his community and his state in a wide range of professional and charitable capacities. He is an accomplished executive and civic leader.

The United States relationship with Saudi Arabia has faced serious challenges during the past few years. Since September 11, 2001, many in the U.S. have criticized Saudi Arabia for not doing enough to stop terrorism and for policies that seem to contribute to extremism. These issues, along with the lack of progress on political reforms -- particularly with respect to ensuring religious freedom, women's rights and freedom of the press -- have created strains in U.S.-Saudi relations. As this committee learned in hearings, our diplomats in Saudi Arabia also must be prepared to deal with international child abduction cases and visa control problems.

The Administration has affirmed that Saudi Arabia has cooperated extensively with U.S. counterterrorism efforts. This cooperation has intensified in the aftermath of the bombings in Riyadh in May and again this month. The House of Saud, the world's largest oil producer and protector of the Islamic holy sites, recognizes that it is under terrorist attack. Beyond enhancing security, Saudi Arabia must embrace political reform, as well as address its chronic budget deficits and serious unemployment problems. These issues have a significant impact on regional stability and the global economy.

The Committee looks forward to our discussion with Mr. Oberwetter about the U.S. relationship with Saudi Arabia and his insights into U.S. policy priorities.

First, however, we will have the pleasure of hearing from our two distinguished colleagues from Texas, who will introduce Mr. Oberwetter. We welcome Senator Kay Bailey Hutchison and Senator John Cornyn. We are always honored by the presence of Senators who can speak from personal experience about a nominee.

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